



Taiwan Communiqué

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The F-16 sale to Taiwan

A/B upgrade moves ahead but C/D in limbo

On September 21st 2011, the Obama administration officially notified Congress of the long awaited decision on F-16s for Taiwan. As had been expected for some time, it was a split-decision: yes on the upgrade of the 145 existing F-16 A/Bs in Taiwan's air force, but no on the sale of 66 new F-16 C/Ds, which were intended to replace aging Vietnam-era F-5 fighters and French Mirages.

At a House hearing titled "Why Taiwan Matters" on October 4th 2011 (see summary on pp. 15), members of Congress from across the political spectrum criticized the Obama administration of timidity in the arms deal. Chairwoman Ileana Ros-Lehtinen (R-FL) stated that the US had beaten "*a steady retreat*" from its obligations under the Taiwan Relations Act. Ranking member Howard Berman (D-CA) said that Chinese forces across the Strait were growing "*at an exponential rate*" and that Taiwan therefore needed more advanced F-16s to adequately defend itself, "*and it needs them soon.*"

Photo: US Airforce



Administration officials at the hearing, Deputy Assistant Secretary of State Kurt Campbell, and acting assistant secretary of defense for Asian and Pacific Security Peter Lavoy, defended the decision, emphasized that future sales were not ruled out, and that a possible F-16 C/D sale was

F-16 fighter aircraft

still under consideration. The officials also said they looked to China to take steps to lessen tension through its actions.

The F-16 decision had an immediate legislative response from Congress, where several pieces of legislation were introduced in support of the sale of new F-16 C/Ds in particular (for an overview of the legislation, see **Report from Washington** on pp. 15-19). Earlier both members of the House and Senate had written to President Obama urging him to move ahead with the sale; the Senate letter (sent on May 26th 2011) was signed by 45 senators, while the House letter (sent on August 1st 2011) was signed by 181 members of the House.

In Taipei the US decision was received by a subdued Ma administration, which put its best face forward and thanked the US for the upgrade of the F-16 A/Bs. However, people in the military could not hide their disappointment at the US decision, which in their view further degrades Taiwan air capabilities as it provides no replacement for the 30+ years old F-5s and the difficult-to-maintain 20-years old French Mirages.

In Beijing, the Chinese foreign ministry condemned the retrofit of the F-16 A/Bs as a “grave interference” in its internal affairs. China’s Vice-Foreign Minister Zhang Zhijun added the decision “*sent a gravely mistaken signal to pro-Taiwan independence separatist forces*” and would “*unavoidably damage Sino-American relations and co-operation and exchanges in the military, security and other fields*”.

Government-controlled publications such as the **Peoples’ Daily** published front page editorials threatening retaliations in the form of suspension of military exchanges and sanctions against American companies. US officials indicated they had received word that some exchanges had been halted already, including a tour of the US Army Chorus, which had been planned for October 2011. Below we present an analysis we wrote for **The Diplomat**, an internet publication based in Tokyo.

A lose-lose fighter decision

The Obama administration's decision to offer upgrades to Taiwan's aging F-16 fighter fleet will annoy Beijing and unsettle Taiwan

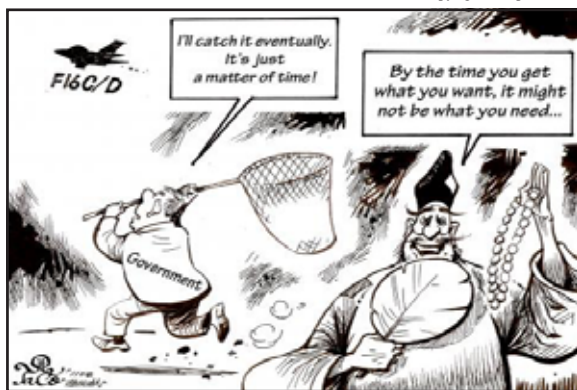
By Gerrit van der Wees. This article was first published in the Tokyo-based The Diplomat. Reprinted with permission.

On September 21st 2011, the Obama administration officially notified the US Congress of its decision to only offer Taiwan an upgrade of existing F-16 A/Bs, rather than the sale of 66 new F-16 C/Ds as the government in Taipei had requested.

The issue had already caused political shockwaves in Washington long before the decision was announced: back in May of this year, a broad coalition of 45 senators wrote to Obama urging him to ‘quickly notify Congress of the sale of 66 F-16 C/D aircraft that Taiwan needs in order to modernize its air force.’ On August 1, the House of Representatives followed suit with a similar letter, signed by a staggering 181 House members.

So what exactly is at stake here? First, airpower across the Taiwan Strait is seriously imbalanced. Taiwan has a mixed fleet of 145 existing F-16 A/Bs, 56 Mirage 2000s purchase from France in the early 1990s, 126 Indigenous Defense Fighters (IDF) that entered into service in the late 1980s, and 42 Vietnam-era F-5s, which have now been flying for more than 30 years.

All this means that out of Taiwan’s total fleet of 370 fighter aircraft, half are more than 20 years-old, while the other half is some 15 years-old. An upgrade of the existing F-16 A/Bs is therefore in order, something that the United States agrees with. You would think, then, replacing aircraft that entered service in the 1970s and 1980s would be rational and reasonable, especially in light of the breakneck pace at which Beijing has been building up its fleet.



Copyright: Taipei Times

I'll catch it eventually. It's just a matter of time!

A quick perusal of this year’s US Defence Department report on China’s military power, now inconspicuously titled ‘Military and Security Developments involving the People’s Republic of China,’ shows that China has a total of 1,680 fighter aircraft, plus 620 bombers/attack aircraft, out of which 330 and 160 respectively are stationed within range of Taiwan. Many of these are modern, advanced aircraft of the Russian Sukhoi 27 and 30 types, while China is also testing fifth-generation stealth aircraft (J-20) and carrier-based aircraft (J-15), in addition to purchasing more advanced aircraft from Russia.

