

「建構亞太新局下台美關係新架構」國際論壇

"Developing a New Framework for
Taiwan-US Relations under Changing Dynamics in Asia-Pacific"



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New Framework for U.S.-Taiwan Cooperation: More Equal Partnership

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OVERVIEW: AN OPPORTUNITY

In 2011, President Barack Obama announced a "strategic rebalance" to the Asia-Pacific. At first, in an article on the U.S. "pivot" to the Pacific in October 2011, his Secretary of State did not even mention Taiwan. Then, she gave a speech on the same subject the next month in Honolulu and called Taiwan an "important security and economic partner." Taiwan always faces dynamic conditions. Optimistically, my point is that now is an opportunity, with the supportive Trump Administration, to realize the potential of a more equal and sustainable U.S.-Taiwan partnership. This pivotal moment will have implications for a long time. Confronting China's threat, Taiwan faces continued changes to its international space and autonomous prosperity, defense, diplomacy, and democracy. Taiwan needs to be strong, smart, and strategic. This pivotal moment depends on the urgent decisions of Taiwan's leaders across political parties.

PIVOTAL DECISIONS

Historical Highlights: Pivotal Moments with Lasting Consequences

Three stories show pivotal moments in history. Crucial decisions left lasting consequences. Taiwan has been left with the legacy of those decisions that changed the status quo.

In one story from 1936 called the Xi'an Incident (西安事變), a kidnapping changed the fate of China with consequences for the world even today in confronting the Communist regime in Beijing. Like in a suspenseful movie, a dramatic turn of events featured a warlord from Shenyang in northeastern Manchuria. Young Marshal Zhang Xueliang ordered his soldiers in Xi'an to attack the headquarters of Chiang Kai-shek. He hid in a cave. The Young Marshal kidnapped Chiang and demanded an anti-Japanese fight. Chiang then pivoted away from defeating the threat of the Communists in Shaanxi.

In a story from 1971, the international press has repeated the claim that the United Nations (U.N.) kicked Taiwan out and that only the People's Republic of China (PRC) represents Taiwan. This myth is part of the PRC's political warfare of a "one China" principle. This political warfare claims that U.N. Resolution 2758 of October 25, 1971, recognized Taiwan as a part of China. Even then-U.N. Secretary-General Ban Ki-moon of South Korea repeated this error in 2007. In fact, Taiwan was not in the U.N. The Republic of China

(ROC) was in the U.N. The United States, with George H. W. Bush as Ambassador, actually advocated “dual representation,” or a “one China policy but with both sides being represented.” There is an issue about whether Chiang Kai-shek pivoted the ROC away from the U.N. or the U.N. expelled the ROC. In any case, Resolution 2758 allowed the PRC in the U.N. and expelled “the representatives of Chiang Kai-shek” but did not address the status of or mention Taiwan.

In a third story that lasted eight years, Chen Shui-bian saw Taiwan enjoy initially strong U.S. support from President George W. Bush. In 2001, he declared that he would do “whatever it took to help Taiwan defend herself.” Bush approved significant arms sales and ended the Annual Arms Sales Talks. However, Chen promoted Taiwan’s de jure independence. Chen pivoted Taipei away from alignment with Washington. Assistant Secretary of State James Kelly testified to Congress in 2004 with blunt warnings to Chen against harming U.S. security interests as well as Taiwan’s own security. The consequences for Taiwan linger today.

Current Issues: a Chain is Only as Strong as the Weakest Link

Right now, there is a very strong consensus in the U.S. Executive and Legislative Branches that Taiwan’s leaders and people need to address critical issues with urgency. The Kuomintang (KMT)’s Ma Ying-jeou reduced cross-strait tension and resumed cross-strait dialogue in a strategy centered on closer engagement with China. However, in his eight years in office, Ma also caused Taipei’s divergence from Washington. Taiwan still faces the consequences of Ma’s changes. News stories have reported problems in Taiwan’s trading practices not in adherence to international rules and standards, harming agricultural businesses.

In security, first, Ma oversaw a weakening of Taiwan’s defense with cuts in military spending. Ma adopted the goal of defense budgets at 3% of GDP. The Ma Administration stated this objective in Taiwan’s Quadrennial Defense Review (QDR) of March 2009 and the National Defense Report of October 2009. However, Ma then cut Taiwan’s defense budgets in multiple years. Taiwan’s QDR of March 2013 dropped mention of spending at 3% of GDP and conceded that the defense budget as a share of the total government budget declined year by year, harming recruitment and retention. In 2014, Taiwan’s defense budget totaled \$10.4 billion. It accounted for only 2% of GDP. For comparison, South Korea’s 2014 defense budget was \$32.7 billion (2.6% of GDP). Singapore’s defense budget was \$10 billion (3.2% of GDP).

