

# TAIWAN COMMUNIQUÉ

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## A New Taiwan into the UN

### "We frequently achieve the impossible"

During the past few years, the months of September and October have become the highlight for the annual "Taiwan into the UN" campaign. Right now, a world body which was set up on the basis of the principle of universality is still excluding a free, democratic and independent nation of 21 million people.

The establishment of the United Nations in 1945 started a new era and a long series of declarations of independence in Asia and Africa. Because of a fluke accident of history — the occupation of Taiwan by Chiang Kai-shek's armies fleeing from China — the Taiwanese people were not able to join the international family of nations as an

independent nation right away.

Over the past four decades, the Taiwanese have, through their hard work and ingenuity, achieved one of the most prosperous economies of East Asia, and also brought about an almost full-fledged democracy. If we may paraphrase Christopher Reeve's speech at the Democratic Convention in Chicago: "Taiwanese frequently achieve the impossible."



Taiwanese demonstrating in New York for membership in the UN.

Some international observers argue against raising the Taiwan issue, saying that Taiwan's entry into the UN is "impossible" because China is in the Security Council and will block any attempt to let Taiwan join the UN.

We believe that such a position is wrong: the world should not let itself be intimidated by a repressive and dictatorial China. It should stand up for the principles on which the UN was founded: freedom, democracy, equal rights and self-determination of peoples.

In particular Western nations, which seem so eager to trade with China, have the moral obligation to make it clear to China that its acceptance as a full partner in the international community hinges on its recognition of Taiwan as a friendly, free and independent neighbor.

### The UN, a "universal organization"?

It needs to be emphasized time and again that Taiwan fulfills all basic requirements of a nation-state: it has a defined territory, a population of 21 million (greater than that of three quarters of the UN member nations), and a government which exercises effective control over the territory and the population.

Why is it important that this de-facto independent country becomes a member of the UN? First, because of the original principles of the UN itself: the world body was founded on the *principles of universality and self-determination*. If the UN is to survive as an institution that safeguards world peace, it is essential that it adheres to these principles, and apply them to the case of Taiwan.

A second reason for supporting Taiwan's membership in the UN is that this further emphasizes that *Taiwan's future is an international issue*, to be dealt with by the international community, and **not** an "internal problem" for the "Chinese on both sides of the Taiwan Straits" to decide. The responsibility of the international community stems from the San Francisco Peace Treaty of 1952, which decided that Japan ceded its sovereignty over Taiwan, and that the future status of Taiwan was to be decided in due time "in accord with the purposes and principles of the Charter of the United Nations." Certainly in those days, this term could have only one meaning: "independence."

A third reason for supporting Taiwan's entry into the UN is that over the past decade Taiwan has — due to the hard work of the democratic opposition and the overseas Taiwanese community — *achieved a democratic political system*. This argument is

especially relevant for the United States and Europe. It would be indefensible for the West to deny UN membership to a free and democratic nation, while condoning the presence of repressive, undemocratic nations such as China, Iraq, Iran, etc. This would be a flagrant violation of basic democratic principles.

### No old rival, but new neighbor

It needs to be emphasized strongly that this new Taiwan is totally different from the old "Republic of China" which was kicked out of the United Nations in 1971. As we argued before: Resolution 2758 dealt with the question who was representing China in the United Nations. It did not deal with the question of Taiwan's representation, which is a separate issue, to be resolved according to the provisions of the San Francisco Peace Treaty of 1951-52.

For China, the new Taiwan is thus not the old rival from the days of the Chinese Civil War on the mainland (a myth perpetuated by the Kuomintang authorities for many decades), but a new neighbor, which wants to live in peace with all its neighbors, including the big brother across the Straits.

### Sixteen nations propose UN resolution

On 17 July 1996, sixteen Latin American and African nations wrote a letter to the UN Secretary-General proposing that the issue of Taiwan's membership be put on the agenda of the 51st session of the General Assembly.

In an explanatory memorandum the sixteen governments argue that as a result of Resolution 2758 of 1971, which decided that the China seat at the UN would be taken by Beijing, the fundamental rights of the 21.3 million people of Taiwan to participate in international political, economic and cultural activities have "...not since 1971 been respected and protected in the same way that the rights of peoples of other States have."

The sixteen governments argue that this infringement of the collective rights of the Taiwanese violates the spirit of the 1948 Universal declaration of Human Rights, which advocates that "Everyone is entitled to all the rights and freedoms set forth in this Declaration. Furthermore, no distinction shall be made on the basis of political, jurisdictional or international status of the country or territory to which a person belongs."

