



TAIWAN COMMUNIQUE

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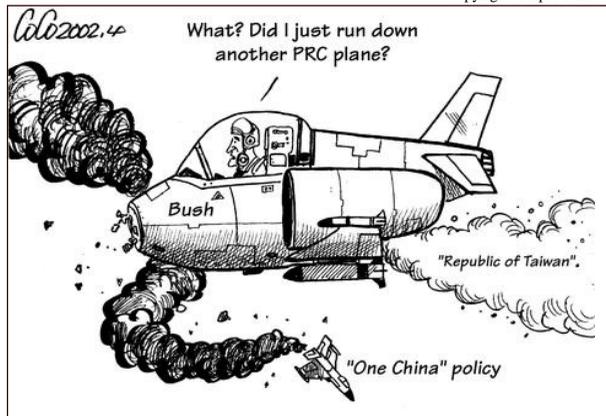
The demise of “strategic ambiguity”

During the past several months, it has become increasingly clear that the Bush Administration has ditched the old “strategic ambiguity” concept. Under this policy, previous administrations did sell defensive weapons to Taiwan, and kept a US military readiness in the Far East, but didn’t state unequivocally that the US would help defend the island in the case of an attack by China.

The tide started to change in April 2001, when the newly-elected president Bush stated that he would do “whatever it took” to help defend Taiwan. Since then, the US Administration has followed a consistent policy of gradually warming up to Taiwan, not only approving significant arms sales, but also directly assisting Taiwan in modernizing and streamlining its armed forces, and establishing better political communication and contact with the authorities in Taipei.

At the same time, the US started to urge the Chinese authorities to reduce the threat to Taiwan by dismantling the 350 + missiles positioned along the Chinese coast aiming at Taiwan, and by emphasizing a peaceful *resolution* of the conflict. In doing so, the new administration avoided the muddling and misstatements of the Clinton Administration.

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President Bush: "What? Did I just run down another PRC airplane?"

The new policy line caught the attention of both the **Far Eastern Economic Review** (“*It’s unambiguous: ‘strategic ambiguity’ is dead*”, 25 April 2002) and the **Washington Post**, which highlighted it in an article by reporter John Pomfret (“*US expresses new fondness for Taiwan*”, 30 April 2002). A State Department official was quoted as saying: “*Taiwan is not looked at as a problem anymore, but as a success story.*”

Taiwan Communiqué comment: *This new clarity of the Bush Administration is a welcome sign that the US is finally moving away from outdated policies of the 1960s and 1970s, which have no relevance to the present-day new and democratic Taiwan. A new situation requires new policies.*

The anachronistic “One China” policy should go next. It was devised at a time when there were two Chinese regimes competing for recognition as the government of China. There was no Taiwan claiming international representation yet, since the country was under the brutal repression of the Chinese Nationalists.

Since then, the Taiwanese people have turned their island into a free and democratic nation, which simply wants to be recognized as a full and equal member of the international community. If the democratic Western nations wish to uphold the principles of freedom and democracy, there is no sound reason to continue to isolate this newly democratic country of 23 million people.

Normalizing Taiwan relations

On the next few pages, you find two essays that have a normalization of policy towards Taiwan as their main theme.

The first essay is an OpEd by **Mr. James Wang**, a prominent Taiwanese journalist in Washington DC. He used the 5 April 2002 referral by President Bush to the “Republic of Taiwan” as a starting point for a discussion of the changes in US policy. Mr. Wang then presents a historical perspective, and argues that it is high time for the rest of the world — including China — to accept the reality that Taiwan has become a free and sovereign nation deserving international recognition.

The second essay is an editorial from the **Taipei Times**, which uses the 50th anniversary of the 1952 Taipei Treaty between Japan and the Chiang Kai-shek regime to shed new light on Taiwan’s international status, and urges the Chen Administration in Taipei to start an active campaign to tell the world the truth about Taiwan’s legal position under international treaty law.

It's time the world accepted reality

By James Wang, a Washington-based Taiwanese journalist. This article first appeared in the Taipei Times on 18 April 2002. Reprinted with permission.

Referring to Taiwan as “The Republic of Taiwan,” US President George W. Bush caused an uproar in China and a ripple in Taiwan.

As expected, Beijing asked for clarification and government-controlled media expressed their dismay and indignation. That is routine. No matter whether the remark is intentional or a slip of tongue, Beijing has no choice but to protest and put their position on the record. As a matter of necessity, China loads protests to the US whenever it perceives any American action as violation of its “one China” principle.

Even though Taiwan has been a separate country for more than half a century, China will do whatever it can to weaken Taiwan’s separate identity and make its claim of sovereignty over Taiwan more credible.



Taiwan's "diplomacy rowboat", held back by pro- unificationists clinging to the anachronistic "One China" rock

China would not admit it, but it is obvious that it has no legal base to claim sovereignty over Taiwan except insisting that Taiwan and the international community accept its “one China” principle. Taiwan as a democracy cannot and should not fall into this trap. Neither should the US.

In contrast to the one-voice negative reaction in China, the reactions in Taiwan were as usual more divided. The pro-independence or pro-status quo forever majority deeply appreciated hearing Bush call a spade a spade. The small but vocal pro-unification camp shared its outrage with the Chinese against Bush and presumed that Bush misspoke.

