

U.S. Policy Toward Taiwan:

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1. On balance, do existing political, economic, social, and military trends regarding Taiwan increase or decrease the chances of a future serious confrontation between the U.S. and China over the island within the short, medium and long term? Some observers believe that the chance of a major crisis over the island has dissipated enormously during the past 1-2 years, largely due to moderating changes in the social and political climate on Taiwan and continued movement toward economic integration across the Taiwan Strait. Others think that China's continued focused military buildup along the Strait, combined with the growing strategic rivalry between Washington and Beijing and the ongoing divisiveness of Taiwan politics, increase greatly the likelihood of a future conflict. Still others think that the cross-Strait situation remains volatile yet manageable under current conditions. What specific factors are likely to play a key role in moving the Taiwan situation toward one of these or other alternate directions, and what will most influence how each factor plays out over time?

There are a range of factors that impact our calculus as to whether we should conclude that conflict is increasingly likely between the United States and China over Taiwan, or increasingly less like as time unfolds. As the question above implies, some factors would lead analysts in one direction, while others would bring conflicting assessments. My own view is that the short term may bring a pause in Cross-Strait tensions, and may provide a window of opportunity for political leaders to take steps that would buttress longer term stability. However, a range of current trend lines that will not be immediately altered with the election of a new President, on balance, do not favor long-term stability. Though these challenges may ultimately be manageable, there are disturbing trend lines that should be arrested or altered in an attempt to set us on a course of longer term stability.

The factors that lead me to be pessimistic are several: (1) China's military modernization continues unabated, and she is developing real capabilities to operationalize a Taiwan scenario. These capabilities are full spectrum, and they account for some US involvement in a Taiwan Strait contingency; (2) Chinese military threats are not being properly addressed by Taiwan's own defense establishment, and the result is a military balance that is trending in China's favor. In these type of equations, "falling behind" tends not to be a linear phenomena – Taiwan will fall behind exponentially unless serious reforms and modernization efforts are undertaken; (3) Sustained strategic distraction of the United States (combined with repeated public criticism of Taiwan) continues to alter Beijing's calculus as to the likelihood the United States would intervene in the event of a conflict; (4) Domestic political changes in Taiwan related to national identity, Taiwanese consciousness, and cultural pride are becoming deeply rooted – and Beijing is profoundly uncomfortable with these developments and will continue to be handicapped by their rhetoric claiming such sentiments only exist due to trouble makers stirring things up; (5) Beijing remains profoundly uncomfortable with

Democracy (see Hong Kong) and Descent (see Tibet). Taiwan has and will have both. (6) The PLA seems increasingly hard-line, and increasingly difficult for senior civilian leadership to control; (7) Taiwan's increasingly isolation as a result of Beijing's pressure tactics on other countries has in turn created pressures in Taiwan to respond by declaring its de facto sovereignty more openly, eliciting further threatening responses from Beijing; and (8) Washington's communication with Taipei is strained, and the modalities are not in place to ensure quality communication with a successor Administration in Taiwan.

While all of the factors above are troubling, the greatest concern is the growing military capabilities of China, and the resulting gap in capabilities between China and Taiwan. This should give policy makers the most worry because intentions can shift very, very quickly (it's the capabilities that require a great deal of time to develop), and the option to use force becomes more and more attractive when the military equation reaches a great imbalance.

To be sure, there are countervailing trends that might lead to a more optimistic assessment. The prospect for direct links and Cross-Strait economic integration is likely a moderating factor on the behavior and decision making in both Taipei and Beijing. However, it is not clear to me that such trends do enough to mitigate the other unfavorable trends. Much more should be done on the part of China to "de-militarize" the environment, to put forward more positive incentives for Taiwan to consider political reconciliation of some form with the PRC, and to give Taiwan the international profile she deserves. The United States should work more closely with Taiwan to ensure an effective military deterrent is in place, and should work to strengthen communications with the elected leaders of Taiwan.

2. What are the ultimate stakes and goals of U.S. policy toward Taiwan and should or will they change in the future? U.S. officials repeatedly assert that Washington has no particular stake in any specific outcome of the Taiwan imbroglio, as long as it is arrived at peacefully and without coercion and reflects the genuine desire of citizens on both sides of the Strait. Given this stance, some observers assert that U.S. policy essentially amounts to a "holding action" designed to keep a potentially volatile situation under control until one or both sides in the dispute alter their position enough to permit a solution. Others argue that this is nonsense, and that the U.S. has a vital strategic interest in avoiding a resolution of the dispute and thereby maintaining instability across the Strait, in order to keep China distracted and to deny it a military or economic base of operations in the East China Sea. Can the U.S. afford to play a waiting game or, alternatively, manipulate the Taiwan situation for strategic ends? If not, what should be its objective(s)?

