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Blunder out of China Selling out Taiwan's future

Mr. Clinton went to China. While few people disagree with his attempts to advance human rights, democracy, and openness in general in China, he committed two major mistakes with regard to Taiwan, damaging the right of the people in Taiwan to determine their own future, and selling out Taiwan's future in exchange for airtime in Beijing.

In his speech at Beijing University, he said that U.S. policy is "no obstacle to peaceful reunification of China and Taiwan." We would like to remind him that it has always been U.S. policy to be in favor of a peaceful *resolution* of the tension across the Taiwan Straits. The word "reunification" does not appear in the Taiwan Relations Act or in any other U.S. policy document.

However, it was the second blunder, in Shanghai, which was the most damaging one. There, in a June 30th meeting with academics, he became the first American President to publicly pronounce the so-called "three noes" (no US support for "One Taiwan, One China", for an independent Taiwan, and for Taiwan membership in the UN).

While the U.S. had up until now not expressed open support for either Taiwan independence or Taiwan membership in international organizations, it had also *not* expressed "no support" either. Mr. Clinton's pronouncements thus constitute a significant deviation from existing U.S.



policy, and a slap in the face of the democratic movement in Taiwan, which has worked so hard for self-determination, independence, and acceptance of Taiwan in the international community.

However, upon Mr. Clinton's return to Washington, the Administration added further to the confusion it had created by stating that there had been "no change" in U.S. policy towards Taiwan.

On the following pages we present some reactions. First, an open letter to Mr. Clinton, secondly an overview of reactions in the press, and



Taiwanese rally in DC on 18 June 1998

thirdly a summary and analysis of the Congressional reactions.

An open letter to Mr. Clinton

Mr. Clinton, when you were in China, you expressed views on Taiwan and its future. First, when you discuss the future of another nation, don't you think it would be proper to discuss that **with** that other nation itself? We Taiwanese have worked long and hard to establish a free, open and democratic political system. We have democraticallyelected political leaders. **Please discuss our future with us**, and not with Communist dictators in China.

Secondly, as you should have known, "reunification" is **not** U.S. policy. The word does not appear in any U.S. policy document, and has not appeared in the US lexicon. If it was a slip of the tongue, we suggest that you show yourself to be a true statesman, admit that this was the case, and issue a rectification.

Thirdly, your "three no" pronouncement was a major political blunder. It was a significant departure from the fine line, which earlier administrations maintained. We don't have to remind you that this was recognition of the regime in Beijing as the government of China, but only "acknowledgement" (but no acceptance or recognition) of China's claim to Taiwan.

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Mr. Clinton, your statements are emboldening China to move even more aggressively in isolating Taiwan, and are limiting Taiwan's options in any future negotiations. Already, China is telling the Taiwan authorities "to face reality" (*Washington Post*, 10 July 1998), and is significantly increasing pressure on Taiwan.

To tell the Taiwanese people that you do not support their independence, but that they should determine their future by sitting down at a negotiating table with the Chinese Communists, is like telling the Jewish people in 1947 that they cannot have an independent State of Israel, and should sit down and negotiate their future with Nazi Germany.

The disingenuous statements by your spokesman McCurry and by Secretary of State Albright that there has been "no change" are both erroneous and onerous. As was stated in the **Wall Street Journal** (editorial, 2 July 1998), "anyone who reads English can see that this is miles beyond...the careful ambiguity in earlier formulations."

However, the three Communiqués and even the Taiwan Relations Act must be seen against the background of those days. **Taiwan of today is a totally different country** from what it was in 1972 or 1979. At that time it was ruled by a repressive Kuomintang regime, which maintained the fiction that it was the government of all of China.

In the Taiwan of today, we Taiwanese have crafted a nation, with a democratic government, a vibrant economy and political system, and we have a desire to be accepted as a full and equal member by the international community — just like all other nations in Asia and Africa, which received their independence in the decades following the establishment of the United Nations.

Mr. Clinton, times have changed, and it is time to change U.S. policy, for the better – not for the worse. We strongly urge you to clearly express U.S. support for the right of the people of Taiwan to determine their own future, under the principle of self-determination as enshrined in the Charter of the United Nations.

We also urge you to state that the U.S. will support membership by a free and democratic Taiwan in the United Nations and other international organizations. Failure to do so will undermine U.S. credibility as a champion of freedom and democracy around the world. Only such a clear and unambiguous statements will bring lasting peace and stability to East Asia, and undo the damage done in Beijing and Shanghai.

Mei-chin Chen, Editor, Taiwan Communiqué

Reactions in the press

The press generally applauded the visit as a whole, and particularly Mr. Clinton's statements on human rights and the importance he attaches to democracy. However, the reactions to the "three no" statements on Taiwan were extremely critical.