I can understand China's reaction, but I am puzzled by the reaction of the tiny pro-unification group in Taiwan, which was part of the staunch anti-communist regime in the martial-law era. Now they prefer to live in Taiwan but want to see Taiwan under China's control. To be sure, the constitutional name of Taiwan is not the Republic of Taiwan. But Taiwan is a well-known name for the area across the Taiwan Strait independent from China. Politically Taiwan is a republic. Is there a name better suited to identify this country than the Republic of Taiwan?

After more than half a century of political evolution, the ROC has been "Taiwanized," no longer claiming to be or being recognized as the government of China. The battle over China representation was over in 1971 when the ROC was soundly defeated and expelled from the UN. To continue to claim that the ROC represents China should be considered as "provocative" to China and crazy.

The only way for Taiwan to survive as an independent state is to build up its separate identity through the democratic process.

When the KMT was in power, the authorities refused to adopt a new separate identity because it could cost them their legal basis, however false it was, for ruling Taiwan. Legally speaking the sovereignty of Taiwan should belong to either the people of Taiwan or China. No wonder Chiang Kai-shek would rather have "jade broken than an earthen tile intact."

Chiang's hard line approach was not necessarily shared by all ruling mainlanders. According to recently declassified diplomatic files, then US ambassador Walter McCaughy reported to Washington after the UN expulsion in 1971 that then-vice foreign minister H. K. Yang told him that for Taiwan to survive it is necessary to declare that "the government of Taiwan is entirely separate and apart from the government on the mainland and that henceforth the government here will have nothing to do with the mainland."

According to McCaughy, Yang said that the declaration should prescribe a new designation for the government, namely, "The Chinese Republic of Taiwan." It would be stipulated that the term Chinese did not have any political connotation but was used merely as a generic term stemming from the Chinese ethnic origin of the population in Taiwan. It would be used in a way similar to the manner in which various Arab countries use "Arab" in their official government titles.

Of course, Yang's efforts are now history. But it showed that Yang understood that, technically, the legal status of Taiwan had yet to be determined.

For the ROC to have a legal case for ruling Taiwan as a sovereign state, it has to give up its claims of representing all of China — already a lost cause — and become the government of Taiwan. In that sense, Bush cited almost the same name for Taiwan as suggested by Yang some 30 years ago. Both terms point to the fact that Taiwan is a separate state.

Through democratic processes, the people of Taiwan have made it clear that Taiwan is a sovereign state. Constitutionally it is still the ROC, but it is “entirely separate and apart” from the government on the mainland and has nothing to do with China.

Eventually Taiwan may be able to call a spade a spade and everyone would be proud to be a citizen of the Republic of Taiwan, which would co-exist peacefully with its neighbors, including the PRC.

Chen must break from KMT legacy

This editorial first appeared in the Taipei Times on 29 April 2002.

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Yesterday (28 April 2002 – Ed.) was another melancholy anniversary, the 50th of the signing of the Treaty of Taipei. This was the peace treaty that ended World War II between Japan and the ROC. Much has been made of this treaty and most of it complete rubbish. It is simply one more brick in the false edifice of KMT claims to have “recovered” Taiwan.

Actually the Treaty of Taipei established no ROC claim on Taiwan for the very simple reason that the Japanese had already given up all its claims to Taiwan through the San Francisco Peace Treaty the year before. It could not transfer sovereignty of Taiwan to the ROC since it did not possess that sovereignty. In fact the Treaty of Taipei reiterates that Japan had already given up that sovereignty in the San Francisco treaty.

What the treaty represents, in fact, is Japan making peace with the government of China, which was not a party to the San Francisco deliberations because of the problem of deciding which of the rival claimants was the real one. Japan eventually decided, no doubt helped to a decision by its US overlords, that the ROC was still the legitimate government.

The only part that Taiwan and Penghu played in the treaty was in the reiteration of Japan's claim to them and the statement by Japan that henceforth it would treat these territories as part of China. Note that it didn't say it was giving them to China, because they weren't Japan's to give.

Nevertheless, when Japan switched recognition from Taipei to Beijing in the 1970s and signed a treaty with the PRC, its so called "recognition" of China's "sovereignty" over Taiwan was used by the PRC to its advantage in establishing its "one China" doctrine. As such, the Treaty of Taipei, along with the 1945 surrender of Taiwan to ROC occupying forces and the Potsdam and Cairo declarations, is part of that amazing feat of diplomatic legerdemain, China's (no matter which one's) claim to Taiwan. The simple fact is that Taiwan's status was left open in San Francisco, this was not changed in the Treaty of Taipei and the island is still, under international law, awaiting a decision on its final status by the San Francisco signatories.

That the KMT tried to cover up the lies by which its military occupation of Taiwan was disguised as "retrocession" should come as no surprise. What is depressing is the complacency with which President Chen Shui-bian has accepted the situation he inherited from the KMT. In the past two years this president has done nothing to change the world's perception of Taiwan.

The legal question of Taiwan's status needs to be better understood if only because the KMT clouded the issue for so long with its lies and its own "one China" policy, a piece of shortsightedness which played into Beijing's hands and yet may prove fatal to this democratic polity. Too much of the world thinks that China must have a claim on Taiwan but sympathizes that Taiwanese don't want to live under Chinese rule, much as it was well understood that China had a claim on Hong Kong but the residents of that colony were dubious about rejoining "the motherland."