There is a great deal at stake with respect to Taiwan, its future, and how that future is decided. We have interests that can be furthered if Taiwan succeeds, and is thus positioned to be a strong bilateral partner to the United States on a range of issues that impact our national interests. Taiwan is too often written off as a small and relatively insignificant place. However, with a population of 23 million (larger than treaty ally Australia), a GDP ranking 21st in the world (well ahead of Asian economic powerhouses Singapore and Hong Kong) and a geography that positions it along major commercial routes (the port of Kaohsieng handles more containers a year than any single port in Japan or South Korea), Taiwan is by most objective standards a major player.

Taiwan is a major trading partner of the United States. Taiwan has played a role in furthering regional and global goals of the United States including counter-terrorism, countering illegal and illicit activities, democracy promotion, international development, humanitarian and disaster relief, and responsible stewardship of health and environmental matters. Perhaps most importantly, Taiwan is at the crossroad of the global supply chain in certain key high-tech sectors. Taiwan also matters to the United States and others because it is an example of what is possible in terms of political and economic development. The example Taiwan sets is worthy of emulation of virtually all countries in Asia, including China. Moving peacefully from authoritarian government to democracy, graduating from aid recipient to aid donor, and evolving from agrarian economy to a cutting-edge high-tech economy is something all countries who aspire to greater progress should note.

The above is to illustrate that Taiwan matters to the United States in terms of bilateral cooperation, and that the “loss” of Taiwan (in this case, a coerced settlement against the will of the people of Taiwan) would result in a diminished capacity on the part of the United States and Taiwan to partner on a wide range of issues. In other words, a remarkable opportunity cost, in addition to other potential consequences (more below).

Taiwan also matters to the United States and other countries in that how the Taiwan issue is managed will speak to China’s behavior in the international community more broadly, the credibility of the United States in championing freedom and democracy, and our ability to secure longer term strategic interests in Asia. Many China analysts in the United States will argue that the Taiwan is sui generis for Chinese leaders as a so-called internal matter, and thus does not speak to potential Chinese behavior in other international settings. But this misses the point. Taiwan is but one data point in identifying China as a potential aggressor once greater capabilities are acquired, and it is an important data point. It reveals China’s profound discomfort with political and economic success of the kind the United States and many other countries wish to encourage globally.

A threat to Taiwan or the “loss” of Taiwan can also damage U.S. credibility at a time when treaty allies of the United States are already fearing abandonment (ROK and Japan), and others in Asia are hoping for a strong U.S. presence to check against Chinese hegemonic ambitions. Perhaps more concerning over the long term, a coerced settlement against the wishes of Taiwan could effectively deny the United States and its allies access to critical sea lanes during conflict, as well as significantly extend the reach of the People’s Liberation Army in the Asia-Pacific Region.

Even if a settlement was achieved peacefully, and not through coercion, as long as the Chinese government in Beijing remains authoritarian and engages in behavior inimical to U.S. interests both internally and in international relations, such a settlement would carry consequences for the United States. However, the United States would likely not stand in the way nor complicate a peaceful settlement if it enjoyed the support of the majority of the people of Taiwan, and reflected confidence in securing their current freedoms.

Given the stakes involved, and the potential consequences of mismanaging Taiwan for the United States, I do not believe the United States should remain passive in terms of policy nor actions. Our overall policy should focus on furthering several key objectives: (1) Sustain the democracy and freedoms on Taiwan; (2) Dissuade, deter, and if needed, prevent the coerced settlement of the Taiwan question; (3) Preserve Taiwan as an example for what can be achieved by the peoples of Asia, including China; (4) Preserve the ability for enhanced cooperation with Taiwan to further a broad range of regional and global interests (4) Resist the loss of Taiwan to China, unless China undertakes very fundamental political reforms

3. Does current U.S. policy offer the best possible means for avoiding a future conflict with China over the island while preserving Taiwan's freedoms and democratic system? The United States maintains what some observers regard as a highly complex, confusing, and precarious foreign policy stance regarding Taiwan. But even if true, this stance might be the best one possible under present conditions (both domestic and foreign) and given U.S. objectives. What specifically is right and wrong about U.S. policy, should it be changed to deal with present and future trends, and if so, what is the best way to alter it and under what time frame? In particular, should the One China Policy, the Six Assurances, and the Taiwan Relations Act remain as key elements of the U.S. stance toward the island, and remain so in their current form? Would overall U.S. interests in Asia be better served if Washington formulated a policy designed to actively encourage China-Taiwan unification or backed away from the problem entirely, as some international relations specialists argue? What would such a policy look like? Alternatively, should U.S. policy be more focused on actively deterring China militarily, and/or encourage greater separation between Beijing and Taipei?