The **Washington Post** published an excellent editorial only two days after the statements. In the editorial, titled *"Siding with the dictators"* (Washington Post, 2 July 1998) the Post said that Mr. Clinton's statement were "...what China wants to hear", and that it did constitute a change of policy, "...and not for the better."

The Post stated that it is inappropriate for Mr. Clinton at this time to rule out independence or any other option the Taiwanese people eventually might choose. It added that Mr. Clinton was "...trading away the human rights of Taiwan's 21 million people and sending an unfortunate signal to other democracies that might hope to rely on U.S. moral support."

The Post emphasized that Mr. Clinton was also significantly weakening Taiwan's bargaining power if and when Taiwan and China begin negotiations. It concluded: "By explicitly slamming the door on (Taiwan's campaign to enter international organizations), Mr. Clinton has sided with the dictators against the democrats. To pretend this is no change only heightens the offense."

On the same day (2 July 1998) the **Wall Street Journal** also published an excellent editorial, titled "*Bill's kowtow*". It stated that Mr. Clinton's kowtow "...is likely to set off a cycle of reactions and counterreactions that will ultimately damage rather than improve Sino-American relations."

The Journal emphasized that while Mr. Clinton got only some symbolic airtime of Chinese TV, Jiang Zeming was "...carving the next slice of salami towards the Chinese goal of getting the U.S. to coerce Taiwan to join China, or alternatively to stand aside while China invades."

The Journal concluded it editorial as follows: "Taiwan is now plainly a democratic nation, and has every right to determine its own future. In the end, the U.S. will not resist this principle, whatever Mr. Clinton said in Shanghai this week. The danger in Mr. Clinton's words is that the Chinese leaders who heard them will not only be disappointed but turn truculent."

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A few days later, the **Wall Street Journal** published an article by Professor Parris Chang, a prominent DPP-member of the Legislative Yuan in Taiwan himself *("Clinton sold out Taiwan's future"*, WSJ, 7 July 1998). Professor Chang wrote that in China, Mr. Clinton did speak out in support of human rights and civil liberties, but then severely undermined his own message by expressing "no support" for the right of Taiwan to determine its own future.

Professor Chang stated that Mr. Clinton's "three no" statement "...gives China's dictators the opportunity to beat Mr. Clinton over the head with his very own words anytime Beijing feels Washington is straying too far from its abstruse "One China" policy." He also said that "any negotiations ... now will be fatally compromised, because Taiwan can no longer negotiate from a position of strength..."

He added that "...Mr. Clinton's concession to Beijing may make a military confrontation across the Taiwan Strait more likely, because the Chinese will interpret his remark as a sign of weakness that they can exploit." He gave the example of Taiwan President Lee Teng-hui's visit to Cornell in 1995: the subsequent missile crisis was primarily caused by the fact that the State Department had maintained during the previous year that Mr. Lee would not be allowed to visit, and was then overruled after nearunanimous resolutions in Congress. The crisis deepened in early 1996, because the U.S. offered only mild protests against the first round of missile provocations in July / August 1995.

Professor Chang concluded that "It is bad enough that Mr. Clinton talks about Taiwan with just about everyone except the Taiwanese. But to think that he has a right to speak for the island's future is incredible.... Alas, for Mr. Clinton the lure of the China market is so strong he is even prepared to sell out an old ally and a friend of democracy."

The next good article appeared in the **Los Angeles Times** (*"Clinton first to OK "three no's"*, LATimes, 8 July 1998). Long-time Taiwan watcher Jim Mann gave an excellent analysis of how Mr. Clinton's words represent an major departure from U.S. policy, and strongly criticized the attempts by the State Department and "White House spinmeisters" to pretend that it represented "no change" in policy.

Mr. Mann emphasized that Taiwan has changed in that it has become a functioning democracy, and is no longer ruled by the repressive regime of Chiang Kai-shek, who claimed sovereignty over China.

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Mr. Mann also quoted Professor Harry Harding of George Washington University, who states that "there is legitimate concern in Taiwan that the United States is prejudging the outcome" of future talks between Beijing and Taipei."

Another good analysis came from longtime Asia correspondent Richard Halloran in an article titled "U.S. policy shift on Taiwan gives Beijing an edge" in the **Washington Times**, 17 July 1998. Mr. Halloran writes that the Clinton statements has "...not only given the diplomatic edge to Beijing, but has caused consternation in Congress and comes as China is planning new tactics intended to intimidate Taiwan."

In the remainder of the article, Mr. Halloran describes how Chinese officials were jumping with joy about Mr. Clinton's statements, and were trumpeting them in the government-controlled press. He also described Chinese obsession with Taiwan, and the ongoing efforts by the Chinese military to develop "capabilities sufficient to intimidate Taipei into accepting a political solution on Chinese terms."