Taiwan needs to destroy this false impression. Talking about the "Republic of China", a state that in most peoples' eyes ceased to exist in 1949, won't do. Nor will talk of Taiwan's democratic achievements, which do not in and of themselves establish a right to remain free of China's yoke. What is needed is an active campaign to tell the world the truth about Taiwan's legal position under international treaty law. That the Chen government has not done this but instead kept on with the failed diplomatic postures of its awful KMT predecessor forces us to ask why. Is the president complacent, a moral coward or simply lazy?

Kissinger transcripts show betrayal of Taiwan

In a peculiar time warp, at the end of February 2002 there was a dark flashback to the early 1970s when Mr. Kissinger tried to trade away the future of Taiwan without any involvement, representation, or consent of the people of the island.

On 27 February 2002, the **National Security Archive** at George Washington University in Washington DC release the transcripts of former US national security adviser Henry Kissinger's secret visit to Beijing in 1971 to arrange the summit which eventually led to normalization of US relations with China. The transcripts include the transcript of the meeting on 9-11 July 1971, in which Mr. Kissinger, extensively discussed Taiwan with his Chinese counterparts. The transcripts are available at the National Security Archive at the website of GWU at

<http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB66/>



Doctor removing 'Kissinger arrow' from patient Taiwan: "Yes, the marking says 'Kissinger.' It's amazing you carried it inside you for 30 years."

According to the **New York Times** (*"Records dispute Kissinger on his '71 Visit to China"*, NYTimes, 28 February 2002) the account of the meeting in the newly released documents contradicts the one that Mr. Kissinger published in his later memoirs. In his *"The White House Years,"* published in 1979, he had written that Taiwan "was only mentioned briefly" during the crucial meeting. From these transcripts we now learn that it was a major issue.

During that meeting, Kissinger spent 17 hours in negotiations with then Chinese premier Zhou Enlai from July 9 to July 11, 1971, hammering out details of the Nixon trip and drafting the Shanghai Communiqué. With his willful disregard for the position of the native Taiwanese he laid the seeds for the sheer insurmountable problems which plagued US-Taiwan-China relations over the ensuing three decades.

The records show Kissinger and Zhou discussing Taiwan's future without any consideration of the views of the people of Taiwan, while Nixon and Kissinger worked hard to make sure their decisions on Taiwan were kept a secret. They also show that Nixon wanted Kissinger to play down the Taiwan issue during the Zhou meetings, but that Kissinger decided to deal with the issue at length. In fact, the transcript shows a prolonged and detailed discussion of Taiwan, which covered nine of the 45 transcript pages.

In that first meeting, Kissinger volunteered that the US would not support the Taiwan independence movement, would not accept a "two China" or "one China-one Taiwan" policy and would recognize Taiwan as an "inalienable part" of China. He also indicated the US wanted to fully recognize China sometime within the first two years of Nixon's second term in office.

In the transcripts, both Kissinger and Zhou agreed that the relations with the Kuomintang regime on Taiwan were linked to the war in Vietnam. The US was seeking China's help in ending the war in exchange for Washington's switching diplomatic recognition from Taipei to Beijing.

They also worked out a deal on how Beijing would replace the Kuomintang's seat in the UN — Washington would withdraw its position that the question is an important one, allowing China to be voted into the world body by a simple majority vote. Taipei would be voted out by a two-thirds vote "as soon as you can get the two-thirds vote for expulsion," Kissinger told Zhou. While Washington would complain loudly about the Taiwan ouster, which its UN envoy George Bush did at the time, it would tacitly accept the switch.

Taiwan Communiqué comment: *These transcripts show that in his eagerness to get China's help in ending the Vietnam War – which didn't materialize – Mr. Kissinger tried to trade away something that wasn't his to give away: Taiwan's future as a free, democratic and independent country.*

While Taiwan had been under the repressive Kuomintang regime — which fled China in the late 1940s, but maintained its claim to sovereignty over China – the official international legal position was that Taiwan's future status was still to be determined under the provisions of the 1952 San Francisco Peace Treaty.

Mr. Kissinger's shady dealings and lack of forthrightness in 1971 contributed to the subsequent international isolation of Taiwan in the international community. It gave rise

to the “One China” fiction and perception that somehow China’s claim to sovereignty over Taiwan was justified. In fact, the PRC never ruled Taiwan for one day, while the island was a province of Imperial China for only eight years, from 1887 through 1895.

Still, it isn’t too late for the international community to right the wrongs of the 1970s. Since the early 1980s, the people of Taiwan have worked hard to turn their island into a showcase of economic development and democracy. It is time for the international community to show its recognition of these achievements by accepting Taiwan as a full and equal member.

Taiwan’s European relations improving

During the past two months, there were also signs that Taiwan’s relations with Europe are warming, albeit at a more modest scale and pace than with the US. In mid-March 2002, the European Parliament adopted a resolution backing Taiwan’s participation in the WHO, while in mid-April 2002, the Parliament included a highly important reference to “the popular will of the people of Taiwan” in a resolution supporting a peaceful resolution of the cross-strait issue.

European parliament backs WHO bid ...

On 14 March 2002, the 626-member European Parliament in Strassbourg passed a resolution backing Taiwan’s participation in the World Health Organization at the upcoming World Health Assembly (WHA) meeting slated for 14-22 May 2002 in Geneva.