The US government is therefore fully aware of this imbalance of airpower across the Strait. Last January, the Defense Intelligence Agency made an assessment of Taiwan’s air defence status, and found that it was increasingly vulnerable due to the aging of its fighter

aircraft. Back then, the Obama administration promised an air balance report by last summer. But the report still hasn't been published (sources in the administration say it has been completed by the Defence Department, but is being blocked by the National Security Council, which is anxious not to offend China).

Supporters of selling newer fighters to Taiwan had hoped that the economic arguments might convince the Obama administration to go ahead with the sale of new aircraft. As was the case in 1992, when the first President Bush announced the sale of the first batch of 150 F-16 A/B aircraft, it would bring new jobs. Indeed, according to a recent Perryman Group report, some 23,000 jobs across 10 states including Texas, California, New York, Virginia and Maryland would be created.

It's this economic argument that will be the main reason why Congress will attempt to override the decision and force the administration to go ahead with the sale. Senators John Cornyn (R-TX) and Robert Menendez (D-NJ and the co-chair of the Senate Taiwan Caucus) have already introduced legislation, the Taiwan Airpower Modernization Act, to do precisely that.

On the House side, meanwhile, the chair of the Committee on Foreign Affairs, Ileana Ros-Lehtinen (R-FL), has introduced a broader Taiwan Policy Act, which specifically includes language in support of the new F-16s. This legislation has both Democratic and Republican support, and can be expected to move quickly through Congress.

The View from Taiwan

Support for the purchase of new F-16s from the United States is one of the few issues the political parties in Taiwan can agree on. The request for 66 new F-16 C/D aircraft was initiated back in 2006 by the DPP administration of Chen Shui-bian, which saw it as a much-needed boost of the island's capabilities to defend itself against an increasingly aggressive China. Initially, President Ma Ying-jeou's Kuomintang opposed the sale and blocked it in the legislature, where the party had a majority.

However, after he came to power in 2008, Ma made a 180 degree turn and started to support the sale, as he was anxious to negotiate with China 'from a position of strength.' With presidential elections coming up in January, the Ma government has redoubled its efforts in support of the new F-16 C/Ds over the past few months, as it didn't want to be seen by the electorate as lax on defence.

The decision by the Obama administration not to go ahead with the sale of the F-16 C/Ds at the present time will be perceived by the electorate in Taiwan as a major policy failure by the Ma government. The opposition DPP had anyway accused Ma of simply going through

the motions of requesting the new F-16 C/Ds, but not being serious about Taiwan’s defence, allowing the defence budget to wither and Taiwan’s capabilities to deteriorate.

In Beijing, meanwhile, the government and People’s Liberation Army can be expected to kick up a minor storm about the proposed fighter upgrade. Behind the scenes, though, there will be some satisfaction over the fact that the strong pressure on Washington is producing results, and that China has prevented the Obama administration from adding punch to Taiwan’s air force. Beijing has been adept at using the arms sale issue in pressuring the United States: it has linked it to its cooperation on a host of other issues, such as the South China Sea, North Korea, etc. (Although on each of these issues it has gone its own way anyway).

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One thing is clear – the last word has yet to be spoken on this issue. There will be a tough debate, and the Obama administration may well have to backtrack and move ahead with the sale after all – and in the not too distant future.



Regardless, today’s decision is a ‘lose-lose’ proposition for Obama: Beijing won’t be happy, and won’t be until

Taiwan gives up its aspirations to be a full and equal member of the international community. And Taiwan isn’t going to be happy about this either.

But, more than anything, the decision doesn’t bode well for the United States’ strategic influence in East Asia, as other nations will interpret it as a retreat and a reduction of support for a key nation in the chain of nations bordering China in the Western Pacific.

Gerrit van der Wees is a former Dutch diplomat. He presently serves as senior policy advisor for the Washington-based Formosan Association for Public Affairs, and is editor of the publication Taiwan Communiqué.

Tsai Ing-wen comes to Washington

Welcomed by Congress and Administration

On September 13 and 14th 2011, DPP Chairwoman Dr. Tsai Ing-wen came to Washington on the first leg of her 9-day tour through the United States, which brought her to New York, Boston, Houston, San Francisco and Los Angeles.

In Washington, she had closed-door meetings with US Administration officials and Congress, a public speech at the American Enterprise Institute (AEI), and was welcomed to a rousing reception at Congress.

Photo: DPP

In her AEI presentation on September 13th 2011 she reiterated some of the major themes of her election campaign. A brief overview is given below. The full video can be seen on the AEI website at <http://www.aei.org/video/101504>:



Dr. Tsai Ing-wen speaking at AEI

- * The DPP cherishes the relationship with the US. Tsai said that the US was

Taiwan's most important and reliable partner in international relations. She added: *"The friendship extends deep into the emotional sentiments of the Taiwanese people who value the multiple dimensions of trade, cultural, educational and historical interactions that we have had."*