Second, making matters worse, Ma exacerbated that problem of cutting defense budgets by simultaneously ordering the change from conscription to a volunteer force. Ma failed to understand that a volunteer military actually requires more, not less, funds to recruit and retain professional personnel. Moreover, recruitment suffered from a demographic problem due to Taiwan’s widely-reported low birth rate (with a record low rate of 0.9 in 2010).

Third, Ma did not lodge strong protests, particularly to Congress, against the Bush and Obama

Administrations that obstructed notifications to Congress of pending arms sales to Taiwan. The distorted process of delaying pending programs until notifications as a so-called "package" on a single day to Congress was particularly problematic in the latter part of 2008, all of 2009, and a four-year gap from 2011 to 2015. Taiwan stayed relatively passive in face of this distortion.

In June 2013, the Taiwan-centric Democratic Progressive Party (DPP) issued a blue paper on defense policy. Significantly, the DPP stressed strengthening Taiwan's defense against China's threats and agreed to a bipartisan target of defense spending at 3% of GDP.

President Tsai Ing-wen entered office with wide expectations of correcting the erosion of Taiwan's defense. In June 2016, President Tsai welcomed visiting Senator John McCain, Chairman of the Senate Armed Services Committee. (McCain's mother has attended Taiwan's "Double Ten" event at the Twin Oaks estate in Washington, DC.) The Congressional Delegation made a point of stopping briefly in Taiwan as part of a busy trip to the Shangri-la Dialogue in Singapore. McCain emphasized Taiwan's need to meet its own goal of raising defense budgets to improve readiness and realistic training. However, Tsai sounded noncommittal.

Recently, the Tsai Administration issued a joint defense strategy and a QDR of March 2017, but with insufficient funds and warfighters for credible deterrence and defense. Defense Minister Feng Shih-kuan repeated a long-standing plea for defense spending at 3 percent of GDP. However, this year's budget amounts to NT\$350.7 billion (US\$11.5 billion), or only 2 percent of GDP. The QDR admitted constraints in money and manpower, difficulty in acquiring advanced weapons, greater cyber threats, lower public awareness about defense, and complex emergencies. (另近年來我國面對國防財力成長有限、兵力來源緊縮、籌獲先進武器不易、網路資安威脅增加、國防意識趨淡及複合型災害興起等課題，亟需正視及審慎應對。)

Taiwan needs to show its will to fight to protect its homeland and way of life. Deterrence starts in peacetime, not waiting for any coercion or conflict. Taiwan could significantly increase defense spending to its goal of 3 percent of GDP. The DPP and KMT adopted this consensus to support warfighters. U.S.-Taiwan cooperation entails burden-sharing in shared security.

Americans value support for the military. South Korea's Defense Ministry stated in January that it would not adopt a volunteer military system instead of conscription. South Korea requires all able men between ages of 18 and 35 to serve in the military for about two years due to needs of national security and defense funding. In February, the Defense Minister of Singapore stressed a strong defense in commemorating conscription on the 50th anniversary of its National Service.



AMERICAN MESSAGE: PEACE THROUGH STRENGTH

Here is a critical message for Taiwan to decide its direction in this pivotal moment. In June, U.S. officials passed a key message to Taiwan through a visiting group that was led by Chien Fu and Su Chi of the Taipei Forum. Key U.S. officials, including Advisor Matt Pottinger at the National Security Council (NSC), bluntly expressed serious concern about Taiwan's security. The message is intended to caution Taiwan against complacency about China's threat. The Trump Administration has provided strong reassurances about supporting Taiwan's self-defense. Nonetheless, Taiwan needs a credible deterrent in case of a future U.S. Administration with a different approach (e.g., isolationism). According to the Taipei Forum, the U.S. message reminded Taiwan that its security has depended on China's restraint and possible U.S. intervention, but Taiwan needs to rely on its self-defense. One question for Taiwan is: "what about four or eight years from now?" The U.S. side worries that Taiwan's defense budget has fallen no matter which party is in power and warns that Taiwan's shift away from military conscription was a mistake. (台灣的安全目前靠的是中共的自我克制與美國的可能介入；其實台灣應該更多的依靠自己來維護安全。美國現在支持台灣安全，但「四年、八年以後呢？」台灣當局長年國防預算支出不足。台灣從徵兵制轉成募兵制是錯誤的決定。)

The U.S. has reassured Taiwan. What about Taiwan's reassurances to the U.S.? A more equal U.S.-Taiwan partnership would recognize that the Taiwan Relations Act (TRA) is a two-way-street with MUTUAL obligations. In 2005, Deputy Under Secretary of Defense Richard Lawless issued a key speech at a defense industry conference of the U.S.-Taiwan Business Council. Lawless stressed that the TRA has the inherent intent for Taiwan to fulfill its own obligation to ensure a sufficient self-defense. Today, Taiwan needs to make smart choices given limited time and budgets, armed forces that deserve the people's support, and requirements to replace the military's outdated equipment with weapons systems that are affordable, survivable, and lethal at this urgent time (not way into the future).

