

Chapter 2

U.S. Think Tanks and Taiwan Policy

Wenzhao Tao

2.1 The New Post-Cold War Situation and U.S. Taiwan Policy

A succession of tremendous and profound changes has occurred after the fall of the Berlin Wall in November 1989. The Soviet Union collapsed in December 1991, indicating the end of the Cold War. The Cold War was the longest historical event in the 20th century world, and its end has brought about far-reaching influences on international politics. It has also influenced U.S. China policy, including its policy to Taiwan. The mainstream viewpoints on U.S.-China relations as well as China in American political circle and academia have undergone substantial changes. These viewpoints, however, were not unchangeable. In effect, American views on China and the bilateral relations have witnessed constant changes over the two decades since the end of the Cold War, mainly due to the development in international relations.

2.1.1 *Main Factors Influencing U.S. Taiwan Policy After the Cold War*

As Chas Freeman, Jr., an American scholar and former Assistant Secretary of Defense for International Security Affairs puts, three events deeply influenced U.S.-China relations around 1989. First, the collapse of the Soviet Union and end of the Cold War reduced the significance of the “great strategic triangle” idea. The Chinese role as a balancer between the United States and the Soviet Union thus

W. Tao (✉)

Institute of American Studies, Chinese Academy of Social Sciences, Beijing, China
e-mail: taowz@cass.org.cn

vanished. Second, disappointment of China overshadowed U.S.-China relations after the 1989 political turmoil in Beijing. The third event was the initiation of democratization in Taiwan.¹ The first event terminated U.S.-China strategic partnership, degrading the Chinese status in the eyes of Americans. The other two events generated a negative image of China among majority American people, while their favorable impression of Taiwan has increased.

2.1.1.1 Change of Views on U.S.-China Relations

President Richard Nixon's visiting to China in February 1972 with the announcement of Shanghai Communiqué was the greatest geopolitical change during the Cold War, signaling the formation of the "great strategic triangle." There were numerous elements prompting a close China-U.S. relationship as well as the following normalization process, their concerns about the Soviet Union aggressions being undoubtedly the determining factor. The Soviet Union's aggressions conveyed different meanings to China and America. For China, Russia posed a grave threat to its national security. For the United States, Russia was conceived as a well-matched rival in seeking world hegemony, threatening U.S. hegemonic interests in the world. China and America therefore found a common ground: Both conceived Russia as a threat and shared mutual need to counter it. This situation stayed nearly unchanged in the 1970s and the 1980s. Against this backdrop, Ronald Reagan, an allegedly pro-Taiwan president, nevertheless reached and signed the third communiqué with China in 1982, namely, the Joint Communiqué on U.S. arms sales to Taiwan. Since then, particularly after mutual visits of state leaders started in 1984, the bilateral relations have entered into a period of stable development. A comprehensive relationship has developed swiftly between the two countries, particularly in the field of military cooperation and technology transfer.

After the end of the Cold War and the disappearing of Soviet threat, the United States lost the enemy on which its global strategy was based for four decades. Therefore, U.S. strategy was facing a fundamental change. In terms of its China policy, the previous strategic foundation of U.S.-China relations was shaken, and the two countries' common worry about the threat from Russia no longer existed. Therefore, China-U.S. strategic cooperation in a post-Cold War world lost its foundation. For many Americans in the political circle and academia, the bilateral relationship has no strategic significance, with an ambiguous widespread view of China as "neither foe nor friend." Some American politicians and scholars argued that China carried no much importance to the United States. Strategically America did not need China any more and economically the export amounts of the United States to China were even smaller than that to the small European country like Austria. Hence, the significance of the U.S.-China relations to America had greatly

¹Nancy Tucker, ed., *China confidential, American Diplomats and Sino-American Relations, 1945-1996* (New York: Columbia University Press, 2001), pp. 451-452.

decreased, and China needed the United States much more than the other way. One senator said, "The Cold War is over. ... Now, ... when we turn over the China card, it's a deuce."² Furthermore, in the eyes of many Americans in the political and academic circles, Chinese foreign policy and behavior patterns went against the interests of the United States in various aspects. The two countries have different positions toward the Gulf War. China's policy toward Khmer Rouge, some Middle East Countries and Pakistan suggested that China is more like "part of problems" than "a player to resolve problems" in international affairs. At that time few people in Congress dared to openly say that normal bilateral relations should be maintained. Some business leaders did not dare to openly argue for maintaining the most favorable nation (MFN) treatment to China as well, for fear of protest from the public. Meanwhile, some politicians with political visions admitted that Washington and Beijing are mutually needed and the bilateral relations are quite important to the United States even though the Cold War was ended. U.S. President George Bush tried his best to hold against pressure from Congress to maintain China's MFN status, avoiding greater retreat of the bilateral relations.

Bush's understanding of U.S.-China relations was not immediately accepted by his successor. Bill Clinton attacked heavily the Bush administration's China policy during the presidential campaign. After assuming the presidency, he advanced a stupid policy of linking the MFN treatment with human rights circumstance in China. It is only after several years of dealing with China that the Clinton administration gradually realized the two countries have common interests in the post-Cold War world. It is not only China needs the United States but the United States needs China as well. Therefore in the later period of his first term Clinton gradually changed his policy to stabilize the bilateral relations and reached a consensus with the Chinese leaders to strive to establish a constructive strategic partnership.

But the understanding of the Clinton administration is not yet that of conservatives in American Republicans. Since the late 1940s U.S. China policy has always been a "football" in American domestic politics. The Republican conservatives made strong reactions against the Democratic administration. They believed that the United States and China were competitors and even strategic competitors. It was under this atmosphere that George Walker Bush came into office.

However, human behaviors were subject to the changing situations. Despite a little shock to U.S.-China relations after Bush came to office, he immediately realized the two countries' common interests and expressed his willingness to develop the bilateral relations. The attacks to New York and Washington by international terrorists organization on September 11, 2001 ironically advanced a new consensus among American society on the necessity of cooperation with China. During the period of the Bush administration the two countries cooperated in

²Harry Harding, *A Fragile Relationship: The United States and China since 1972* (Washington, DC: Brookings Institution Press, 1992), p. 291.

many spheres, including anti-terror, preventing the proliferation of mass destruction weapons (MDW), and developing security interdependence between them.

2.1.1.2 Change of Views on China

American views on China have been always changing since the end of the Cold War. After China's reform and opening-up, many Americans looked at China through rosy lens. They thought they would soon realize the dream of Christianizing China pursued by American preachers over the past one century and believed that an unavoidable outcome of China's reform and opening-up was to reach Western democracy. The American public turned to regard China favorably.³ The political incident in Beijing during the spring 1989, however, broke up Americans' fantasy and fundamentally changed Americans' views on China. For some Americans, China is a country without democracy, human rights and the rule of law. Arkansas Governor Clinton claimed during his presidential campaign in 1992 that he "would never tolerate dictators from Beijing to Baghdad," demonstrating his tough position on the issue of human rights.⁴

Accordingly, a view gained popularity in the United States in the 1990s, i.e., "China collapse." Due to the upheaval in the Eastern Europe and the disintegration of the Soviet Union, some people from the American political and academic fields began to wonder if China would follow the suit of the Soviet Union since a country with communists in power for more than 70 years could disintegrate so swiftly.⁵ Some even consider "China was at the margin of territorial split, political collapse or democratic revolution."⁶ Therefore, "pushing for change" was regarded as a priority in U.S. China policy in the early 1990s.⁷

However, China's development is beyond their expectations. Following Deng Xiaoping's strategy of "observing calmly, holding on positions, handling international affairs with determination, keeping low profile, and making some accomplishments," China survived grave shocking wave of dramatic change in East Europe countries and the Soviet Union, and insisted on reform and opening-up unswervingly. In particular, Chinese economy grew continually after Deng Xiaoping's "southern tour." Such an unexpected development in China turned some Americans from one extreme to the other. Argument of "China threat" quietly appeared in the United States from 1995 to 1996 or so. The mutual visit of China-U.S. leaders between 1997 and 1998 could be taken as a mark of renormalizing their

³Wenzhao Tao, *Zhongmei guanxi shi* [A History of China-US Relations, 1972–2000] (2nd Volume) (Shanghai: Shanghai People's Press, 2004), p. 189.

⁴James Mann, *About Face. A history of America's Curious Relationship with China, from Nixon to Clinton* (New York: Alfred A. Knopf 1999), p. 262.

⁵Michel Oksenberg, "The China Problem," *Foreign Affairs*, Vol. 70, No. 3 (Summer 1991), p. 2.

⁶Harry Harding, "Red Star Rising in the East," *Washington Post*, March 9, 1997, p. X-4.

⁷David Shambaugh's report at the Institute of American Studies, Chinese Academy of Social Sciences, November 4, 2009.

bilateral relations in the post-Cold War era. A consensus on U.S. China policy began to appear, which was quite fragile nevertheless.

The “September 11 attacks” quickly accumulated a consensus in American society that terrorism was the main threat to U.S. security and China was not the main threat, at least not the direct threat to the United States. Rather, China was regarded as a partner in American anti-terror war. Thus, the debate on “China threat” temporarily ended. According to a public survey in September 2003 in the United States, 9% of respondents thought that China was a partner of the United States, and 44% thought China was a friendly country—53% in combination. Meanwhile, those regarding China as the greatest threat decreased by 70% compared with that in 2001.⁸

U.S. Deputy Secretary of State Zoelick mentioned that China should become a responsible stakeholder in the current international system in a speech on September 21, 2005, and asked China to construct an international system in the future with the United States.⁹ This indicated a new consensus on China and U.S.-China relations that had formed in the United States.

2.1.1.3 U.S. Views on Taiwan

In a great contrast to Americans’ views on the Chinese mainland in the 1990s, Taiwan has undergone its political democratization and localization since the late 1980s.

In addition to U.S. security commitment to Taiwan, the *Taiwan Relations Act* (TRA) also stipulated: “Nothing contained in this Act shall contravene the interest of the United States in human rights, especially with respect to the human rights of all the approximately eighteen million inhabitants of Taiwan. The preservation and enhancement of the human rights of all the people on Taiwan are hereby reaffirmed as objectives of the United States.”¹⁰ The background of this stipulation was that many people in U.S. Congress were very unsatisfied with human rights record of the KMT (the Chinese Nationalist Party) authorities in Taiwan in the 1970s and early 1980s. Actually, Congress heavily criticized Taipei along with the Marcos government in the Philippines and the Pinochet government in Chile in the 1970s for their poor human rights records. The aforementioned stipulation incorporated in the TRA was meant to urge Taipei to improve their human rights performance. House passed a resolution on political development in Taiwan on November 18, 1985, appealing the KMT authorities to accelerate democratic progress by “allowing the formation of genuine opposition political parties,” “ending censorship and guaranteeing freedom of speech, expression, and assembly,” and “moving

⁸CNN/USA Today/Gallop Poll (September 19–21, 2003).

⁹For details, see Chap. 6 of this book.

¹⁰Lester L. Wolf and David L. Simon, eds., *Legislative History of the Taiwan Relations Act with Supplement* (New York: Pacific Community Institute, 1993), pp. 288–289.

toward full representative government.”¹¹ This is just one of many resolutions passed by House and Senate as well as their committees.

In the late 1980s, under the influence of democratization wave in the world, improvement of cross-strait relations and change in domestic environment, Taiwan began to carry out democratization reform. The third plenum of Twelfth Nationalist Party Congress was convened in Taipei from March 29 to 31, 1986. The plenum passed the main agenda *Chengshang qixia, kaituo guojia guangming qiantu* [*Opening a Bright National Future Retrospectively and Prospectively*]. The agenda included KMT's understanding of domestic and foreign situation, and the goal and contents of the “reform” as well as its basic outlines. The agenda, arguing about the necessity of “political reform,” pointed out that Taiwan was confronted with new challenges and many urgent issues to be “reformed” and resolved while having achieved “bright progress.” This plenum was the watermark in the process of Taiwan's democratization.

Chiang Ching-kuo (CKK) declared in July 1987 to revoke the Martial Law that had implemented for 38 years in Taiwan. Before that, the Democratic Progressive Party (DPP) was established in September 1986 and the KMT authorities took a tolerate attitude. After the revocation of the Martial Law, 30 relevant stipulations and regulations were ceased to perform. The newly issued “National Security Law” loosed limitations on human rights of assembly, association, and boarder entry and exit, civil trial and so forth. The KMT authorities cancelled prohibition on establishment of new parties and publication of newspaper thereafter. New parties mushroomed in Taiwan and broke up the legitimation of one party rule, leading to the gradual formation of political structure of “multi-party competition and two-party checks and balances.” Politics began to be separated from economy and the island gradually transited from “authoritarian politics” to “party politics.” There were 31 kinds of newspaper before the reform, but they quickly amounted to sixties to seventies.

CKK passed away in January 1988, and Lee Teng-hui succeeded him in charge of party, government and military power. Lee further promoted localization and political and economic reforms centered on party politics, increasing the percentage of native Taiwanese in the power structure.¹² From the 13th congress of the KMT in July 1988, the trend of Taiwanization within the new leadership became clearer. In December 1992, the legislature was reelected and some elder legislators coming from the mainland in the 1940s either passed away earlier or retired now, and all legislators were elected by Taiwanese people. In 1996, the Taiwan area held its first direct election of its leader.

¹¹“House Current Resolution concerning Political Developments on Taiwan,” November 18, 1985, in Joanne Jaw-Ling Chang, ed., *Report on Sino-U.S. Relations, 1985–1987* (Taipei: Institute of American Culture, Academia Sinica, 1989), pp. 257–258.

¹²Except for minor aboriginals (less than 1%), most Taiwanese were migrated to the island from the mainland. In general, those people came to Taiwan before the end of War of Resistance Against Japan as well as their descendants are called Taiwanese, those came to Taiwan after War of Resistance Against Japan are called Mainlanders.

Bipartisan system, freedom of speech, direct elections of legislators and leaders on the island were all deemed by American political circle and media as a trend matching American value. Americans thus encouraged and appreciated what Taiwan had done. Taiwan's status was newly advanced in the eyes of some Americans: Taiwan had not only taken off economically with American assistance, but also successfully transformed from an authoritarian society to a democracy without social chaos under American political guidance. Taiwan was simply like America's "Chonger [favorite son]." As Chas Freeman puts, "As Taiwan's economic prosperity has advanced and its democratization has proceeded, it has had an easier and easier task of selling itself in the United States, since it has, in fact, become increasingly admirable as a society, and its natural affinities with Americans have grown, rather than diminished."¹³

For the United States, another part of meaning of Taiwan's democratization is that it has served as an example of transformation from an authoritarian society to a democratic society. The existence of Taiwan as a model is important for America to expand its values in Asia, linking with American goal of moving China toward Western-expected democratic and free society through evolution.¹⁴

2.1.2 The Evolution of U.S. Taiwan Policy After the Cold War

2.1.2.1 George Bush Administration

The new situation after the end of the Cold War unavoidably influences U.S. Taiwan Policy. The first issue standing out was the sales of F-16 A/B fighters. Since the early 1980s, Taipei had always been asking for the arms sales but the United States had not agreed. However, Washington and Taipei took advantage of the loop in the August 17th Communiqué and the United States helped Taiwan to develop weapons through technological transfer, which was not mentioned in the Communiqué. Four U.S. military enterprises participated in the research and production of "Ching-kuo Fighter."¹⁵

Facing with the drastic changes occurred in East Europe and the Soviet Union, the United States began to consider adjusting its national security strategy. In March 1990, the Bush administration put forward his first *National Security and Strategy*

¹³Michael Chase, "U.S.- Taiwan Security Cooperation: Enhancing an Unofficial Relationship," in Nancy Tucker, ed., *Dangerous Strait. The U.S.- Taiwan- China Crisis* (New York: Columbia University Press, 2005), p. 165.

¹⁴Martin L. Lasater, *The Changing of Guard. President Clinton and Security of Taiwan* (Boulder: Westview Press, 1995), p. 225.

¹⁵Chen I-Hsin, *Duanjiao hou de zhongmei guanxi* [Sino-U.S. Relations after Breaking off Diplomatic Relations, 1979–1994] (Taipei: Wunan Book Co., Ltd., 1995), p. 187.

Report, advancing a vision of “creating a new era beyond containment.”¹⁶ A trend of reversing China-U.S. relations and three Communiqués occurred accordingly. The newly retired American ambassador to China James Lilley called the regime of Communist Party of China (CPC) as “decaying dynasty” in a speech at Pennsylvania State University in September 1991. He thought that China’s claim of its sovereignty over Taiwan was an “obsolescent mistake,” and the U.S. China policy “had been locked in the three communiqués for too long.”¹⁷

The Bush administration confronted with a bad fortune: the recess of American economy and a shrinking weaponry market in the early 1990s. The administration adopted a series of measures to enhance competitiveness of American military-industrial entrepreneurs in the international market. Taiwan is a market coveted by international military-industrial entrepreneurs, as the island has both demands and capabilities for arms purchases. At the time, Taiwan simultaneously asked the United States and France to sell F-16 fighters and Dassault Mirage 2000 fighters, and military-industrial entrepreneurs from the United States and France were competing to have Taiwan as a buyer. The deal of F-16 might impact employment of 5800 persons of GM Corporation in Texas. 1992 was a year of elections. Because of economic circumstances then and the failure of the Bush administration in promoting economic growth, its supporting rate clearly lagged behind Democratic candidate and Arkansas governor Bill Clinton.¹⁸ For a long time, China policy has been a “football” in American domestic politics, especially during the election year. During this election, Clinton played greatly with the human rights issue in China. GM lobbied Congress to exert greater pressure on the Bush administration. 100 members of Congress (including 53 Democrats and 47 Republicans) and 54 senators, respectively, sent joint letters of appeal to Bush to support sales of F-16 A/B fights to Taiwan.¹⁹

Within the administration, opinions varied obviously over whether or not to sell F-16. Department of Defense advocated the sales, but the Department of State opposed it. James Lilley began to serve as Assistant Minister of Defense in charge of international security, responsible directly for U.S. military relations with Asian countries. He made efforts to promote U.S.-Taiwan relations, employing his discretionary power. He believed that the People’s Liberation Army (PLA) had enjoyed supremacy over Taiwanese military unprecedentedly and broken military balance across the Taiwan Strait because of the aging of Taiwan air force and

¹⁶“National Security Strategy by George W. Bush,” *US Department of State Dispatch*, Vol. 1, No. 1, March 3, 1990.

¹⁷James Mass, *About Face*, pp. 258–259.

¹⁸The supporting rate for President Bush was 82% in March 1991, and decreased to 50% by December of the same year. It fell down again to 39% in April 1992. See Robert Ross, “The Bush Administration: The Origin of Engagement,” in Ramon H. Myers, Michel C. Oksenberg and David Shambaugh, eds., *Making China Policy: Lessons from the Bush and Clinton Administrations* (New York: Rowman and Littlefield Publishers, Inc., 2001), p. 38.

¹⁹Patrick Tyler, *A Great Wall. Six Presidents and China* (New York: A Century Foundation Book, 1999), p. 376.

purchase of Su-27 fighters on the part of the mainland.²⁰ His position was supported by Defense Minister Dick Cheney, Vice Defense Minister Paul Wolfowitz, but opposed by the Department of State. Assistant Secretary of State William Clark drafted a memorandum to the White House, indicating that this arms sales deal would incur strong reaction from China. U.S. Ambassador to China Steplton Roy regarded the sales as against the 1982 Communiqué. But officials in favor of the sales claimed that the purpose of the Communiqué was just for maintaining military balance between the two sides of the Taiwan Strait, and President Reagan personally thought this way. In fact, the White House then had already made the decision of selling the fighters to Taiwan; the opposition of the Department of State could change nothing.

This decision of the Bush administration was a severe incident in U.S. Taiwan policymaking. First, it seriously violated the August 17 Communiqué. Since the conclusion of the Communiqué, Washington basically obeyed it. Although U.S. arms sales to Taiwan had not been reduced in terms of quantities and functions every year and even increased slightly sometimes, but no great breakthrough had ever occurred.²¹ The arms sales in 1992 were another case. The 150 F-16 A/B fighters valued over \$5.8 billion and surpassed the total amount of arms sales to Taiwan in the decade from 1982 to 1991. These arms sales opened a bad precedent against the Communiqué with far-reaching influence. Second, the TRA stipulates that the United States only provides defensive weapons and equipment to Taiwan, but F-16 A/B is undoubtedly an offensive weapon with a flying radius of more than 3000 km. Therefore, these arms sales were a breakthrough not only in quantities but also in functions. The arms sales virtually overrode the formulations of the TRA and could be thought as an important adjustment of U.S. Taiwan policy after the end of the Cold War. It was conceivable that the Chinese government firmly opposed the decision of the Bush administration.

Bush was not lack of knowledge of the history of China-U.S. relations. He understood the seriousness of this arms sales and possible reactions from China. His National Security Advisor Brent Scowcroft explained to Chinese Ambassador Zhu Qizhen, "This sale of F-16 is not done for Taiwan or for you." "It is being done because the production line is in Texas and Texas is crucial to the President."²² Since then, the Bush administration also adopted some measures to reduce the negative impact of F-16 sales, such as cancelling limitation in selling satellites and their components to China, sending Secretary of Commerce Barbara Franklin to China in December and restoring the meetings of China-U.S. Joint Commission on Commerce and Trade (JCCT) which had been interrupted for three years, cancelling four prohibitions of arms sales to China including the return of J-8 fighters that had

²⁰It was said that Taiwan has lost 150 airplanes over the past ten years; its total airplanes have been reduced from 500 to 350. See *About Face*, p. 265.

²¹Chen I-Hsin, *Duanjiao hou de zhongmei guanxi*, p. 196, Fig. 8-2.