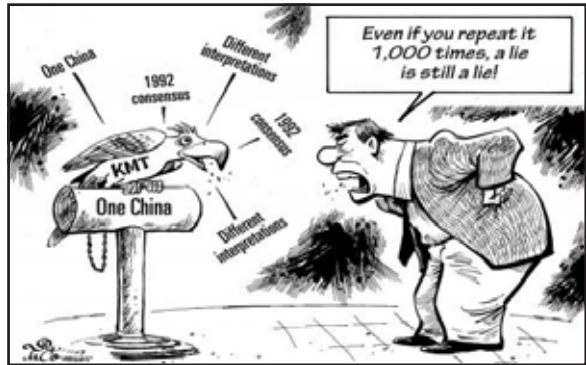
- * Her approach to China would be to strive to maintain cross-strait peace and stability, and would be in line with the 'mainstream consensus' and international expectations. She said. *"The current stalemate across the Strait is a product of the evolution of history, but the future of relations does not have to be a zero-sum situation and we are willing to take a strategic approach that benefits the people of both sides."*
- * She emphasized that there needs to be a "Taiwan consensus" before going to China to discuss and negotiate a basis to build our future relationship. She said: *"Anyone who governs Taiwan must have an accurate understanding of the practical realities as well as the wishes of the Taiwanese people and major policy must be formulated*

through democratic procedures.” She added “I have raised the concept of a ‘Taiwan consensus,’ which highlights the democratic process of decision-making and emphasizes the fact that policy is only sustainable when it is a realistic response to the consensus and needs of the people.”

- * She added there were some current political positions (referring to the so-called “1992 consensus” of the Ma government) that are too fragile for future negotiations. These positions do not amount to a solid foundation upon which China and Taiwan could build a long-term “broad coverage” relationship. “Any political precondition that is not democratically agreed upon is fragile at most and will not withstand the test of time,” she said.

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- * On Beijing’s insistence on its “one China” principle, she stated: “We acknowledge that Beijing insists on the ‘one China’ principle as its fundamental position toward Taiwan. However, Beijing must also understand the reality that the Taiwanese people, having gone through the historical processes of freeing them-



The KMT's "One China" parrot

selves from foreign rule and seeking democratization, are opposed to a one-party system and committed to upholding the independence of their sovereignty.” She added that the DPP had no “fundamental animosity” toward the people of China and that it was willing to play a proactive and constructive role in “the development of a vibrant civil society and market economy in China.”

- * On the Cross-Strait military balance, she said that it was a DPP party priority to maintain the strategic balance across the Taiwan Strait and that it would involve the Taiwan military receiving adequate support from the US “to defend ourselves.” She said that while peace and development appear to be the common lingo across the Taiwan Strait, peace must be backed by a commitment to security. She said that in spite of the conciliatory attitude of the Ma administration, China has continued to build up its advanced weapons systems and naval capabilities, tipping the balance in China’s favor.

She criticized the Ma administration for its lack of commitments to a strong defense, for allowing the defense budget to wither and Taiwan's capabilities to deteriorate. She said she would *".... welcome a decision by the US to provide Taiwan with advanced defense systems that are deemed necessary through a process of mutual consultation between our militaries and defense experts."*

Photo: DPP

She emphasized that both the US and Taiwan faced the issue of a more aggressive Chinese military with "core interest" claims that threatened the freedom of navigation and regional stability. However, she added that because of the difference in size, proximity and history, the US and Taiwanese relationships with China were "fundamentally different" in nature and "some of our policy responses may not be entirely the same."



Tsai Ing-wen welcomed at Taiwanese-American community rally near Washington

In her presentations in Washington she also emphasized that the main issues in Taiwan's election campaign were domestic socio/economic issues, jobs in particular. At the end of August she had presented a series of proposals as part of her 10-year policy guidelines, designed to bring more balanced development to Taiwan internally, reducing regional disparities. The proposals also outlined a more balanced integration of the country into the international community, relying less on relations with China and more on multi-lateral structures.

Overall, Tsai laid out six pillars for her national policy: an economy oriented toward employment, a society with fair distribution of resources, a secure and sustainable environment, a diverse and innovative education system and culture, a democracy deepened by public participation and, finally, a stable, multilateral peace strategy.

Opinion polls show tight race

The successful visit to Washington and the rousing welcome by the Taiwanese-American communities in other cities like New York, Boston, Houston, Los Angeles and

San Francisco reportedly buoyed Tsai's numbers in the opinion polls in Taiwan. A **Global Views Survey** poll of September 23rd 2011 showed Tsai narrowing the gap between her and KMT candidate, President Ma Ing-jeou, to less than one percent: in a two-way race between the two, 39.2% for Mr. Ma and 38.3% for Dr. Tsai.

The poll also showed that if Peoples' First Party candidate James Soong enters the race, Tsai actually has a slight edge over Ma: Tsai 36%, Ma 35.8%, and Soong 10%. In an earlier opinion poll, published by the Global Views Survey center on August 23rd 2011, Tsai had also clearly outpolled both Ma and Soong in several categories: clearly explaining her vision for the country's future and policies, demonstrating leadership for crisis management, and in safeguarding the island's sovereignty and security as well as securing Taiwan's interests and peace across the Strait.

The Financial Times episode

The visit to Washington had a slightly unpleasant aftermath, when on September 14th 2011, just after a meeting with Tsai and her delegation, an anonymous Obama administration official called the **Financial Times** and expressed doubts "... *about whether she is both willing and able to continue the stability in cross-Strait relations the region has enjoyed in recent years.*" The official added that it was far from clear "... *that she and her advisers fully appreciate the depth of [Chinese] mistrust of her motives and DPP aspirations*".

The State Department immediately disavowed the statement saying that "***The 'official' mentioned in the article is totally unknown to us and certainly does not speak for the Obama Administration*** (emphasis added - Ed). *As you know, the Administration does not take sides in Taiwan's (or any country's) election. It's up to the people of Taiwan to choose their own leaders in an election. Our interest is in a free, fair and open Presidential election, not in supporting or criticizing any Presidential candidate. Administration officials met this week with DPP candidate Tsai in Washington and had substantive discussions, but we do not comment on the content of those meetings.*"

As it was, the **Financial Times** remarks evoked a series of strong rebuttals from members of Congress as well as international commentators. Below, we present a very to-the-point commentary by ambassador Nat Bellocchi, who served as the chairman of the American Institute in Taiwan from 1990 to 1996.