“This is a very important cornerstone,” Taiwan’s Minister of Foreign Affairs Eugene Chien said of the passage of the resolution. “Although the resolution is non-binding, it however represents the strong public opinion endorsing our bid.” Chien said he hopes the resolution would help smooth Taiwan’s related lobbies in individual EU member states. It was the first time for the European Parliament, one of the three major pillars of the EU, to pass a resolution specifically endorsing Taiwan’s bid to obtain an observer status in the WHO. The resolution also calls on the European Commission, the executive body of the EU and EU member states to support that the application for observer status be granted to Taiwan at the upcoming assembly.

The annual campaign to join the WHO was started in 1997 at the urging of the DPP – still in the opposition at that time. From 1997 through 2000 the Kuomintang authorities put in a half-hearted campaign, which expectedly resulted in a rejection due to Chinese pressure. However, since coming to power in May 2000, the administration of President Chen Shui-bian has put the country's WHO bid high on its political agenda, with a cross-ministerial task force handling the issue.

Copyright: Taipei Times

During the main WHO executive board meeting in January 2002, Guatemala, Chad and Grenada — three of Taiwan's 28 diplomatic allies and members of the 32-member WHO Executive Board — submitted the motion on behalf of Taipei to put Taiwan's observer status on the provisional agenda for the WHA in May.



China truckdriver to Taiwan pedestrian: *Hey, kid. Want a ride (in the "one China" cage)?*

Although the executive board decided not to discussing the issue, the matter can still be put on the agenda of the WHA

at the urging of Taiwan's allies. To gain observer status, Taiwan needs the support of at least half the body's 191 members. The WHO has given observer status to the Vatican, Liechtenstein, the Palestinian Authority and the International Red Cross.

... and endorses "consent of people of Taiwan"

On 11 April 2002, the European Parliament adopted a resolution supporting a peaceful resolution of the cross-strait issue, which included a highly important reference to "the popular will of the people of Taiwan" in resolving the differences across the Taiwan Strait. This marks the first time that Western Europe has endorsed the consent of the people of Taiwan in resolving the island's future.

The resolution was in response to the EU Commission "communication on an EU strategy toward China: Implementation of the 1998 Communication and Future Steps

for a more Effective EU Policy.” It stated specifically that “The will and approval of the 23 million people in Taiwan must be respected and accounted for in the light of a hopefully peaceful solution between the parties.”

The resolution stressed that “any arrangement between China and Taiwan can only be achieved on a mutually acceptable basis,” while the process leading up to the solution requires both the “willingness to demonstrate flexibility ... and the capacity to be imaginative in proposing steps to resume dialogue.” The resolution called for “a peaceful resolution” of the cross-strait dispute through “negotiation, dialogue and confidence-building measures without any threat of force.”

The parliament in the resolution reiterated its support for Taiwan’s participation in the Asia-Europe Meeting (ASEM) and urged the European Commission not to delay setting up a representative office in Taipei.

Finally, the resolution called for the EU member states to issue visas to Taiwan’s high-ranking officials for private visits to the EU. This follows the refusal of France and Denmark last November to grant visas for President Chen Shui-bian to visit Europe to receive the Liberal International Freedom Award.

The National Security Bureau scandal

The Next Magazine confiscation

In mid-March 2002, two publications in Taiwan, **Next Magazine** and the **China Times**, published extensive information about two secret funds, set up in the early 1990s under former President Lee Teng-hui. One of the funds was designed to support activities to help boost Taiwan’s international diplomacy, while the other one was reportedly focused on intelligence activities in China. Both were run under the National Security Bureau (NSB), in an attempt by then-President Lee to circumvent the regular diplomatic and security channels, which he didn’t trust.

While in most Western democratic countries such articles would be considered part of the customary rough-and-tumble of the democratic process and freedom of the press, this particular situation warrants a different perspective, due to Taiwan’s special national security situation and the China threat.

The information in the two articles is based on secret NSB documents stolen some two years ago by National Security Bureau colonel (NSB) cashier Liu Kuan-chun. At that time, Mr. Liu tried to blackmail the government by threatening to defect to China and provide Beijing with secret documents unless Taiwan gave him a pardon in an embezzlement case. He didn't get the pardon, fled Taiwan and is reportedly in China.

The documents apparently also found their way to James Soong's People's First Party (PFP), which – instead of turning them in to the authorities – made them available to the two publications, in an apparent attempt to embarrass former president Lee Teng-hui. Both publications are rabidly pro-China. The author of the Next article is well-known as a mouthpiece for Beijing, and is also the younger brother of the PFP's deputy propaganda chief.

The Taiwan authorities considered the leaks so serious that they obtained a search warrant and on 19 March 2002, the offices of Next Magazine were raided by police, and 160,000 copies of the magazine were confiscated. The matter led to letters of protest to President Chen Shui-bian from the New York-based Committee to Protect Journalists (CPJ), which asked the Taiwan government “...not (to) use national security concerns as a pretext to censor reporting.”

Taiwan Communiqué comment: *Back in the 1980s we worked long and hard to end press censorship by the Kuomintang regime in Taiwan. We appreciate the assistance the CPJ provided in those dark days, but in the present situation we respectfully disagree with the CPJ assessment of the situation.*

In the present case, the raid and confiscation are regrettable, and perhaps were not necessary. However, the issue of national security is very relevant. There are apparently people — both within the NSB, in the opposition PFP and associated with Next Magazine — who have stolen documents and information related to national security issues and made them available to China.