²²Patrick Tyler, *A Great Wall*, p. 378.

been sent to the United States for updating electronic equipment, providing ammunition production lines and four anti-submarine torpedoes.²³

2.1.2.2 Bill Clinton Administration

In the two terms of the Clinton administration, the United States made twice adjustments of policy to Taiwan. The first one includes the review of Taiwan policy and Lee Teng-hui's visit to America. These measures were meant to upgrade U.S.-Taiwan relations. The second adjustment includes Clinton's "three no's" statement during his visit to China and opposition of Lee Teng-hui's "two-state theory." These were aimed to return to the one China policy.

Taipei knows well the political operations of three branches of power in the United States and engaged in lobbying Congress for quite a long time. The distinguished China expert David Lampton argues that except for Israel none external entity can effectively lobby in the United States like Taiwan.²⁴

In the new Congress from 1993 on, some members of Congress proposed various resolutions to enhance relations with Taiwan one after another, among which the most influential amendment was put forward by Congressman Frank Moukowski. This amendment argued that relevant articles in the TRA "had replaced" some formulations, instructions and policies in the August 17th Communiqué. On July 15th, the Senate Foreign Relations Committee passed this resolution with 20 versus 0 ratio. The U.S. Senate incorporated this resolution in *Department of State Authorization Act, 1994–1995*. The *Authorization Act* passed in House had not included this resolution, however. Finally, the two cameras reached a compromise by changing the article in the Senate's *Authorization Act* into a *Statement* without binding power. This *Statement* claimed that "the Taiwan Relations Act take primacy over statements of United States policy, including communiqués, regulations, directives, and policies based thereon." It also requires the President to assess changes in China's capabilities and intentions on a regular basis and consider whether it is appropriate to adjust U.S. arms sales to Taiwan accordingly.²⁵ This statement made Taiwan excited, thinking it "had laid foundation for substantial relations" between the United States and Taiwan in the future.

Soon after Clinton took office, various pressures came to him one another: Congress wanted to treat Taiwan nicely, media recognized and appreciated Taiwan's democratization, and business circle wanted to deal with their counterpart in the island more conveniently. The Clinton administration responded to these pressures through a review of U.S. Taiwan policy. On September 27, 1994, the

²³Chen Yongxiang, ed., *Bushi yu zhongguo* [Bush and China] (Nanking: Nanking University Press, 2002), p. 134.

²⁴David Lampton, *Same Bed, Different Dreams. Managing US-China Relations, 1889–2000* (Berkeley, CA: University of California Press, 2001), p. 103.

²⁵Martin L. Lasater, *The Changing of the Guard*, p. 141.

Clinton administration announced the adjustment of U.S. Taiwan policy. The main points are:

First, Taiwanese representative office in the United States was renamed from the Coordination Council for North American Affairs (CCNAA) to Taipei Economic and Cultural Representative Office (stationed in Washington, D.C.). A dozen or so institutions stationed in other places of the United States were called Taipei Economic and Cultural Office.

Second, Taiwanese representative officials could meet their counterparts in American governmental institutions, except for the Department of State, the White House, and its west wing (referring mainly to National Security Council); economic officials at sub-cabinet level could dialogue with each other to handle important bilateral issues.

Third, periodical meetings between officials at the cabinet level could be convened to handle economic and technological issues; U.S. cabinet-level officials in economic and functional departments could visit Taiwan; Taiwanese “president,” “vice president,” “head of Executive Yuan” and “deputy head of Executive Yuan” were allowed to have transit stops in the United States, with limited time period. Their private visits to America were not allowed, though.

Fourth, although the United States did not support Taiwan’s participation in international organizations requiring statehood, it supported “Taiwanese voice to be heard” in these organizations, and supported Taiwan to participate in international organization without the requirement of statehood, such as the World Trade Organization, and Asian-Pacific Economic Council.²⁶

But this policy review by the Clinton administration made nobody feel happy (*liwai bu taohao*). The reaction from Congress was “critical because of the policy’s cosmetic nature.” Some senators called the administrations “official pettiness,” saying “we continue to give Taiwan the cold shoulder...Taiwan has a multiparty system, free elections, and a free media—the things we profess to champion—while we continue to cuddle up to the mainland government;” the administration treats “one of our closest democratic allies in the Pacific even worse than we treat North Korea, Cuba and Libya ... This is a tragic mistake ... The administration’s so-called ‘policy change’ is a slap in the face to Taiwan. This sends a terrible message to emerging democracies around the world.”²⁷ U.S. policy adjustment clearly had not reached Taiwan’s expectation. Taiwanese “Foreign Minister” Fredric Chien said, “There’s some progress, but basically speaking are disappointed.”²⁸

Soon after the result of this review was released to the public, the Clinton administration began to implement it. In early December 1994, U.S. Secretary of Transportation Federico Pena came to visit Taiwan for three days, and gave a

²⁶“Taiwan Policy Review,” Statement before the Senate Foreign Relations Committee by Winston Lard, September 27, 1994, *US Department of State Dispatch*, Vol. 5, No. 42.

²⁷Martin L. Lasater, *The Changing of the Guard*, p. 147.

²⁸Martin L. Lasater, *The Changing of the Guard*, pp. 147–148.

speech at U.S.-Taiwan Business Council. This was the highest visiting official to Taiwan since Clinton came to office. Expectedly, Pena claimed that his visit was unofficial when arriving Taiwan, following the precedents. However, Taiwanese officials considered this as a “breakthrough” in Taiwan-U.S. relations.²⁹

U.S. Taiwan policy adjustment encouraged Taipei to strive for greater breakthrough in their relations with Washington. Lee Teng-hui made some progress in Taiwan’s external relations via “pragmatic diplomacy,” “holiday diplomacy,” “golf diplomacy,” “silver bulled diplomacy,” and “flexible diplomacy.” Taiwan’s “diplomatic allies” once increased to 31. But what Lee Teng-hui hoped most was to visit the United States, aimed to increase his supporting rate in the 1996 direct leadership elections. In June 1994, Taiwan Research Institute under Lee Teng-hui’s direct control signed a contract with Cassidy & Associates, a lobby company in Washington, D.C. According to the contract, Taiwan would pay \$4.5 million to the company, and the company needed to “create a miracle” in U.S.-Taiwan relations. Not only the public but also foreign affairs department in Taiwan was ignorant about this deal.

In addition to lobby on Congress, Taiwan resorted has other channels to influence various circles of American society. *Formosa Association for Public Affairs* (FAPA) is one of them. The association was established in 1982, consisting mainly of Taiwanese Americans. Its priority is to “obtain international support of the rights of Formosan in determining their future.” One of its publications in 1998 was titled “*Toward de Jure Independence*.”³⁰

Although the Clinton administration had conducted review of Taiwan policy, it still expressed the idea that U.S.-Taiwan relations could not change the nature of “nonofficial.” Therefore, it was impossible for Lee Teng-hui to visit the United States in “official capacity.” Lee therefore accepted James Lilley’s advice and approached his Alma Mater, Cornell University, proposing to offer \$4.5 million aid to the university in exchange for an invitation to visit it. However, the Department of State was very aware of the possible serious implication of Lee’s visit and refused to issue a visa. On April 17, 1995, Secretary of State Warren Christopher told Chinese Foreign Minister Qian Qichen during the meeting period in the United Nations that Washington would not issue visa to Lee, adding that Lee’s visit did not fit the unofficial nature of U.S.-Taiwan relations and that Washington might consider to extend the days in Lee’s transit stop visa at the most.³¹

²⁹Liu Liandi and Wang Dawei, eds., *Zhongmei guanxi de guiji—jianjiao yilai dashi zonglan* [Trajectory of Sino-U.S. Relations: Big Events Since the Establishment of Diplomatic Ties] (Beijing: Current Affairs Press, 1995), p. 475.

³⁰David Lampton, *Same Bed, Different Dreams*, p. 104.

³¹James Mass, *About Face*, p. 322; Qian Qichen, *Waijiao shiji* [Ten Events in Diplomacy] (Beijing: World Affairs Press, 2003), p. 305. Warren Christopher later explained that he told Qian Qichen about the growing pressure in Congress at the same time, which made it difficult for the administration to resist. See Warren Christopher, *In the Stream of History: Shaping Foreign Policy for a New Era* (Palo Alto, CA: Stanford University Press, 1998), p. 287.

On May 2, House passed a resolution of inviting Lee Teng-hui to visit the United States with a vote of 396 versus 0. On May 9, Senate passed the same resolution with a vote of 97 versus 1. The two resolutions just expressed the bicameral intention, without binding power on the administration. Some pro-Taiwan congressmen claimed that Congress would immediately take legislative action if the administration did not adopt congressional opinion. In fact, President Clinton himself was inclined to issue a visa to Lee. From the perspective of American values rather than U.S.-China relations, Clinton thought Lee's visit to his Alma Mater for alumni gathering was quite reasonably, but his visit must be purely private and apolitical.

On May 22, U.S. National Security Advisor Anthony Lake and Deputy Secretary of State Peter Tarnoff informed Chinese Ambassador Li Daoyu of the news that the White House would permit Lee's American trips. They claimed that this visit was purely private, and did not suggest any changes in U.S. policy. On June 7, Secretary of State Warren Christopher wrote a letter to Foreign Minister Qian Qichen, explaining to him that since House and Senate had passed the resolutions asking the administration to allow Lee's visit with overwhelming majority, "the President's consideration is to take a preempt action and prevent Congress from passing a legislature with binding power that will make U.S.-Taiwan relations seem official." Meanwhile, Christopher said that Lee's American trip was a "purely private visit," any administrative officials would not meet with him; Lee was not allowed to engage in any activities with official color. On June 8, Clinton called on a meeting with Ambassador Li in urgency. In addition to explaining his decision of allowing Lee's visit, he reiterated that the United States would carry on the one China policy, rather than "two Chinas" or "one China, one Taiwan" policy. The United States would continuously seek to establish a constructive relationship with China, and maintain its current China policy. Li Daoyu told Clinton immediately that Beijing could not accept American explanation.³²

On June 7, Lee Teng-hui visited the United States, companied by Jason Hu, Director of Government Information Office, and etc. Although U.S. Department of State had set up various limitations on Lee's visit, this trip still harmed U.S.-China relations. It was the first time since 1979 when the two countries established their diplomatic relations that the Taiwanese leader was invited to visit America. It also broke up the U.S. regulation announced shortly earlier. It damaged the "political foundation" of China-U.S. relations, tolerated the separatist tendency of Taiwan authorities on the island, and cultivated anti-China atmosphere in the world. In order to make the United States realize the seriousness of this issue, the Chinese sides adopted a series of countermeasures.

This visit had complicated impact on U.S.-Taiwan relations. Lee Teng-hui made his trip possible through manipulating congressional pressure on the administration, making it unhappy. He tried his best to break through the limitation set up by the State Department, creating antipathy among officials in the administration,

³²Qian Qichen, *Waijiao shiji*, p. 306 and pp. 309-310.

particularly those at the middle and low levels. The State Department asked to preview Lee's speech transcript, but was rejected. It hoped that Lee would not mention political issue, but he advocated without any reservation Taiwan's economic and political miracles in a speech titled *min zhi suo yu, chang zai wo xin* [What People Want Is Always in My Heart]. Moreover, Lee claimed that he would think unthinkable (*xiang bukeneng de shiwu tiaozhan*) and "breakthrough Taiwan's diplomatic isolation," using the term "Republic of China" many times in his speech. Therefore, his speech was highly political. Officials in Department of State felt being fooled by Taipei. Assistant Secretary of State Lord refused to meet Taiwanese Representative in the United States Lu Chao-chung after that.³³ After Lee Teng-hui's visit, the Clinton administration regarded him as a "trouble maker." This feeling gradually spread over to Congress. In the following several years, visiting congressmen to Taiwan, as well as their assistant or scholars "decreased drastically." The American media began to expose bribing scandals about Taiwan's employment of Cassidy & Associates as its lobbyist to support and entice academic groups and invite assistants of members of Congress to visit the island. Many people in Taiwan also believed that after Lee's American trips, Washington and Taipei actually "departed gradually," which is out of the original expectation of Taipei.³⁴

Although the Chinese side reacted toughly against Lee's trips to the United States, China and the United States shared comprehensive and deep common interests after all. Therefore, neither country wanted to exaggerate the problem, but adopted active measure to limit its damage to their bilateral ties and to restore normal relations. On August 1, foreign ministers of the two countries met in Brunei during the period of ASEAN Forum, and Warren Christopher handed a letter from President Clinton to Jiang Zemin, inviting him to visit America in the near future.³⁵ On October 24, Jiang Zemin and Clinton held a formal summit of two hours in New York when attending activities in memory of 50-years anniversary of the end of Anti-Fascist War hosted by the United Nations. Both leaders emphasized the importance of China-U.S. relations, their common interests, as well as the issue of Taiwan. After the summit, Warren Christopher specifically elaborated the issue of how to handle Taiwanese leader's visit to the United States. He promised that such visit will be privately, nonofficial and rarely, as an individual case. Still, he left over a loop: the United States cannot totally exclude the possibility of such a visit in the future.³⁶

At the eve of Taiwanese leader election in March 1996, the PLA conducted a missile exercise in specific areas of east and south China seas to indicate Beijing's

³³Nancy Tucker, ed., *China Confidential*, p. 481.

³⁴Su Chi, *Weixian bianyuan: cong liangguolun dao yibianyiguo* [Brinkmanship: From Two-State-Theory to One-Country-on-Each-Side] (Taipei: Commonwealth Publishing Co., Ltd, 2004), p. 51.

³⁵Warren Christopher, *In the Stream of History*, p. 298.

³⁶Qian Qichen, *Waijiao shiji*, p. 314.

serious concern about situation in Taiwan and threaten separatists in the island. The Xinhua News Agency released this news ahead of time. Even so, Washington sent two aircraft carrier groups to nearby sea areas close to Taiwan. The United States had employed a battle group of aircraft carrier of "Independence" in its military base in Okinawa. Originally, the State Department suggested sending this battle group of aircraft carrier to Taiwan. But U.S. Secretary of Defense William Perry thought it was not good enough, stressing the need of deploying another aircraft carrier group from somewhere else so as to manifest that the safety and stability of the West Pacific are in the U.S. interests and America has formidable military power to realize their interests. Perry even proposed to send aircraft carrier groups to pass through the Taiwan Strait. The U.S. Chairman of the Joint Chiefs of Staff John Shalikashvili and the commander of America's Pacific Fleet, however, considered it an unnecessarily provocative action. In the end, the Clinton administration made a decision that the aircraft carrier group of "Independence" set off to the high seas of the east of Taiwan, the aircraft carrier group "Nimitz" departed from the Gulf area as soon as possible to be deployed in the west waters of the Philippines. On 20th, the Xinhua News Agency announced the end of the PLA's maritime and air exercises in the East and South China Sea. On 25th, the PLA ended united military drill of army, navy and air forces in the Taiwan Strait. Cross-Strait tensions began to ease.

Although the U.S. deployment of two aircraft carrier groups consisting of 13 battleships and 150 airplanes was a military assembly with the largest scale in the region since the 1970s, this issue did not pose a crisis in a strict sense. As the Chinese government declared at the very beginning, this was just a military exercise. At the same time, the United States and Taiwan did not make a different judgment of it. However, from this issue the Clinton administration realized that the United States must seek to stabilize its relations with China as well as the situation in the Taiwan Strait. Since then, the U.S. government has emphasized that Washington opposes either side of the Taiwan Strait to change the *status quo* unilaterally. In a speech on U.S. China policy on May 17, 1996, Christopher too stressed, "Taiwan seeks an international role, it should pursue the objective in a way that is consistent with 'One China Policy.'" He also mentioned "the importance of avoiding provocative actions or unilateral measures that would alter the *status quo* or pose threat to peaceful resolution of outstanding issues"³⁷ The U.S. government officials told their Taiwan counterparts clearly in private that the "pragmatic diplomacy" of Taiwan could neither break the framework of one China nor seek to change the *status quo* unilaterally.

But it was just part of the problem. Another part was that the U.S. government sensed that the possibilities of military conflict still exist over the Taiwan Strait. So the United States fortified its military ties with Taiwan; this tactic per se was unhelpful for the stability of the Taiwan Strait.

³⁷"Address by Secretary of State Warren Christopher on American Interests and the U.S.-China Relationship, New York, May 17, 1996," *Foreign Policy Backgrounder*, May 20, 1996.

Against the backdrop of the improvement of China-U.S. relations, leaders from the two countries successfully visited one another in 1997 and 1998. Clinton had a roundtable discussion with people from all walks of life in Shanghai Library in the morning of June 30, 1998. When one scholar asked about U.S. Taiwan policy, Clinton responded, "I have had chance to reiterate our Taiwan policy, which is that we don't support independence for Taiwan, or 'two China,' or 'one China' and one Taiwan. And, we don't believe Taiwan should be a member of any international organization for which statehood is requirement."³⁸ This is what people called "three no's" policy, which is not new after all. Henry Kissinger articulated the same meanings during his first visit to China in July 1971. After that, especially after Lee's visit to the United States in 1995, both President Clinton and Secretary of State Warren Christopher had said the same words. However, it conveys different implications when the President himself announced this policy in Shanghai publicly. Taipei vigorously depreciates the meanings while criticizing Clinton's position on Taiwan policy.

Clinton's "three no's" policy caused backlash in Congress dominated by Republicans, however. Following Senate, House passed a resolution in July 1998 repeating U.S. "security commitment" to Taiwan, urged the Clinton administration to seek China's renouncement of military means against Taiwan, supported the "principle of Taiwan's self-determination," and supported Taiwan's entry into international organizations.³⁹ At the end of March 1999, Senate Foreign Relations Committee Chairman Jesse Helms and Democrat Senator Robert Torricelli took a lead to advance *Taiwan Security Enhancement Act* and House had proposed some similar resolutions afterwards. They wanted to clarify U.S. "security commitment" to Taiwan, and further advance U.S.-Taiwan relations, particularly in military area. They were actually to direct U.S.-Taiwan relations toward a military alliance, including (1) ensuring Taiwan to obtain necessary military equipment, including relevant equipment to the TMD System, diesel submarines, Aegis destroyers and other maritime anti-missile system, and improving Taiwan's air defense facilities; (2) training Taiwan's military personnel; and (3) establishing direct radio communication between Taiwanese military and U.S. Pacific Command.⁴⁰ Although the Clinton administration explicitly objected the standpoints of *Taiwan Security Enhancement Act* at the very beginning, House still passed its modified version on

³⁸Zheng Yuan ed., *Kelindun fanghua yanxing lu* [Clinton Remarks in His China Visits] (Beijing: China Social Sciences Press, 1998), p. 205.

³⁹*The Associated Press (AP)*, Washington, July 9, 1999; *Reuters*, Washington, July 20, 1999. Some pro-Taiwan former government officials attacked Clinton's remarks more heavily. Harvey Feldman, the last Director of Office of Chinese and Mongolian Affairs before the People's Republic of China (PRC) established diplomatic relations with the United States, disregarded the basic fact and even argued, "The United States has kept silence as regards to whether Taiwan is part of China." For him, Clinton's remarks "have damaged the successful policy of America over 30 years or so," and "this is the greatest, and probably very dangerous change in U.S. policy." *The Central News Agency*, Washington, July 19, 1999.

⁴⁰*Cankao Xiaoxi* [Reference News], May 21 and June 15, 1999.

February 1, 2000. However, Senate shelved this bill and did not vote for it. The bills voted by House previously had become invalid as the new Congress started in 2001. Another motion of Congress was to propose the Department of Defense to present an annual report to Congress about Chinese military power and security circumstances in the Taiwan Strait in the *National Defense Authorization Act for Fiscal Year 2000*.⁴¹

A tragic incident occurred on May 8, 1999. The Embassy of the People's Republic of China in the Federal Republic of Yugoslavia was hit by a missile launched by a U.S. bomber that was participating in an air raid against Yugoslavia. Lee Teng-hui exploited this as an opportunity, arguing that since Taiwan made constitutional reforms in 1991, it has "redefined cross-Straits relations as nation-to-nation, or at least as special nation-to-nation relations" in an interview by a correspondent of Deutsche Welle on July 9, 1999.⁴² This was a serious incident—the Taiwan authorities publicly denied the one China principle and broke the basic frame of stability in cross-Straits relations. Wang Daohan, the president of Chinese mainland's Association for Relations Across the Taiwan Straits (ARATS), was about to visit Taiwan in fall 1999 and to realize the third Wang-Koo meeting, with the possibility of opening political dialogue within the one China framework. Lee was determined to prevent this from happening. In order to prevent the third Wang-Koo meeting and create obstacles to it, Lee cast the so-called "two-state theory" at that moment.⁴³ The Chinese government solemnly denounced Lee's attempts of splitting the country.

The Clinton administration responded quickly to the "two-state theory." On July 12 and 13, both spokespersons from the White House and Department of State stressed that the U.S. government had long adhered to the one China policy. The U.S. government suggested the two sides of the Taiwan Strait to conduct "face-to-face" and "meaningful and substantial" dialogues, expecting neither party to obstruct the dialogue by words or actions.⁴⁴ Darryl Johnson, the Director of

⁴¹Shirley A. Kan, *China/ Taiwan: Evolution of the 'One China' Policy—Key Statements from Washington, Beijing, and Taipei* (CRS Report for Congress, Updated April 10, 2002), p. 2.

⁴²The interpreter for Lee Teng-hui then was Bih-jaw Lin, who translated Lee's remarks as "state to state relationship, and two states in one nation." After the interview, Lin told German reporter that this was the first time that Lee Teng-hui had announced Taipei's new definition of cross-Straits relations openly. Suffice to say, Taipei had premeditated to do so then. See Xu Xuejiang, ed., *Weixian de yibu: liangguolun zhen mianmu* [A Dangerous Step: The True Face of Two-States Theory] (Beijing: Xinhua Publishing House, 1999), p. 89.