The memorandum further contrasts the democratic elections on Taiwan with Chinese missile tests and landing exercises. It emphasizes that the Chinese military maneuvers threatened peace, stability and security in the Asia-Pacific region. The memorandum concludes by stating that Resolution 2758 no longer reflects that changes that have taken place since 1971, and is therefore incomplete, obsolete, and unjust. The sixteen governments propose the establishment of an ad hoc committee to study the situation.

On 18 September 1996, the UN agenda committee regrettably decided without a vote not to put the Taiwan issue on the UN agenda.

### Why the KMT's approach is still flawed

The attempts made by the Kuomintang authorities in Taipei to enter the United Nations is still flawed: it is based on the so-called "One country, two seats" approach, and uses the anachronistic name "Republic of China on Taiwan." It also refers to the examples of East and West Germany and North and South Korea to bolster their case.

As was recently argued by former DPP-legislator Chai Trong-rong in an article in the Taipei-based **Liberty Times**, the Germany and Korea examples are not relevant for the case of Taiwan. When the two Germanies were accepted in the United Nations in 1973, both East and West were already recognized as two separate states by more than 100 countries. That the two nations subsequently decided to merge, is a separate matter, not related to their entry into the UN in 1973. When the two Korea's were allowed to join the UN, some 87 countries recognized both nations.

Dr. Chai argues that there is thus no precedent for the KMT's "One country, two seats" approach, and emphasizes that — unlike the cases of Germany and Korea — not a single country recognizes both PRC and the ROC (as the KMT authorities still call themselves). This approach is thus a dead-end street.

Dr. Chai proposes that Taiwan apply as a new member under the name "Taiwan". He argues that like in the case of the Baltic States, which were also threatened by a larger neighbor, international recognition will come when a national referendum shows that the people of Taiwan want a free, democratic and independent country.

### Our Appeal

We thus appeal to the rest of the world, and particularly the United States and Europe, to live up to the principles of universality and democracy on which the United Nations

were founded, accept Taiwan as a full and equal partner, and recognize it under the heading of a new "One Taiwan, One China" policy.

Such a new "One Taiwan, One China" policy would not alter international recognition of the government in Beijing as the rulers of mainland China, but it should specifically

refer to the provisions of the San Francisco Peace Treaty of 1952, in which the members of the United Nations decided that "...the future status of Taiwan will be decided in accord with the purposes and principles of the Charter of the United Nations"

As part of this new policy, the international community needs to express clearly that:

- 1. in accordance with Art. 1.2 of the UN Charter it is the right of the people of Taiwan to determine their own future, free from outside coercion,
- the people of Taiwan have a right to membership of their country in the United Nations under the name "Taiwan", and



Taiwanese in front of the Capitol: for "One Taiwan, One China."

3. it is in China's own interest to accept Taiwan as a friendly neighbor, to end nosmnes towards the island, and to move towards peaceful coexistence, instead of perpetuating an old and ana-chronistic Civil War. The Taiwanese people didn't have anything to do with that Civil War and their future should not be held hostage to it.

The Taiwanese say "yes"

### Foreign Affairs: a new Taiwan nationalism

The July-August 1996 issue of **Foreign Affairs** published an excellent article by Ian Buruma, titled "*Taiwan's New Nationalists*." In our view, it is a "must-read" for anyone interested in Taiwan or dealing with the political issues surrounding Taiwan.

Mr. Buruma was in Taiwan during the March 1996 Presidential elections, and spoke with many people from all tiers of Taiwanese society. His main conclusion is that the old Kuomintang's absurd dream of reunification has been replaced by a new native Taiwanese desire for a free and independent country. Mr. Buruma:

"The most powerful force driving Taiwan's newborn democracy is not a rising standard of living but a peculiar kind of nationalism. It pits those Chinese whose ancestors came to Taiwan over the past several centuries against those who fled to Taiwan from the mainland in 1949. It sets the vision of an independent Taiwan against the dream of one China. At the core of the nascent democracy is the clash between Taiwan's new nationalists and China's old Nationalists."

Mr. Buruma also describes how statues of Chiang Kai-shek, which used to be prominently displayed in front of every public building in Taiwan, are quickly disappearing. He explains that this is due to the fact that the Chiangs are held responsible by the native Taiwanese for more than 40 years of repression, corruption, and discrimination.

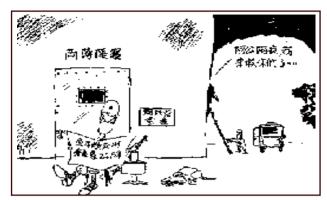
Mr. Buruma concludes his article with an interesting little episode of Japanese tourists visiting Taipei and noting the large bronze statue of generalissimo Chiang, wondering who he was. "It's the last emperor", one of them said. Old myths are thus rapidly fading, and Mr. Buruma notes that even as Beijing attempts to intimidate Taiwan, President Lee Teng-hui will go on dismantling the laws, institutions, and propaganda that kept the mainlanders in power in Taipei and their dreams of reclaiming China alive.