Many people in the security services are old-style hard-liners (the same ones who were responsible for the repression and press censorship in the 1980s) whose loyalty is to unification with China. The Chen Shui-bian government has inherited this ambivalent political structure, and is trying to clean it out and open it up. It is not only hindered in making Taiwan more open and democratic by the old-style KMT and the newly-formed PFP, but the country's survival is still threatened militarily by a bullying China.

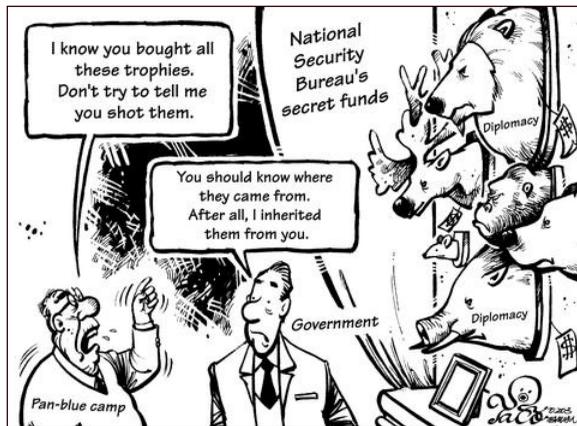
On the following pages, we present some further perspectives on this issue from the Taipei Times.

NSB furore raises loyalty question

*This editorial first appeared in the Taipei Times on 24 March 2002.
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A national security adviser interviewed by this paper a couple of days ago remarked that the furor over the National Security Bureau's (NSB) secret funding is not a freedom of the press issue, nor a matter of budgetary regulation, nor even — and if there is any secondary significance it should be this — a question of Oliver North-style secret foreign policy and a lack of accountability. It is, he said, a security issue. So it is, and almost anything else is so much smoke and mirrors.

The basis of this case is that secret documents have been removed from the nation's premier intelligence organization and given to the press. Unfortunately in the criticism



of the High Court Prosecutors' Office for carrying out the raid on Next magazine, and opposition attempts to embarrass President Chen Shui-bian for continuing a practice instituted by the principal opposition party when it was in power — preposterously hypocritical as such attempts seem — we are in danger of losing sight of this fact. National secrets have been stolen and given or sold — we don't know which — to the press, and probably passed on to Taiwan's enemies.

Obviously one focus of the investigation has to be on who stole the secrets. But just as importantly is the question why.

Conventional wisdom has so far ascribed the leak to Colonel Liu Kuan-chun, the missing alleged embezzler of NSB funds. That would be bad enough. After all Liu was the NSB's chief cashier and, in his knowledge of who was paid, where and for what, literally the keeper of the bureau's crown jewels. But another fear is now haunting the NSB, namely that there is an NSB leaker in place, conniving with the PFP — the role

of which in disseminating their information is becoming more obvious by the day — to try to cause as much damage to the government and ex-president Lee Teng-hui as possible.

Even damage control represents a huge problem. One can assume that anything the PFP knows China also knows, since the PFP makes no secret of where its loyalties lie. So does China only know what Colonel Liu knows, which would be bad enough but at least Liu hasn't been around for the last two years, or is there a more up-to-date source, leaking current secrets to the PFP and thence to Beijing?

And this of course raises the whole question of loyalty and, incidentally, of press freedom. Taiwan is at war. People too often forget this. It is in a state of war with China. It has repeatedly sought to end this but China refuses to renounce the option of unification by force. For all the talk of Taiwan investment in China and the building of cross-strait ties, China is still belligerent toward Taiwan. It is amazing therefore that there are so many in Taiwan's intelligence and security services, its military and its government ministries, in the legislature and in the media who are sympathetic to this foreign aggressor which seeks to incorporate Taiwan unwillingly, if necessary, into its empire.

What is to be done about such people? Taiwan is perhaps unique in history in having an administrative and cultural elite that actually seeks to undermine its sovereignty and hand it over to an enemy power. So far the DPP government has shied away from the question of who can be trusted, falling for the reunificationist trick whereby any questions about loyalty are called anti-democratic or provocative of ethnic division. But it's the pro-China lobby that provokes ethnic division if only by trying constantly to damage Taiwan's domestic and international interests. The NSB furor is an example of this in action. Let us hope that it focuses the mind of the government on the loyalty question at last.

The eight-inch wafer debate

On 29 March 2002, the Taiwan government announced a controversial decision to allow Taiwan's chip-makers to set up eight-inch wafer production plants in China. The chipmakers had pushed for such measures in order to lower their production costs in the face of increasing international competition, and at the same time to get a head start in the Chinese market. However, others had counseled against such a decision, since it would undermine Taiwan's international position.

The eligibility for applying to set up eight-inch wafer foundries in China will be contingent on their investment in Taiwan. In addition, they will not be eligible for application until their 12-inch wafer fabrication plants have ramped up mass production. Mr. Yu defined “mass production” as the plant’s “normal output of ordered wafers for at least six months.”

The total number of eight-inch wafer foundries set up in China, however, cannot exceed three before 2005. A cross-ministry task force will also be established to review the qualifications of the applicants and oversee the operation of such facilities in China.