A betrayal of mutual trust

By Nat Bellocchi. This article first appeared in the Taipei Times on September 22nd 2011. Reprinted with permission.

During her visit to Washington last week, Democratic Progressive Party Chairperson Tsai Ing-wen was well-received, meeting administration officials, speaking at think tanks such as the Brookings Institution and the American Enterprise Institute, and being welcomed at a rousing reception by members of the US Congress.

Photo: FAPA

On each occasion, she discussed her policies and outlined the major issues that play a role in her presidential election campaign. In particular, she held out an outstretched hand toward China, urging it to work on engagement on the basis of mutual respect. By all accounts, her approach was considered reasonable, responsible and constructive.



A rousing reception by members of Congress

So it came as a lightning bolt out of the clear blue sky that the Financial Times, in a report [on September 15th 2011], quoted a “senior” US official as saying that Tsai “left us with distinct doubts about whether she is both willing and able to continue the stability in cross-strait relations the region has enjoyed in recent years.”

Although the US Department of State disavowed the statement the same day, saying that “the ‘official’ mentioned in the article is totally unknown to us and certainly does not speak for the Obama administration,” the damage was done, as Tsai’s opponents jumped on the comments.

Let me explain why I think the comments quoted in the Financial Times were extremely wrongheaded, unacceptable and outright stupid.

First, it is a betrayal of the mutual trust that is both implicit and explicit in having a closed-door meeting with foreign dignitaries. It is a customary practice to only acknowledge that a meeting was held and to say that there was an exchange of views. We always impress

on our foreign visitors that an open discussion can only be held if the content remains between the participants. The official quoted in the Financial Times had committed a serious breach of confidence.

Second, the statement by the “senior” official reflects a fundamental problem in the way many think about the cross-strait issue — they are letting China dictate the terms of what is considered “stability.” As I have written earlier, the present “stability” is a fiction, as it is giving Beijing the impression that it will in due time get its way, absorbing Taiwan into its orbit.

The reality is that Beijing itself is the source of instability: It has more 1,400 missiles pointed at Taiwan and has threatened to use force if Taiwan doesn’t move into its fold. So, if the US wants real stability, it needs to lean much harder on China and convince it to accept Taiwan for what it is: a free democracy in which the people choose their own government and president.

Third, the statement quoted in the Financial Times represents an unacceptable intrusion in Taiwan’s domestic politics. As the State Department subsequently said, US President Barack Obama’s “administration does not take sides in Taiwan’s [or any country’s] election. It’s up to the people of Taiwan to choose their own leaders in an election.”

Tsai and her moderate and reasonable approach present a key opportunity to move toward true stability in the Taiwan Strait. The US needs to nurture and respect that approach and allow the democratic process in that young democracy to run its full course. That would be in keeping with the basic principles on which the US is founded.

Former President Lee Teng-hui indicted

Timing suspicious at best

On June 30th 2011, the Supreme Prosecutor's Office Special Investigation Panel in Taipei announcement that it had indicted former president Lee Teng-hui on charges of channeling money from secret diplomatic funds into a thinktank he established in 1994. The alleged transactions reportedly took place in 1994-1995, just before the former president’s trip to Cornell.

The timing of the charges is suspicious at best, because during the previous months, in May and June 2011, president Lee had come out in support of DPP presidential candidate

Dr. Tsai Ing-wen, and had strongly criticized current president Ma Ying-jeou for letting Taiwan slide closer to China.

The indictment prompted a group of forty prominent international scholars to write a letter to president Ma Ing-jeou, expressing their concern about the use of the judiciary for political purposes. The full text of the letter is given below.

In early October it was announcement in Taipei that the trial would start on October 21st 2011 in the Taipei District Court. The announcement also said that the proceedings would be behind closed-doors as “it pertains national security matters.”

International scholars write again



**Former President Lee
Teng-hui**

*Dear President Ma,
August 1st 2011*

We the undersigned, international scholars, analysts and writers from the US, Canada, Europe and Australia, have for many years been keen observers of political developments in Taiwan. We were delighted when Taiwan made its transition to democracy in the late 1980s and early 1990s, and we continue to care deeply for the country and its future as a free and democratic nation-state.

However, during the past three years many of us have felt it necessary to address publicly our concerns to you about the erosion of justice and democracy in Taiwan, most recently in April 2011 regarding the charges of the “36,000 missing documents” against a number of prominent former DPP officials. We raised these issues as international supporters of Taiwan’s democracy.

At this time we express our deep concern about the charges against former president Lee Teng-hui, often referred to as “the father of Taiwan’s democracy”, who was indicted on June 30th on charges of allegedly channeling US\$7.8 million from secret diplomatic funds into the Taiwan Research Institute. These charges and their timing raise a number of questions which are related both to the case itself and the integrity of the judicial system in Taiwan.

First, why did the prosecutors decide to pursue these charges at this time? The events allegedly occurred in 1994-1995, some 16 years ago. We have difficulty believing that the prosecutors discovered the evidence only recently, particularly in view of the fact that key evidence cited by the prosecutors was dismissed by a Supreme Court ruling in 2006 in a case involving former NSB chief accountant Hsu Ping-chiang, who was charged in connection with the missing diplomatic funds. Are these charges perhaps more directly related to the former president's outspokenness on current political issues, and in particular to the upcoming presidential election?

The second issue is one of evenhandedness: The problem with the administration of secret diplomatic funds appears to be systemic, primarily due to the lack of transparency associated with the funds and vague guidelines for their use. Hence, if the former president is now charged, should fairness not demand that there be investigations, and charges, against other high officials who served at the same time, such as the vice-president, prime minister and provincial governor, who had similar discretionary funds available to them?