According to a recent National Defense University study, these capabilities include subversion, sabotage and disruption of Taiwan's banking, commercial and stock market electronic systems, seeking to destroy public confidence in Taiwan's government. Mr. Halloran quotes an expert at the U.S. Pacific Command in Hawaii as saying: "this would be an electronic version of the old people's warfare, they never gotten rid of it."

Last, but not least, there was any excellent article by former U.S. ambassador Harvey Feldman, titled "*In Clinton's China Shuffle, Taiwan loses*" in the **Washington Post** of 19 July 1998.

Ambassador Feldman writes that Mr. Clinton's remarks represent "*a major* — *and potentially quite dangerous* — *change* (emphasis added -- Ed.) in official American policy, which for 26 years has held open the right of self-determination for the people of Taiwan by carefully avoiding any American statement as to whether the island was, or should be, nothing more than a province of China."

He goes through an analysis of the well-known "acknowledge" phrasing of the Shanghai Communiqué, of 1972, but states that the "One China" concept "...was not the position of the ethnic Taiwanese, who made up about 90 percent of the island's population and were living there before Chiang and his Nationalist troops arrived after the defeat by the communists. *But their view did not matter because Taiwan was then an authoritarian state*." (emphasis added -- Ed.).

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Ambassador Feldman goes on to state that "With just under 22 million people — a total of three times the population of Bosnia, Croatia and Slovenia combined, and greater than the population of two-thirds of U.N. member nations — Taiwan meets the three criteria for statehood specified in international law: defined territory, defined population and the ability to enter into and keep international agreements."

Ambassador Feldman then presents the argument that just because in 1979 the United States switched recognition from the Kuomintang regime to the regime in Beijing, this did not suddenly change Taiwan from a state into a nonstate. He adds: "In a world in which the United Nations includes countries whose population is about the same as that of four or five square blocks of downtown Taipei, to deny that Taiwan is a state is laughable "



China: "With this American 'three no' sledgehammer in place, the negotiations can begin."

He writes that by recognizing Beijing's version of the "One China policy" and by asserting the "three no's", Mr. Clinton essentially offers Taiwan a dark choice between continued status as an international pariah or amalgamation in one form or another with Communist China.

He says that for three decades, Washington turned a blind eye to the repressive character of Chiang Kai-shek's regime because the U.S. valued the island in what was called in those years, the struggle against Sino-Soviet aggression. "The absence of freedoms of press, speech and assembly called forth no protests on (America's) part; nor did the existence of hundreds of political prisoners."

He then describes how Taiwan transformed itself into a democracy, with a multi-party parliament and a popularly-elected head of state. "It boasts a free market that yields a per-capita income of about US\$13,000— more than at least three members of the European Union. This is the state that Bill Clinton says is not a state."

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Ambassador Feldman concludes: "In the end, Taiwan's future is not a matter for Clinton, the American government or Beijing. It is a matter solely for the government and people of Taiwan to decide."

Congress rebukes Clinton for remarks

In a strong rebuke to President Clinton, on 7 July 1998, U.S. Senators Robert Torricelli (D-NJ) and Trent Lott (R-MS) introduced Resolution 107 in the Senate, reaffirming U.S. commitment to Taiwan. The Resolution reiterated that the future of Taiwan should be determined by peaceful means.

The resolution also reaffirmed the commitment to provide Taiwan the defensive means necessary to defend itself against China, and restated that the U.S. considers "...any effort to determine the future of Taiwan by other than peaceful means a threat to the peace and security of the Western Pacific and of grave concern to the U.S."

On 10 July 1998, the Senate passed the Resolution by a vote of 92-0. However, a phrase "with the consent of the people of Taiwan" in the original draft was deleted from the second "Resolved" clause, which affirmed the Senate's expectation that the future of Taiwan is to be "…determined by peaceful means."

Taiwan Communiqué comment: we find it objectionable that the Department of State would show a total disregard for the principle of self-determination, and would oppose the inclusion of the words "with the consent of the people of Taiwan" in this Resolution. Isn't democracy and self-determination all about **consent of the people** in the decisionmaking on their future?

It is also disheartening that the Democratic leadership in the Senate is letting itself be used to defend the indefensible statements by Mr. Clinton in regard to Taiwan. If Messrs. Tom Daschle and Joseph Biden have some sense of justice and righteousness, they should distance themselves from Mr. Clinton's remarks. There is ample evidence Mr. Clinton was wrong. It is now up to Congress to go beyond the passage of this Resolution and the Taiwan Relations Act, and take active steps to right the wrongs.

On 17 July 1998, a bipartisan group of 36 members of the U.S. House of Representatives introduced Resolution 301, reaffirming U.S. commitment to Taiwan. The Resolution reiterated that the future of Taiwan should be determined by peaceful means, and added clauses on the principle of Taiwanese self-determination, and the right of Taiwan to join international organizations.