⁴³On July 13, Bih-jaw Lin called a consultative meeting between some member of the Straits Exchange Foundation (SEF) and Lee's advisory group. On the one hand, they discussed relevant issues related to Wang Daohan's forthcoming visits to Taiwan. Meanwhile, they made a judgment that possibility of Wang's visits has decreased, and the mainland would cancel Wang-Ku talks scheduled for October. In fact, to make the talks impossible was Lee Teng-hui's true purpose. *Cankao xiaoxi*, July 21, 1999.

⁴⁴Michael Laris, "Taiwan Jettison 'One China' Formula; Irrate Beijing Warns Step is 'Dangerous,'" *The Washington Post*, July 13, 1999, p. A-14; "Transcript: State Department Noon Briefing," July 13, 1999, *Bulletin*, July 14, 1999, pp. 3–6.

Taipei Office of American Institute in Taiwan (AIT), required Lee Teng-hui to explain the “two-state theory.” Putting on table the Constitution of the Republic of China and some relevant policy statements released by Taiwan in the past that he prepared previously, Johnson questioned whether the “two-state theory” had already deviated from the Constitution. From July 23 to 25, AIT Chairman of Board Richard Bush visited Taiwan, expressing unhappiness and deep concern about Lee’s sudden announcement of “two-state theory” without discussing it with Washington previously. Bush pointed out that the four elements of U.S. Taiwan policy for the past 20 years have been (1) one China policy, (2) commitment to fulfilling regulations of the TRA, (3) support of dialogues cross the Taiwan Strait, and (4) resolution of Taiwan issue in a peaceful manner. Taipei then promised Bush that they would never “amend the Constitution” or revise the Guidelines for National Unification and relevant legislations such as the Act Governing Relations Between the People of Taiwan Area and the Mainland Area. Taiwan would never change its current mainland policy. Consequently, the Clinton administration cancelled a visit of America military delegations to Taiwan.⁴⁵

On July 18, U.S. President Clinton made a call to Chinese President Jiang Zemin and exchanged their thoughts on the Taiwan issue. Clinton reiterated U.S. firm commitment of the “one China” policy and emphasized that Washington has not altered its policy on the Taiwan issue; Beijing should utterly believe his previous speeches on this issue.⁴⁶ By communicating through telephone since the “bombing of the Chinese Embassy” incident happened two months ago, the paramount leaders of the two countries reached a consensus concerning basic principles of their bilateral relations, which was obviously beneficial to stabilize the Taiwan Strait area and improve China-U.S. relations. On July 21, Clinton reaffirmed the three important pillars of U.S. policy on a press conference of the White House, i.e., “one China” policy, dialogues over the cross-Strait, and peaceful resolution of disputes. He talked about the “one country, two systems” policy implemented by the Chinese government in Hong Kong in an affirmative manner when answering questions from reporters. Clinton pointed out that Taiwan would enjoy a more relaxing environment after unification.⁴⁷ Secretary of State Madeleine Albright and National Security Advisor Samuel Berger respectively reaffirmed this standpoint on different occasions.

2.1.2.3 George W. Bush Administration

Just like that during the Clinton administration, the U.S. Taiwan policy underwent two adjustments during George W. Bush’s two terms in office. The first time is in

⁴⁵Robert Suettinger, *Beyond Tiananmen: The Politics of U.S.-China Relations, 1989–2000* (Washington, DC: Brookings Institution Press, 2003), p. 382.

⁴⁶*Xinhua yuebao* [Xinhua Monthly], No. 8, 1999, p. 40.

⁴⁷Liu Liandi and Wang Dawei, eds., *Zhongmei guanxi de guiji*, p. 263.

April 2001, when Bush revealed his stand that US would “do whatever it took to help Taiwan defend herself” and Bush ratified selling enormous amounts of advanced weapons to Taiwan, which sent a wrong signal to “Taiwan independence” separatists. The second one is from December 2003 to 2008, when Bush opposed Chen Shui-bian’s unilateral change of the *status quo* and set forth a series of measures to oppose *de jure* “independence of Taiwan,” which was considered as a return to the one China policy.

Bush applied an ABC (Anything but Clinton) policy during his early days in office in the hope of separating his policy from that of his predecessor. As for China policy, he thought that the Clinton administration had been insufficiently firm with China and had provided too little support for Taiwan. Therefore, he wanted to take steps to “rectify the situation.”⁴⁸ The previous administrations had maintained an allegedly “strategic ambiguity” according to the TRA. After Bush came into office, he was determined to “clarify” (*qingxihua*) U.S. Taiwan policy. Bush received an interview by the host of ABC News Charles Gibson on April 24 after he had been in office one hundred days. When the correspondent asked if the United States was obliged to protect Taiwan when it was under attack, Bush expressed that United States would “do whatever it took to help Taiwan defend herself.”⁴⁹ No president except Bush had ever expressed the similar words since the normalization of U.S.-China relations. It seemed that Bush tried to “mend fences” by saying “I am willing to help Taiwan defend herself, and that nothing has really changed in policy;” “I certainly hope Taiwan adheres to the one China policy, and a declaration of independence is not the one China policy” in an interview by CNN correspondent the next day.⁵⁰ However, these words could not eliminate the influence brought about by his previous stand, which was just what he thought. In fact, he conveyed the similar meanings during an interview in August 1999.⁵¹ Almost at the same time, Bush strived to enhance U.S.-Taiwan relations particularly in military areas. Washington promised to sell a host of weapons to Taiwan, including 4 Kidd-class destroyers, 8 diesel submarines, 12 P-3C anti-submarine warfare (ASW) aircrafts,

⁴⁸Richard Bush, *Untying the Knot. Making Peace in the Taiwan Strait. Taiwan, Asia, Northeast Asia* (Washington, DC: Brookings Institution Press, 2005), p. 262.

⁴⁹“Accepting an Interview by ABC’s “Good Morning America” Program after One Hundred Days in Office (taped on April 24 and broadcast on April 25),” Project Team of Institute of American Studies at Chinese Academy of Social Sciences, ed., *Bushi yanlun* [Bush’s Remarks], January 2002, p. 85. Some American scholars believe that the President has over-interpreted the spirit of the Taiwan Relations Act here. As Richard Bush puts it in an article, “Most of the TRA language is rendered as statements of policy rather than law, and so lacks binding force. For example, the TRA only states a U.S. policy of having the capacity to resist coercion against Taiwan, not an explicit commitment to use those capabilities. The only thing that a U.S. administration *must* do in a crisis is report to Congress.” Richard Bush, “Thoughts on the Taiwan Relations Act,” *China Times*, April 2009, <http://www.brookings.edu/research/opinions/2009/04/taiwan-bush>.

⁵⁰“jieshou youxian xinwenwang de caifang” [Bush Accepts CNN Interview], April 25, 2001, in *Bushi yanlun*, p. 94.

⁵¹Susan V. Laurence, “Bush to Chen: Don’s Risk It,” *Far East Economic Review*, May 20, 2004, p. 31.

12 MH-53E mine-sweeping helicopters, and 54 AAV7A1 amphibious armored vehicles; some of them like diesel submarines were just listed in the previous version of *Taiwan Security Enhancement Act*. It is safe to conclude that these actions were to activate *Taiwan Security Enhancement Act*. In March 2002, “ROC National Defense Minister” Tang Yau-ming flew to Florida to attend a National Defense Summit, U.S. Deputy Secretary of Defense Wolfowitz and some other officials attended this meeting. Tang was the highest-level official from the ministry to visit the United States since 1979. Deputy ministers from Taiwan, including Kang Ning-hsiang, Chen Chao-min and Lin Chong-bin, also visited the United States at different times, and they even unusually entered the Pentagon directly, surpassing the previous regulations by U.S. Department of State.⁵²

This policy adjustment had a great impact on cross-Straits relations. After all, the DPP is a party aimed at Taiwan independence. Chen made a promise of “four no’s” in his inauguration speech in May 2000 insincerely,⁵³ and was seeking all opportunities to promote his “gradual independence” and “desinification” by employing all resources and means. Bush’s abovementioned statement gave a blank check to Taiwan. It seemed whatever Taiwan did would always get support from the United States, and Taiwan could rely on Washington to confront with the mainland. Many American scholars criticized Bush’s statement.⁵⁴

U.S.-China relations began to improve after the end of “airplane collision” incident. Furthermore, U.S. war on terror since September 11 and the issue of nuclear weapon of North Korea in October 2002 greatly improved the environment of bilateral relations between China and the United States, and expanded their cooperation spheres.

During 2001 and 2002, Washington “turned a blind eye” rather than paying full attention to Chen’s “gradual independence.” However, Chen was pushing the envelope. On August 3, 2002, Chen described cross-Straits relations as “one country on each side of the Taiwan Strait,” incurring U.S. concern for the first time. Because Nauru, a Pacific island state, severed its “diplomatic ties” with Taiwan and established diplomatic relations with the People’s Republic of China, Chen flew into a rage from shame and made a direct video speech at the annual meeting of World Federation of Taiwanese Associations convened at Tokyo. In the speech, Chen claimed: “Taiwan is a sovereign independent country ... Taiwan and China on the

⁵²Su Chi, *Weixian bianyuan*, p. 231. Washington always argues that to sell advanced weapons to Taiwan is a reaction against the mainland’s missile deployment toward Taiwan. This argument is quite weak. China’s military deployment in the South Eastern coastal area is meant to deter against Taiwan independence, as many American scholars have recognized.

⁵³Chen Shui-bian once said, “As long as the Chinese Communist Party has no intention to use military force against Taiwan, he promises that he will not declare independence, not change the national title, not push forth the inclusion of the two-states theory in the constitution, not promote a referendum on the issue of unification versus independence and change the *status quo* during his term in office. Accordingly, to abolish the National Unification Council or the Guidelines for National Unification is a non-issue.” See Su Chi, *Weixian bianyuan*, p. 137.

⁵⁴For details, see the following pages of this chapter.

other side are ‘one country on each side’ which should be made clear. I personally appeal to and encourage people to seriously consider the importance and urgency of legislature on public referenda.”⁵⁵ Clearly, by saying so Taipei had directly challenged U.S. one China policy. Spokesmen of U.S. National Security Council and State Department repeated, “[Our] policy with respect to China and Taiwan is well-known, long-standing, and remains unchanged. We have a one-China policy and we do not support Taiwan independence.”⁵⁶ U.S. reaction against “one country on each side” was the starting point of estrangement between the Bush administration and the Chen authorities.

Taiwan was to have another elections for its leader in 2004. Chen decided to manipulate the issue of unification and independence and stir up ethnic conflicts in the society via referenda in order to stimulate electoral sentiments. On September 28, 2003, Chen declared at an evening gathering of the 17th anniversary of the DPP that Taiwan should “complete an unprecedented referendum in history” in 2004, “facilitating a new constitution” in 2006, and implementing it in 2007 (claiming later to formally implement it on May 20, 2008). When interviewed by *Washington Post* on October 6, 2003, Chen claimed that “there is one country on each side of the straits” and they are “one China and one Taiwan.” Chen said he would not bow to U.S. pressure to modify recent moves—including holding a referendum on rewriting the constitution and adding the name Taiwan to its official Republic of China passports. “Taiwan is not a province of one country nor it is a state [*zhou*] of another,” he said. “Any kind of democratic reform is our own internal affairs. I don’t think any democratic country can oppose our democratic ideals.”⁵⁷ Taking practices of “democracy” as a banner, Chen demonstrated unprecedentedly a hard profile against the Chinese mainland and the United States.

The Bush administration responded immediately. The Department of State Spokesman Richard Boucher unusually traced what Chen said on 20th May 2000 inauguration speech and read word by word of the “four no’s” promise in the speech. He pointed out that this promise should be observed. At another press conference, Boucher reiterated U.S. one China policy, asking the two sides of the Taiwan Strait not saying or doing whatever that might increase tension or stop conversation.⁵⁸ In the following couple of months, spokesmen of the White House and State Department made several remarks, repeating that Washington opposed either side of the Taiwan Strait to unilaterally change the status quo, and urging continuously the two sides not doing or saying whatever might increase Strait tension or making dialogue even more difficult.

⁵⁵Su Chi, *Weixian bianyuan*, p. 303.

⁵⁶“Taiwan’s Leader Supports a Vote on Independence,” *Wall Street Journal*, August 5, 2002; “Mei guanyuan shuo mei jianchi yige zhongguo zhengce” [American Official Said That the United States Insists on One China Policy], *The People’s Daily* (overseas edition), August 9, 2002.

⁵⁷John Pomfret, “Taiwanese Leader Condemns Beijing’s ‘One China’ Policy; Chen Dismisses Fear in U.S. of Rising Tension,” *Washington Post*, October 7, 2003, p. A-18.

⁵⁸State Department Noon Briefing, October 7, 2003, <http://www.usembassy-isreal.org.il/publish/press/2003/october/100802-html>.

The mainland watched the situation closely. On November 17, one figure that was in charge of Taiwan Affairs Office of the State Council made solemn remarks, saying that what Chen did had completely exposed his true intention of splitting the country, dragging Chinese compatriots in Taiwan to a brink of deep abyss. The Chinese mainland firmly opposed Chen's activities of national secession through "legislature on referenda" and "referendum on the issue of Taiwan independence." Once Taiwan passed the "legislature on referenda" without any limitation, the mainland would react strongly. "Taiwan independence means war."⁵⁹

In order to further clarify the serious and solemn position of the Chinese government to the international society, particularly to the United States, Chinese Premier Wen Jiabao accepted an interview by General Editor of *Washington Post* Leonard Downie at the eve of his American trip. Regarding the referendum issue, Wen said that the Chinese mainland would not give up efforts to peacefully resolve the Taiwan issue, but would not sit down idly toward any provocative actions of national secession. The Chinese people will spare no expense to maintain national unity.⁶⁰

In early December of 2003, Premier Wen Jiabao paid an official visit to the United States with an invitation from President Bush. The Taiwan issue was obviously the central theme of the two leaders' conversation. On December 9, the two leaders held a joint press conference in the White House around 12 p.m. of Eastern Standard Time of America. Bush stated that the United States opposes any unilateral change of status quo of the Taiwan Strait. In particular, he sternly criticized Chen by saying "the comments and actions made by the leader of Taiwan indicate that he may be willing to make decisions unilaterally, to change the status quo, which we oppose."⁶¹ Bush's remarks are undoubtedly a shock to Taiwan. Later on, Bush repeated his viewpoint that Washington does not want to see any unilateral change of status quo by either side when he had a telephone conversation with President Hu Jintao on December 20, 2003. Around Bush's remarks on December 9, voices concerning stability of the Taiwan Strait mushroomed in the international community, criticizing Chen for disturbing peace and stability in East Asia by pushing referendum stubbornly.

Chen Shui-bian faced a dilemma in the referendum issue under pressures from the domestic, mainland and the international society. The Chen administration was

⁵⁹Liao Hong, "Guotaiban fuzhuren Wang Zaixi: taidu jiushi zhanzheng, wuli kongnan bimian" [Taiwan Affairs Office Vice Director Wang Zaixi: Taiwan Independence Means War, Military Means Might be Unavoidable], http://news.xinhuanet.com/newscenter/2003-11/18content_1185507.htm.

⁶⁰"Government Resolute on Taiwan Issue," *China Daily*, November 24, 2004.

⁶¹*Washington File*, December 10, 2003, pp. 2–3. After Bush made the abovementioned remarks, some members of U.S. Congress criticized him. But in general, congressional reaction was weaker than that against Clinton's open remarks of "three no's" in Shanghai during June 1998. Some American scholars believed that it is because the most pro-Taiwan members of Congress are the right wing of the Republicans that they do not want to make trouble with their president, even though they are unhappy with the president's remarks. The author's conversation with Michael Swaine, February 12, 2004.

going to dispatch propaganda delegations to Japan, the United States and Europe on January 10, 2004 to communicate with people concerned, but both Washington and Tokyo rejected it abruptly. The Chen administration simply lost face. Helplessly, Chen decided to revise the issues for referendum. On January 16, he made a five-minute telephone speech, announcing the contents of March 20 referenda with two questions. First, “Will you agree to increase purchase of anti-missile equipment to strengthen Taiwan’s self-defense capabilities if the Communist Party of China does not remove missiles targeted at Taiwan and not give up force against Taiwan?” Second, “Do you agree that the government should negotiate with the CPC and strive to establish an interactional framework for strait peace and stability for seeking bilateral consensus and people’s benefits?”⁶² In order to make Washington feel good, Defense Minister Tang Yau-ming declared on January 18 that even if the referenda failed, Taiwan would still implement policy of arms purchase already decided. If so, what is the sense of such referenda?

On March 19, 2004, a mysterious “assassination” occurred one day before the elections. Both Chen and his running mate Annett Lü were shot during a street tour in Tainan City. This added an ambiguous color to the already highly heated election campaign. Next day, Chen and his running mate won the elections with a very narrow majority (0.2%). However, both referenda issues demanded by Chen could not obtain more than 50% votes turnout, thus became invalid.

On April 21, 2004, House International Relations Committee held a testimony in memory of 25 anniversary of legislature of the *Taiwan Relations Act*. Assistant Secretary of State James Kelly gave a testimony. Although U.S. leaders and government spokesmen have elaborated U.S. Taiwan policy many times since October 2003, this testimony is the only complete and comprehensive illustration. The basic tune of this testimony is opposing unilateral change of the status quo of the Taiwan Strait. Several points deserve special attention. First, the testimony emphasizes that the status quo should be defined by the United States, revealing a hegemonic discourse, of course. However, these words at that time were targeted at Chen’s “one country on each side” remarks, thus rejecting Chen’s argument. Second, the testimony mentions that the Chinese government does not want to give up military means, and if Taiwan declares “independence,” the mainland will take military action. “While we strongly disagree with the PRC’s approach,” Kelley says, “it would be irresponsible of us and of Taiwan’s leaders to treat these statements as empty threats.” Therefore, “We encourage the people of Taiwan to regard this threat equally seriously.” Further, Kelly says, “A unilateral move toward independence will avail Taiwan of nothing it does not already enjoy in terms of democratic freedom, autonomy, prosperity, and security.” Besides, “such moves carry the potential for a response from the PRC ... that could destroy much of what Taiwan has built and crush its hopes for the future.” The testimony asked Chen to “exercise the kind of responsible, democratic, and restrained leadership that will be necessary to ensure a peaceful and prosperous future for Taiwan.” This sentence is quite

⁶²*Hong Kong Commercial Daily*, January 17, 2004.

important. Over the past 20 years or so, no such a high-ranking U.S. official had ever warned the Taiwanese leader in this way. To put Kelly's words more bluntly, if Taiwanese leader and people want peace and prosperity, they should not pursue independence; if they want independence, they will lose peace and prosperity. Third, the testimony highlighted U.S. "security interest" several times. It said that Americans would "speak clearly and bluntly if we feel as though those efforts carry the potential to adversely impact U.S. security interests or have the potential to undermine Taiwan's own security. There are limitations with respect to what the United States will support as Taiwan considers possible changes to its constitution." "We do no one any favors if we are unclear in our expectations or obfuscate where those limitations are," Kelly adds. "The President's policy regarding our opposition to unilateral changes to the status quo will be reinforced in this dialogue with Taiwan about its political evolution." These sentences were clearly targeted at Chen timetable of "constitutional making" in 2006 (later being changed into "constitutional revision"). Kelly plainly told Taiwan authorities not to act foolishly; otherwise, Washington would not be polite. Fourth, the testimony actively encouraged the two sides to talk, and admonished Taiwan bluntly: "not interpret out support as a blank check to resist such dialogue."⁶³

Bush's remarks on December 9, 2003 are a watermark of U.S. Taiwan policy adjustment. From then on, the Bush administration's Taiwan policy had been to maintain the status quo, oppose *de jure* "independence." In recent years, the Taiwan issue has been always an important one in many meetings between Chinese and American leaders. President Hu Jintao once and again reminded President Bush, "Taiwan independence will end Strait peace, and seriously damage stability and prosperity in Asia-Pacific region. Both China and the United States should understand the danger of Taiwan independence from this strategic altitude and work together to contain the splitting activities of Taiwan independence force."⁶⁴ From Beijing's perspective, "opposing and containing splitting force and activities of Taiwan independence, and maintaining cross-strait peace and stability are the common interests of both countries."⁶⁵ From the latter part of 2003 to the middle of 2008, Beijing and Washington opposed *de jure* independence of Taiwan and maintained peace and stability in the Strait through parallel efforts.

On March 4, 2005, Hu Jintao made a four-point speech during the meeting period of Chinese People's Political Consultation Conference (CPPCC), declaring that the mainland will insist on one China principle unshakably, strive for peaceful unification unwaveringly, put hopes on Taiwanese people without change, and oppose splitting activities of Taiwan independence without compromise. These points elaborated the new generation of leaders' Taiwan policy more

⁶³"Kelly Says Taiwan Relations Act Key to West Pacific Stability," *Washington File*, April 22, 2004, pp. 5-12.

⁶⁴"Hu Jintao Meetings with Foreign Leaders from the United States, Russia, Japan and Vietnam during informal conference of APEC Leaders," *Xinhua Monthly*, No. 12, 2004.

⁶⁵"U.S. President Bush Visiting China," *Xinhua Monthly*, No. 12, 2005.

comprehensively and exactly. On March 15, the National People's Congress passed the *Anti-Secession Law* and crystalized all Chinese people's strong will for national unification in a legal format.