Copyright: Taipei Times

The third issue relates to the impartiality of the judicial system. Since November 2008 there have been a number of indictments and charges against former DPP officials and others who were and are critical of your government. The case against former President Lee appears to be part of a deeply disturbing trend to use the judiciary against political opponents. While there is an obvious need



Lee Teng-hui indictment backfiring on KMT

to uphold the law in a democracy, this needs to be done fairly and evenhandedly, with no hint or appearance of any partiality.

Mr. President, as head of state you bear overall responsibility for the state of affairs in Taiwan. In democratic systems, proper checks and balances between the executive, legislature and judiciary are of the utmost importance. The executive and the legislature have a responsibility to exercise oversight and to balance activism in the judiciary, just as the judiciary serves a similar role with regard to the executive and

legislature. Stating that your government abides by “judicial independence” is therefore not enough. It is essential that all participants in the judicial process: prosecutors, judges, and lawyers, are fully imbued with the basic principle that the judiciary is scrupulously impartial and not given to any partisan preferences.

We, as members of the international scholarly community, are left with the impression that the indictments and practices of the judiciary in Taiwan during the past three years reflect a judicial system that is increasingly influenced by political considerations. There has been a regression in the accomplishments of Taiwan’s momentous democratization of the 1990s and 2000s. As good friends of Taiwan we are deeply unsettled by this. It undermines Taiwan’s international image as a free and democratic nation.

Mr. President, we therefore urge you and your government to ensure that the judicial system is held to the highest standards of objectivity and fairness. Taiwan has many challenges ahead of it, and it cannot afford the political divisions created by the use of the judicial system for political purposes.

Respectfully yours,

The letter was signed by a group of forty international scholars and writers, including Prof. Thomas Bartlett, La Trobe University, Australia; Prof. Jean Pierre Cabestan, Hong Kong Baptist University; Prof. Stéphane Corcuff, University of Lyon, France; Mr. Norman W. Getsinger, U.S. Foreign Service (Retired), Virginia; Mark Harrison, Senior Lecturer, University of Tasmania, Australia; Prof. Christopher R. Hughes, London School of Economics and Political Science, London; Prof. Bruce Jacobs, Monash University, Australia; Hon. David Kilgour, former Member Parliament and Secretary of State for Asia-Pacific (2002-2003), Canada; Prof. André Laliberté, University of Ottawa, Canada; Prof. Perry Link, Professor Emeritus of East Asian Studies, Princeton University.

Also signatories were: Prof. Daniel Lynch, University of Southern California; Prof. Victor H. Mair, University of Pennsylvania; The Very Rev. Bruce McLeod, former president, Canadian Council of Churches; Prof. Peter Tague, Georgetown University, Washington DC; Prof. Ross Terrill, Fairbank Center, Harvard University; Rev. Milo L. Thornberry. Author, “*Fireproof Moth, A missionary in Taiwan’s White Terror*”; Prof. Arthur Waldron, University of Pennsylvania; Prof. Josef Weidenholzer, Chair, Institute of Social and Societal Policy, Johannes Kepler University of Linz, Austria; and Prof. Michael Yahuda, Professor Emeritus, the London School of Economics & Visiting Scholar, George Washington University.

Report from Washington

House C'tee on Foreign Affairs: Why Taiwan Matters

On June 16th and October 4th 2011, the House Committee on Foreign Affairs held a two-part hearing titled “Why Taiwan Matters.” Below is a brief summary of what was said.

The June 16th session involved a total of four public witnesses, Prof. June Dreyer of the University of Miami, Mr. Rupert Hammond-Chambers, president of the US-Taiwan Business Council, former Deputy Assistant Secretary of State Randy Schriver, and Prof. Nancy Tucker of Georgetown University. All witnesses supported the sale of advanced F-16C/D fighters to Taiwan and called for closer relations with Taipei.

In her opening statement, Committee Chairwoman Ileana Ros-Lehtinen (R-FL) said that she would soon introduce new legislation “to enhance the Taiwan Relations Act [TRA].” She added that the hearing was especially timely and necessary because *“it has come to my attention that there is a new spirit of appeasement in the air. Some in Washington policy circles are suggesting that the time has come to recognize the reality of a rising China and to cut our ties to Taiwan.”* She said *“This would be a terrible mistake which would have far-reaching ramifications about how the US treats its democratic allies — its friends.”*



Congresswoman Ileana Ros-Lehtinen (R-FL)

Ranking member Howard Berman (D-CA) agreed there is strong support for Taiwan in the US Congress, and strongly urged the administration to move forward with a decision on new F-16 fighters, which Taiwan urgently needs to defend itself. He also referred to the upcoming elections in January 2012, and stated that these elections will be another sign of the political maturity of the Taiwanese people, and a signal to Beijing that a change in relations between Taiwan and China cannot be imposed by the mainland.

Prof. June Dreyer recounted how Chinese strategists perceive Taiwan as a stepping stone for reaching China’s larger goals of controlling the region’s sea lanes. “To abandon a democratic country to an authoritarian government with an abysmal human rights record is a repudiation of all that the US stands for,” she said.

She also criticized Taiwan's president Ma Ying-jeou, stating that *"In its zeal to improve relations with China, [it] has sought to avoid taking actions that will antagonize Beijing. Many, if not most of these, have come at the cost of erosions in Taiwan's sovereignty."*

Prof. Dreyer made four recommendations: The immediate sale of the F-16C/Ds to Taiwan; a complete review of Taiwan's legitimate defense needs; removal of the restrictions on contacts between high-ranking US and Taiwanese officials; and a strong affirmation of the right of the people of Taiwan to determine their own political future.