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At a press conference on Capitol Hill on Thursday, 16 July, statements were made in support of the Resolution by Congressmen Tom Delay (R-TX), Vince Snowbarger (R-KS), Peter Deutsch (D-FL), and others. On Monday, 20 July 1998, the Resolution passed the full House by an overwhelming vote of 390 to 1.

House Resolution 301 contained stronger and better language than the Senate Resolution, but it was also weakened slightly: one being deletion of the clause "in accordance with the United Nations Charter and the principle of self-determination". According reports, it was Mr. Gingrich, who apparently felt that this was a "buzz-word" and would "complicate getting support for the resolution."

Taiwan Communiqué comment: Mr. Gingrich, if "self-determination" is a "buzzword" that should be left out if things get complicated, we wonder why one shouldn't leave out "buzz-words" like freedom, democracy and human rights. We thought that we could count on the U.S. Congress to stand up for the right of the Taiwanese to determine their own future, but apparently even there we find some weak knees.

A Declaration of non-independence

Mr. Clinton's visit to China, and his pronouncements in Beijing and Shanghai regarding Taiwan, prompted us to write the following tongue-in-cheek report.

London, 12 July 1998. The president of the Republic of Footsiana, Mr. Llib Notnilc, today visited London, met with the British Queen, and pronounced that it was the policy of Footsiana that the American colonies should be peacefully reunified with Great Britain. He emphasized the common English language, Anglo-Saxon race and common culture existing across the Atlantic, and said that the future of America should be determined by the British on both sides of the Atlantic.

Mr. Notnilc also expressed himself in favor of a "three no" policy: 1) no "One Britain, One America", 2) no support for American independence, and 3) no support for American membership in the United Nations and other organizations that require nationhood.

He suggested that the present entity in North America, the so-called United States of Britain in America (USBA), should adopt a declaration of non-independence, which should read along the following lines:

"WHEN in the Course of human Events, it becomes necessary for one People to dissolve the Political Bands which have connected them with another, and to assume among the Powers of the Earth, the separate and equal Station to which the Laws of Nature and of Nature's God entitle them, *they should forget it*.

WE hold these Truths to be self-evident, that *only some* Men are created equal, that they are *not all* endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the Pursuit of Happiness — *some of the time, anyway*.

THAT to secure these Rights, Governments are instituted among Men, deriving their just Powers from the Consent of the Governed, that whenever any Form of Government becomes destructive of these Ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its Foundation on such Principles, and organizing its Powers in such Form, as to them shall seem most likely to effect their Safety and Happiness. *This is the general rule, but if Llib Notnilc thinks otherwise, they should also forget it.*"

In Washington, the USBA (United States of Britain in America) president, Mr. Lee Tim Way — standing with his back against the wall — expressed satisfaction that President Notnilc's words had not damaged his nation's interests, particularly in view of the fact that the USBA was to be considered a non-nation. He also said he was confident that the Republic of Footsiana would stand by its allies, and would not play footsies with its allies, but would stand up for them (more or less), and help defend America in case the British Empire would launch missiles 32 miles off the coast of New York, or would invade Washington again, and burn the White House.

After President Notnilc's return to Footsiana, his Secretary of State, **Mrs. Alldark**, reiterated that in spite of the 180-degree turn in London, Footsiana's policies had not changed and that, in any case, the principles of democracy and self-determination did not apply to the United States, since — under the "One Britain" policy of Footsiana — the United States could not be considered a nation, and should be classified as a non-nation. She said she hoped this would clarify the situation.

Taiwan into the United Nations

Eleven nations propose Taiwan membership

During the past few years, the months of September and October have become the highlight for the annual "Taiwan into the UN" campaign. In mid-July 1998, a number of African and Latin American nations again submitted a proposal, urging that Taiwan be admitted to the United Nations. Eleven countries wrote UN Secretary-General, Mr. Kofi Annan, proposing that the status of Taiwan be placed on the agenda of the next General Assembly session, which gets under way in September.

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As it has done in the past, Nicaragua is spearheading the effort to bring the issue before the assembly. Joining in this year were Burkina Faso, El Salvador, Gambia, Grenada, Liberia, Sao Tome and Principe, Saint Vincent and the Grenadines, Senegal, Swaziland and Solomon Islands.

Taiwan Communiqué comment: While we appreciate the initiative by the eleven nations,

Taiwan-into-the-UN paddle wheeler on the Hudson River

we emphasize that the request is done to gain a seat for the so-called "Republic of China on Taiwan", as the KMT authorities still refer to themselves. This is a dead-end street.

The Kuomintang authorities lost their "Republic of China" seat in the United Nations in 1971 when the organization accepted the Communist government in Beijing as the sole representative of China. 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 dealt with as a follow up on the decisions of the San Francisco Peace Treaty of 1951-52 (see below).