### No resting place for the Chiangs

One of the interesting illustrations of how things have changed in Taiwan since the repressive days of the old Kuomintang, was reflected in a Wall Street Journal article in the beginning of August 1996, which reported that — "in one of history's finest ironies" — former general Chiang Wego, a son of Chiang Kai-shek, wants the remains

of the generalissimo and his son Chiang Ching-kuo to be moved to their home village in Chekiang Province in China ("For Chiang Kai-shek, Tai-wan Fails to be haven in death it was in life", Wall Street Journal, August 8, 1996).

The article reported that the rise of democracy and



Chiang Kai-shek's heirs on the ladder: "Father, grandfather ... we've come to rescue you!"

Taiwanese nationalism in the past decade has created a powerful backlash against the Chiangs. It also stated that among the native Taiwanese, who account for about 85 percent of the island's 21 million people, hostility to the Chiang family runs deep, connected in popular memory to the 1947 Kuomintang massacre of thousands of local residents, and "... a longstanding system of discrimination that until recently gave all top government and military posts to mainlanders."

### The dangers of Chinese nationalism

Over the past few weeks, the Western press paid an inordinate amount of attention to a new book by five Chinese, titled "China can say no" ("China too, can say No," Los Angeles Times, August 15th, 1996, "China: Just Saying No to America and Yes to world power", International Herald Tribune, August 20th, 1996, and "Rebels' New Cause: a Book for Yankee Bashing", New York Times, September 4th, 1996).

These and other articles, such as Steven Mufson's excellent report on the issue ("China Puts forth persistent, caustic anti-U.S. themes", Washington Post, August 13th 1996) describe the rising anti-Western nationalism that is reportedly sweeping China, propelled by the Beijing authorities in their attempts to outmaneuver in particular the United States at every turn in foreign policy.

The authors of the "China-can-say-no" book, which was heavily promoted by the official New China News Agency, suggest "burning down Hollywood," advocate war with Taiwan, praise Cuba for "standing up to the US", and profess admiration for Iranbacked Hezbollah guerrillas.

**Taiwan Communiqué comment:** If the views expressed in the book are indeed representative of a new generation of Chinese, then China has a sorry future ahead of it. It reflects the age-old paranoia of the Middle Kingdom vis-à-vis the outside world, and it prevents the growth of China towards a modern, responsible member of the international community.

The authors' statement, that the people of Taiwan have no right to determine their own political future, is totally ludicrous. The Taiwanese have worked hard to establish one of the most democratic political systems in Asia, and have no desire whatsoever to subject themselves to a foreign nation with a repressive and undemocratic political system, with a culture that is different from theirs as the Americans are from the British, and with a level of economic development that stands at one-thirtieth of their own.

Any attempt by China at "unifying" Taiwan and China would have disastrous results for stability in East Asia, since it would be a blow to freedom and democracy, would severely damage economic prosperity, and result in endless high tension in the area.

A free, democratic and independent Taiwan is saying "No" to a dictatorial and repressive China, and say "Yes" to the world community. It intends to become a full and equal member of the United Nations, and establish diplomatic relations with all countries who adhere to the basic principles on which the UN was founded: equal rights and self-determination.

Those who hesitate to establish relations with this new Taiwan because they are so intimidated by China's bullying, need to remember that it was under the auspices of the newly-established UN that so many new nations in Africa and Asia gained their independence. The people of Taiwan have precisely the same rights.

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# China's cheating: nuclear tests, missiles, radar, and rocket technology

During the past months, China has continued its relentless drive towards further arming

itself and spreading nuclear and missile technology. This drive is taking place in spite of China's pledges to abide by the provisions of international agreements to halt nuclear testing and the spread of missile technology. Below is a short overview of major cases:

### China conducts nuclear tests

On 8 June and 29 July 1996, China set off two middle-range nuclear explosions at Lop Nor in China's Northwestern Provinces. The 20 to 80 kiloton explosions were China's 44th and 45th at the site, and were two to eight times as large as the bomb the US dropped on Hiroshima in 1945.

China was the only country still conducting nuclear testing, as the international community is attempting to move towards a **Comprehensive Test Ban Treaty** (CTBT), and all other nuclear nations have agreed to abide by a moratorium on testing until the CTBT comes into effect.

Cumbersome negotiations on the CTBT were held in Geneva from 1994 through August 1996, but then the final text was held up because India — concerned about China's new nuclear capabilities — felt that the Treaty does not do enough to spur on nuclear disarmament.