Former Dty Assistant Secretary Randy Schriver said that the US was severely neglecting its responsibilities under the Taiwan Relations Act to provide arms to Taiwan. He named a number of systems such as aircraft upgrades, submarines and F-16C/Ds, and stated that *"...a faithful interpretation of US law demands this administration provide Taiwan with these capabilities. Yet the Obama administration continues to delay response to Taiwan's requests"*.

Mr. Rupert Hammond-Chambers of the US-Taiwan Business Council, criticized the tendency of US policymakers to calibrate interests with Taiwan on the basis of the US' China policy. He used the sale of new F-16 C/Ds as an example: *"Concern over China's reaction to the sale of F-16C/Ds has spooked the US government into not moving forward on this issue. The US has exercised excessive restraint and has given Beijing ample opportunities to reduce its military posture opposite Taiwan."* He added: *"The continued US freeze on arms sales risks legitimizing China's reliance on military coercion to settle disputes."*

Prof. Nancy Tucker of Georgetown University, said that the US Congress should be much more active in ensuring that the terms of the TRA are carried out, especially as they refer to Taiwan's defense. She continued: *"There is nothing inevitable about unification of Taiwan with China or about sustaining US-Taiwan ties. Taiwan continues to need the US as a counterweight to China's growing power and influence. Congress should more actively promote positive development of US-Taiwan relations."*

At the **October 4th session**, which took place two weeks after the Obama administration had announced its decision on the F-16 sale, members of the House Committee on Foreign Relations unanimously criticized the Obama administration for not going ahead with the sale of 66 F-16 C/Ds. Some 20 members attended the hearing. Many strongly urged the administration to move ahead with the deal, and accused the administration of timidity in the face of Beijing's opposition to the deal.

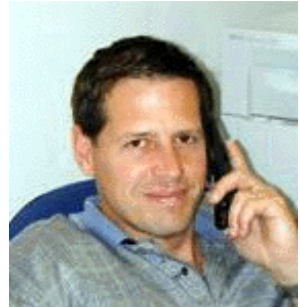
The members also wanted to ensure that the administration had not consulted in any way with Beijing on the matter. The administration officials emphasized that under the “Six Assurances” of 1982 – which prohibit any consultation with China on arms sales to Taiwan – no such consultations had taken place.

The House members emphasized that Taiwan is a democracy and a strategic ally in the region, and that the US needs to be more supportive of this democracy. Several key members also criticized the fact that high officials from Taiwan cannot visit Washington under anachronistic self-imposed US guidelines. The chair of the subcommittee on East Asia and the Pacific, Congressman Donald Manzullo (R-IL), stated that it was “time to end the ridiculous policy that high-level officials cannot visit Washington.” He added: “*Cruel and autocratic regimes like Burma receive better treatment in Washington than Taiwan does.*”



Kurt Campbell

Other members of Congress emphasized the importance of pulling Taiwan into regional frameworks, like the Trans Pacific Partnership (TPP), which is designed to be a regional economic structure for trade liberalization in the Pacific. At present Taiwan is not involved in these discussions. Another topic that was brought up was the impending inclusion of Taiwan in the Visa Waiver Program. Administration officials emphasized that a final decision was very close.



Peter Lavoy

Taiwan Airpower Modernization Act in Congress

On September 12th 2011, the Taiwan Airpower Modernization Act (TAMA - S.1539) was introduced in the Senate by Senator John Cornyn (R-TX) and Senate Taiwan Caucus co-chair Robert Menendez (D-NJ.) Nine days later, on September 21, the bill was introduced in the House by Rep. Kay Granger (R-TX) as HR2992.

The object of the Act is to assist the Obama Administration in meeting the obligations encompassed in the Taiwan Relations Act (TRA) - to provide Taiwan with weapons of a defensive nature to meet the growing threat from China. The TAMA mandates selling

66 or more F-16 C/D fighter jets to Taiwan. According to the bill, *“the proposed sale of F-16C/D multirole fighter aircraft to Taiwan would have significant economic benefits to the United States economy.”* It concludes that *“The President shall carry out the sale of no fewer than 66 F-16C/D multirole fighter aircraft to Taiwan.”*

Taiwan Policy Act introduced in the House

On September 14th 2011, House Committee on Foreign Affairs chairwoman Ileana Ros-Lehtinen (R-FL) introduced the Taiwan Policy Act (H.R. 2918) in the House. The legislation covers a wide range of policy issues related to Taiwan. It does leave the 1979 Taiwan Relations Act in place as the foundation for US relations with Taiwan, but strengthens these relations by enabling a number of measures. A brief overview of the key ingredients:



Senator John Cornyn

It reiterates a fundamental principle embedded in the Taiwan Relations Act regarding a peaceful resolution: Sec. 2(3) states: *“The future of Taiwan must be determined in a peaceful manner and with the assent of the people of Taiwan.”*

It mandates both the upgrades of existing F-16s as well as the sale of new F-16 C/D aircraft. Sec. 2(8) - *“The legislative requirement to make available defensive articles and services should include the provision of new F-16 C/D aircraft and upgrades of the existing F-16 A/B fleet essential to Taiwan’s security.”*

It endorses Taiwan’s participation in international organizations such as the International Civil Aviation Organization (ICAO): Sec. 2(12) - *“Given the critical importance of airport security in a post-September 11th international environment, the United States recognizes it is crucial for Taiwan to be admitted to meaningful participation in the International Civil Aviation Organization (ICAO) so that Taiwan may contribute to the success of a global strategy to address aviation security threats based on effective international cooperation.”*

The legislation mandates stronger economic ties between the United States and Taiwan, in particular resumption of trade negotiations under the existing TIFA network, including Taiwan in negotiations on the Trans Pacific Partnership (TPP) Agreement, and moving towards a Free Trade Agreement as the *“ultimate goal of trade negotiations with Taiwan.”*

The legislation also proposes a number of measures to remove current restrictions on how the United States and Taiwan conduct business with each other, including establishing a policy of encouraging visits by cabinet-level officials between the U.S. and Taiwan, and removing current restrictions on high-level visits, and permitting use of U.S. executive facilities to conduct meetings between the two sides.