Prime Minister Yu said that he is confident that Taiwan has the capability to become the global manufacturing center for 12-inch wafers in the near future. “It’s estimated that in 2005 Taiwan will have a more mature manufacturing technology for 0.13 micron process level and that Taiwan will have eight 12-inch wafer manufacturing plants set up by that time,” he said.



"Popeye" Taiwan trying to fight off China, strengthened by its own "wafer spinach."

The following is an OpEd article on the issue by Professor Chen Wen-yen, former president of the Formosan Association for Public Affairs (FAPA) in Washington.

Will Taiwan be derailed by China investment?

By Professor Chen Wen-yen, former President of the Formosan Association for Public Affairs. This article first appeared in the Taipei Times on 21 March 2002. Reprinted with permission.

It's all very well discussing the controversial decision to allow eight-inch wafer manufacturers to migrate to China in terms of its industrial, economic and security implications. But we must also consider the effects that such a technology transfer may have on Taiwan's international and diplomatic standing. Above all, we need to

consider the possible negative impact it may have on the US government and the US public, and how it may affect their support for Taiwan.

The bottom line in US policy on Taiwan is clear. The US will absolutely not accept a non-peaceful solution to the “Taiwan issue.” Further, since Taiwan is a mature democracy, any solution must be agreed on by the people of Taiwan. The US does not have a fixed opinion on whether the solution should be unification, independence or “one country, two systems,” but it does hold that the solution must be peaceful and must have the consent of the people.

US President George W. Bush has robustly and unequivocally insisted on a peaceful solution. With peace thus established as the basic premise, public opinion in Taiwan has a crucial influence on US policy. Bush has repeatedly stated his support for the American values of democracy and liberty, and if the people of Taiwan continue to support democracy and liberty and reject China’s authoritarian government and its “one country, two systems,” the US will be duty-bound to support Taiwan.

If, however, Taiwan blindly invests on a large scale in China and people move there in large numbers, enhancing Chinese power, and if Taiwan prepares to transfer technology, a signal will be sent to the US government and its people that Taiwan is slowly moving from economic to political integration with China, a signal that maybe one day, Taiwan really will become a part of China.

Such considerations may cause the US to modify its support for Taiwan. In fact, some of the more conservative of US think tanks and senators are quietly beginning to show concern over Taiwan’s future, and coming round to the view that, in its own national interest, the US should review its Taiwan policy.

Indeed, some analysts believe that one of the reasons the US declined to include AEGIS-equipped destroyers in last year’s arms sale was that the ships would fall into Beijing’s hands if Taiwan and China unified.

If Taiwan continues to allow large-scale investment in China and the transfer of its leading industries, it will become very difficult to persuade US public opinion of the need to assist in the protection of Taiwan in the event of war in the Taiwan Strait. It would be unreasonable to ask the US to sacrifice its soldiers when Taiwan’s only concern is economic gain.

I once asked a US senator to support the Taiwan Security Enhancement Act (TSEA). I talked to the senator's assistant, and he told me that Taiwan's blind push for economic investment in China was the reason for the senator's refusal to support the TSEA.

The gods help those who help themselves. The people of Taiwan preoccupy themselves with profit to the point of neglecting their own future, failing to take the kind of assertive action that would show the world that they have a burning desire to protect democracy, liberty and independence.

Such behavior may have a negative impact on the willingness of the world, and the US in particular, to support Taiwan. In the debate over investment in China, Taiwan's government must exercise the utmost care in striking a judicious balance between national security and survival on the one hand — and economic development on the other. The challenge will be a true test of its political wisdom.

Is President Chen Taiwanese or Chinese?

Mr. Li Thian-hok is a prominent member of the Taiwanese American community. This article first appeared in the Taipei Times on 29 April 2002. Reprinted with permission.

On 1 April 2002 Taiwan papers quoted President Chen Shui-bian as indicating his desire to visit his hometown in China, the village of Kejiazhuang in coastal Fujian Province. "If there is an opportunity to go to the mainland, I would like to go to my old village in Fujian." Since Chen was born in Taiwan, the use of the word "hometown" in the CNN report by Willy Wo-Lap Lam was misleading. What Chen meant was obviously his ancestral village.

In his stopover in New York City last May, President Chen hosted a reception and dinner for over a hundred Taiwanese American community leaders from the mid-Atlantic states at the Waldorf Astoria Hotel and delivered a speech in Mandarin. To the dismay of many in the audience, Chen referred to the assemblage as we Chinese (Chonkuojen). A great majority of Taiwanese Americans have strong emotional attachment to their homeland and actually will feel offended if they are called Chinese Americans.

The wrong-headed integration policy

In his New Year's Eve 2000 message to the nation, President Chen said China and Taiwan share similar history, culture and ethnicity and therefore it is the policy of his administration to strive for cultural and economic integration with China, leading to eventual political integration with the People's Republic of China. The reasons given for the goal of integration with China betray Chen's fuzzy and confused thinking about Taiwan-China relations.

Taiwan's history is dissimilar from that of China. Taiwan has been ruled by the Dutch, Koxinga, the Qing dynasty (an alien regime which ruled China from 1644 to 1911) and Japan. Taiwan's history may be characterized as an incessant struggle for liberty against foreign rulers. Taiwan has also been separated from China through most of its history. In the last 100 years, Taiwan was ruled by a central Chinese government for only four years, from 1945 to 1949.