On 10 September 1996, the UN General Assembly finally adopted the CTBT, but it will only take effect after the signature and ratification of 44 specific countries, including India. This process could still take many years.

### China helps Pakistan with rocket plant

On 25 August 1996, the Washington Post reported that U.S. intelligence officials have concluded that Pakistan is building a medium-range missile factory using blueprints and equipment supplied by China. According to the report, the plant — in a suburb of Rawalpindi — will be capable in a year or two of producing a missile modeled after the Chinese M-11, a rocket capable of carrying nuclear warheads up to 320 kilometers ("China linked to Pakistani missile plant", Washington Post, 25 August 1996).

According to the Washington Post article, the U.S. has twice imposed sanctions against China for exporting missile technology to Pakistan, but lifted them after China

promised to halt such deliveries. In addition, the U.S. only recently settled a dispute with China over the export of nuclear technology and equipment to Pakistan in violation of international agreements.

However, in a peculiar twist of principles, the Clinton Administration indicated at the end of August that it would downplay the issue and would not seek sanctions against China for violating the Missile Technology Control Regime (MTCR), an international agreement which the Chinese have promised to abide by ("U.S. wary of punishing China for missile help to Pakistan", **New York Times**, 27 August 1996).

The best response to the U.S. silence was formulated by veteran New York Times columnist A.M. Rosenthal ("On my mind: the Chinese missiles", New York Times, 30 August 1996) when he wrote:

"The Clintonians have been telling the American people that through trade and talk, the U.S. can persuade the Communists to permit an open society, respect human rights and abide by international efforts against nuclear proliferation.

That policy was false in premise and has been a failure in practice. To give China's missile proliferation the public attention it should have would be to admit to the failure. Until the United States does admit it, Washington will remain a prisoner of Beijing."

Mr. Rosenthal also doesn't mince any words when describing the Republican candidate:

"On China policy, members of Congress line up not so much by party but by what their hearts and minds tell them on the critical question: to appease or not to appease. But Bob Dole told us he is not bound by the (Republican) party platform, hasn't even read it.

Maybe he ought to read at least page 84, all that stuff about Chinese military potential and proliferation activities and how America must be vigilant. Then he might talk to the voters and tell them it will be all around until and after Election Day, guaranteed."

**Taiwan Communiqué comment:** We fully endorse Mr. Rosenthal's views. Mr. Clinton needs to be much more forceful in his approach to China. The present

"ambiguous engagement" policy is merely strengthening China in its views that it can manipulate the U.S. and other Western nations by playing them out against each other.

The U.S. and Western Europe must join in a common approach to China, that emphasizes human rights in China itself and in occupied areas like Tibet, that stresses democratic values and an open ecomomy, and that prevents the sale and leakage of technology and military equipment. If they don't, then East Asia will become a tinderbox of instability.

### Will France sell military equipment to China?

In mid-September 1996 the Washington-based publication Defense News reported that the French government was rolling out the red carpet for a 32-man high-level Chinese military delegation, and was signaling its willingness to supply advanced weapons to China ("French opens arsenal door for Chinese", **Defense News**, September 16-22, 1996).

According to the report, the Chinese delegation is interested in several advanced military systems from France, including submarine technology, flight test equipment, up to 45 Crotale naval ship-based air defense systems, as well as advanced avionics and air-to-air missile technology.

During the mid-September visit, the Chinese delegation visited a French Navy shipyard at Cherbourg, which builds submarines, and the Istres Flight test center, where the program included an in-flight presentation of the French Rafale jetfighter.

# China shops for radar in Israel and Great Britain

In the beginning of August 1996, Defense News reported that in two related secret deals, the Chinese are attempting to purchase Searchwater radar systems from Britain's Racal Electronics plc. The deal is estimated at 40 million British pounds, and will equip Chinese Y-8 aircraft for operations in the Taiwan Straits and the areas around the Spratley's and Paracels ("China pits U.K. vs. Israel in AEW quest", **Defense News**, August 5-11, 1996).

According to the Defense News report, the Chinese are also negotiating with Israel Aircraft Industries (IAI) in Lod, Israel for the purchase of a Phalcom radome radar system, which provides 360-degree coverage for fighters at a range of more than 200 nautical miles. The Israeli deal is estimated at US\$ 250 million.

The military equipment purchases come in addition to a major Chinese purchase of 72 high performance Sukhoi-27 fighter aircraft from Russia (see *Taiwan Communiqué* no. 70, page 14), and the planned license to produce the Sukhoi in China. In a recent Asian Studies Center Backgrounder, the Washington-based Heritage Foundation detailed the Chinese Air Force expansion and concluded that they represent a threat to U.S. and Western interests in the region (*"China's purchase of Russian fighters: A challenge to the U.S."*, **Heritage Foundation**, July 31, 1996).