Photo: US Airforce

The legislation calls for a reaffirmation of the 1982 “Six Assurances” to Taiwan, which included an assurance that the US did not recognize PRC sovereignty over Taiwan, and would not consult with the PRC on arms sales to the island.



F-16s flying in formation

Last but not least, the legislation takes a swipe at recent suggestions in academic circles that the US should di-

minish its support for Taiwan. In Sec. 2(15) it states: “*The theory recently put forward in certain academic circles that the United States should acquiesce to China’s ascendancy in Asia and put aside the commitments made in the Taiwan Relations Act is based upon a false premise that ignores the example of a democratic Taiwan, the historic ties of friendship of the people of the United States and Taiwan, and the determination of the United States to remain as a Pacific power*” (emphasis added).

House introduces Taiwan-into-the-UN resolution

On September 13th 2011, as the annual session of the General Assembly of the United Nations kicked off in New York, several congressmen including Reps. Scott Garrett (R-NJ), Joe Barton (R-TX), Heath Shuler (D-NC), Mike Coffman (R-CO), Dan Burton (R-IN), Kenny Marchant (R-TX) and Sue Myrick (R-NC) and Billy Long (R-MO) introduced a resolution calling for Taiwan’s full membership in the United Nations (HCR-77).

The introduction was a display of continuing support from Congress for Taiwan’s full membership in the United Nations and other international organizations. During the past fifteen years, the introduction of a UN resolution has been an annual event, coinciding with the opening of the General Assembly in New York.

Taiwan's membership continues to be blocked by China, which is insisting that it represents "all of China" – a leftover of the Civil War between the Nationalists and the Communists in China, which raged off and on between 1926 and 1949, resulting in a victory for the CCP and the establishment of the PRC.

The defeated Nationalists, which fled to Taiwan in 1949, continued to claim legitimacy as government of China, which eventually led to their expulsion from the UN and international isolation. Taiwan's democratization in the late 1980s led to a renewed thrust for UN membership, which received the backing of former presidents Lee Teng-hui and Chen Shui-bian.

However, the present Kuomintang government of President Ma Ying-jeou has edged closer to the KMT's old nemeses in China, and deemphasized the UN campaign.



**Congressman Scott
Garrett (R-NJ)**

Taiwan Communiqué comment: *It is regrettable that the world community is allowing a repressive and undemocratic China to set the agenda on Taiwan's membership in a world body that is supposed to be universal and based on the principle of self-determination. It shows how far the UN has strayed from its original principles.*

The members of Congress who are in support of this measure should be commended for maintaining high aspirations. It would be all too easy to fall back into a cynical pessimism, take China's position as a "given", and give up on Taiwan's quest to enter the UN.

But that kind of "realism" is an unforgivable affront to the basic principles of life, liberty and the pursuit of happiness, shared by the democratically-minded people of Taiwan and their supporters in the United States.

The United States also needs to move away from the self-imposed restriction that it only supports "participation" of Taiwan in international organizations "that do not require statehood." Taiwan is a nation-state by any reasonable and rational measure, and the sooner we move away from such fictions the better. These are incompatible with the principles of democracy and self-determination for which the United States claims to stand.

Book Review

Leaving Taiwan, the Dutch VOC and the rest of the story

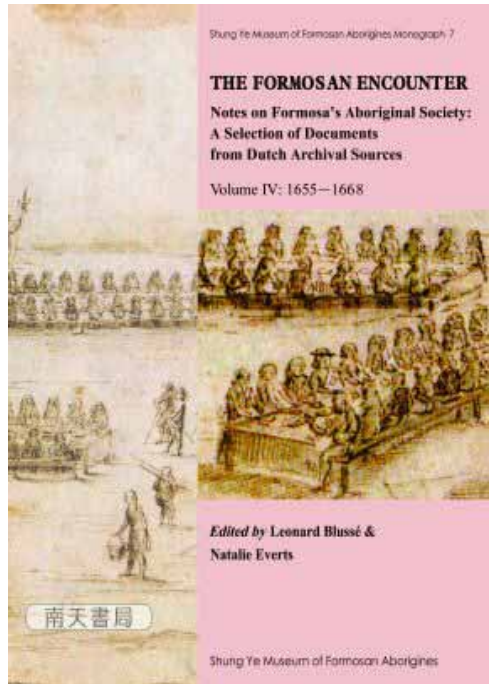
The Formosa Encounter and a Comprehensive Atlas of the VOC

reviewed by Prof. Jerome Keating

What made the Dutch East India Company (VOC) leave Taiwan? Ask any Taiwanese school boy and he will tell you that Zheng Cheng-gong (a.k.a. Koxinga) with a force of some 25,000 men captured Fort Zeelandia in 1662 after a nine months siege. But few people know that the Dutch returned.

Two new books 1) *The Formosan Encounter: Notes on Formosa's Aboriginal Society, a Selection of Documents from Dutch Archival Sources Vol. IV 1655—1668*, and 2) *A Comprehensive Atlas of the Dutch United East India Company VII: East Asia, Burma to Japan & Supplement* discuss the Dutch return, drawing heavily from Dutch archive materials.

The VOC began with an initial grant of a 21-year monopoly on the spice trade and grew from there. It had powers for waging war and levying taxes and would employ over a million people in its lifespan (1602—1800). Though the VOC had altruistic missionaries in its service it was at heart a profit-driven company answerable in the end to its stockholders.