According to Chen Shui-bian's timetable, he was to "make a new constitution" in 2006. However, "constitution making" within current law framework would confront with insurmountable obstacles since the "Pan-Blue" controlled the majority seats in Taiwan's legislature. Seeking a substitute for *de jure* independence, the Chen administration proposed to join the United Nations in the name of Taiwan and held a referendum on this issue when the island had elections for its leadership in March 2008. The Chinese government paid great attention to this trend, and urged Washington to declare its position. Since Taipei proposed the referendum on whether or not to join the United Nations in the name of Taiwan (hereafter joining UN referendum) in June 2007, the Bush administration kept criticizing Taiwan without interruption. On August 28, U.S. Deputy Secretary of State John Negroponte said in an interview with Hong Kong-based Phoenix TV that Washington saw the joining UN referendum "as a step towards a declaration of independence of Taiwan, towards an alteration of the status quo." Washington considered the idea of referendum "a mistake," and "it is important to avoid any kind of provocative steps on the part of Taiwan."⁶⁶ Later, Deputy Assistant Secretary for East Asian and Pacific Affairs Thomas Christensen made a keynote speech at a Defense Industry Conference on September 11. In the speech, he continued to heavily criticize the joining UN referendum, and clearly pointed out that "the content of this particular referendum is ill-perceived" and is "a step intended to change the status quo." According to Christensen, supporters of the referendum "are ready to put at some risk the security interests of the Taiwan people for short-term political gain." He also refuted the accusation that the U.S. position on the joining UN referendum constitutes "interference in Taiwan's democracy." For him, "Bad public policy initiatives are made no better for being wrapped in the flag of 'democracy'."⁶⁷ On December 3, AIT Taipei Office Director Steven Young said once more openly in Taiwan that the referendum is "neither necessary nor helpful," it is greatly risky and is damaging mutual trust between Washington and Taipei. He expected that the election of new leader of Taiwan would provide "an opportunity for the two sides to set aside past differences and work to create a new cooperative relationship."⁶⁸ On December 6, Christensen

⁶⁶"US opposes Taiwan's UN membership referendum," *China Daily*, August 29, 2007, http://www.chinadaily.com.cn/china/2007-08/29/content_6064371.htm.

⁶⁷"Speech to U.S.-Taiwan Business Council Defense Industry Conference, Deputy Assistant Secretary for East Asian Affairs," September 11, 2007, http://www.us-taiwan.org/reports/2007_sept11_thomas_christensen_speech.pdf.

⁶⁸"Remarks by Director of American Institute in Taiwan Stephen M. Young at the Foundation on International of Cross-Strait Studies Conference: Opportunities and Challenges in U.S.-Taiwan and Cross-Strait Relations," December 3, 2007. In Chiu Chaolin, ed., *Zhongmei guanxi zhuanji yanjiu (2004-2008)* [Sino-U.S. Relations, 2004-2008] (Taipei: Institute of European and American Studies, Academia Sinica, 2011), pp. 412-416.

unusually met Taiwanese media and expressed clearly that this referendum was “unwise, provocative and risky.” He added, the joining UN referendum did not fit interests of both Taiwanese people and the United States, and it could not change Taiwan’s status either. Moreover, it dishonored Chen’s promise of “Four No’s,” and is actually a referendum on the issue of unification versus independence.⁶⁹ On December 21, U.S. Secretary of State Condoleezza Rice said at a press conference of the end of year that the joining UN referendum was “a provocative policy” and “unnecessarily raises tensions in the Taiwan strait and it promises no real benefits for the people of Taiwan on the international stage.”⁷⁰ The repeated statements of the Bush administration had influenced the public opinion in Taiwan. During voting day of March 22, 2008, the referendum failed. On March 26, President Hu Jintao had a telephone conversation with President Bush, appreciating him for declaring many times that the United States insists on the one China policy, observes the three communiqués between the two countries, and opposes Taiwan independence, the referendum, and Taiwan’s participation in international organizations that require statehood. Hu hoped that China and the United States would continuously work together to maintain peace and stability across the Taiwan Strait.⁷¹

Opposing Taiwan independence is the one side of the Bush administration’s policy, and another one is to continuously implement the TRA. After Bush announced a great deal of arms sales to Taiwan in April 2001, Taiwan’s legislature controlled by the KMT boycotted against the special budget required by weaponry purchase more than 60 times. The United States continually urged the Taiwan to implement the deal, exerting pressures on both the DPP authorities and legislature. On September 19, 2005, Deputy Under Secretary of Defense Richard Lawless issued a strong speech, saying that the special budget for weaponry purchase had become a political “distraction.”⁷² On September 12, 2006, Clifford Hart, Jr., Director of Office of Taiwan Coordination, U.S. Department of State, gave a speech at a conference of defense industry of U.S.-Taiwan Business Council, exaggerating the mainland’s threat to Taiwan by claiming that a war between the two sides of the Taiwan Strait is not impossible. According to him, political leader in Taiwan must seriously consider the security issue, showing wisdom and political courage, and reach an agreement on the issue of financial procurement for increasing defense capabilities urgently needed by the island. Washington still insisted on carrying out President Bush’s April 2001 decision to sell weapon system to Taiwan required by

⁶⁹“Roundtable Briefing with Taiwan Media: Thomas Christensen, Deputy Assistant Secretary for East Asian Affairs,” Washington, December 6, 2007, <http://www.state.gov/p/eap/rls/tm/2007/96691.htm>.

⁷⁰Condoleezza Rice Press Conference, December 21, 2007, www.myspace.com/egoist/blog/340186012.

⁷¹“Hu Jintao zhuxi tong bushi zongtong tongdianhua” [President Hu Jintao Makes A Phone Call to President Bush], *People’s Daily*, March 27, 2008.

⁷²Shirley Kan, “Taiwan’s Defense Dilemma—Implications for the United States,” *Taiwan’s Dilemma: A Democracy Divided Over National Security*, edited by Mark Mohr, Woodrow Wilson International Center for Scholars, September 2007, p. 29.

the island. Taiwan must immediately pass the procurement.⁷³ By 2007, the Bush had sold Taiwan a great deal of weapons at the value of \$9.151 billion, including four Kidd-class destroyers retired from American navy, two sets of long-range, early warning radars, and 12 anti-submarine warfare (ASW) aircrafts. It was at the critical moment when Taiwan authorities tried hard to promote the referendum that U.S. Department of Defense notified Taiwan that the United States could provide with the upgraded PAC-II missiles. On December 21, Condoleezza Rice criticized the referendum as provocative at the abovementioned press conference. Yet, U.S. Defense Minister Robert Gates announced at his press conference that the United States would continue arms sales to Taiwan, saying “as long as they [Chinese on the mainland] continued to build up their forces on their side of the Taiwan Strait, we would continue to give Taiwan the resources necessary to defend itself.”⁷⁴ In October 2008, the Bush administration again sold Taiwan a deal of weapons at a value of \$6.463 billion, including PAC-III missiles and Black Hawk helicopters.⁷⁵ As Washington once and again violated the three communiqués, Beijing reacted strongly and stopped military exchange with the United States.

2.1.2.4 Period of Barack H. Obama Administration

Since May 2008, cross-Strait relations have experienced a historical turnabout, moving out of the “high risky period” and marching on the road of positive interaction and peaceful development. The ARATS and the SEF began institutionalized negotiations and quickly realized “three direct links” between the two sides. Economic and trade agreements have been signed one after another. In particular, the two sides signed a meaningful Economic Cooperation Framework Agreement (ECFA) in June 2010 and prepared an important basis for long-term development of cross-Strait economic relations. Taiwan has opened the door to mainlander tourists, indicating that a great exchange between the two sides has taken shape.

The Obama administration welcomes peaceful development of cross-Strait relations. When the DPP was in power, Chen Shui-bian’s constant pursuit for Taiwan independence had stretched cross-Strait ties for a long time. His “unpredictability” created a big trouble for the Bush administration, as cross-Strait tension had threatened Asia-Pacific peace and might drag Washington into a war unwanted. Therefore, the Bush and Obama administrations welcome peaceful development of cross-Strait relations. During President Obama’s visit to China in November 2009, the two countries issued a joint statement, in which the issue of Taiwan is

⁷³Clifford Hart, Jr., “Speech to US-Taiwan Business Council Defense Industry Conference,” September 12, 2006, Denver.

⁷⁴Joseph S. Nye, “Taiwan and Fear in US-China Ties,” *Taipei Times*, January 14, 2008, <http://www.taipetimes.com/News/editorials/archives/2008/01/14/2003397224>.

⁷⁵Shirley A. Kan, *Taiwan: Major Arms Sales since 1990* (Washington, DC: CRS Report for Congress), December 29, 2009, pp. 60–61.

described as: “The United States supports the peaceful development of relations across the Taiwan Strait and looks forward to efforts by both sides to increase dialogues and interactions in economic, political, and other fields, and to develop more positive and stable cross-Strait relations.”⁷⁶ This policy announcement kept pace with times and reflected the reality of cross-Strait relations. It expressed encouragement to and positive expectation on peaceful development of cross-strait relations, which is in the interest of the United States.

Because fewer troubles and uncertainties cross the Taiwan Strait than those days before May 2008, the Obama administration seldom openly elaborated its policy on cross-Strait relations. Depute Assistant Secretary of State David Shear’s testimony before the U.S.-China Economic and Security Review Commission in March 2010 titled “China-Taiwan: Recent Economic, Political and Military Developments Across the Strait and Implications for the United States” provided a considerably full elaboration of the Obama administration’s policy on cross-Strait relations. In the testimony, Shear recalled the development of cross-Strait relations over the past two years and expressed that the United States welcomes this development. According to him, “We should not be alarmed by Mainland-Taiwan rapprochement as somehow detrimental to U.S. interests, as long as decisions are made free from coercion. Future stability in the Strait will depend on open dialogue between Taiwan and the PRC, free of force and intimidation and consistent with Taiwan’s flourishing democracy.” He emphasized, first of all, “Taiwan needs to be confident in its role in the international community, its ability to defend itself and protect its people, and its place in the global economy.” “The United States is a strong, consistent supporter of Taiwan’s meaningful participation in international organizations.” Taiwan is now a member of the World Trade Organization, the Asian Development Bank and the APEC, and should also be able to participate in organizations where it cannot be a member, such as the World Health Organization, the International Civil Aviation Organization and other important international bodies. Shear said that the United States was gratified that after more than a decade of efforts, Taiwan was able to attend last year’s World Health Assembly (WHA) as an observer.

Second, according to Shear, Taiwan must be confident “to resist intimidation and coercion” from the mainland. The provision by the United States of defense articles has bolstered that capacity. Earlier on, U.S. Department of Defense notified Congress of the approval of arms sales to Taiwan worth \$6.4 billion, Shear defended this decision as consistent with the TRA. Meanwhile, he expressed U.S. “strong concern” over continued lack of transparency in mainland’s military modernization and its rapid buildup across the Strait.

Finally, Shear said, “closer economic relations is clearly in the interest of both the United States and Taiwan,” as Taiwan is 10th largest trading partner of America

⁷⁶“Zhongmei fabiao lianhe shengming, tuijin liangguo hezuo” [China and the United States Issued A Joint Statement to Promote Bilateral Cooperation], *Xinhua meiri dianxun* [Xinhua Daily Telegraph], November 18, 2009, http://www.360doc.com/content/11/0123/20/404696_88564569.shtml.

and the United States is the largest foreign investor in Taiwan with cumulative direct investments of over \$21 billion.⁷⁷

From Shear's testimony, one can see that the Obama administration's Taiwan policy still has two faces. On the one hand, the United States welcomes peaceful development of cross-Straits relations. On the other hand, it still wants to interfere with China's domestic affairs and sell weapons to Taiwan. The United States has kept talking about its "obligation" to Taiwan, but forgotten its commitment to the Chinese government. As early as 1982 when the two countries reached a joint communiqué on U.S. arms sales to Taiwan, Washington indicated that it would not provide weapons to Taiwan forever, and committed itself to gradually reduce the level of arms sales both qualitatively and quantitatively. Although thirty years have passed, the United States still fails to implement the promise. Its "credit deficit" to China is simply too huge.

On July 7, 2010, David Shear again made a speech titled "East Asia and the Pacific: Cross-Straits Relations in a New Era of Negotiation" at the Carnegie, elaborating the Obama administration's Taiwan policy. He argued that speculating about cross-Straits crisis conflict in the future had formed a cottage industry in Cold War studies over the past several decades. It might be not too bold to hope that developments in recent years may herald the creation of a new cottage industry: "cross-Straits opportunity scenarios." He welcomed the signing of the ECFA, which would lower or eliminate tariffs on hundreds of commodities, and facilitate cross-Straits trade and people-to-people exchanges. "Open, fair trading environments are good for U.S. firms, good for the United States and good for the global economy," he said. American and other foreign firms might base regional operations in Taiwan and increase U.S. exports to both the mainland and Taiwan. He felt concerns about Taiwan's restrictions on the import of certain U.S. beef, but hoped that the two parties not to let the dispute over beef imports overshadow their trading relationship. Regarding cross-Straits relations, the progress over the past two years is "unprecedented," "both Taiwan and the PRC deserve credit for the steps taken in the past two years to increase contacts, find common ground, and lower tensions."⁷⁸

Some scholars elaborated the policy of the Obama administration more comprehensively. Bonnie Glaser specified eight goals of Obama's China policy as follows. (1) To promote positive-sum relations among the United States, China, and Taiwan. Improvement in Mainland-Taiwan ties will be welcomed and encouraged. Cooperation between Beijing and Washington will not come at Taiwan's expense, and stronger U.S.-Taiwan relations will not be aimed at pressuring China. (2) To repair and strengthen U.S.-Taiwan relations, which were badly frayed during Chen Shui-bian's second term in office. The new administration will take steps to bolster

⁷⁷David B. Shear, "China-Taiwan: Recent Economic, Political and Military Developments Across the Strait and Implications for the United States" (Testimony Before the U.S.-China Economic and Security Review Commission, March 18, 2010), <http://www.state.gov/p/eap/rls/rm/2010/03/138547.htm>. In a speech in July 2010, he listed Taiwan as ninth trade partner of the United States.

⁷⁸David Shear, "East Asia and the Pacific: Cross-Straits Relations in a New Era of Negotiation," <http://www.state.gov/p/eap/rls/rm/2010/07/144363.htm>.

U.S.-Taiwan relations, but this should not be misconstrued as intended to slow or impede progress in cross-Straits ties. (3) To encourage further improvement in cross-Straits relations. The decade-long hiatus in cross-Straits dialogue was dangerous: it resulted in greater misunderstanding and an increased risk of miscalculation. (4) To make no changes in the “one China” policy, but possibly modify the rhetoric. It would be best if China abandons the effort to promote “co-management” of the Taiwan issue with the United States. (5) To call for China to reduce its military deployments opposite Taiwan. (6) To firmly support greater participation by Taiwan in international organizations. (7) To maintain a robust security relationship with Taiwan, including U.S. arms sales to Taiwan, with new fighter jets under consideration. China’s military posture toward Taiwan will be the critical variable in any arms sale decision. (8) To support Taiwan’s democratic system; Washington involvement in Taiwan’s 2008 elections to discourage the passage of referenda should be seen as exceptional. The U.S. will not work with Beijing to keep the KMT in power.⁷⁹

In brief, President Obama’s policy toward Taiwan basically followed his predecessor’s one China policy,⁸⁰ and could not avoid its double faces. On the one hand, the Obama administration welcomes peaceful development of cross-Straits relations; on the other hand, it still wants to sell arms to Taiwan and does not give up interference with China’s domestic affairs. During the term of the Obama administration, U.S. arms sales to Taiwan have continuously interrupted the development of China-U.S. relations, and the two countries deal with this matter solemnly. The Taiwan issue is still an important one in their relations, and cannot be disregarded easily.

2.2 Think Tanks and U.S. One China Policy

All U.S. administrations have announced that they would pursue the one China policy since Nixon’s visit to China in 1972. While The U.S. “one China” policy overlaps China’s one China principle, it also conveys different meanings. Besides, the two countries hold different interpretations of the three communiqués between them. This section briefly analyzes the U.S. “one China” policy and the attitudes of conservative think tanks in this regard.

2.2.1 Interpretations of U.S. “One China” Policy

First, Washington “does not take a position” on the question of Taiwan sovereignty. The earliest and most classic version of U.S. “one China” policy could be found in

⁷⁹Bonnie Glaser, “What Hu Jintao Should Expect: Predictions about Obama Administration Policy toward Taiwan,” *PacNet Newsletter* (pacnet@hawaii.biz), January 6, 2009.

⁸⁰See U.S. one China policy in details in the second section of this chapter.

the Shanghai Communiqué of February, 1972: “The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position.” Later in December 1978, the Joint Communiqué on the Establishment of Diplomatic Relations between United States and People’s Republic of China (hereafter the Joint Communiqué) repeated the statement in Shanghai Communiqué: “The Government of the United States of America acknowledges the Chinese position that there is but one China and Taiwan is part of China;” “The United States of America recognizes the Government of the People’s Republic of China as the sole legal Government of China.” Washington reaffirmed its standpoints in August 17 Communiqué of 1982.⁸¹ However, China and the United States remain divided on the meanings of these statements. China takes it for granted that these communiqués had resolved the question of Taiwan’s belonging, i.e., Taiwan is part of Chinese territory, and this should be the basic meaning of the one China policy; however, the United States holds a different position. According to Washington, it had not articulated its position clearly on the status of Taiwan in the three communiqués but just “acknowledged” (which is translated in Taiwan as “renzhi,” namely, “realize”) the position of China. The statement of “Taiwan is part of China” is the position of China but not that of the United States. The U.S. government neither endorses nor opposes this position. Some U.S. scholars even claim that the “one China” policy is exactly the so-called “three no’s,” i.e., no support for Taiwan’s independence, no support for “two China” or “one China one Taiwan,” and no support for Taiwan’s entry into the United Nations and other international organization made up of sovereign states. Some other American scholars contend that U.S. “one China” policy means recognizing one government representing China only at one time.⁸²

The contentions are essentially of the sovereignty and the ultimate status of Taiwan. After the Korean War broke out, Harry Truman made a statement on the situation in Korea on June 27, 1950, “The determination of the future status of Formosa must await the restoration of security in the Pacific, a peace settlement with Japan, or consideration by the United Nations.”⁸³ This formally took the allegedly “undetermined status of Taiwan” as the policy of U.S. government. In 1970 the U.S. State Department prepared a memorandum for Senate. According

⁸¹World Affairs Press ed., *Nuli jianshe zhongmei jianshexing de zhanlue huoban guanxi – Jiang Zemin dui meiguo jinxing guoshi fangwen* [Strive to Construct the US-China Strategic Partnership: President Jiang Zemin’s State Visit to the US] (Beijing: World Affairs Press, 1998), p. 224, p. 228.

⁸²Shirley A. Kan, *China/ Taiwan: Evolution of the ‘One China’ Policy—Key Statements from Washington, Beijing, and Taipei* (Washington, DC: CRS Report for Congress, Updated April 10, 2002), p. 2. Senate Report 96-7, *Taiwan Enabling Act Conference Report, Report of the Committee on Foreign Relations, United States Senate, Together with Additional Views on S.245*, March 1, 1979, p. 7. The contentions between China and the US on different interpretations of the three communiqués have already lasted more than three decades and they are seemingly to maintain this momentum.

⁸³World Affairs Press ed., *Zhongmei guanxi ziliao* [Information on China-U.S. Relations] (Beijing: World Affairs Press, 1960) Vol. 2, p. 89.

to it, “As Taiwan and the Pescadores [Penghu] are not covered by any existing international disposition, sovereignty over the area is an unsettled question subject to future international resolution.” Robert Starr, an official of Legal Affairs Office of U.S. State Department, during Kissinger’s secret visit to Beijing in July 1971 cited again this statement in a memorandum of the legal status of Taiwan presented to Charles Sylvester, the then State Department Office of Republic of China Affairs Director.⁸⁴ Nixon made a series of assurances—of which the first one was that the United States would not issue any statement like “undetermined status of Taiwan”—to Chinese leaders during his visit to China in February 1972.⁸⁵ While the United States no longer mentions the “undetermined status of Taiwan” openly afterwards, it has never actually given up the argument.⁸⁶

Following the Joint Communiqué of 1978, Warren Christopher, the then Deputy Executive Secretary of State, testified before the Senate Foreign Relations Committee, saying that while the American government “acknowledged the Chinese position that there is only one China and Taiwan is part of China,” “it is not American position.” After the two parties reached the August 17 Communiqué in 1982, the State Department wrote to congressional members in the same month, contending that “the U.S. has remained completely agnostic, taking no position at all on Taiwan’s status.”⁸⁷ Before that in July 1982, the Reagan administration made “six assurances” to Taiwan, saying “The United States has not altered its position on the question of sovereignty over Taiwan.” That is to say, the US would continue to take no position on the sovereign issue of Taiwan.⁸⁸

A later example is that in July 2007 the United States presented a nine-point demarche in the form of “non-paper” to the U.N. Under-Secretary-General for Political Affairs. The first point is that “the United States acknowledges China’s view that Taiwan is a part of China. We take no position on the status of Taiwan. We neither accept nor reject the claim that Taiwan is a part of China.” The United States does not take the position that “Taiwan is a part of the PRC.”⁸⁹ Several U.S. administrations since the normalization of China-US relations have no longer

⁸⁴John Tkacik, “Stating America’s Case to China’s Hu Jintao: A Primer on U.S.- China- Taiwan Policy”. *Heritage Foundation Background*, No. 1541, April 26, 2002.

⁸⁵“Memorandum of Conversation, Nixon and Chou Enlai,” February 22, 1972, pp. 5–7.

⁸⁶John Tkacik, “Stating America’s Case to China’s Hu Jintao: A Primer on U.S.- China- Taiwan Policy”. *Heritage Foundation Background*, No. 1541, April 26, 2002; Xu Shiquan and Ezra E. Vogel, “Dampening the Taiwan Flash Point,” in Richard Rosecrance and Gu Guoliang, eds., *Power and Restraint. A Shared Vision for the U.S.-China Relationship* (New York: Public Affairs, 2009), p. 114.

⁸⁷Harvey Fieldman, “A Primer on U.S. Policy Toward the ‘One China’ Issue: Questions and Answers,” *Heritage Foundation Background*, No. 1429, April 12, 2001.

⁸⁸John Tkacik, ed., *Rethinking “One China”* (Washington, DC: Heritage Foundation, 2004), p. 69.