The Israeli sale appears to be part of a larger-scale trend in which — according to a separate Defense News report — "Israeli defense firms expect to make hundreds of millions of dollars in China .. through technology assistance, integration contracts and direct sales of weaponry, electronic warfare equipment and other subsystems." The technology transfer includes fighter technology for China's F-10 jetfighter program, which is largely based on Israel's Lavi advanced delta-wing canard design ("Israeli defense business shifts from Taiwan to China", **Defense News**, September 2-8, 1996).

Defense News reports that the shift was partly motivated by Israel's desire "...to persuade China not to sell sophisticated weaponry to Mideast nations hostile to Israel." However, Israeli sources admitted that "...defense ties (with China) have not yet resulted in reduced Chinese military exports to Iran, Syria, and other Mideast states."

**Taiwan Communiqué comment:** We strongly urge the British, French, and Israeli authorities to discontinue the respective sales to China immediately. It provides military assistance to a belligerent and repressive regime, which has openly threatened to use violence against its much smaller neighbors.

Taiwan and othersmaller neighbors of China view this assistance is a severe threat to their safety and security and a destabilizing factor in the East Asia region.

In particular Israel, being a small nation in between a number of hostile larger neighbors, should be sensitive to these concerns and be supportive of the Taiwanese David defending itself against the Chinese Goliath.

### The US Stinger sale to Taiwan

In response to China's threats to Taiwan, the U.S. has indicated that it will assist Taiwan with new equipment to defend itself. On 23 August 1996, the U.S. State Department announced that the U.S. would go ahead with plans to sell some US\$ 420 million worth of military equipment to Taiwan, including Stinger shoulder-fired missiles. The package has been in preparation for several years, but was finally implemented after China's military exercises and missile threats in the summer of 1995 and February-March 1996.

In a separate development, the U.S. made another positive move in August 1996 when Defense Secretary William Perry terminated the U.S.-China Joint Defense Conversion Commission (JDCC), which was set up in 1994. It offered American technology to the Chinese military for use in making civilian products. In return—the Americans hoped naïvely—China would convert its surplus defense factories to civilian purposes ("U.S. defense secretary axes his pet China project", Far Eastern Economic Review, August 22, 1996).

The decision to stop the program came after strong criticism in the U.S. Congress that the project made dual-use technology available to China, which it then used to upgrade its military capabilities. According to FEER reports in January 1996, Hua Mei Telecommunications, a Sino-US joint venture tied to the People's Liberation Army was using US technology to improve China' battlefield communications. In a related case, advanced machine tools sold by McDonnell Douglas ended up in a Chinese missile factory. The U.S. General Accounting Office and the Justice Department are investigating both cases.

# Towards the Fourth Party

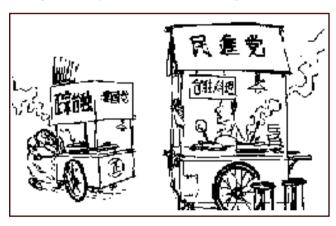
### "Nation-building Party" to be formed

A new pro-independence political party is in the process of being formed in Taiwan. The party is to be named **Nation-building Party** (NBP) in Taiwanese, and **Taiwan Independence Party** (TAIP) in English. Its leaders have declared that building an

independent Taiwan nation is the primary goal of the party. It will be officially established on 10 December 1996, International Human Rights Day, to emphasize the importance the party attaches to international human and political rights.

The driving force behind the new political party are several leading members of **Taiwan Association of University Professors** (TAUP). The most prominent are professors Lin Shan-tien and Li Yung-chih of National Taiwan University, and Prof. Chuang Chi-ming of Tam Kang University. Prof. Lin is the chief spokesman.

Until the end of 1995. these professors were ardent DPP supporters. and were popular and sought-after speakers at DPP election rallies. However, after a series of disappointing vacillations by the present DPP-leadership and a perceived weakening of the DPP's adherence to the founding principle of pursuing Taiwan independence, the university profes-



The DPP and the TAIP: A new foodstall with even more authentic Taiwanese cuisine.

sors, supported by a number social organizations, decided to go ahead and prepare for the formation of a fully pro-independence political party.

The attempts by DPP leaders Shih Ming-teh and Hsu Hsin-liang to play political power games, first by cooperating with the pro-unification New Party and recently with the ruling KMT, has deeply disappointed many of the DPP's core supporters. In December 1995, then-chairman Shih Ming-teh orchestrated a "grand reconciliation" with the pro-unification New Party and aligned himself with the NP in an unsuccessful attempt to run for the presidency of the Legislative Yuan. In the Spring of 1996, in a peculiar zig-zag change of course, the new chairman of the DPP, Mr. Hsu Hsingliang, offered to join the KMT in forming a coalition government.