Some international observers argue that we should not raise the Taiwan issue, saying that Taiwan's entry into the UN is impossible because China has a permanent seat in the Security Council and will block any attempt to let Taiwan join the UN.

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We believe that such a position is indefensible and totally wrong: the world should not let itself be dictated by a repressive and dictatorial China. It should stand up for the principles on which the UN was founded: freedom, democracy, equal rights and selfdetermination 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 neighbor.

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. This needs to change.

Back to San Francisco

The establishment of the United Nations in 1945 started a new era and 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.

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 on. The responsibility of the international community stems from the San Francisco Peace Treaty of 1952, which decided that Japan ceded its sovereignty over Taiwan, but did not specify a recipient for sovereignty over Taiwan.

In the final declaration at San Francisco, it was stated 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.

Our Appeal

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 21.7 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.

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.

A new "One Taiwan, One China" policy would not alter international recognition of the government in Beijing as the rulers of mainland China, but would take account of the reality that there is a new Taiwan, in which the large majority of the people consider themselves Taiwanese, and have no desire whatsoever to "unify" with Communist China.

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

Loral and other leaks

In our previous *Communiqué*, we presented a brief report on the Loral satellite launch scandal, and the leakage of U.S. technology to China (*Taiwan Communiqué*, no. 81, pp. 8-11). In the third week of May 1998, the House of Representatives passed several amendments to the 1999 Defense Authorization Bill, one outright banning satellite

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exports to China, one banning exports of sensitive technology embedded in satellites, and yet another one transferring the authority to issue export licenses for satellites back to the State Department from the Commerce Department.

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During the subsequent weeks, there have been a number of additional reports from within the U.S. government, think tanks and in the press, detailing the way in which U.S. high-technology found its way to China, and in particular into the Chinese military. Below we attempt to give an overview.

A detailed overview is also given in a Heritage Foundation Backgrounder, titled "Commercial Space Cooperation should not harm national security", dated 26 June 1998, by Richard D. Fisher Jr. The backgrounder can be accessed on the Internet at http://www.heritage.org

Taiwan Communiqué comment: We wonder why the Clinton Administration found it necessary to allow launches by the Chinese in the first place. Isn't the United States the world's premier space-faring nation? Where are companies like Lockheed Martin and McDonnell Douglas with their Thor-Delta and Atlas

China's Long March

Centaur ? Can't they increase their production rate and build more and better rockets?

Don't we have our European friends with the highly reliable Ariane-4 rocket? Don't the Russians have great capabilities in their space system with the Proton rocket?

The answer is reportedly that the Chinese were "cheaper." Well, they were cheaper, because they don't abide by the rules of the commercial market: the Chinese military is not only subsidizing the Long March rocket industry — it actually owns it. American payments to the Chinese thus go directly into the pockets of the generals, who are threatening Taiwan — and occasionally Los Angeles — with their missiles.

This support of the Chinese rocket industry by the United States takes place at the expense of the American space industry, at the expense of American jobs, at the expense of a strategic American asset.



Selling Spy Satellites

In the third week of June 1998, the New York Times published a report that the Hughes/ Loral-built Chinasat8 satellite, for which Mr. Clinton granted an export waiver in February 1998, in spite of the ongoing Department of Justice investigation, would allow the Chinese to eavesdrop on mobile telephone conversations at home and abroad (*"Selling Spy Satellites to China"*, **New York Times**, 19 June 1998).

Chinese military using Global Positioning

On 20 June 1998, a Washington Post report by veteran reporter Walter Pincus revealed that a 1997 Defense Department report had concluded that the Chinese military were using the American Global Positioning System (GPS) to "improve the accuracy of its weapons and the situational awareness of its operating forces" ("U.S. Navigation Satellites help China, Pentagon Says", Washington Post, 20 June 1998).

The report indicated that the Chinese airforce is "...pursuing the integration of GPS into its new fighter aircraft" and that "GPS updates will enable China to make significant improvements in its missiles capabilities."

How Hughes got what it wanted

In another major exposé, on 25 June 1998, the Washington Post published a report by its staff writer John Mintz, it which he detailed the lobbying activities of Hughes Electronics Corp. CEO C. Michael Armstrong (*"How Hughes got what it wanted"*, **Washington Post**, 25 June 1998).

The report described How Mr. Armstrong in 1992/93 had voiced support for Mr. Clinton's economic package, and in return wanted Mr. Clinton to exempt Hughes from trade sanctions against China, so the firm could launch satellites there. At the end of a letter he threatened that "thousands of Californians could lose their jobs" if the sales ban remained, and stated "This will be public and political shortly." Within weeks, Mr. Armstrong was able to meet Mr. Clinton, and "eventually got what he wanted."

According to the report, Mr. Armstrong was also instrumental in getting the Clinton Administration to shift responsibility for export licensing from the State Department to the Commerce Department: he hired Loretta Dunn, then aide to Commerce Secretary

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Ron Brown, as Hughes' vice president for trade. She lobbied numerous former colleagues, and was credited in the March 1996 shift to Commerce.