⁸⁹John Tkacik, “Taiwan’s ‘Unsettled’ International Status: Preserving U.S. Options in the Pacific,” *Heritage Foundation, Issues. Background*, No.2146, p. 11. The fifth of the Reagan administration’s Six Assurances to Taiwan in July 1982 stresses that US “has not altered its position on the question of sovereignty over Taiwan.” This position is the right one articulated in this non-paper.

declared U.S. positions on the issue of Taiwanese sovereignty, but the core of U.S. Taiwan policy is still based on the theory of “Taiwan’s unsettled status.”⁹⁰

Second, the TRA specifies U.S. security commitment and arms sales to Taiwan. The U.S. government insists constantly that its “One China policy is based on the three US-China Communiqués and the Taiwan Relations Act.”⁹¹ According to the TRA, enacted in April 1979, “the United States decision to establish diplomatic relations with the People’s Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means;” “to consider any effort to determine the future of Taiwan by other than peaceful means, including boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States;” “the President is directed to inform the Congress promptly of any threat to the security of the social or economic system of the people on Taiwan ... The President and the Congress shall determine, in accordance with constitutional process, appropriate action by the United States in response to any such danger;” “the United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability.”⁹² U.S. security commitment stipulated in the TRA is twofold, i.e., maintenance of capability to resist any part’s use of force against or pressure to Taiwan, and arms sales to Taiwan to enable Taiwan to maintain a sufficient self-defense capability.⁹³ Yet this security commitment contains some intentional ambiguities. First, this security commitment is not a 100% commitment to Taiwan. As emphasized by Joseph Nye,

⁹⁰See Xu Shiquan and Ezra F. Vogel, Dampening the Taiwanese Flash Point, in Richard Rosecrance and Gu Guoliang, eds., *Power and Restraint. A Shared Vision for the U.S.- China Relationship*, p. 114.

⁹¹“Electoral Change on Taiwan, Building Peace in the Taiwan Strait” by Richard Bush, March 29, 2000. President Bush had clarified this for several times, such as during his meeting with Premier Wen Jiabao on 9 December 2003. Office of the White House Press Secretary, “President Bush and Premier Wen Jiabao Remarks to the Press,” December 90, 2003. www.whitehouse.gov/news/releases/2-3/12/20031209-2.html.

⁹²Lester L. Wolf and David L. Simon, eds., *Legislative History of the Taiwan Relations Act with Supplement* (New York: The Pacific Community Institute, 1993), pp. 288–289. Richard Bush believes that the establishment of the AIT is the most successful part of the TRA, which maintains the “significant relations” between the United States and Taiwan. Besides, he argues that it would be exaggerating the legal connotations of the TRA if one equates the act with the request of U.S. arms sales to and defense for Taiwan. Firstly, “shall” is frequently used in U.S. legislation so as to ensure that executive agencies adopt actions that Congress hopes for. But “will” is instead used in the TRA, which turns this stipulation into a specification of will of Congress rather than a legally binding mandate. Secondly, no signs in this legislation indicate that the United States is willing to determine Taiwan’s military supplies. Apparently, U.S. arms sales to Taiwan are subject to great changes in accordance with various standards that Taiwan demands. Thirdly, stipulations in the Act and factual conducts by various administrations are to notify Congress at the end of U.S. arms sales to Taiwan in fact. Therefore, the TRA does not stipulate that the United States *must* export arms to Taiwan since there is no mandatory stipulation in this act, virtually or procedurally. Richard Bush, “Thoughts on the Taiwan Relations Act,” *China Times*, April 2009.

⁹³“Electoral Change on Taiwan, Building Peace in the Taiwan Strait” by Richard Bush, March 29, 2000.

the then Assistant Secretary of Defense during the 1995–1996 Taiwan Strait crisis, “the Americans do not want to give Taiwan a 100% guarantee that no matter what Taiwan does, the Americans will come to their defense, because that would encourage Taiwan to take actions that would be risky.”⁹⁴ Second, it does not articulate when the United States will intervene and what measures it will adopt in case military conflicts occur across the Taiwan Strait. Third, the U.S. arms sales have been specified in this commitment, while the types and amounts of weapons as well as the time when to provide shall yet to be decided by the President.

The TRA is a reaction against the normalization of China-U.S. relations. It violates China’s sovereignty and hurts its core interest; it wantonly intervenes into Chinese domestic affairs, breaking the “one China” policy, and is therefore opposed rightly by the Chinese government. The Carter administration pledged that this act would be implemented utterly in the manner of the normalization of U.S.-China relations. As for China, the TRA is a document in opposition to the three communiqués, and it hence leads to an inextricable dilemma of U.S. Taiwan policy.

The United States made new commitments to reduce arms sales to Taiwan in the August 17 Communiqué, which stipulates that the United States shall not seek a policy selling weapons to Taiwan for a long period of time; that arms sales to Taiwan both in qualitative and quantitative terms would not surpass those in the 1980s; that it shall gradually reduce those sales over time, and eventually resolve the issue of arms sales. The conclusion of this communiqué resulted from compromise between the United States and China. So it does not fundamentally solve the arms sales issue. Actually the Reagan administration was unwilling to make this communiqué possible. As soon as the communiqué came into effect, Reagan sent out a “Presidential Directive” initiated by Secretary of State George Shultz and Defense Secretary Caspar Weinberger. According to the Directive, “The U.S. willingness to reduce its arms sales to Taiwan is conditioned absolutely upon the continued commitment of China to the peaceful solution of Taiwan-PRC differences.” Namely, “the quantity and quality of the arms provided Taiwan are conditioned entirely on the threat posed by the PRC. Both in quantitative and qualitative terms, Taiwan’s defense capability relative to that of the PRC will be maintained.”⁹⁵

Having dealt with the United States for years, Deng Xiaoping had his own observations. For example, Deng told a visiting Chinese-American scholar in June 1983, “U.S. incumbents have never stopped making ‘two Chinas’ or ‘one and half

⁹⁴Joseph S. Nye Jr. “Military Muscle –Flexing in a Chinese Political Game,” *International Herald Tribune*, March 18, 1996. In the Taiwan Strait Crisis of 1995–1996, the Clinton administration warned Taiwan, on the one hand, that Taipei should not necessarily expect support from the United States if the mainland adopted military actions against Taiwan; it also told Beijing that China should not exclude the possibilities of U.S. intervention by standing on the side of Taiwan if military conflict occurred, on the other. See John Tkacik, “Stating America’s Case to China’s Hu Jintao: A Primer on US-China –Taiwan Policy,” April 26, 2002. *Backgrounder*, No. 1543.

⁹⁵James Lilley and Jeff Lilley, *China Hands: Nine Decades of Adventure, Espionage and Diplomacy in Asia* (New York: Public Affairs Books, 2004), p. 248.

China’.”⁹⁶ But the United States basically followed the stipulations of August 17 Communiqué. The first time that the United States seriously violated the Communiqué happened in 1992 when it exported 150 F-16 Falcon Fighter Jets to Taiwan. The U.S. government has violated the stipulations of the Communiqué repeatedly ever since, selling a large amount of advanced weapons to Taiwan.

Taipei paid close attention to and were highly worried about the negotiations on the August 17 Communiqué, and they had a good knowledge of the development of the negotiations due to some pro-Taiwan Congressmen’s revelation of the negotiations. On July 14, the CCNAA directly contacted Assistant Secretary of State John Holdridge in the hope of assuring the maintenance of U.S.-Taiwan relations based on the following six points. This is U.S. Six Assurances to Taiwan, stating that the United States:

1. Had not agreed to set a date for ending arms sales to Taiwan;
2. Had not agreed to hold prior consultations with the PRC regarding arms sales to Taiwan;
3. Would not play a mediation role between the two sides of the Taiwan Strait;
4. Would not revise the TRA;
5. Had not altered its position regarding sovereignty over Taiwan; and
6. Would not exert pressure on Taiwan to enter into negotiations with the mainland.⁹⁷

The U.S. government believes that Washington ought to stand by its commitment to Taiwan in the TRA since it is related to American credibility to its allies and friends. In view of this consideration, the Clinton administration despatched two aircraft carrier battle groups to the Taiwan Strait in March 1996. By doing this, the Clinton administration attempted to convey the message that the United States kept its word, and it was capable of fulfilling its commitments and resisting any adversarial behaviour that recourse to force against Taiwan, and holding back any similar behaviour as such in future.⁹⁸

Several members of Congress have anticipated strengthening U.S.-Taiwan relations and upgrading U.S. arms sales to Taiwan through legislature. A couple of relevant legislations in the Congress had been proposed in the 1990s but virtually brought nothing new to U.S.-Taiwan relations.

⁹⁶*Selected Works of Deng Xiaoping* (Volume 3) (Beijing: People’s Publishing House, 1995), p. 30.

⁹⁷Reports on Sino-U.S. Relations Group [Zhongmei guanxi baogao xiaozu], ed., *Zhongmei guanxi baogao* [Reports on China-U.S. Relations: 1981–1983] (Taipei: Institute of American Culture, Academia Sinica, July 1984), p. 129. On 8 March 2001, U.S. Secretary of State Colin Powell made it clear that the Six Assurances are still “the frequently used official policy” on the testimony of the Senate Foreign Relations Committee. See Hearing before the Senate Foreign Relations Committee for the Fiscal Year 2002 Foreign Operations Budget, March 8, 2001. Some U.S. scholars believe that the Six Assurances reflect a common-sense statement of U.S. policy, whose essence has been endorsed by all administrations since the Ronald Reagan administration. It is not necessary to make it public and reiterate this. The author’s interview with Alan Romberg.

⁹⁸“The United States Role in the Taiwan Strait Issue” by Richard Bush, September 21, 1999.

The Bush administration had strongly opposed the Taiwan independence that Taiwan authorities sought for on public occasions since 2003. The United States still decided to sell arms to Taiwan, though, by carrying out its security commitment. This reveals the double faces of U.S. Taiwan policy.

Third, the United States would not support Taiwan's independence, "two Chinas" and "one China one Taiwan," and Taiwan's entrance into the UN and international organizations consisted of sovereign states; this is the so-called "three no's" policy. Previous administrations have made many similar statements to the policy. In July 1971, during his secret visit to China Kissinger told Premier Zhou Enlai in the first meeting that as to the political future of Taiwan, "we are not advocating a 'two Chinas' solution or a 'one China, one Taiwan' solution." Zhou asked the attitude of the United States towards the so-called Taiwan independence movements. "U.S. would not support Taiwan independence," replied Kissinger.⁹⁹ Nixon confirmed this in February 1972 when he visited China that the United States had not supported and would never support Taiwan independence movements in any forms.¹⁰⁰ Clinton's public statement to Shanghai citizens when visiting China in June 1998 remains undoubtedly the most influential one.

As for reasons why the United States used "not support" but not "oppose" in the "three no's" policy, Richard Bush explained that to support is on one end and to oppose is on the other, while no support would be somewhere in between.¹⁰¹ Consequently, no support is still an ambiguous statement. In May 2002, the then Deputy Secretary of State Wolfowitz pointed out on an occasion that not supporting Taiwan independence is another way to oppose Taiwan independence. An array of telegraphs disseminated from U.S. State Department doubted about this. After a few days, when talking about the same topic Wolfowitz replied that sometimes it would be better to simply repeat what we usually say rather than interpreting the meaning ourselves on some occasions. He also joked that he had learnt such a lesson few days ago, indicating that he should not had said that.¹⁰²

The George W. Bush administration carried out a tough China policy and was hesitant to acknowledge the "three no's" policy publicly at the very beginning. On March 19, 2001, U.S. State Department spokesman Richard Boucher said on a press conference, "If I were to go back into the entire history of the Three No policy, you would find it wasn't ever stated quite the same way, and I don't intend to state it that way today. We adhere to the One China policy."¹⁰³ However, the Bush administration factually implemented the "three no's" policy. Furthermore, it even implemented this policy after 2003 more staunchly than any previous administrations. Since the second half of 2003, Chen Shui-bian has converted

⁹⁹"Memorandum of Conversation, Kissinger and Chou Enlai," July 9, 1971, pp. 4-5.

¹⁰⁰"Memorandum of Conversation, Nixon and Chou Enlai," February 22, 1972, pp. 5-7.

¹⁰¹The author's interview with Richard C. Bush, July 2002.

¹⁰²*Rethinking "One China,"* p. 74.

¹⁰³See John Tkacik, "Stating America's Case to China's Hu Jintao: A Primer on US-China - Taiwan Policy," *Background*, No.1543, April 26, 2002.

Taiwan independence movement from gradual independence into instant independence or *de jure* independence. Accordingly, the Bush administration deemed the deterrence of Taiwan authorities' tendency towards independence as the essence of U.S. Taiwan policy.

President Bush mentioned he would "oppose Taiwan independence" for several times. One time was during his meeting with President Jiang Zemin in October 2002 when Jiang visited the Crawford Ranch. Another one was when Bush met with President Hu Jintao during the APEC Summit in October 2003. Bush said again he would oppose Taiwan independence, when Premier Wen Jiabao paid a visit to the United States in December 2003. When asked by the press whether or not Bush had used the word "oppose," however, the Spokesman of State Department often responded ambiguously by saying, "I am not going to play any semantic game," unwilling to confirm the word "oppose" that Bush had used.¹⁰⁴

Fourth, the United States insists on peaceful resolution of the Taiwan issue and encourages cross-Straits dialogues. All U.S. administrations have been consistently asking the Chinese government to giving up military means and seeking peaceful means since China-U.S. ambassadorial talks began in the 1950s. The United States made the same requests but was refused by China during their negotiations over the normalization of China-U.S. relations. As a result, China and the United States published their statements and clarified their positions separately when issuing the Joint Communiqué. Put differently, the Chinese and U.S. governments had different interpretations but did not refute mutually. The United States made a statement that it would consistently care about peaceful resolution of the Taiwan issue and expect that the Chinese people on both sides would solve the issue peacefully. The Chinese government nevertheless responded that it is Chinese domestic affairs to decide the way of resolving the issue of Taiwan's reunification with the motherland.¹⁰⁵ As explained by Richard Bush, the U.S. government holds no position on the final resolution of the dispute over the Taiwan Strait and what Americans really care about are process and environment. For Americans, what really matters is that how a decision is made but not the decision *per se*. In other words, whether Taiwan will be unified peacefully or be independent peacefully is a matter of people from both sides of the Taiwan Strait. "The United States expects the future of Taiwan to be determined by peaceful means," and the final resolution be accepted by all people from both sides of the Taiwan Strait. To this end, they have to communicate with each other. As Richard Bush emphasized, "constructive and meaningful dialogue is the best way to resolve cross-Straits differences."¹⁰⁶ Thomas Christensen expressed that what the United States cares about is the process of peaceful unification but not

¹⁰⁴ *Rethinking "One China,"* pp. 107–109. The author consulted some mainstream scholars such as Alan Romberg and Richard Bush about this. They said that the President himself might have had this explanation, while the consistent position that all U.S. administrations held is still "no support."

¹⁰⁵ *China Daily*, February 17, 1978.

¹⁰⁶ "US Policy Regarding Taiwan" by Richard Bush at a Conference on "The Taiwan Relations Act: the First 20 Years," September 15, 1998.

the result; that the solutions are contingent upon the two sides of Taiwan Strait, and the United States takes no position on whether Taiwan is unified or not.¹⁰⁷

When talking about their hopes for a peaceful solution of the Taiwan issue, President Nixon, Carter and Reagan expressed publicly in 1972, 1978 and 1982, respectively, that they welcomed a final solution by the Chinese people on the two sides of the Taiwan Strait through dialogues and communications. The U.S. policy in the 1980s is in essence the “three no’s,” i.e., “no encouragement, no intervention, no mediation” for dialogues between the two sides. In the 1990s, some progress was made with the cross-Strait relations in terms of negotiations between the ARATS and the SEF. Bill Clinton administration welcomed negotiations as such and particularly encouraged Taiwan. As noted in the “Taiwan Policy Review” in 1994 by Winston Lord, the then Assistant Secretary of State for East Asian and Pacific Affairs, “we welcome any evolution in relations between Taipei and Beijing that is mutually agreed upon and peacefully reached.”¹⁰⁸ After the 1996 strait crisis, the United States realized that the root of crisis still existed, though the crisis per se had already gone. The Clinton administration urged the two sides of the Strait to resume their talks so as to reduce the tensions and avoid new ones. During a meeting with Chinese leader in October 1997, Clinton again expected a peaceful resolution “as soon as possible,” “sooner is better than later.”¹⁰⁹ He urged the two sides to enlarge their exchanges and promote constructive dialogues. After Lee Teng-hui mentioned “two-state theory” in July 1999, Clinton administration strengthened its position on cross-Strait dialogues. At a press conference in the White House on July 21 and during his meeting with President Jiang Zemin in the APEC Economic Leaders’ Meeting on September 11, Clinton highlighted three pillars in U.S. policy on cross-Strait relations. They are “one China” policy, peaceful resolution, and dialogues across the Strait.¹¹⁰ Richard Bush clarified that the resolution of the Taiwan issue is a matter of the Chinese themselves to decide. Although the United States played a critical role in terminating conflicts in the Middle East, North Ireland, and Cyprus, it is U.S. interests not to take a seat around the negotiating table on the Taiwan issue. It is the business of the two sides to talk themselves; so the United States would not limit the issues and ways of talks between the two sides. It is U.S. responsibility to create a condition to facilitate talks. Such position was termed by Richard Bush as a context-creating approach.¹¹¹ He added, “[T]he fundamental purpose of American policy remains what it has

¹⁰⁷Thomas Christensen, luncheon speech at an international conference on “U.S.-China Relations and Northeast Asian Security,” hosted by the National Committee of American Foreign Policy, November 10, 2006.

¹⁰⁸“Taiwan Policy Review,” Statement before the Senate Foreign Relations Committee by Winston Lard, September 27, 1994, *US Department of State Dispatch*, Vol. 5, No. 42.

¹⁰⁹Shirley Kan, *China/Taiwan: Evolution of the ‘One China’ Policy*, p. 44. Speech by Richard Bush to the Taiwanese-American Chamber of Commerce of Greater Los Angeles, January 24, 1998.

¹¹⁰Shirley Kan, *China/Taiwan: Evolution of the ‘One China’ Policy*, p. 44, pp. 49–50.

¹¹¹“The United States Role in the Taiwan Strait Issue” by Richard Bush, September 21, 1999.

always been: to create an environment ... in which the two sides of the Strait can fashion a durable peace and framework for productive cooperation.”¹¹²

The Chinese government released a *White Paper on the One China Principle and the Taiwan Issue* in February 2000. The Clinton administration later responded that U.S. government continues to oppose the use of force by the PRC to resolve the Taiwan issue, making it clear that the issue must be solved in peaceful manner and be accepted by Taiwanese people.¹¹³

The Bush administration slightly adjusted its attitude towards cross-Strait talks. Its policy from 2001 to 2002 was prone to support Taiwan and reinforce U.S.-Taiwan relations. As Taiwan independence movements became increasingly rampant, the cross-Strait relations deteriorated and tensions were escalated. The Bush administration therefore poured more efforts to urge the two sides to talk. On April 21, 2004, Assistant Secretary of State James Andrew Kelly stressed this point when he gave testimonies to expound U.S. Taiwan policy in Congress.

On the other hand, all U.S. administrations regarded deterring China from using force against Taiwan as one of the reasons for maintaining powerful military forces in west Pacific Ocean. According to *Military and Security Development Involving the People's Republic of China 2010*, the U.S. Department of Defense “through transformation of the U.S. Armed Forces and global force posture realignments, is maintaining the capacity of the United States to defend against Beijing’s use of force or coercion against Taiwan.”¹¹⁴

Fifth, the United States opposes any side of the Taiwan Strait to unilaterally change the *status quo*. This policy is directed at both sides, and it is a consistent policy implemented by all U.S. administrations. When the DPP was in office, secessionist movements shifted from gradual to an instant independence, which exceeded what the United States could tolerate. Taiwan independence movements annoyed the Bush administration, which in turn strengthened its policy and exert pressure on Taipei. Not only does the United States but also the European Union and Japan follow this policy.

Sixth, the United States supports the democratization of Taiwan. All U.S. administrations, whether the Republican Party or the Democratic Party is in power, share the standpoint that U.S. foreign policy should be based on American value and hold the belief that promoting democracy is consistent with U.S. national interests. The Taiwanese society has gradually realized its transition to democracy since the 1980s. Washington takes it for granted that the democratization of Taiwan is consistent with American values and interests. Consequently, support from U.S. political circle for enhancing U.S.-Taiwan relations had been strengthened. U.S. policy underwent some adjustments accordingly because of changes in the

¹¹²“Electoral Change on Taiwan, Building Peace in the Taiwan Strait” by Richard Bush, March 29, 2000.

¹¹³*Rethinking “One China,”* p. 73.

¹¹⁴The U.S. Department of Defense, *Military and Security Development Involving the People's Republic of China*, p. 49.