While it is true much of Taiwan's culture has its origin in China, Taiwan has also been exposed to the influence of other cultures, particularly that of Japan during the colonial period and through education and media exposure American and European cultures as well. Furthermore, shared culture is merely one factor in the shaping of a common national identity. Korea and Japan, for example, have both adopted many elements of Chinese culture such as Confucian ethics and Chinese characters. But such cultural influences have not deflected the Koreans or Japanese from their own distinct sense of nationhood.

Race is also overrated as a basis for national consciousness. China has been conquered and ruled by barbarian tribes many times and over long periods in its history. The so-called Han Chinese race is a myth created for political purposes. Besides, Taiwan has several distinct ethnic groups. Today's dominant Hoklo and Hakka groups are quite different from their counterparts in Southern China because of intermarriage with the aboriginal inhabitants since the 17th century. In any event, it is a feudal notion to equate race with nationality. Regardless of their ethnic origin or time of arrival, all citizens who love Taiwan and pledge allegiance to Taiwan should call themselves Taiwanese. Ethnicity should not be invoked in discussing the independence-unification issue.

Defining the word "Chinese"

So when President Chen says Taiwan should integrate with China because we are all Chinese sharing the same history, culture and ethnicity, he is on very flimsy ground. It is also unclear what Chen means by the word "Chinese," because the context is not defined. He could have meant that he is a Han Chinese, a descendant of the Yellow

Emperor. Such belief, however, is an unscientific concept artificially created by political indoctrination. If Chen called himself a Chinese to express his affinity with Chinese culture, this is understandable but it may also indicate his paucity of knowledge about the unique features of Taiwan's own history, culture and value systems. In common usage, the word Chinese is frequently used to denote a person's allegiance to the nation of China, which is now understood by the international community as the People's Republic of China. This is why it is misleading and self-defeating for anyone who owes allegiance to Taiwan to call himself a Chinese!

The need for a Taiwanese national identity

Without a clear sense of Taiwanese national identity, it will be difficult for Taiwan to develop a consensus to defend its freedom, to preserve its de facto independence and to develop a viable, self-reliant economy, because businessmen would prefer to develop China's largereconomy instead. It will be difficult to build a robust military force dedicated to the island's defense because bright youngsters cannot be motivated to join the armed forces. Without patriotism, morale in Taiwan's military will be low and the officers and troops cannot be sure how firm the political leadership will be in resisting Chinese military aggression when it comes.



Confusion over national identity

Taiwan's president is not just the chief executive officer of the central government and commander in chief of the armed forces, he is also the political and spiritual leader who is charged with the responsibility to protect the life, liberty and property of the citizens from outside assault. President Chen should refrain from words and actions which will exacerbate the already dangerously confused sense of national identity among Taiwan's populace. He needs to enhance Taiwanese national consciousness by emphasizing the Taiwanese people's proud achievement in building a free market democracy out of the ashes of the Kuomintang autocracy and their common political and economic interests in maintaining a separate existence away from the destitute and repressive People's Republic of China.

Blind fear of China's growing military might and the pursuit of economic and political integration with Communist China will doom Taiwan to a bleak future of poverty, humiliation and servitude. In his speech to the Japanese Diet on 19 February 2002, U.S. President George W. Bush said: "America will remember our commitments to the people on Taiwan." In his State of the Union speech in January, President Bush promised that America will take the side of brave men and women who advocate democratic values.

Taiwan's future can be bright, although not without sacrifices, only if the government and citizens are brave enough to stand up for their freedom, human rights and dignity. No citizen can pledge allegiance to both Taiwan and the People's Republic, an adversary which openly threatens to forcefully crush Taiwan's democracy. So it is legitimate to ask President Chen: are you a Chinese or a Taiwanese?

Taiwan's security; US-Israel relations

*By Holmes Liao, research fellow at the Taiwan Research Institute in Taipei.
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Israel has reportedly agreed to pay China \$300 million in compensation for canceling the sale of the Phalcom early warning aircraft in July 2000 after the United States demanded it rescind the agreement.

The US was concerned that China could use the warplane(s) against Taiwan's jet fighters in the event of a military conflict, into which the US could be drawn. A fleet of such Phalcom planes could adversely impact Taiwan's air superiority in the longer term. Chinese armed forces could also deploy similar Israeli technologies to control the islands and sea lanes of communication in the South and East China Seas – a paramount security concern for the US Pacific allies.

To many Americans and Asians alike, China appears bent on challenging the US and establishing a muscular new position across a broad swath of Asia. The differences between US and China cover a wide range of issues: missile defense, proliferation of weapons of mass destruction, religious persecution, counter-terrorism, and Taiwan. Among these, the Taiwan issue remains the most likely potential flash point between the US and China.

Much like Israel, Taiwan's security is largely dependent on its relations with the United States - a country perceived by Beijing as being the primary obstacle to achieving its national objectives, especially the "sacred, historical mission" to unify Taiwan by force.

Since the end of the 1970s, Israel has developed close ties with China. In recent years, these ties have become particularly strong in the area of defense and US officials have repeatedly complained that Israel has not only shrugged off a welter of American criticism about its burgeoning defense relationship with China, but also missed the larger picture about potential conflict between Taiwan and China.