DOD Report: damage to National Security

On 27 June 1998, the **New York Times** reported that a Defense Technology Security Administration (DTSA) at the Pentagon had concluded in a report that the Loral / Hughes leakage of information to China, after the February 1996 Long March launch failure, committed three major security breaches that harmed U.S. national security.

The confidential 1997 DTSA report had identified the information which had been given to the Chinese after the launch failure, and concluded that it helped China improve its military rocket technology, in particular in the electronic flight control system, and the guidance system.

The report also concluded that Loral and Hughes had provided the Chinese with the information, without going through required U.S. government approval procedures, thus violating American technology export controls. The findings of the DTSA report triggered the Justice Department to initiate a criminal inquiry into the two aerospace companies (*"Report outlines damage to national security in companies' China dealings"*, New York Times, 27 June 1998).

A subsequent **Wall Street Journal** article focused on a Chinese-born Loral physicist by the name of Wah Lim as the center of the controversy. Dr. Lim reportedly headed the review of the launch failure, but was appointed to that function only after the person who was originally to direct the inquiry, Mr. James Reynolds, was abruptly fired from his position to make way for Mr. Lim.

It was Mr. Lim, who after the inquiry was completed, released the data to the Chinese without going through the required approval procedure by the State Department. The Wall Street Journal article details some of the ties Mr. Lim had with government officials and business executives in China (*"China-satellite inquiry focuses on Lim, Ex-Loral aide who reviewed explosion"*, Wall Street Journal, 6 July 1998).

The **New York Times**, in article dated 24 June 1998, also reported that a secret encoded circuit board onboard the Loral satellite which went down in the failed launch, was missing from the wreckage. According to the report, the control box containing the encryption circuit board was found, but the board itself was gone.

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When American military monitors at the site wanted to go to the crash site, they were barred by Chinese authorities for five hours (*"House hears about encoded circuit board missing from Chinese rocket"*, **New York Times**, 24 June 1998).

Iridium could help Chinese deploy multiple warheads

In mid-July 1998, the **Washington Times** revealed that a classified U.S. Air Force report had concluded that the technical cooperation between the Motorola company and the Chinese in the case of the Iridium mission had provided the Chinese with a "technology bridge" for multiple warhead missiles ("U.S. technology builds 'bridge' for China missile", by Bill Gertz, **Washington Times**, 14 July 1998).

The Iridium system is the 66-satellite low earth orbit satellite communication system for hand-held telephones. Motorola typically launches two to seven satellites per launch, and has used both U.S. Russian, and Chinese boosters to get the system on orbit. The Russian Proton carries seven of the 700 kg satellites per launch, the American Thor-Delta II five satellites, and the Chinese Long March two satellites per launch into the 420-mile high orbit.

With Motorola assistance, the Chinese built a "smart dispenser" for the injection of the Iridium satellites into the correct orbit. The Air Force report concludes that the Chinese can easily adapt the technology to fit on their CSS-4 intercontinental ballistic missile, or develop an improved version for the new solid-fuel DF-31 and DF-41 ballistic missiles now under development. These have ranges of over 4,500 and 7,000 miles respectively.

Taiwanese rally for freedom *"Stand up for Taiwan" rally in DC*

On Thursday, 18 June 1998, nearly eight hundred Taiwanese Americans from across the country converged on Washington, D.C. urging Mr. Clinton not to betray but to stand up for Taiwan during his visit to Beijing at the end of June 1998. The overall theme of the days was "Safeguard Taiwan' sovereignty, declare Taiwan independence."

They first gathered at the East side of the Capitol building, where a bi-partisan group of a dozen members of Congress addressed the assembled crowd, expressing their support for a free, democratic, and independent Taiwan, and the island's membership in international organizations, such as the United Nations, the WHO, and the WTO.

They were welcomed by Professor **Chen Wen-yen**, President of the Formosan Association for Public Affairs (FAPA), who said in his statement, that Taiwanese and Taiwanese-Americans wanted to send a signal to President Clinton and to both Houses of Congress that during President Clinton's visit to Beijing, the US should not sacrifice the welfare and future of the 21.7 million people of Taiwan.

In his remarks, keynote speaker Senator **Robert Torricelli** (D-NJ) vowed Congress' unwavering support for democracy in Taiwan and the right of self-determination of the people of Taiwan. He also stated that Taiwan should join the United Nations, the World Bank, and other international organizations. The text of Senator Torricelli's speech:

Dear Taiwanese friends, thank you for coming down here today. Several days ago, a bi-partisan group of Senators wrote a personal letter to President Clinton. In it, we said: "We wish you well when you go to Beijing, but we ask you several things:

First, the American commitment to sell armaments for the self-defense of Taiwan is basic to this country, and to the right of the people to defend themselves. Mr. President, make no commitment not to sell arms of self-defense to Taiwan.