Taiwanese society. In the late period of the 1990s Washington emphasized that the final solution of Taiwan issue must be acceptable to the Taiwanese people, in addition to its insistence on the peaceful resolution of the Taiwan issue in policy announcement. In response to the doubt that “whether the search for a durable peace in the Taiwan Strait is facilitated or undermined by Taiwan’s democratic system,” Richard Bush articulated in a speech, “the answer is clear: Taiwan’s democracy, the emergence of which the United States strongly supported, contributes to peace and stability.” “We believe that the people on Taiwan are wise and prudent enough to support responsible approaches regarding Taiwan’s future. We understand, of course, that the results of cross-Strait dialogue must meet with the Taiwan public’s approval ... we also believe that any result enjoys broad support will be more lasting as a result.” “We believe that Taiwan’s democratization ... serves as a useful model for political liberalization in the PRC.”¹¹⁵ In a speech in 1999, he added that the Clinton administration believes “that any arrangements concluded between Beijing and Taipei should be on a mutually acceptable basis ... because Taiwan is a democracy, any result of cross-Strait dialogue will have to have broad public support.”¹¹⁶ An agreement that is accepted by the broad public will be more durable. On some other occasions, he reiterated, “Taiwan is a democracy, any results of cross-Strait dialogue will have to have broad public support.”¹¹⁷

At a hearing before the House Committee on International Relations on April 21, 2004, the then Assistant Secretary of State Peter Rodman stated, “Taiwan’s evolution into a true multi-party democracy over the past decade is proof of the importance of America’s commitment to Taiwan’s defense. It strengthens American resolve to see Taiwan’s democracy grow and prosper.”¹¹⁸

The democratization of Taiwan has virtually become a topic that Congress and U.S. leaders frequently talked about since the late 1990s. Senior Republican Senator Richard Lugar once wrote, “In recent years ... the Taiwanese have attempted to fashion a political and economic system based on the American model. They have achieved remarkable progress in establishing market economic development, domestic elections, civil liberties, and strong governmental institutions. Most Americans ... agree we have a moral responsibility to support peoples whom we have strongly encouraged to embrace freedom in the face of difficult or even dangerous circumstances.”¹¹⁹ George W. Bush applauded Taiwan’s democratization in a speech in Tokyo when he visited East Asia in September 2005. Besides, he urged the mainland to realize “democratization” by following Taiwan as its model.

¹¹⁵“US Policy Regarding Taiwan” by Richard Bush at a Conference on “The Taiwan Relations Act: the First 20 Years,” September 15, 1998.

¹¹⁶“The United States Role in the Taiwan Strait Issue” by Richard Bush, September 21, 1999.

¹¹⁷“Electoral Change on Taiwan, Building Peace in the Taiwan Strait” by Richard Bush, March 29, 2000.

¹¹⁸Statement of Peter Rodman before the Committee on International Relations, House of Representatives, 108 Congress, Second Session, April 21, 2004.

¹¹⁹See Richard Lugar, “Timely Exit for Ambiguity,” *The Washington Times*, May 17, 2001, p. A-16.

He declared, “Modern Taiwan is free and democratic and prosperous. By embracing freedom at all levels, Taiwan has delivered prosperity to its people and created a free and democratic Chinese society.” Following that he asked the mainland to follow the example of Taiwan, Bush claimed: “China’s economic growth must be accompanied by more freedoms for its people.”¹²⁰

Seven, the United States supports the so-called Taiwan’s international space. The U.S. government does not endorse Taiwan’s entrance in the UN, yet it has been supporting Taiwan’s expansion of its international space. This was noted when the Clinton administration reviewed U.S. Taiwan policy in 1994. Washington supported Taiwan’s qualifications either as member or observer in the APEC, WTO, WHO and other international organizations. To this end, Congress passed resolutions for many times and the administration made similar announcements. In the 1990s, enormous bills as such could be found in Congress. The United States was actively involved in Taiwan’s expansion of international space when Bush was in office. President Bush in April 2002 signed a bill that supported Taiwan’s participation in the WHO. This bill authorized Secretary of State to propose U.S. support for Taiwan’s participation as an observer in the one-week long WHA held in Geneva in May, and Secretary of State must require U.S. delegation to carry out this plan in the WHA.¹²¹ On June 14, 2004, Bush once again signed bill S2092, which authorized Secretary of State to make relevant plan and so that Taiwan could attain a status of observer in the annual WHA.¹²²

2.2.2 *Conservatism’s Challenge of “One China” Policy*

Since the normalization of China-U.S. relations in 1979, U.S. administrations have virtually maintained the “one China” policy, even though different administrations would have some shifts and sways in their policies in various periods. By and large, they did not abandon the policy framework. This is both policy of U.S. government and popular belief held by American academia.

However, there are some people in Congress and conservative think tanks whispering that US should alter its “one China” policy. The Clinton administration made a clear announcement after Lee Teng-hui’s declaration of “two-state theory” in July 1999. Senator Jesse Helms, Chairman of Foreign Relations Committee, however, claimed on July 21 at a hearing that Lee “created an opportunity to break

¹²⁰Terence Hunt, “Bush Urges China to Grant More Freedoms,” washingtonpost.com/wp-dyn/content/.../AR2005111500090.html.

¹²¹“Bush qianshu fa’an gongran zhichi taiwan ‘canyu’ shijie weisheng zuzhi” [George W. Bush signs a bill, blatantly support Taiwan’s ‘participation’ into WHO], April 5, 2002, www.chinanews.com.cn/2002-04-05/26/175665.

¹²²“Bush bugu zhongguo fandui qianshu faling zhu taiwan cheng shiwei guanchayuan” [Bush signs a bill to help Taiwan become an observer of WHO regardless of China’s opposition], June 16, 2004, www.mhedu.sh.cn/cms/data/html/doc/2004-06.

free from the anachronistic, Beijing-inspired one-China policy which has imprisoned U.S. policy toward China and Taiwan for years.” Benjamin Gilman, Chairman of U.S. House of Representatives, wrote to President on September 7, claiming that there was a “‘common misperception’ that we conceded officially that Beijing is the capital of the ‘one China’ that includes Taiwan ... under no circumstances should the United States move toward Beijing’s version of ‘one China.’”¹²³ U.S. conservative think tanks such as the Heritage Foundation and neoconservative think tanks such as New America Century among others constantly challenged and opposed “one China” policy in public, seeking chances to nullify the spirit of the three joint communiqués.

After his announcement of the “two-state theory” on July 10, 1999, Lee Teng-hui boasted about his advocate again on July 28 when meeting representatives of an academic symposium co-hosted by the AEI and the Taipei-based 21st Century Foundation. Harvard professor Ross Terril, who was present at the meeting with Lee, wrote an article for the website of the AEI on September 1. Terril echoed Lee by contending, “The United States has become locked into a Beijing-flavored one China policy based on a fiction. Once, it may have been a useful fiction. Now it has become a dangerous one.” He launched an attack on the Clinton administration for an inconsistent policy. Since Washington insists that the use of force against Taiwan is unacceptable, it means that Taiwan is entitled to be free from force. That’s to say, Taiwan is entitled to determine its own destiny. He even unreasonably added that TRA did not specify that Taiwan-U.S. relations are “unofficial,” and no reason for Washington to emphasize that all communications with Taiwan are “unofficial.”¹²⁴ At hearings before U.S. Congress on *Taiwan Security Enhancement Act* (TSEA), Terril further argued, “the transfer of Taiwan to the People’s Republic of China today would change the balance of power in Asia—something that would not have happened in 1949.” “Beijing’s desire for reunification now is a matter of strategic interest, not purely an emotional desire to reunify the motherland,” he said. “Our role is not to solve the Taiwan problem, but to prevent it (from) being interpreted in the wrong way.”¹²⁵

The impact of statements of the Project for the New American Century (PNAC), a neoconservative think tank composed of former government officials and well-known public opinion elites, is more far-reaching. In its general “Statement on the Defense of Taiwan” on August 20, 1999, the PNAC asked the Clinton administration to issue an unequivocal announcement by indicating that the United States “will come to Taiwan’s defense in the event of an attack or a blockage against Taiwan, including against the offshore of Matsu and Kinmen.”

¹²³Shirley A. Kan, *China/ Taiwan: Evolution of the ‘One China’ Policy—Key Statements from Washington, Beijing, and Taipei* (Washington, DC: CRS Report for Congress, Updated April 10, 2002), p. 1.

¹²⁴Ross Terril, “The one China Fiction and Its Dangers,” *AEI Outlooks and On the Issues*, www.aeil.org/issue/16042.

¹²⁵Stephanie Mann, “Taiwan- China-US,” October 13, 1999, <http://fas.org/news/taiwan/1999/991013-taiwan2.htm>.

The conservative think tank Heritage Foundation outperforms others in terms of challenging and opposing the “one China” policy. On February 26, 2004, the day when Chen Shui-bian sought reelection by combining referendum and electoral vote on the same day and blatantly challenged the “one China” policy, the Heritage Foundation hosted a roundtable discussion entitled “rethinking about ‘one China’” so as to show its supports to Chen. Among those scholars who attended the discussion, are Arthur Waldron from the University of Pennsylvania, Ross Terrill from Harvard University, Thomas Donnelly from the AEI, and William Kristol from the PNAC. Steve Chabot and Dana Rohrabacher, the two presidents of Taiwan Caucus in Congress and a few representatives were also invited. Speeches made by attendees on this meeting have nearly become a comprehensive opposition to “one China” policy. Their arguments can be generalized as follows:

- “One China” policy is out-dated. The “one China” policy was essential in the 1970s. Due to its failure in Vietnam, the United States was in decay when Kissinger and Nixon visited China. Meanwhile, the United States was confronted with the threat of Soviet expansion while a large amount of people regarded Soviet as an eternal country. American confidence in U.S. institutions and freedom then was at a low ebb. Many people believed that Taiwan was the barrier in establishing a stable U.S.-China relations to counterbalance the Soviet Union; that Taiwan was as an U.S. protectorate as South Vietnam; that Taiwan was also ruled despotically; that rulers in Taiwan could reach some kind of agreement with the mainland without consulting with Taiwanese people and the Taiwan issue can therefore be solved once and for all. But things have changed now. “It is the time that the United States should have abandoned all shackles that once were utilized to describe China and Taiwan and China-U.S. relations.”¹²⁶
- The “One China” policy is not consistent with U.S. national interests and values. As Kristol claims, “neither does ‘one China’ policy reflect the real situations in Taiwan nor does it accord with U.S. values and interests ... The reasons are quite simple: things changed. Taiwanese people have already established democracy. More importantly, they do not make claims to the mainland anymore and they do not want to unite with the mainland. We could adopt some practical procedures to show the significance of Taiwan as a democracy, to enhance the international status of Taiwan as possible as we can and to reinforce U.S.-Taiwan defense cooperation.”¹²⁷
- “One China” policy virtually endorses the excuse for China to open wars against Taiwan. John Tkacik, senior policy analyst at the Heritage Foundation, claims that the one-China policy “makes war in the Taiwan Strait—or the ultimate intimidation of democratic Taiwan to surrender to the demands of communist

¹²⁶John Tkacik, ed., *Rethinking “One China”* (Washington, DC: Heritage Foundation, 2004), pp. 137–141.

¹²⁷*Rethinking “One China,”* pp. 17–18.

China—more likely.” “Over the years, however, America’s “one China” policy “has given both Chinese leaders and leading American politicians the impression that we consider democratic Taiwan to be a part of communist China. ‘One China,’ then, is no longer a convenient legal fiction designed to help Beijing keep face. It is the acquiescence in China’s *casus belli* against Taiwan. As such, it only legitimizes China’s threats to use force against Taiwan and, if unanswered, encourages China to believe that the United States will not defend Taiwan’s democracy.” Tkacik believes that one China policy would lead to China’s miscalculations, which makes war more possible and dampens U.S. leadership in democracies in the Asia-Pacific. And this is a kind of “dangerous fiction.” Steve Chabot also argues that the reason why the United States has “one China” policy is that we treated China as a valuable ally to resist the expansion of the Soviet Union during the Cold War era. Now that the Soviet Union does not exist and China is now a rising hegemony in Asia, the United States has no any reason—whether it is judged from a strategic, economic, or moral perspective—to be cowardly when facing the threat of China’s war with Taiwan.¹²⁸

- The value of Taiwan’s democratization has been emphasized. As Congressman Robert Andrews puts, “I think we should replace our ‘one China’ policy with a ‘higher principle’ policy, and the higher principle should be ‘freedom for everyone wherever it is possible.’ America should be the moving force in creating that freedom for everyone wherever it is possible.” “I believe that the most important gain that we can make toward democracy in the PRC is to be a staunch friend of democracy in Taiwan. I think democracy is what I would call a positive epidemic ... One of the places where democracy is most precious and most practiced in Asia is Taiwan. I believe that the most effective way to ensure a peaceful evolution of the PRC ... is for us to support and reverse the democracy that sits at the PRC’s doorstep.”¹²⁹ “Taiwan’s desirable democratic transformation has an unavoidable implication for U.S. policy on Taiwan—not to tilt *against* independence but toward it.”¹³⁰
- The announcement by President George W. Bush has been opposed. They (e.g., Arthur Waldron) expressed great displeasure for Bush’s criticism on Chen Shui-bian on the press conference on December 9, 2003 and thought that it happened because officials of National Security Council and U.S. representatives in Taiwan obviously had pressed “the panic button,” which pushed President Bush “reacted in a confused and inconsistent way.”¹³¹

The arguments by these extremely conservative members of Congress and scholars do not represent the mainstream views of U.S. political and academic

¹²⁸ *Rethinking “One China,”* p. 37, p. 47, p. 115, pp. 71–72.

¹²⁹ *Rethinking “One China,”* pp. 132–133.

¹³⁰ “The Taiwan Relations Act: The Next Twenty-Five Years.” Committee on International Relations, House of Representatives, April 21, 2004. Testimony of William Kristol, 2004, www.newamericancentury.org/Taiwan-20040421.htm.

¹³¹ *Rethinking “One China,”* pp. 31–32.

circles, and we do not need to refute them one by one. It is worth noting that the international situations have undergone huge changes since the 1970s, so have the cross-Straits relations and situations in Taiwan. However, the truth that Taiwan belongs to China has never changed, and the consensus on “one China” held by the international society has never changed. Should there be any change, it would be that the consensus has been reinforced with the improvement of China’s national power and influence on international affairs. Another truth remains unchanged is that the connotations of China-U.S. relations have greatly enriched. Although China and the United States had established diplomatic relations for more than thirty years, “one China” policy is still the political foundation for their relations. Should this foundation have been weakened, China-U.S. relations will be greatly damaged. This would be not allowed by the Chinese government and its people, or by the mainstream of U.S. political and academic community.

2.3 Think Tanks and Peaceful Settlement of the Taiwan Issue

Nearly all U.S. think tanks, whether they belong to the mainstream views or those conservatives, maintain that the Taiwan issue should be solved peacefully, that both sides of the Taiwan Strait need negotiations so as to moderate their strenuous relations and avoid conflicts. The well-known initiative of “interim agreement” in the 1990s well represents this consensus.

2.3.1 Suggestions in the 1990s

The 1995–1996 Taiwan Strait crisis has triggered U.S. scholars’ reflections on the Taiwan issue. They think that the issue cannot be solved in a short time, and it will long exist in China-U.S. relations. Should the Taiwan-Strait situations be unstable, the issue then would bother China-U.S. relations from time to time and inevitably threaten the stabilization of bilateral ties. The Chinese mainland and Taiwan have different views on sovereignty and they can hardly reach a consensus on this in the short term. Therefore, the best resolution lies in freezing the *status quo* and providing some sorts of guarantee. Former Assistant Secretary of Defense and Harvard University professor Joseph Nye, University of Michigan professor Kenneth Lieberthal who was to serve as National Security Council Senior Director for Asian-Pacific Affairs, and George Washington University professor Harry Harding, among others, have put forward similar ideas.

In the early 1998, Kenneth Lieberthal proposed at meetings hosted by the CFR and the Taipei-based Institute for National Policy Research that through dialogues and negotiations both sides of the Taiwan Strait sign an “interim agreement” that would freeze movement toward Taiwan independence in return for mainland’s agreement not to use force and thereby preserve the *status quo* across the Strait (at least for 50 years).” The main points of this agreement include: 1. To establish a

transitional arrangement for managing the cross-Straits affairs; 2. Cross-Straits relations are not between two sovereign entities, nor between central and local governments during this transitional period; 3. Taiwan explicitly announces that it is part of China and does not seek independence; the mainland agrees not to use force against Taiwan; 4. During the transitional period, the two sides maintain their autonomy in domestic affairs and foreign policy, and their autonomy is only restrained by the aforementioned principles; 5. Both sides agree to hold regularly high-level meetings so as to avoid conflicts and to enhance their mutual trust; 6. Both sides agree to change national title so that conflicts can further be lowered, with the People's Republic of China changed into "China" and the "Republic of China" into "China Taiwan;" 7. Upon its termination of the interim agreement, both sides start to negotiate on the final status of Taiwan, i.e., the permanent relations of the Taiwan Strait. In addition, Lieberthal specifically stated that the interim agreement is neither unification nor independence oriented.¹³²

On March 8 Joseph Nye published an article in *Washington Post*, formulating the "one country three systems" idea. He thought that both Shanghai Communiqué and the Taiwan Relations Act were calculatingly ambiguous on the subject of Taiwan. That is, the United States pledges to help Taiwan defend herself but not necessarily to come to its defense if it is attacked. If we leave these ambiguities in place, we may court disaster. To attempt to stabilize the Taiwan Strait situation, he made the following proposal.

- The United States should state plainly that our policy is "one China" and "no use of force." The United States would neither recognize nor defend it if Taiwan were to declare independence. In addition, it would work hard to discourage other countries from recognizing Taiwanese independence. At the same time, we would repeat that we would not accept the use of force, since nothing would change as the result of any abortive declaration of independence by Taiwan.
- The PRC should say that if Taiwan decisively rejected the idea of declaring independence, Beijing would not oppose the idea of more international space for Taiwan. There would be more opportunities like Taiwan's existing participation in the APEC and the Olympics, as long as Taipei confirms that Taiwan was part of China. Beijing would also stress that its "one-country, two-systems" approach to Hong Kong could be broadened to "one country, three systems," so as to make clear that Taiwan would continue to enjoy its own political, economic, and social systems.
- Taipei would explicitly express its decision to forswear any steps toward independence, to intensify the cross-Straits dialogue, and to stimulate greater flows of investment and exchanges of people across the Strait.¹³³

¹³²Lin Gang, "Meiguo jie jue Taiwan wenti de zhengce quxiang" [The Policy Orientation of American Approach towards the Taiwan Issue], *Meiguo yanjiu* [American Studies Quarterly], Vol. 3, 2008, p. 72.

¹³³Joseph Nye, "A Taiwan Deal," *The Washington Post*, March 8, 1998, p. C07.

Since Nye's assumptions are involved with sovereignty, so his approach triggered many criticisms from the side of Taiwan.

The interim agreement has gained responses from the Clinton administration. On March 23, 1999, the then Assistant Secretary of State Stanley Roth gave his consent to the interim agreement for the two sides of the Strait on a speech at the Woodrow Wilson Center.¹³⁴ After that, Darryl Norman Johnson, AIT Director expressed similar ideas at a symposium of 20th Anniversary of the TRA held by the Institute of European and American Studies, Academia Sinica in Taiwan. Obviously, the interim agreement had already become the policy position of the Clinton administration.¹³⁵

Harry Harding talked about "*modus vivendi*" when he was interviewed by *The United Daily* on 16 April 1999 at a symposium in Taipei he participated. He argued that the *status quo* of the Taiwan Strait was not stable and people from all sides were unsatisfied with it, so it could be hardly maintained. For Taiwan, Beijing was a rising military power and oppressed the island consistently in the international society. Beijing wondered whether Taiwan would step forward to independence and doubted about U.S. attitude toward it. The United States was considering whether it should provide Taiwan with the TMD when Chinese military strength was on rise. These facts made the *status quo* hard to continue. Under these circumstances, a concrete mutual assurance seemed to be extremely necessary. The mutual assurance specified that China would not use force unless Taiwan announced independence; that Taiwan would not announce independence should China not use force. By doing this, a gate leading to final unification in the future still remained open. With this assurance, both sides could thus enhance stabilities and establish confidence-building measures. This was not just a unilateral requirement for Taiwan but a combined expectation of gradual change of the two sides. The assurance also required both sides to coordinate their relations rather than complaining to the United States. Washington played an informal guarantor for the agreement. In addition to the current ARATS-SEF channel, Harding suggested that both sides to have other channels, such as a channel to engage and dialogue on military affairs. Both sides had begun their political talks, but it did not herald the new era of discussing political issues concerning Taiwan's future. It was obviously not the right time to do this. Actually, it was too early to forge negotiation as such. So we needed a "*modus vivendi*." The security of Taiwan cannot necessarily be assured even though U.S. arms sales continue.¹³⁶

As similarly as what the "three no's" policy announced by the then President Clinton had caused during his visit to Shanghai in June 1998, the abovementioned

¹³⁴ "The Taiwan Relations Act at Twenty and Beyond," address by Stanley Roth to the conference hosted by the Woodrow Wilson Center and the American Institute in Taiwan, March 24, 1999, <https://www.mtholyoke.edu/acad/intrel/tra.htm>.

¹³⁵ *Cankao xiaoxi*, April 21, 1999, p. 40.

¹³⁶ Harry Harding, "Toward a Modus Vivendi in the Taiwan Strait," a lecture in U.S. Taiwan Relations: Twenty Years after the Taiwan Relations Act, Taipei, April 9–10, 1999. <http://mypaper.pchome.com.tw/paullee/post/1472730>.

proposals also triggered concerns over U.S. policy shifts and strong oppositions among Taiwanese officials and scholars. They thought that these proposals had indicated that U.S. policy was deviating from Taiwan to the mainland and Washington had imposed pressure on Taiwan by violating the Six Assurances pledged by the Reagan administration in 1982. They even doubted that Stanley Roth had already worked out some draft for potential agreement in his mind. The United States explained its position repeatedly. AIT Board Chairman Richard Bush, when giving speeches at the University of Arizona and Southern Illinois University on September 15 and December 7, 1998, respectively, assured Taiwan that there were no changes in U.S. Taiwan policy and there were no contradictions between the basic goals of U.S. Taiwan policy and what President Clinton said and did in Beijing. He elaborated five crucial points of U.S. Taiwan policy:

- The Taiwan issue must be solved peacefully;
- Constructive and meaningful talks are the best approach to solve disagreements between the two sides;
- Disagreements between two sides should be solved by themselves;
- The United States takes an impartial position on Strait talks and will not impose pressure on either side;
- Any arrangements should be mutually acceptable to both sides.