Israeli policymakers therefore should contemplate, from Washington's perspective, whether it would be shocking if an ally such as Israel were seeking profit from making China a more effective challenger of the US - both Taiwan's and Israel's leading patron. Israel may not care about the strategic environment that Taiwan faces, but Israel's transfer of military technologies to China flies directly in the face of US security interests in the Asia-Pacific region. Israeli survival has one dependable guarantor, and the powerful US-Israeli alliance is not without its moral dimension. After all, Taiwan, like Israel, is a democracy with a vigorous economy.

If Israel tips the military balance in East Asia, the American public may ask why the US should continue to ensure Israel's security in the Middle East. Israel is the world's sixth largest arms exporter; arms sales to China are among its most lucrative business. The military trade - amounting to more than \$1.5 billion over the past decade - also paved the way for broader trade in other dual-use and hi-tech goods.

The financial gains from selling arms to China are not without risks, however. Israel is playing a dangerous game by opening a potential conduit for high-technology weaponry to find their way into the hands of its enemies. There have been reports that China has transferred missile technologies that can be used in developing weapons of mass destruction to countries such as Pakistan, North Korea, Saudi Arabia, Syria, Iran, and Iraq. Such arms transfers may therefore not only jeopardize Israel's efforts to win US support, but also put Israeli soldiers at risk should a regional conflict erupt.

The failed Phalcom deal is a hard lesson for Israel. The US is not without double standards when it comes to arms export. Israel can't simply persuade itself that since West European countries are transferring military technologies to China, Israel is likewise free to conduct intensive military trade. Therefore, when treading the delicate geopolitical environment in East Asia, Israel ought to caution itself not to misinterpret Washington's occasional equivocal messages and run ahead of the world from time to time.

Report from Washington

Congressional Taiwan Caucus founded

On 9 April 2002, eighty-five members of the US House of Representatives established the Congressional Taiwan Caucus, a bi-partisan group, which will help increase the awareness of issues impacting the relations between the US and Taiwan.

The group will focus on “the concrete steps that Congress can take to enhance and strengthen this important economic, political, cultural and strategic relationship,” Congressman Robert Wexler said at the official launch of the caucus. “The caucus will also serve as a forum to educate members of Congress on issues affecting US-Taiwan relations as well as play a constructive role in monitoring and supporting peaceful cross-strait discussions between Taipei and Beijing,” he said.

“Finally, the caucus will serve as a medium by which legislators from the United States and Taiwan can formally exchange ideas and policy concerns,” Wexler said. He said the group does not have plans at present to initiate Taiwan-related legislation, although finding ways to help Taiwan’s bid to participate in international organizations is expected to be a priority.

“Members of the caucus will seek the administration’s endorsement of Taiwan’s participation in the World Health Organization,” said co-founder Sherrod Brown. “With the creation of the Congressional Taiwan Caucus, I am confident we will accomplish our goals and establish Taiwan as an active member of the international community,” he said. The other two co-founders are Dana Rohrabacher and Steve Chabot. A group of legislators from Taiwan, led by Trong Chai, were present at the launch in the Capitol.

Prior to the press conference where the caucus was announced, a meeting was held to discuss its future direction. The caucus is led by four joint chairmen, and three of them — Sherrod Brown, a Democrat; Steve Chabot, a Republican; and Dana Rohrabacher, also a Republican — took part in the meeting.

Rohrabacher said that the US has been preoccupied with its war against terror following the Sept. 11 attacks, but to achieve the goal of long-term national security, other threats must not be ignored. He went on to say that stability in Taiwan and the Pacific region is in the long-term interest of the US, and that the Taiwanese experience sets a good example for the future development of China.

Chabot said that Taiwan, one of its most loyal allies, is special to the US. He continued to say that Taiwan is the US' seventh largest trading partner and the 14th largest trading nation in the world, and that the Taiwan caucus would in future do its utmost to promote US-Taiwan relations.

Senate passes Taiwan-into-the-WHO resolution

On 19 March 2002, the U.S. Senate on Wednesday passed by two-thirds vote a resolution urging the Bush administration to support Taiwan's bid to rejoin the World Health Organization as an observer. An amendment to Public Law 107-10, House Resolution 2739 was passed by the U.S. House of Representatives in December 2001.

On 4 April 2002, President Bush signed the Bill into law. The bill authorizes the Secretary of State to initiate a United States plan to endorse and obtain observer status for Taiwan at the annual week-long summit of the World Health Assembly in May 2002 and asks the Secretary of State to submit a written report on the plan to Congress within 14 days after the Act's enactment.

Minister of Foreign Affairs Eugene Chien conveyed his gratitude to the U.S. Congress and the European Parliament for their staunch support of this, the country's latest bid to gain WHO observer status.

Taiwan was forced to leave the WHO in 1972 after 24 years as a full member and cofounder of the international health body when the PRC was granted China's seat in the United Nations. Since then, Beijing has adamantly opposed Taiwan's entry to any international organization for which statehood is a membership requirement.

In 1997 Taiwan began to lobby for observer status in the health body, arguing that the health of the 23 million people living on the island should take precedence over political semantics and international one-upmanship. This effort has been defeated six times due to pressure from China.

In related news, a Taipei-based newspaper reported that several members of the ruling Democratic Progressive Party are calling on Beijing to support this latest effort to join the organization. "Supporting Taiwan's WHO bid would serve as the best icebreaker for cross-strait relations," said DPP Legislator Lai Ching-teh of his entreaty to Beijing. Not unexpectedly, Beijing refused.

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