Second, it is a basic human right that people are free to travel, and that Americans have a right to hear from all foreign leaders. Mr. President,

Senator Torricelli (D-NJ)

make no commitment that would restrict the right of the leaders of Taiwan to travel to the United States.

Third, the Taiwan Relation Act remains a solid basis for the basic relations between the United States and Taiwan. Mr. Clinton, make no promise, or issue any communiqué, that would diminish the relationship between Taiwan and the U.S."

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These things we ask, because Taiwan today, is an island of economic stability in all the chaos of East Asia. It is a flourishing, growing, democracy in a sea of unstable governments. Taiwan today is needed in the international community, it is needed in the United Nations, it is needed in the World Bank, and it is needed in the Asian Regional Development Bank.

We need Taiwan more engaged with America, not less. Mr. President, do not sacrifice the rights of the people of Taiwan in order to make an accommodation with Beijing. This we ask.

Your presence here today is so important, because it is important that the people in Beijing hear not just from the President, but also from the Congress and the American people. That you have accomplished by coming here today.

I want you to know, that no matter what is said in Beijing, no matter what is decided, this Congress, Democrats and Republicans, liberals and conservatives, stand shoulder to shoulder with a free people on Taiwan. Thank you all for being here today.

Congressman **Sherrod Brown** (D-OH) expressed his intent to bring his resolution in support of World Health Organization membership for Taiwan to the floor of the House. Congresswoman **Nancy Pelosi** (D-CA) said that the international community must not isolate Taiwan, and that the improvement of U.S.-China relations must never take place at the expense of the people of Taiwan or Taiwan's future as a free, democratic and independent nation.

Congresswoman **Mary Bono** (R-CA) expressed her strong support for Taiwan's full and equal membership in the international community, and urged Mr. Clinton not to sell out Taiwan. Congressman **Steve Chabot** (R-OH) stated: "We insist that President Clinton call on the Chinese government to renounce the use of force against Taiwan. We insist that he call on China to stop blocking Taiwan's participation in international organizations. The future of Taiwan should be determined by the people of Taiwan, not by the PRC."

Congressman **Robert Andrews** (D-NJ) spoke eloquently of U.S. relations with Taiwan as a "test of our American national integrity." he said: "There will be a free and independent Taiwan. There will be diplomatic relations between the U.S. and a free and independent Taiwan. We stand for Taiwan to be present in the United Nations as a free and independent nation." Congressman **Pete Sessions** (R-TX) said: "Our President

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needs to get the message that we will not sell out Taiwan to the PRC. We will protect Taiwan, and we will not allow Chinese aggression."

Congressman **Brad Sherman** (D-CA) emphasized that U.S. foreign policy should be based on American values and not be dictated by China. He said: "When President Clinton goes to Beijing, his message should be clear: Hands off Taiwan." Other speakers included Representatives Nita Lowey (D-NY), Dana Rorabacher (R-CA), Peter Deutsch (D-FL), and Rob Portman (R-OH).

March to the White House



Young Taiwan supporter in front of the White House

The crowd then wound its way around the Capitol Building to Constitution Avenue, and from there along Pennsylvania Avenue to Lafayette Park in front of the White House. Along the way, they chanted "One Taiwan, One China", "China, hands off Taiwan", "Stand up for Taiwan", "Recognize Taiwan, Taiwan Independence", and "Don't sell out Taiwan."

In front of the White House, more speeches were held: leading members of the Taiwanese-American community spoke, as well as five members of the Legislative Yuan in Taiwan, who had come over to Washington to express their concern to the Clinton Administration and to Congress about China's continuing threats and intimidation against Taiwan and its attempts to isolate Taiwan from the international community.

Democratic opposition rallies in Taipei

Thousands of Taiwan independence advocates took part in a demonstration on Saturday, 27 June 1998, demanding that the government hold a referendum on December 5th to allow voters to determine the future of the island. The event was organized by about 20 pro-independence groups such as the Taiwan Independence Party (TAIP) and Association of Taiwan Professors.

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Organizers said they wanted to express concern over the possible effects on Taiwan of the summit meeting between US President Bill Clinton and mainland Chinese President Jiang Zemin, and highlight the right of Taiwan citizens to self-determination.

Demonstrators gathered in front of the Chiang Kai-shek Memorial Hall at 3:30 p.m., each wearing orange bands on their heads. They also carried banners reading: "One Taiwan, One China" or "Protecting Taiwan, Founding A New Country". **Lee Chen-yuan**, TAIP honorary chairman and leader of the demonstration, said Clinton was doing quite well in the summit. He pointed out that in the news conference following the meeting between the two leaders, Clinton did not say Taiwan is a part of mainland China. Lee said that the so-called "Taiwan issue" cannot be tackled by only the US and the mainland. Through self-determination by Taiwan people and peaceful pressure from the international community can the dispute between the mainland and Taiwan be peacefully solved, he said.