Richard Bush expressed that the Clinton administration's Taiwan policy was consistent with that of its predecessors, and they all attempted "to foster an environment in East Asia in which the all the parties concerned can take advantage of the opportunities for cooperation and remove the roots of conflicts."¹³⁷

On June 26, 1999, Richard Bush explained on many occasions, including the annual meeting of Taiwanese Chambers of Commerce of North America, that Taiwan mistook U.S. suggestions and overreacted. What Stanley Roth articulated was that both sides should have creativities in finding some ways to alleviate the tension, improve stability and reinforce cooperation. Should both sides reach an agreement, it would then play a significant role in lowering their tension. The United States would not make any comments about how to resolve substantive issues and the agreement should be decided by both sides of the Strait rather than the United States.¹³⁸

Reflections on interim agreement varied from political to academic circles in Taiwan. Chang Jung-kung, Director of the KMT Working Committee on Mainland Studies held that U.S. official anticipation was comparatively closer to that of Taipei while it was far away from that of Beijing.¹³⁹ Lee Teng-hui rejected this proposal

¹³⁷"U.S. Policy Regarding Taiwan," Speech by Richard Bush at a conference on "The Taiwan Relations Act: the First 20 Years," Arizona State University, September 15, 1998; "The United States Role in the Taiwan Straits Issue," Carbondale Il, 7 December 1998.

¹³⁸"Remarks by Richard C. Bush at the Annual Conference of the Taiwan Chamber of Commerce of North America," Chicago, Illinois, June 26, 1999, <http://www.ait.org.tw/en/officialtext-bgg908.html>.

¹³⁹Zhang Chun, *Meiguo sixiangku yu yigezhongguo zhengce* [American Think-Tanks and One China Policy] (Shanghai: Shanghai People's Press, 2007), p. 195.

because it set barriers for Taiwan's secession from the mainland. Lee cast the so-called "two-state theory" that he had long premeditated. By doing this, the main goal that Lee wanted to achieve was to block Wang-Koo Talks and Wang Daohan's visit to Taiwan in that fall. Lee's action could also be interpreted as a manner to react the proposal of interim agreement. After mutual visits of leaders of China and the United States, Washington redoubled its efforts to urge talks over the Strait. Clinton indicated that it would be better to resolve Taiwan issue peacefully as early as possible. The United States thus proposed the idea of interim agreement. Should Wang-Koo Talks continue to develop successfully, it would be more difficult for Lee to undertake separatist activities. The Clinton administration vocalized its opposition to Lee's "two-state theory," revealing the first crisis of Taiwan-U.S. relations.¹⁴⁰

Even though Taipei opposed the interim agreement proposal, some U.S. scholars continuously expounded their views on it. In September 1999, Harry Harding further developed his *modus vivendi* of cross-Taiwan Strait and "interim arrangements" at a seminar on cross-Strait issues hosted by the CSIS where scholars from the two sides of the Taiwan Strait as well as the United States were present. He used the word "arrangements," believing that these arrangements were not necessarily formal agreements. They could be announcements that either side had, or mutually tacit memorandum, or even any other modes that people could assume. Harding mentioned some principal reasons for these arrangements. First, cross-Strait relations were not stable, despite that interdependence had deepened over the past 15 years. Second, the Taiwan issue could not be resolved in a short term because of different economic developmental stages and diverse political systems between the two sides, as well as their mutual distrust. Third, the aim of these arrangements was not to freeze the *status quo*, but to make the growingly active *status quo* more stable. U.S. promotion of interim arrangements did not aim at intervening cross-Strait affairs for the final resolution. It was instead an approach encouraging realization of stability in a long term before the final resolution can be achieved.

Harding articulated five elements of these arrangements as follows:

- Both sides must be greatly involved in these arrangements, i.e., the mainland is concerned by Taiwanese independence while Taiwan deeply worries about unification by force. Thereby, the mainland and Taiwan need to make commitments in a manner of equilibrium in these arrangements: the mainland commits not to use force if Taiwan does not seek independence, and Taiwan commits not to seek independence if the mainland does not force it to be unified. The commitments by both sides are interlinked because they are conditional on one another's compliance with the commitment.
- The realization of these arrangements contributes to improve mutual trust, open talks, explore the possibilities of unification including preconditions of

¹⁴⁰Su Chi, *Weixian bianyuan: cong liangguolun dao yibianyiguo* [Brinkmanship: From Two-State-Theory to One-Country-on-Each-Side] (Taipei: Commonwealth Publishing Co., Ltd 2004), p. 90.

unification and potential approaches, and the final talk may become formal negotiations over all these issues.

- Economic and cultural exchanges including “three links” and removal of trade and investment barriers can be further promoted. The growing exchanges between the two societies in the long term are conducive to enhance mutual understandings, deepen interdependence, and therefore prevent conflicts.
- Through negotiations by both sides under the abovementioned arrangements, they can work out a title for Taiwan that enables the island to expand its international activities. This title should be consistent with the principle of one China and is acceptable for both sides.
- Among these arrangements both sides can discuss Confidence Building Measures in military sphere, which include (1) all sorts of communicative and coordinative mechanisms to strengthen peaceful interactions and to avoid potential accidents; (2) imposing controls over military exercises on either side and assurances of no provocative exercises; (3) avoiding arms race; and, (4) consequently leading to limits of U.S. arms sales to Taiwan.

What role of the United States in the interim arrangements? Harding said that one of the purposes of interim arrangements was to reduce U.S. engagement in the Taiwan issue. Instead of direct contacts between the two sides, they often dealt indirectly via the United States, trying to gain support from it. U.S. policy, therefore, was first showing preference to one side and then another. For example, Washington issued a visa to Lee Teng-hui for his visit to the United States, but President Clinton gave a speech on “three no’s” in Shanghai later. The interim arrangements were to encourage both sides to contact directly, interact more frequently and hence raise their mutual trust. As for U.S. role as a guarantor, Harding explained that it was quite a general concept. The United States would supervise invisibly and would at the same time encourage building up some kind of “peacekeeping force.” Should something violating the peace treaty happen, the United States would discuss with relevant parties and adopt measures it considers necessary and helpful.¹⁴¹

2.3.2 *New Suggestions from U.S. Scholars*

Against the backdrop of impediment to cross-Strait talks due to Chen Shui-bian’s secessionist activities and of emerging tensions over the Taiwan Strait, U.S. scholars again turned to the idea of interim agreement in April 2004. On April 12, Kenneth Lieberthal and David Lampton re-elaborated their thoughts on the framework in an article on *Washington Post*. They thought that the reality is that the

¹⁴¹Harry Harding, “Again on Interim Arrangements in the Taiwan Strait,” in Gerrit W. Gong, ed., *Taiwan Strait Dilemmas. China-Taiwan –U.S. Politics in the New Century* (Washington, DC: CSIS Press 2000), pp. 3–5.

final resolution is unlikely to reach peacefully by both sides of the Taiwan Strait in the coming decades. Thereby the major effort should be establishing a stable framework and achieving consensus on issues as follows: (1) "Taiwan can continue to assert during the decades-long period covered by the agreement that it is an 'independent, sovereign country,' but it must abjure additional steps to turn this island-wide sensibility into a juridical fact." (2) "Beijing can continue to assert that there is only one China and that Taiwan is a part of it, but it must give up its threat to use military force to change Taiwan's status." (3) "On this basis, Beijing and Taipei would agree on terms of expanded international space for Taiwan, including the island's involvement in global and regional international organizations." (4) Both sides "must agree to engage in confidence-building measures across the strait to reduce concerns about potential conflict, and the United States and others must commit to play appropriate supporting roles." (5) Both sides "must agree to use the decades of the new framework to progressively expand ties across the Strait, including political visits of various sorts." (6) And "the United States, Japan and the European Union must guarantee that they will not recognize an independent Taiwan during the framework period and that all would regard Beijing's unprovoked use of force against Taiwan as a matter of the gravest immediate concern."¹⁴² In comparison with the previous version that U.S. scholars proposed several years ago, this new-brand version of interim agreement framework notably shifts to an advantageous direction for Taiwan. First, the first provision in the new framework is based on "one China, different interpretations" that Taiwan advocates, whereas the foundation of the previous framework emphasizes one-China framework in which "Taiwan explicitly announces that it is part of China" and "Republic of China" changes into "China Taiwan." Second, the United States guarantees for the previous version of framework, whereas this version adds Japan and EU as its guarantors and makes the framework an "internationally guaranteed" one.

Kenneth Lieberthal further reiterated the framework he proposed soon thereafter in an article published on the bimonthly *Foreign Affairs*. In order to prevent war across the Taiwan Strait, he suggests, a more feasible approach would be "lock in the *status quo* by having Beijing and Taipei negotiate a 20- to 30-year 'agreed framework' for stability across the Taiwan Strait. Such an agreement would eliminate the things that each side fears the most: for Taiwan, the threat that Beijing will attack; and for Beijing, the threat that Taiwan will cross the Independence red line." There are several reasons, Lieberthal mentions, for both sides to negotiate over the agreement. First, deep-rooted political dispute between "Beijing and Taipei precludes negotiating a peaceful resolution" for at least another generation and things will change dramatically two or three decades down the road. Second, the two sides insist on their positions on the "final-status issues ('reunification' for Beijing and 'independence' for Taiwan)," making "the situation pregnant with catastrophe." The largest benefit of this agreement is to reduce risk of conflicts over

¹⁴²Kenneth Lieberthal and David Lampton, "Heading Off the Next War," *Washington Post*, April 12, 2004.

the Taiwan Strait without undermining the basic positions of the two sides. Lieberthal indicates that the United States can play several roles. First, it could “strongly encourage each side to focus on achieving a cross-strait framework agreement as its major objective, stating that, if either side does not, it will pay a price in its bilateral relations with the United States.” Second, it “could also offer its good offices to facilitate the necessary, delicate, and secret communications.” Third, the United States could help to create the atmosphere where both sides can “make the core commitments in the agreement credible,” and it could “indicate from the outset its willingness, in principle, to help line up international support.” Fourth, Washington could facilitate the dialogue. Even if Beijing and Taipei recognize that they need such a plan, but neither of them “is likely to make the first move.” Therefore, “Washington will have to jump-start the process,” and “the Bush administration should move quickly.”¹⁴³

The possibilities of realizing the framework of interim agreement become slimmer whereas Chen won the Presidential election again and threatened to “amend the Constitution,” which escalated tensions across the Strait. The Bush administration did not express its attitude toward this framework.

Chen increased his activities of seeking *de jure* independence during his campaign for re-elections. After his electoral victory in March 2004, due to external pressure Chen rephrased “constitutional re-engineering” instead of “formulating new constitution” at his inauguration address on May 20. During the legislature elections in the end of year, Chen nevertheless vigorously agitated for “terminating the chaotic constitutional order of Chinese constitution in Taiwan” and “creating a new version of Taiwanese Constitution that is timely, relevant and viable” by “making full use of the unprecedented opportunity in history.” The Taiwan Solidarity Union (TSU) under Lee Teng-hui’s strong influence mobilized the Pan-Green constituencies to “supervise the DPP to fulfill its political views” by advocating “formulating Taiwan Constitution,” “changing the name of the country into Taiwan,” and making an “independent timetable in 2008.”¹⁴⁴ The political ecology in Taiwan gradually turned to be extremely chaotic and complicated. These separatist activities of Taiwan independence threaten not only the peace and stability of the Strait but also the peace of Asia-Pacific. In order to oppose and check Taiwanese secessionists in seeking *de jure* independence, the National People’s Congress (NPC) passed an *Anti-Secession Law* on March 14, 2005. The Law stipulates, “the state shall do its utmost with maximum sincerity to achieve a peaceful reunification,” “encourage and facilitate economic exchanges and cooperation, realize direct links of trade, mail and air and shipping services,” and it “protects the rights and interests of the Taiwan compatriots in accordance with

¹⁴³Kenneth Lieberthal, “Preventing a War Over Taiwan,” *Foreign Affairs*, Vol. 84, No.2(March–April, 2005), pp. 53–63.

¹⁴⁴Liu Hong, “2003 nian liang’ an guanxi huigu” [Review of Cross-Strait Relations in 2003], in Xu Shiquan ed., *Taiwan 2003* (Beijing: Jiuzhou Press, 2004), pp. 8–9; Yang Lixian ed., *2004 nian liang’ an guanxi huigu* [Review of Cross-Strait Relations in 2004] (Beijing: Jiuzhou Press, 2004), pp. 4–5.

law,” and the state shall also “encourage and facilitate cross-Straits exchanges in education, science, technology, culture, health, and sports.” But the Article 8 also formulates, “in the event that the ‘Taiwan independence’ secessionist forces should act under any name or by any means to cause the fact of Taiwan’s secession from China, or that major incidents entailing Taiwan’s secession from China should occur, or that possibilities for a peaceful reunification should be completely exhausted, the state shall employ non-peaceful means and other necessary measures to protect China’s sovereignty and territorial integrity.”¹⁴⁵ Thought as a powerful weapon to fight against secessionist forces in Taiwan, the Law advances Chinese people’s wishes for unification onto a legal level.

The Bush administration held a restrained attitude toward *Anti-Secession Law*. While Taiwanese secessionist forces threatened to counter the mainland with an *Anti-Annexation Law*, the Bush administration told Taiwan authorities explicitly that *Anti-Annexation Law* was unnecessary. The most urgent issue at the very moment, as Washington argued, was to avoid further radical reactions between the two sides because their radical actions would give rise to a vicious circle of cross-strait relations and escalate tensions.¹⁴⁶ It is partly because U.S. opposition that Chen failed to devise a larger scale of movement opposing *Anti-Secession Law*. Additionally, *Anti-Secession Law* did not cause any negative effects to China-U.S. relations. Condoleezza Rice, U.S. newly appointed Secretary of State, visited Beijing on March 20 as planned previously and was received by President Hu Jintao and Premier Wen Jiabao. During their meetings, Premier Wen mentioned particularly his visit to the United States in December 2003 when President Bush expressed his strong support for the “one China” policy and his opposition against “Taiwan independence.” Besides, Premier Wen appreciated Rice’s efforts to make his visit to the United States a successful one. When talking to Chinese leaders, Rice said the United States “looks forward to a confident and a good partner in China so that we may address the many problems as well as the many opportunities that are affecting us in the Asia-Pacific region, and also around the world.”¹⁴⁷

With no exception, U.S. think tanks focused on the Article 8 of *Anti-Secession Law* and reacted basically in a negative way. Some scholars nonetheless made different analyses of *Anti-Secession Law* with certain understanding. David Lampton criticized Chen for exploiting U.S. ambiguous policy to play an “edge ball” and to offend U.S. bottom line. He believed that *Anti-Secession Law* was formulated under these pressures. William Overholt, Director of the RAND Corporation’s Center for Asia Pacific Policy, considered that the law did not deviate much from the mainland’s Taiwan policy. The law was not to look for an excuse to open war against Taiwan but to deter Taiwan from independence. Ted Carpenter,

¹⁴⁵Xu Shiquan and Yu Keli eds., *Taiwan 2005* (Beijing: Jiuzhou Press, 2006), pp. 451–453.

¹⁴⁶The author’s interview with Dennis Wilder, Senior Director for Asian-Pacific Affairs at the National Security Council, March 17, 2005.

¹⁴⁷“Transcript: Rice, Chinese Leaders, Stress Constructive, Growing Relationship,” *Washington File*, March 22, 2005, p. 3.

senior fellow and vice-president for defense and foreign policy studies at the Cato Institute, noted that this law just demonstrated the mainland's consistent position in a different manner, and it did not mean a basic shift in its Taiwan policy. "Beijing was just reiterating that it should not turn a blind eye to 'Taiwan independence' secessionism."¹⁴⁸

In testimony to the House Subcommittee on Asia and the Pacific, says Shelly Rigger, professor of East Asia Politics at Davidson College, "The destructive consequences of the law are obvious, but I do not think that the anti-secession law necessarily will signal a return of cross-Strait tension." The first reason that Beijing decided to proceed with the law was to "underscores Beijing's determination to prevent Taiwan from giving up on unification." It puts the international community "on notice that any country that encourages Taiwan to pursue a more independent course is taking a heavy risk." Domestically, the Chinese leaders "see the anti-secession law as a way to demonstrate to the Chinese people and to their colleagues in the leadership of the Communist Party that this generation of leaders will take a hard line on Taiwan." As Rigger observes, "the anti-secession law need not be the beginning of the end in cross-Strait relations ... The key will be for Taiwan's leaders to resist the temptation to retaliate." She also points out that there is "the possibility that leaders in Beijing may be using the anti-secession law to pacify hardliners in their own Government in the hope of opening a space for a more relaxed approach to dialogue in negotiation with Taiwan ... It may be that anti-secession law is a fierce mask behind which a gentler face is lurking."¹⁴⁹

By 2006 some scholars from U.S. think tanks believed that a comparative balance of power had already been established and cross-Strait relations were "moving towards a de facto interim agreement." Donald Zagoria, a trustee of the NCAFP, wrote that while it did not give up "stick," Beijing utilized more "carrots" in its Taiwan policy because it realized that the time was on its side. "The doctrinal basis for this policy," he argued, "was laid down by Hu Jintao himself with his 'four nevers,' the most important of which is 'never abandon faith in the Taiwan people.'" He found, "Beijing is mainly concerned with preventing Taiwan's *de jure* independence, not with pushing for immediate reunification." While Taiwan has never renounced the option of independence, yet "the defeat of the DPP in the legislative elections of December 2004" and "the weakening of Chen's position as a result of corruption scandals," along with "American pressure" have pushed Chen closer to the central position on the sovereignty issue. This position supports "neither independence nor reunification but to accept the *status quo*." Besides, Taiwan authorities now kept assuring the United States that they would stand by the "four no's." The administration of George W. Bush "has convinced Beijing...that it will not...take Taiwan by force," and at the same time convinced Chen Shui-bian

¹⁴⁸See Zhang Chun, *Meiguo sixiangku yu yigezhongguo zhengce*, pp. 150–154.

¹⁴⁹Shelly Rigger, "China's anti-Secession Law and Development Across the Taiwan Strait" (House Committee on International Relations, Subcommittee on Asia and the Pacific) April 6, 2005.

that “it is not in the U.S.’s or Taiwan’s interests...to ...alter the *status quo*.” That is to say, both U.S. “policy of deterrence and reassurance for both China and Taiwan” were successful. Therefore, “a tentative equilibrium among the three key players” has constructed, and it is a “de facto interim agreement.”¹⁵⁰

2.4 Think Tanks and George W. Bush Administration’s Taiwan Policy

George W. Bush’s term in office from January 2001 to January 2009 nearly overlaps with that of Chen Shui-bian from May 2000 to May 2008. As previously mentioned, Bush’s policy orientation was to strengthen Taiwan-U.S. relations in the first two years after he took office. Such a policy, however, encouraged Chen’s secessionist activities. Due to Chen’s attempt to wantonly propel secessionist movement, regional peace and security as well as China-U.S. relations were threatened. Having realized this, in the following years of his term of office Bush altered the priority of U.S. Taiwan policy to oppose Taipei’s unilateral change of *status quo* and *de jure* independence. China and the United States thereafter began to jointly safeguard the stability of the Taiwan Strait, and this was surprisingly unexpected by secessionists in Taiwan.

2.4.1 Think Tanks and the “Clarification” of U.S. Taiwan Policy

After the normalization of U.S.-China diplomatic relations, U.S. administrations intentionally follow a policy of “strategic ambiguity” under the guidance of the TRA. George W. Bush was obviously discontent with this policy. When asked by correspondent on April 1, 2001 that whether it was U.S. responsibility to defend Taiwan if it was attacked, Bush answered firmly that the United States would do “whatever it took to help Taiwan defend herself. None of his predecessors, either of Democrat or Republican, had ever expressed any similar statement as such. He did not make this expression occasionally though. In fact, during the late term of the

¹⁵⁰Donald Zagoria, “The U.S.-China-Taiwan Triangle: Towards Equilibrium,” *Policy Forum Online* 06-40A, May 23rd, 2006. On March 4, 2005, President Hu Jintao set forth a four-point guideline on cross-Strait relations under new circumstances while attending a joint panel discussion of China’s top advisory body members – including the Revolutionary Committee of the Chinese KMT, Taiwan Democratic Self-Government League, and All-China Federation of Taiwan Compatriots—representing the Taiwan region. The four-point guideline includes “never sway in adhering to the one-China principle,” “never give up efforts to seek peaceful reunification,” “never change the principle of placing hope on the Taiwan people,” and “never compromise in opposing the ‘Taiwan independence’ secessionist activities.” See *Taiwan 2005*, pp. 357–360.

Clinton administration Republican conservatives held a growing discontent with the policy of “strategic ambiguity.” Following the Clinton administration’s public criticism on Lee Teng-hui’s “two-state theory,” conservative think tanks such as the Heritage Foundation and the PNAC jointly issued a *Statement of the Defense of Taiwan* on August 20, 1999. The statement blasted the Clinton administration that the administration’s efforts to “pressure Taipei to cede its sovereignty and to adopt Beijing’s understanding of ‘One China’ are dangerous and directly at odds with American strategic interest,” and “the time for strategic and moral ‘ambiguity’ with regard to Taiwan has passed.” Therefore, the United States should “make every effort to deter any form of Chinese intimidation of the Republic of China on Taiwan and declare unambiguously that it will come to Taiwan’s defense in the event of an attack or a blockage against Taiwan.”¹⁵¹ An eminent group of twenty-three Republican conservatives endorsed this statement by signing their names on. Some of these dignitaries served as senior officials within the Ronald Reagan, George Bush, and Bill Clinton administrations, such as Secretary of Defense Caspar Weinberger, National Security Advisor Richard Allen, White House Councilor Edwin Meese, Secretary of Education William Bennett, and Director of Central Intelligence James Woolsey. Some of them served as senior officials both for previous Republican administrations and then worked for George W. Bush, such as Richard Armitage, Paul Wolfowitz, John Bolton, I. Lewis Libby, and Richard Perle. And some others are notable conservative theorists such as Edwin Feulner, Jr., William Kristol, Robert Kagan, and Paul Weyrich. These conservative think tanks had already been well prepared before George W. Bush’s presidential inauguration, and they just expressed what they advocated by the mouth of Bush and thus reinforced the meanings of “defend Taiwan” with unprecedented strength.