I have advocated for adjustments in US policy, rather than a complete makeover (though in response, some have argued that my “adjustments” would amount to an alteration of the One China Policy). The worst aspects of U.S. policy are the result of policy “interpretations” rather than a fundamentally flawed policy framework. While it is true that much has changed since some of the core agreements and documents were formulated, it is also true that within those same agreements and documents we have the latitude to make course adjustments that will ultimately be to our benefit.

I see three weaknesses in current U.S. policy interpretation that could be changed rather quickly, and unilaterally in Washington, and I see one major flaw in our policy and rhetoric. First, the U.S.-Taiwan relationship has suffered from poor communication, misunderstanding, and miscalculation. Given the stakes involved (as the Taiwan Strait remains the one place where Great Power conflict is possible), business as usual no longer serves U.S. interests, and very well may be dangerous.

The United States should liberalize restrictions on political interactions to improve the quality and authority of communications. Taiwan's senior leaders should visit Washington more frequently and the United States should send higher level officials to Taipei. Such measures should be undertaken not as a reward to Taiwan, or for symbolic statements. Such measures should be informed by failures of the past to speak authoritatively to friends in Taiwan, and should be tied to the specific objective of improving communication.

Second, the United States should work more closely with Taiwan at a senior level to develop goals and priorities for the defense relationship. Emphasis should be given to helping Taiwan enhance homeland defense (including resiliency, survivability and internal security), anti-submarine warfare, and air and missile defense. Such capabilities will help dissuade and deter China from aggressive military tactics. The United States should also assist Taiwan with developing capabilities in the area of search-and-rescue, and disaster/humanitarian relief. Such capabilities will enhance Taiwan's reputation as a good regional citizen.

And third, the United States must disabuse China of the notion that it can "deliver" Taiwan. We have drifted into a de facto "co-management" of Taiwan policy with Beijing. This is problematic for several reasons. First, China's appetite for pressure and coercion of Taiwan is insatiable. The promised quid (better US-China ties and more Chinese cooperation on other security issues) never materializes for the quo (U.S. criticism of and pressure on Taiwan). Second, the formula overstates U.S. leverage to truly alter Taiwan's behavior. As a democracy, Taiwan's political leaders will ultimately be responsive to their domestic constituencies – even when that means short-term trouble for the United States. Third, it ultimately positions the United States to pursue a policy line fundamentally at odds with our own stated principles and values. And fourth, it obscures Beijing's ability to deal with the root causes of their difficulties with Taiwan. Taiwan is not "wayward" because the U.S. and others haven't pressured Taiwan sufficiently. Taiwan seeks a separate identity from China because of the failures of the authoritarian period of rule on Taiwan, China's over reliance on military intimidation and coercion to pressure Taiwan, and China's inability to offer an attractive enough alternative to what Taiwan currently enjoys (though this is changing with China's economic engagement of Taiwan).

The major flaw in our current rhetoric relates to the so-called status quo. We have a stated policy that we oppose any unilateral changes to the status quo as we define it. Yet, we don't define it (and perhaps can't – many U.S. officials have fumbled about when as to define it). Further, there is no static status quo (if there is, you'd have to acknowledge it is challenged every day by the military build-up opposite Taiwan), and it creates inappropriate equivalences in the minds of those interpreting our policies (a referendum vote is qualitatively different than a missile exercise – and should be treated and viewed differently – not as equal violations of the so-called status quo).

There are other elements of current U.S. policy that are part of the standard rhetoric, but could be pursued with greater vigor. The United States should do more to encourage Cross-Strait dialogue, Cross-Strait trade, and Cross-Strait interaction in general. While we may be on the cusp of such breakthroughs with the next President of Taiwan and the policies each candidate has pledged to pursue, no doubt there will be hiccups along the way.

There are certainly some core elements of U.S. policy that have worked for over three nearly three decades and should thus be preserved absent a clearly superior alternative. The often criticized "strategic ambiguity" strikes me as one such element of

our policy. I have often described it as the worst policy in the world, except all other tried and conceived of. And despite the downsides, I endorse retaining some ambiguity as a part of our policy posture.

Nonetheless, I think there is room to explore greater clarity in certain aspects of our policy while preserving the ambiguity that is also essential. This might lead one back to a policy proposal put forward by Kurt Campbell in 1996 when he stated our goal should not be to sustain a policy based on Strategic Ambiguity – rather, we should want a policy of “Strategic Clarity and Tactical Ambiguity.” Though little was done at the time to articulate further what such a policy position might look like, I think it merits further consideration. Points of strategic clarity might include our interest in the survival and success of Taiwan’s democracy, our absolute opposition to the use of force, and the freedom to navigate international waters for both military and commercial vessels. Tactical ambiguity as to precisely how, when, and what manner we would intervene in a Cross-Strait conflict should be preserved.