Professor **Kao Cheng-yen** at the National Taiwan University said the results of the Clinton-Jiang meeting showed that US policy toward China has not changed much. He said at a time when the Kuomintang still seeks unification, the people of Taiwan demand the right to decide if they want to establish a new country.

Legislator **Yeh Chu-lan** of the opposition Democratic Progressive Party said no matter what the results of the Clinton-Jiang meeting are, it would not affect the determination of the people of Taiwan to declare their own country. She expressed hope that the demonstration will let the international community know the wishes of the people of Taiwan.

Demonstrators marched to the American Institute in Taiwan, the American de facto embassy to Taiwan. A declaration was read in front of the institute, stressing that the future of Taiwan should be determined by its 21 million residents. The statement said although the group feels Clinton's proposal that "the Taiwan issue should be peacefully solved" is in line with the common interest of maintaining international peace and development, the island's sovereignty and the people's dignity should be respected. It urged the government to immediately institute a referendum law to allow people to vote on the independence issue on 5 December 1998, a date that coincides with legislative elections.

Report from Washington *Shortsighted Senate Resolution*

While we in general support efforts by the U.S. Congress to support Taiwan to become a member of international organizations, we recently learned of one resolution that must be referred to as shortsighted and outright silly: On 10 July 1998, the Senate passed Concurrent Resolution 30, which urges membership of Taiwan in the International Monetary Fund (IMF) and the World Bank (IBRD).

However, in an unholy alliance between Senator Jesse Helms (R-NC) and Diane Feinstein (D-CA), the wording of the "Resolved" section was changed at the last minute from support for the admission of Taiwan to membership in the IMF to the following phrase: "*support changes in the IMF Charter* that would allow ... Taiwan and other qualified economies..." to become members of the IMF, and the World Bank.

Taiwan Communiqué comment: Why in the world would the people in Taiwan want to become a member of the IMF if they are going to be referred to as just "an economy"? Just to pour their hard-earned money into a black hole, that is subsequently used to prop up corrupt and repressive regimes like China and Indonesia?

Taiwan membership in the IMF and other international organizations as a "non-nation" is a non-starter. We suggest that any of these "back-door" approaches miss the basic point that the people of Taiwan want their nations to be accepted as a full and equal member of the international community, nothing more, but also nothing less. Tactics like the abovementioned one are shortsighted, downgrading and not acceptable.

Taiwan into the World Health Organization

As we reported in our previous edition (*Taiwan Communiqué*, no. 81, pp. 21-22), the May 1998 attempt to have the issue of Taiwan's membership placed on the agenda of the Geneva-based organization was rejected. However, the long-term campaign to have Taiwan join the WHO received a welcome boost on 8 July 1998 with the publication in the **Washington Post** of an article titled "*Don't Taiwanese children count*?", by U.S. Congressman Sherrod Brown (D-OH).

Congressman Brown started his article by referring to Mr. Clinton's visit to China: "While President Clinton was visiting China, scores of Taiwanese children just across

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the straits were continuing to fight for their lives against a new, deadly virus. Unfortunately, the doctors treating this illness do not have access to the medical resources of the World Health Organization (WHO) because the regime in China will not permit Taiwan to gain membership. The fact that Taiwan is severely crippled in its effort to save children is a tragedy, with deadly implications for children the world over if this virus is not halted."

Congressman Brown went on to give details of the epidemic in Taiwan, and showed how Taiwan's exclusion from the WHO is denying its doctors and medical organization essential access to medical information. He said: "This issue should not be about geopolitics; it should be about helping humanity." He went on to give examples of how the WHO is working in other nations to help eradicate major childhood diseases.

He then stated: "I believe the denial of WHO membership to Taiwan is an unjustifiable violation of its people's fundamental human rights. Good health is a basic right for every citizen of the world, and Taiwan's admission to the WHO would greatly help foster that right for its people."



Congressman Sherrod Brown (D-OH)

He added: " I and more than 50 of my colleagues in the House believe U.S. support for Taiwan's admission to the WHO is and has long been "clearly appropriate." Last February I introduced a resolution expressing the sense of Congress that Taiwan and its people should be represented in the WHO and that it should be U.S. policy to support Taiwan's membership.

As the WHO celebrates its 50th anniversary this year, the organization can proudly claim 191 nations as members. But for the past 25 years, Taiwan has been shut out of the WHO because of China's continued intransigence toward its small island neighbor. Every day, children and the elderly in Taiwan suffer needlessly because their doctors aren't able to have access to WHO medical protocols that save lives. The longer we wait, the more desperate the situation in Taiwan grows. We must act immediately to right a very serious wrong."

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