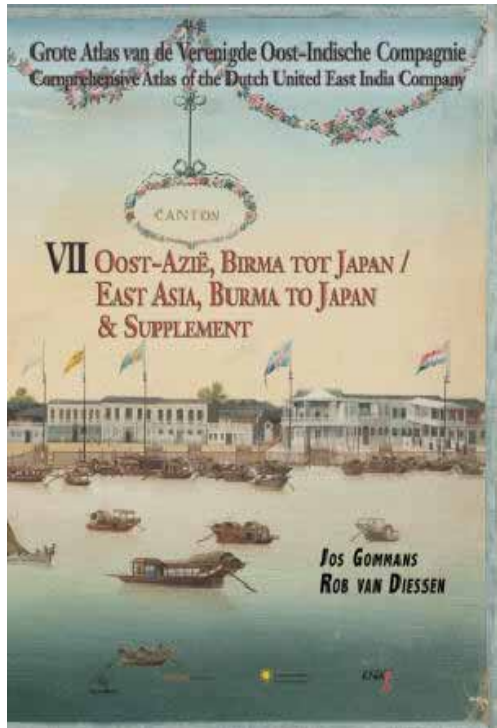
The lucrative spice trade brought the VOC to Asia; once there, many other venues of trade including silk from China opened up. The company's search for a base from which to do the Chinese silk trade brought it to Taiwan in 1624.

Fast forward past Koxinga's taking Fort Zeelandia in 1662. The Dutch still needed Chinese silk to exchange for goods and silver in Japan. Thus in the following years (1662—65),

they participated in and aided the Manchu Qing in several sea battles with the fleets of Zheng's followers and even once captured Amoy (Xiamen). While these battles did not have decisive outcomes, they did force Zheng Jing, Koxinga's son, to abandon any hopes he had had of carrying out his deceased father's dream to take the Philippines.

The Formosan Encounter Vol IV sheds light on the challenges facing the Dutch VOC as it re-took Keelung. The various documents read like business reports and assessments; the Dutch gather information, seek what happened to Dutch prisoners of 1661—1662, and try to pacify the indigenous tribes around Keelung. In 1666, Zheng's forces attack to dislodge the Dutch but fail.

In turn however, the Dutch try but do not have enough manpower to re-take nearby Tamsui. A further problem is that the indigenous people are not as cooperative as they were in the south. Ultimately, however the crucial issue is that trade via the coast of Fujian is not developing. Hopes are finally pinned on a delegation sent to the Kangxi Emperor in Beijing in 1667-68 to get trade flowing from China. It would fail.



The second work, *A Comprehensive Atlas, Vol. VII* is a massive work. It is primarily maps but these visuals provide a rich supplement to the *Formosan Encounter* volume. If one is tempted to think that the Dutch retaking of Keelung and establishing **Fort Noord Holland** was a whimsical, haphazard venture, the amount and number of detailed maps of the area from that period demonstrate that this was a serious affair. The supplemental text in this work, informs on the Dutch efforts in all of East Asia during that period as well as corresponding maps.

A strange triangular relationship now develops between the Dutch, the Qing, and the Ming loyalists on Taiwan. The Dutch will use their fleets to aid the Qing in sea battles

against Zheng's followers. Control of the Fujian coastline including Quemoy (Kinmen) and Amoy is hotly contested, for it was from there that trade with European nations could come. Zheng Jing on Taiwan let it be known that as long as his forces were in control, they would trade with others, even the Dutch.

On Taiwan, not all of Zheng's followers were happy; many found the island inhospitable. The dream of overthrowing the Qing faded and they were eager to make peace with the possibility of becoming a separate vassal state. A sticky point is the Qing insistence that they adapt the Manchu queue as a sign of submission. When Amoy is lost for the final time in 1680 and Shi Lang's forces take Penghu (1683), Zheng's followers capitulate. Like the Dutch they made their living by trade; they were not that committed to "defending Taiwan soil."

The Dutch hopes died earlier on April 30, 1668; the Kangxi Emperor not only rejected the Dutch trade mission but forbade all overseas trade. The VOC's business venture of keeping a base in Taiwan was no longer economically feasible or reasonable. In August of 1668 it was determined to abandon Keelung. Other sources of silk like Bengal and Cambodia would have to be used as well as the continued raiding of Chinese merchants going to Manila. The *Comprehensive Atlas* however indicates Taiwan was only one of many available Dutch ports for trade in East Asia. Thus in December of 1668 Fort Noord Holland was dismantled and two ships took all remaining Dutch from Keelung.

Could any lessons be learned? Diversify, diversify, and diversify. A country that depends on one market for trade and commodities will not last. The VOC had many other venues open and lasted till it went bankrupt by other causes in 1800. Zheng's followers who also lived by trade and sometimes piracy capitulated as soon as their trade links to China were severed. Should an export driven country like Taiwan depend solely on ECFA?

The full title of the books are: 1) **The Formosan Encounter: Notes on Formosa's Aboriginal Society, a Selection of Documents from Dutch Archival Sources Vol. IV 1655—1668**, by Leonard Blussé and Natalie Everts, published by Taipei Shung Ye Museum of Aborigines, October 2010. and 2) **A Comprehensive Atlas of the Dutch United East India Company VII: East Asia, Burma to Japan & Supplement** by Jos Gommans and Rob van Diessen. Published by Atlas Isaak de Graaf/Atlas Amsterdam, November 2010.

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The goals of FAPA are: 1) to promote international support for the right of the people of Taiwan (Formosa) to establish an independent and democratic country, and to join the international community; 2) to advance the rights and interests of Taiwanese communities throughout the world; and 3) to promote peace and security for Taiwan

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