These moves were seen by many DPP supporters as an attempt to gain political power at the expense of some of the party's basic principles. In the view of many, it the present DPP-leadership has no longer a clear vision for Taiwan's future. The TAUP members felt the need to form a new political party in order to keep the vision of Taiwan independence a major element in Taiwan's strategy for the

future

The NBP has received its warmest support in Kaohsiung city where volunteers have set up offices to recruit members and raise funds. The new Nation-building Party may diminish the position of the DPP, as pro-independence supporters of DPP will switch their allegiance to NBP. However, overall it will strengthen the opposition movement, as it will give opposition supporters a broader choice. A fully pro-independence party will keep the DPP honest, and at the same time send a clearer message to China and President Lee Teng-hui in future negotiations.

Whether the Fourth Party will become a force to be reckoned with on Taiwan's political landscape will of course depend on the strength of its electoral support. According to estimates in Taiwan, it could win between fifteen and twenty percent of the votes, more than the pro-unification New Party.

### The trials of trade with China

### Broken dreams of China profits

On 21 August 1996, the **San Francisco Examiner** published an excellent article about the trials and tribulations of attempting to trade with China. The article, titled "America's many broken dreams of China profits" was written by Professor **Frank Kofsky** of California State University, where he teaches history and U.S. foreign policy.

After a historical overview of America's long string of broken dreams of China profits, starting with the outfitting of first "China Clipper" by Robert Morris in 1784, professor Kofsky explains that the China trade 200 years ago led to a large trade deficit and the first economic depression in America's young history.

Professor Kofsky argues that many in the U.S. are seemingly determined to repeat the same mistakes of the past, and succumb to a "delirious infatuation with China." He concludes:

"Despite all the rose-colored rhetoric about supposed fortunes to be made and jobs to be created by selling to China, the United States runs its largest trade deficit with that country. Should the terms of trade ever likely to run in favor of the United States, you can be sure at that moment China will find a pretext for taking business elsewhere.

In short, a fantasy that still has not borne fruit after more than 200 years probably never will. It should be obvious — and probably is, to all except high-ranking makers of policy — that the current government of China is utterly ruthless, deceitful, corrupt and vicious.

It will promise almost anything — no more bootleg compact disks, no more nuclear technology to developing nations, no more AK-47's brought into the United States illicitly — but we believe its words only at our peril.

If we as a nation truly value principle over profit, the time for revoking China's most-favored-nation status is long overdue."

### President Lee steps on the brakes

Concerned that Taiwan's economy is becoming a hostage of increasing investment in China, President Lee Teng-hui recently stepped on the "China investment" brakes. In August and September 1996 he made repeated appeals to Taiwan businessmen to slow their investments in China and invest in Taiwan instead, in order to raise Taiwan's competitiveness in the international market.

President Lee's decision to cool the so-called "mainland fever" was prompted by the announcement of several Taiwanese corporations that they planned major new investments in China. After the March missile crisis and military exercises failed to intimidate Taiwan, China changed tactics by offering carrots in order to lure Taiwan into closer economic ties. China stepped up its efforts to woo Taiwanese investors by offering economic benefits. In August President Chiang Zeming received a delegation of 80 Taiwanese business leaders and urged them to invest in China.

However, on 14 August 1996, in a speech to the National Assembly, President Lee urged Taiwanese businessmen to "keep their roots" in Taiwan. He pointed out that investment in China is crowding out investment at home and has lowered Taiwan's economic growth in recent years. He announced guidelines, which would limit a company's China investment at 20 percent of its investment in Taiwan itself.

On 14 September 1996, in a speech to business leaders, President pledged new policy

changes to remove barriers in order to facilitate investment at home.

### Major Taiwan firms postpone China investment

At the end of August 1996, two major Taiwan firms, Formosa Plastics and the President Corporation announced that they were suspending plans for new major investments in China's coastal provinces. Responding to President Lee's appeal, Formosa Plastic put a freeze on its US\$ 3 billion investment in China. The President Enterprise group also announced the cancellation of a planned US\$100 million power plant project in China.

This development reverses a trend which was set in during the late 1980s and early 1990s, when Taiwanese businessmen started to invest in China, and located their factories there in order to utilize its cheap labor and lax environment policy. According to some reports, since 1989 some 30,000 Taiwanese businesses have built factories in China at a total investment of more than US\$20 billion.