Leadership is key. Taiwan's strategic objective is to deter and defend against China's coercion as well as use of force. The QDR warns about an existential threat to national survival (國家生存). The pivotal issue is whether President Tsai is exercising strong leadership to strengthen security by leading a whole-of-government approach that integrates diplomacy, defense, and economic reform. To avoid coercion, is Taiwan diversifying from economic dependence on China?

In June, the American Chamber of Commerce (AmCham) in Taipei, an umbrella organization that promotes U.S.-Taiwan economic engagement, issued its annual White Paper for 2017. Critically, AmCham reported that, out of 80 issues left from the White Paper in 2016, Taiwan resolved NONE of them. There was significant progress on eight issues. A more equal partnership would entail mutual benefits for U.S. and Taiwan businesses. This point is particularly true when the Trump Administration is scrutinizing deals and when Taiwan could make its own unilateral decisions to improve international trade and investment.

Taipei could generate good news. A substantive example of Taiwan's diplomacy is the "Pacific Islands Leadership Program with Taiwan" hosted by the East-West Center in Honolulu. Taiwan fully funds this program to build the capacity of leadership of many nations in the Pacific.

The Trump Administration is leading international pressure against the common threat of North Korea. Taiwan has imposed sanctions against North Korea's coal in accordance with the U.N. after buying \$4.1 million worth of that coal in 2016. Taiwan could impose more sanctions (such as a travel ban), counter cyber threats, and stress use of its early warning radar to track missiles. Taiwan can further support the rules-based international order, including freedom of navigation.

In the U.S. Congress, Members have introduced multiple bills to enhance U.S.-Taiwan ties. One question for Taiwan's Legislative Yuan: what about your actions that benefit the U.S. side?

For example, on July 24, Senators Cory Gardner and Tom Cotton introduced the Taiwan Security Act (TSA) for "mutually-beneficial" security, diplomatic, and economic ties. The TSA stressed Taiwan's plans to spend 3% of GDP on defense and to suspend economic ties with North Korea.

ISSUES FOR U.S. POLICY

The TSA addresses some issues in U.S. policy. The legislation seeks to:

- - mandate senior defense and diplomatic visits, including by U.S. flag/general officers;
- - restore the Annual Arms Sales Talks to ensure the regular transfer of defense articles;
- - direct the Secretary of Defense to invite Taiwan to participate in the 2018 Rim of the Pacific (RIMPAC) naval exercise and a 2018 Red Flag air-to-air combat exercise;
- - require U.S. Navy ship visits to Taiwan and approval for Taiwan Navy ship visits.

In general, an issue is whether to relax restrictions in contacts with Taiwan's officials. The State Department has issued "Guidelines on Relations with Taiwan" (applicable only to the Executive Branch) to restrict contacts, including official travel to Taiwan for Defense or State Department officials above the level of office director or for military personnel above the rank of O-6 (colonel, navy captain), without State's approval. Will another Cabinet official visit Taiwan?

On June 29, the Trump Administration formally advanced overdue arms sales that the Obama Administration failed to notify to Congress last year. These latest notifications could be the end of the distorted process of "packaging" individual arms sales. Taiwan needs to speak up.



CONCLUSION: CONVERGENCE INSTEAD OF DIVERGENCE

In conclusion, the ball is in Taipei's court for a U.S.-Taiwan Economic and Security Partnership. Taiwan has an opportunity, one that might never arise again in such positive, triple alignment. One, as seen in multiple bills, Congress seeks to strengthen cooperation with Taiwan. Two, the Trump Administration has reassured Taiwan in words and actions in accordance with the TRA. Three, in the U.S. military, Pacific Command (PACOM) Commander, Admiral Harry Harris, has assured Congress of PACOM's ability to fulfill U.S. commitments under the TRA and stressed "continued, regular arms sales and training for Taiwan's military." In short, the good news is that Taiwan controls proactive, unilateral decisions to enhance bilateral and multilateral partnerships. Taipei could choose closer convergence with Washington. This pivotal moment will have lasting consequences. The time is now.