**The Journalist**, a Taipei-based news magazine, reported that trade with China amounts to 8.2% of GDP. If this trend continues, the economy of Taiwan would become economically overly dependent on China, and reduce Taiwan's room for maneuver in future negotiations with China.

The **Liberty Times** also reported that investment in China is also recreating social problems at home. For the first six months of 1996, as many as 240,000 workers were out of work, about 2.6% of the work force, as Taiwan businessmen closed down their

### For a Taiwanese "Southern Strategy"

**Taiwan Communiqué comment:** It would be wise for the Taiwan authorities to follow a "Southern Strategy" and strengthen economic and political ties with the countries of Southeast Asia. Business and industry from Taiwan traditionally have a strong foothold there. Increasing those ties will reduce the over-reliance on economic ties with China.

Continuing to let business from Taiwan invest in the coastal provinces of China, will eventually give China a stranglehold on Taiwan.

If Taiwan is to gain in international stature, better ties with the nations of ASEAN are a prerequisite. And once they support a free and independent Taiwan, the rest of the world will follow.

**Second-Generation Report** 

Let us redefine our future

By Albert Hwang. During the summer of 1996, Albert was an intern at the Formosan Association for Public Affairs in Washington, DC.

A few months after my father arrived in America, my mother and brother joined him. I was born one year later in New York City. It was twenty-one years ago and my father had no desire to make the U.S. his new home. He had every intention to return to his beloved Taiwan, where he could share the "Beautiful Island" with his children. However, the opportunities the US offered his children were just too tempting. So to escape the draconian Kuomintang my father decided to stay in America. Together we set out to pursue the American Dream.



Second-Generation Taiwanese defining their future

My parents understood that my Taiwanese heritage would be as important to me as it was to them. Since I always labeled myself as a Taiwanese- American, I never understood the confusion surrounding Taiwan's international status. From a very young age it had always been clear: there is one Taiwan and one China — two separate sovereign states. But as I grew older and continued my education, I discovered that not everyone saw it as clearly as I did.

With Taiwan's democratic development and its growth into an economic powerhouse,

the world became increasingly attentive towards the situation in Taiwan. Yet, the majority of governments around the world, including the US, continued to deny the Taiwanese people their rightful place and refused to recognize the reality that China and Taiwan are separate countries. This injustice led me to become a student of Taiwan and the plight of the Taiwanese people.

Presently, I am a senior at the University of North Carolina at Chapel Hill, double majoring in International Studies with a focus on East Asian Politics and Philosophy. And through my studies I continued to arrive at the conclusion that Taiwan is Taiwan and China is China.

The international community's refusal to accept Taiwan as an equal sovereign partner has led me to work towards seeking an internationally recognized Taiwan. This past summer, I worked at the Formosan Association for Public Affairs (FAPA). While we have done invaluable work and made significant strides in altering US policy toward Taiwan, I know that ultimately the mandate must come from the Taiwanese people themselves.

Over the past weeks, we have been busy gathering congressional support for Taiwan's UN membership, WTO membership, and ensuring Taiwan's continued safety and security. When visiting various Congressional offices, the aides always ask me, "If the people of Taiwan want to be part of the international community, why do they continue to allow their government to keep Taiwan's international status ambiguous?"

Indeed, the future of Taiwan lies in the hands of the Taiwanese people. In the past, the Kuomintang's political rhetoric and betrayal isolated the 21 million people on Taiwan and doomed them to be the hostages of a Chinese civil war. But now, in 1996, the Taiwanese people have full authority in determining the future of their country. The Presidential elections in March 1996 provided Taiwan's people with the perfect opportunity to change Taiwan's international status. President Lee Teng-hui promised during his presidential campaign to continue to push for Taiwan's international recognition. But it seems that he has backed away from his bold statements since then.

My working experience at FAPA enhanced my belief that the "Republic of China myth" (of which the US outdated "One China policy" and Taiwan's absence from the UN and the WTO are the result) needs to be abolished. No matter who looks at the situation, the honest truth is that the KMT has not had control over China for the past fifty years. Despite this reality, the ROC constitution continues to state that the ROC government is the legitimate government of all of China, and that Taiwan is part of

China. Naturally, the only ones with the power to change the ROC Constitution are those people who are ruled by it — the 21 million people of Taiwan.

My summer at FAPA has taught me that even in a country as large as the US, one person with a mission and a goal can have his voice heard. The same will be true for the Tarwanese people, it they fally together to change the ROC constitution, the government will have to listen. But if they continue to allow the KMT to maintain the claim that Taiwan is part of China, Taiwan's international status will forever remain ambiguous.

While we, overseas, can create an international atmosphere that wants to side with Taiwan, it is the job of the Taiwanese to change Taiwan's domestic policy. The Taiwanese people cannot continue to portray themselves as helpless victims and cannot continue to blame other people and other governments for the problems they currently face. If Taiwan wants to take its rightful place in the international community, the Taiwanese people have the power and authority to change government policy. They must end the "Republic of China myth."

In a democratic system, a party only retains control if the people continue to vote for that party. Once the Taiwanese electorate has forced the KMT to end the ROC myth, then and only then can we all come together and redefine our future.

# European Parliament adopts Resolution on Taiwan

On 17 July 1996, the European Parliament adopted with a large majority a resolution on the role of Taiwan in the international organizations. Parties across the political spectrum adopted the Resolution, with only the leftist and communist parties voting against.

On 11 September 1996, members of the U.S. House of Representatives introduced a Resolution in the U.S. Congress endorsing the European Resolution. The U.S. Resolution was expected to be passed by the full House on 24 September 1996.

Taiwan Communiqué commends the European Parliament on this important first step in the direction of accepting Taiwan as a full and equal member of the international community. Now the European Commission and the governments of the member states of the European Union need to follow suit and start a new policy in support of Taiwan's entry into international organizations, including the UN.

The text of the European Resolution is as follows:

### On Taiwan's role in international organizations

The European Parliament, having regard to Article J.7 of the Treaty on European Union,

- A. Satisfied with the current state of Taiwan's democracy and Taiwan's respect for the principles of justice, human rights and fundamental freedom,
- B. welcoming the fact that the elections in Taiwan were conducted democratically and peacefully despite the overt aggression and provocation by the People's Republic of China,
- C. Having regard to Taiwan's wish to participate in international aid to developing countries,
- D. Having regard to the significance of developments in the political situation in Taiwan for the whole of East Asia at a geopolitical and economic level and in terms of a policy of stability, security and peace in the Western Pacific region,
- E. Welcoming the attitude of reconciliation displayed by President Lee Teng-hui towards the People's Republic of China and looking forward to a dialogue spanning both sides of the Taiwan Straits,
- F. Convinced that the people of Taiwan ought to be better represented in international organizations than they are at present, which would benefit both Taiwan and the whole of the international community,

- G. Whereas neither the European Union nor any of its Member States have diplomatic relations with the Government of Taiwan, recognizing only the People's Republic of China,
- H. Whereas Taiwan is very important to the European Union and its Member States as a trade partner,
- I. Whereas it is important for the European Union and its Member States to develop their relations with the governments of both the People's Republic of China and Taiwan in an amicable and constructive spirit,
- J. Urging the governments of the People's Republic of China and Taiwan to intensify their cooperation,
- K. Stressing that participation by Taiwan in certain international organizations can assist with finding common ground between China and Taiwan and facilitate reconciliation between the two sides,
- L. Regretting the fact that Taiwan at present is prevented from making a full contribution to the United Nations and its agencies, and stressing that, for the efficiency of the UN, Taiwan's participation would be desirable and valuable,
- 1. Urges: (a) the Council and Member States to support Taiwan's attempts to secure better representation than it currently enjoys in international organizations in the fields of human and labour rights, economic affairs, the environment and development cooperation following the precedent of certain cases, known to international law, of countries recognized as independent and sovereign even though the nature of their diplomatic connections and the person of their head of state did not display the full symbolic panoply of complete sovereignty (e.g. Her Britannic Majesty's Dominions, American Samoa, or, until recently, the Ukraine and Belarus);
- (b) the Council and Member States to ask the United Nations to investigate the possibility of setting up a UN working group to study the possibility for Taiwan to participate in the activities of bodies answer-

able to the UN General Assembly;

- (c) the Council and Member States to encourage the governments of the People's Republic of China and Taiwan to intensify their cooperation in a constructive and peaceful spirit;
- (d) the Council to Urge the Commission to adopt measures with a view to opening a European Union information office in Taipei;
- 2. Instructs its President to forward this resolution to the Council and to the Commission.

# Taiwan on the Internet

During the past few months, we have expanded our Internet



"Half-faced Mountain" near Kaohsiung

homepage, which was set up jointly in January 1996 by *Taiwan Communiqué* in cooperation with three other Taiwanese organizations in the United States, the Center for Taiwan International Relations (CTIR), the Formosan Association for Public Affairs (FAPA), and the DPP Mission in the United States, all located in the Washington D.C. area.

If you haven't visited us yet, come and drop in at our homepage at URL:

### http://ourworld.compuserve.com/homepages/taiwan/

We have many pages with a broad range of information on Taiwan, including the "Enter-the-UN" campaign, current events, Taiwan's history, links to other Taiwanese organizations, culture and folklore, and much more.

### Culture, Festivals and Folk Stories