Some scholars of conservative think tanks felt excited about Bush’s statement on U.S. Taiwan policy of “clarity.” As John Tkacik observed, “Bush Administration’s imposition of clarity in America’s strategic dialogue with China is a positive development,” which “informs Beijing that its actions have consequences.” “If China continues its threatening military buildup across the Taiwan Strait,” Tkacik said, “U.S. support for the island will strengthen.” He also suggested “the (Bush) Administration should emphasize its commitments under the Taiwan Relations Act rather than focus on the Three Communiqués to remind China’s leadership that America not only has vital national interests in a democratic Taiwan, but also has statutory obligations to provide Taiwan with the articles in need to avert aggression.”¹⁵²

On the other hand, Bush’s statement of “clarity” on Taiwan policy had also been attacked by public criticism from a variety of scholars particularly those from think tanks of the Democratic Party. They all pointed out the risk of Bush’s statement that

¹⁵¹The Project for the New American Century, “Statement on the Defense of Taiwan,” www.newamericancentury.org/TaiwanDefensestatement.htm.

¹⁵²John Tkacik, “Stating America’s Case to China’s Hu Jintao: A Primer on U.S.- China- Taiwan Policy”. *Heritage Foundation Backgrounder*, No. 1541, April 26, 2002.

tolerating Taiwan independence secessionist forces and their activities would escalate regional tensions and drag the United States further into unwilling conflicts with China. Alan Romberg, senior associate at the Henry Stimson, held that the “president over-interpreted the *TRA*.”¹⁵³ Nicholas Lardy, senior research fellow at the Brookings then, argued that the strategic ambiguity of U.S. commitments to Taiwan is the “essential part” to maintain the stability of the Strait. Accordingly, “U.S. unequivocal commitments to the security of Taiwan” as President Bush stated, Lardy put, would “signify a risk that we shall strive to avoid.” David Shambaugh, director of China Policy Program at the George Washington University, regarded Bush’s statement as virtually a way to renew the *U.S.-Taiwan Mutual Defense Treaty* and thereby the statement posed serious concerns.¹⁵⁴ On a workshop hosted on September 15 by the Center for National Policy (CNP) and chaired by James Steinberg, some scholars argued that nothing had remained unclear in U.S. Taiwan policy. Two of U.S. aircraft carrier battle groups were dispatched to the Taiwan Strait by the Clinton administration in the spring of 1996, to which they referred as a clear signal of U.S. commitments to Taiwan. They therefore concluded that the United States would provoke China or encourage Taiwan to provoke China if Washington made more formal security assurances to Taiwan.¹⁵⁵ Professor Robert Ross of Boston College suggests that the United States should not abandon its strategic ambiguity by intervention against the mainland’s use of force under all circumstances. Some facts and circumstances should be taken into consideration if Washington is to change its policy toward the Taiwan Strait. First, U.S. abandonment of the present ambiguity “would not enhance deterrence or stability, but it would impose a cost on the United States.” Second, “China cannot be deterred in the unlikely event of a Taiwan declaration of independence.” Third, “an unconditional U.S. commitment to defend Taiwan would undermine the U.S. ability to cooperate with China.”¹⁵⁶

In an article appearing in *Foreign Policy in Focus* in April 2001, Thomas Bickford, a research scientist in the Center for Naval Analyses, observes that Washington is abandoning the policy that it intentionally holds an equivocal attitude toward the Taiwan issue. And this confines itself to reacting to emergencies in future and also increases the possibilities of getting involved into a crisis that neither Washington nor Beijing wants.¹⁵⁷ In his article entitled “Going Too Far, Bush’s Pledge to Defend Taiwan,” Ted Carpenter of the Cato Institute holds a similar viewpoint that President “George W. Bush seemingly replaced

¹⁵³The author’s interview with Alan Romberg, July 2, 2001.

¹⁵⁴“Bush Taiwan Comments Generate Questions on Capital Hill,” Public Affairs Section, Embassy of the United States of America, ed., *Washington File*, April 26, 2001, p. 3.

¹⁵⁵Michael Spirates, *Perspectives on Cross-Strait Relations. Challenges and Opportunities* (Conference Summary), winter 2001, p. 5.

¹⁵⁶Robert S. Ross, “The Stability of Deterrence in the Taiwan Strait,” *The National Interest*, Fall 2001, pp. 75–76.

¹⁵⁷Thomas Bickford, “Problem with Current U.S. Policy,” *Foreign Policy in Focus*, April 30, 2001. See *Caokao xiaoxi*, May 16, 2001, p. 2.

Washington's long-standing policy of 'strategic ambiguity' with a policy of strategic clarity," and this "creates an extremely dangerous situation for the United States."¹⁵⁸ Bush's "unconditional pledge to defend Taiwan," Carpenter adds, "was irresponsible." "No reasonable American would be happy about the possibility of a democratic Taiwan being forcibly absorbed by an authoritarian China, but preserving Taiwan's de facto independence is not worth risking war with a nuclear-armed power capable of striking the United States. America should never incur that level of risk except in the defense of its own vital security interests."¹⁵⁹

According to Michael Swaine, senior associate and co-director of the China Program at the Carnegie, "the one-sided Bush approach instead signals to Taipei and Beijing that the U.S. will probably tolerate and might encourage any movement toward independence short of the most obvious, such as a formal declaration. It also signals that the U.S. will defend Taiwan if China responds to such movement with a show of force." "This approach is dangerous." To recap, without credible efforts to "reassure China by restraining Taiwan and correcting its pro-Taiwan policy, the Bush administration may ensure rather than deter a future conflict with China."¹⁶⁰ Many scholars criticized that Bush's statement made Chen believe that he got a "blank cheque," which enabled Chen to take any move that would cause dire consequences irrespective of the stability of the Taiwan Strait. In a speech in April 2001, President Bush recommended to "offer Taipei the freedom so that it could do anything it wants." In other words, "to some extent, Chen Shui-bian was spoiled by the Bush administration."¹⁶¹

2.4.2 *Think Tanks and Chen Shui-Bian's "One Country on Each Side" of the Taiwan Strait*

In fact, the DPP per se is a movement that regards the pursuit of "Taiwan independence" as its duty. Even though Chen insincerely made a statement of "four noes one without" (*si bu yi meiyou*) in his inaugural speech in May 2000,¹⁶² he

¹⁵⁸Ted Carpenter, "Going Too Far. Bush's Pledge to Defend Taiwan," *Foreign Policy Briefing*, May 30, 2001. http://www.cato.org/pub_display.php?pub_id=1590.

¹⁵⁹Ted Carpenter, "President Bush's Muddled Policy on Taiwan," March 15, 2004, www.cato.org/pubs/fpbriefs/fpb82.pdf.

¹⁶⁰Michael Swaine, "Bush Has a Tiger by the Tail with His China Policy," *Los Angeles Times*, June 17, 2002, B-11.

¹⁶¹See *Cankao xiaoxi*, December 7, 2003, p. 1; the author's with Kenneth Lieberthal, June 24, 2004; the author's interview with Michael Swaine, February 10, 2004; the author's interview with Chas Freeman, February 14, 2004.

¹⁶²Chen Shuibian pledged that provided the People's Republic of China has no intension to use military force against Taiwan, his administration would not declare Taiwanese independence, change the national title from "the Republic of China" to "the Republic of Taiwan," include the doctrine of special state-to-state relations in the Constitution of the Republic of China, or promote

never stopped pursuing “gradual Taiwan independence” (*jianjinshi taidu*) and “de-Sinification” (*qu zhongguohua*) by exploiting any resource and means that are available.

To a great extent, terrorist attacks on September 11, 2001 influenced both U.S. domestic and foreign policy. The United States did not concentrate on Taiwan in 2001 and 2002, and turned a blind eye to the “gradual Taiwan independence” that Chen endeavored to advance. Afterwards Chen went too far. The first time drawing U.S. attention was on August 3, 2002 when Chen announced the so-called “one country on each side” of the Taiwan Strait.

The Pacific island state Nauru, which maintained a “diplomatic relationship” with Taiwan, switched its recognition from Taipei to Beijing on July 21. Becoming angry out of embarrassment, Chen on the same day gave a speech when he took over the chairmanship of the DPP. Chen advocated, “If our good will does not receive a corresponding response, we should think about the way we are taking. We will take our own way as Taiwanese, and make our future a bright and promising one through this way.” On August 3, 2002, Chen stated “one country on each side” by telecasting to the annual conference of the World Federation of Taiwanese Associations in Tokyo. Chen formally cast the doctrine of “one country on each side,” which is exactly a duplication of Lee Teng-hui’s “two-state theory.” Obviously, Chen’s statement was thought as a direct challenge against U.S. “one China” policy. He soon had been criticized harshly by U.S. National Security Council and Spokesman of the State Department. Besides, even the longstanding pro-Taiwan *Washington Times* criticized Chen in its articles in two successive days in middle August. Of which one article indicates that the statement by Chen not only went against Taiwan but also U.S.-Taiwan relations. The author of another article confessed that he had visited Taiwan for 20 times over the past 40 years and is a “friend” of Taiwan. But he thought Chen’s statement is a big mistake, which makes Taiwan’s friends more difficult in the United States. He then suggested that unless Chen corrected his fault soon and promised not to do that again, or the triangular relations among Washington, Beijing and Taipei would inevitably be damaged. According to Su Chi, who was in Washington during that time, a “heavyweight” pro-Taiwan American took the brief reports of these two articles and told Su that what they said are what exactly Americans want to say.¹⁶³

In the hope of eliminating the baneful influence in the United States resulting from Chen’s “one country on each side,” Tsai Ing-wen, Chair of Mainland Affairs Council (MAC) in Taiwan visited Washington and intended to explain to U.S. officials and think tanks. What she received, however, was overwhelming criticism. Tsai said that “one country on each side” is a casual daily use term in Taiwanese

(Footnote 162 continued)

a referendum on unification or independence. In addition, Chen pledged that he would not abolish the National unification Council or the National Unification Guidelines during his administration. See Su Chi, *Weixian bianyuan*, p. 137.

¹⁶³Su Chi, *Weixian bianyuan*, pp. 305–306; William Rusher, “Diplomatic Miscue,” *Washington Times*, August 15, 2002.

language. An U.S. official sternly replied that it is not casual at all if the term is printed out. Another long-term pro-Taiwan and heavyweight high-ranking person reminded Tsai that a president of any country couldn't act like boxers that keep jumping around and changing positions because nobody could tell what his position is. The weekly *Far East Economic Review* had used this metaphor in the next whole year as a heading of serial special interviews of Chen.¹⁶⁴ The issue had gone eventually, but the Bush administration's discontent with Chen's wishful moves that were messing up its strategic deployment (since the United States was planning to open the Afghanistan War at that time) could hardly be removed. Indeed, Chen's "one country on each side" is a turning point of the relationship between the Bush administration and Taipei. What really displeased the Bush administration was not only that the contents of Chen's statement went "against (U.S.) 'one China' policy, but also the way he did that: he did not inform the United States of what he would say in his speech in advance and what he said was really beyond U.S. expectation. Furthermore, Chen did not learn a lesson from this, and surprised the United States again and again so that the United States deems him to be 'unpredictable'."¹⁶⁵ Chen became untrustworthy to the United States, and Taiwan-U.S. mutual trust was decreasing, ending with U.S. strong opposition to Chen's push for joining the UN referendum.

2.4.3 Think Tanks and National Referendum and Presidential Elections in 2004

To attempt to be re-elected in 2004 successfully, Chen had stepped up his efforts since fall 2003 in secessionist moves. This triggered an alert around the world and the Bush administration severely criticized him. Bush's rebuke to Chen spread on the island and beyond. Cheng Chien-jen, the Representative of Taipei Economic and Cultural Representative Office in the United States (TECRO), noted that U.S. President had used extremely harsh words and Taiwan-U.S. relations were at an unprecedentedly terrible situation.¹⁶⁶ "While not a change of policy," as some U.S. scholars also pointed out, "this public presidential rebuke of Chen is the sharpest criticism of Taiwan voiced by any U.S. president since diplomatic relations were broken in 1978 and a clear indication of the current strains in U.S.-Taiwan relations."¹⁶⁷

¹⁶⁴Su Chi, *Weixian bianyuan*, pp. 306–307.

¹⁶⁵The author's interview with Dennis Wilder, Senior Director for Asian-Pacific Affairs of National Security Council, March 16, 2006.

¹⁶⁶*Taiwan 2004*, p. 78.

¹⁶⁷David Brown, "Strains over Cross-Strait Relations," http://csis.org/files/media/csis/pubs/0304qchina_taiwan2004.

Chen defended himself for his promotion of “Taiwan independence,” claiming that he was advancing Taiwan’s democracy and strengthening Taiwan’s capabilities to resist the mainland’s intimidation. There was no contradiction between the referendum and U.S. will since he did not seek to alter the *status quo*, Chen added. Chen’s arguments had gained a sympathetic hearing before U.S. Congress. While some members of Congress considered it U.S. moral obligation to support Chen’s national referenda and his advocacy of formulating new Constitution, some others even made proposals, regardless of international justice and U.S. relations with China, that the United States forsakes its support for the “one China” policy, endorsing Taiwan’s rights to determine by itself and forcing China to recognize Taiwan’s independence.

Carnegie senior associate Michael Swaine refuted all similar views as mentioned above in an article published in *Foreign Affairs*. He pointed out that these members of Congress made three faulty assumptions: (1) “Beijing would ultimately permit Taiwanese independence rather than confront the United States;” (2) “an expression of democratic self-determination is sufficient to establish territorial sovereignty and that democracy is incompatible with any political arrangement short of formal independence;” and (3) it is “fundamentally contrary to U.S. interests, to oppose any manifestation of democracy in Taiwan.” First, Swaine indicated that the Chinese leadership would neither abandon the “one China” policy, nor will it renounce its use of force over the island. “In order to avoiding losing Taiwan,” “China would almost certainly sacrifice good relations with the West (and the economic benefits that accrue from those relations).” Because for Beijing “the damage to China’s political and social stability in being seen to lose territory, in other words, would be even greater than the diplomatic and economic damage resulting from a conflict with the United States.” Supporting Taiwan independence would ignite a war against China, and the war with China would be “far more dangerous than any of the United States’ post-Cold War operations.” While China did not want to have such a war, “China’s deployment of military forces along the Taiwan Strait is intended to deter Taiwan and the United States from closing off the option of eventual reunification.” Besides, the United States “must avoid giving Taiwan the impression that it will permit China to coerce the island into submission.” Meanwhile, the better China-U.S. relations and the more their cooperation, the more likely that China would believe that Washington wants to maintain the *status quo*. Therefore, U.S. “efforts to strengthen deterrence ... must be carefully coordinated with a larger strategy of reassurance if stability is to be maintained.” Second, Swain analyzed the relations between Taiwan’s democracy and its political future by implying that “Taiwan’s democratization and the consequent ‘Taiwanization’ of the island’s political system do not automatically justify the unilateral abandonment of the United States’ original pledge.” He also criticized the view that “support for democracy in Taiwan obligates the United States to endorse the formation of an independent and sovereign nation-state.” As Swaine argued, “democracy will continue to thrive only if unilateral strides toward independence are rejected, because moves to alter the *status quo* would probably result in a devastating conflict on the island.” Third, as for U.S. morality to Taiwan, Swaine

contended “Washington’s top priority should be to avoid precipitating war across the Taiwan Strait, a situation that would inflict incomparably greater suffering on the island.” “U.S. strategic, political, and moral interests are thus best served by a policy that seeks not only to deter the use of military force but also to ensure that reunification between Taiwan and China remains an option.” He concluded “President Bush’s recent policy shift is a step in the right direction.”¹⁶⁸

In comparison with the two statements by George W. Bush in April 2001 and on December 9, 2003, Chas Freeman noted that neoconservatives urged Bush to clarify U.S. Taiwan policy when Bush first came to office. Under this circumstance, Bush pledged that the United States would do “whatever it takes to help Taiwan defend herself.” Chen waged the tail much higher, believing that the Bush administration gave him a blanket cheque that would support whatever he did. Bush now had articulated that it was not true, and taught Chen a lesson.¹⁶⁹

Richard Bush pointed out three reasons for the Bush administration to oppose the referendum Chen advocated. First, China-U.S. relations underwent drastic changes after the “9·11” terrorist attacks, and U.S. expectations of Taiwan’s moves that would affect China-U.S. relations also completely changed. Second, the United States was unwilling to be drawn into military tensions of the Taiwan Strait that against its will. Third, Chen’s moves without any adequate discussion with the United States frequently surprised and depressed Washington, and the Bush administration felt that “tail wages the dog.”¹⁷⁰

George W. Bush’s pledge to “defend Taiwan” in 2001 and his rebuke to Chen in 2004 were considered improper by Ted Carpenter of Cato Institute. Instead, Carpenter suggested Bush to express that the United States took no position on the issue of Taiwan independence and not support or oppose any result. Besides, Washington should tell Taiwan that the Taiwanese should “make their own decision about whether to opt for independence,” while they must assume all possible risks. Washington should firmly tell both Beijing and Taipei “the United States will not become involved in any armed struggle between Taiwan and the PRC.”¹⁷¹

Bush’s sharp rebuke of Chen Shui-bian soon invited discontent and attack from neoconservative theorists. The three well-known neoconservative figures William Kristol, Robert Kagan and Cary Schmitt immediately published a statement, claiming that Bush’s statement was a fault and a reward for Beijing’s humiliation. They criticized that Bush did not even utter a single word regarding China’s missile deployment against Taiwan and Beijing’s threat of opening a war against Taipei.

¹⁶⁸Michael Swaine, “Trouble in Taiwan,” *Foreign Affairs*, Vol. 83, No. 2 (March/April, 2004), pp. 39–49.

¹⁶⁹The author’s interview with Chas Freeman, February 9, 2004.

¹⁷⁰Richard Bush, “Taiwan Elections Update: A Turning Point with Security Implications?” “Tail wages the dog” here refers to a situation where subordinate force controls its master. At that time, many U.S. scholars applied this metaphor to describe U.S.-Taiwan relations, and David Lampton once described their relations as “a tail wages two dogs.”

¹⁷¹Ted Carpenter, “Going too Far: Bush’s Pledge to Defend Taiwan,” *Foreign Policy Brief*, May 30, 2001, http://www.cato.org/pub_display.php?pubid=1590.

They believed that a policy appeasing the “dictator” would only bring more intimidation. John Tkacik blamed President Bush for losing a direction on the Taiwan issue. He felt surprised at Bush’s rebuke to Chen and said even Bill Clinton did not go that far. By comparing with Bush’s promotion of democracy in the Middle East and his attitude toward the referendum in Taiwan, Tkacik remarked with a note of sarcasm that a U.S. President just delivered a speech on democracy in the Middle East and then told Taiwanese people whom they should choose. This was completely incompatible.¹⁷² Bush’s political allies were fraught with uncontrollable anger. The *Washington Post* also criticized Bush in an editorial article entitled “Mr. Bush’s Kowtow” that the President “essentially placed the United States on the side of the dictators who promise war, rather than the democrats.” “Mr. Bush had his reasons for doing so—above all to avoid one more foreign policy crisis during an election year. But in avoiding a headache for himself, he demonstrated again how malleable is his commitment to the defense of freedom as a guiding principle of U.S. policy.” “A president who believed his own promise to ‘favor freedom’ would have said yesterday that China’s ‘comments and actions’—from invasion threats to missile deployments—were of considerably greater concern than a proposed exercise in voting booths.”¹⁷³

Chen won a narrow victory over his KMT counterpart by a 0.2% in the election in March 2004. Chen delivered the inauguration speech on May 20 and thus started his second term.

U.S. think tanks soon began to assess the influence that the election caused to policies of each side. On March 31, Donald Zagoria of NCAFP gave a speech of “The Taiwan Challenge” at Asia Society, proposing some measures that Washington should adopt. First, the United States should continue to oppose “any unilateral change in the *status quo* by either side.” Second, the United States has to do its best “to help restart the dialogue between China and Taiwan.” Third, the mainland should give up its past policies of “military threat and diplomatic isolation” toward Taiwan and give Taiwan “more space on the international scene” and “showing greater flexibility on its preconditions for dialogue with Taiwan.” Fourth, the United States has to “make clear to Taiwan that although America supports Taiwan’s democracy ... those obligations do not involve handing Taiwan a blank check.” “Taiwan’s leaders must consult with us on any actions or policies that could threaten cross-strait stability, including the revision of the Taiwan Constitution.”¹⁷⁴ In early April 2004, NCAFP sent a small working group to Taipei and Beijing. In the summary report written based on the group’s visit, they continuously expressed “cautious optimism,” claiming “a military confrontation between China and Taiwan into which the U.S. would be drawn is possible, but not inevitable.” The first reason

¹⁷²Dana Milbank and Glenn Kessler, “President Warns Taiwan on Independence Efforts; Bush Says Referendum on China Should Not Be Held,” *Washington Post*, December 10, 2003, p. A01.

¹⁷³“Mr. Bush’s Kowtow,” editorial, *Washington Post*, December 10, 2003, p. A30.

¹⁷⁴Donald Zagoria, “The Taiwan Challenge,” www.tandfonline.com/doi/abs/10.../10803920490472272.

is that Chen as a shrewd politician “is capable of pragmatic adjustment” and he “may be constrained from moving too boldly towards Taiwan independence by the United States, by China, by the Taiwan business community.” Second, the China mainland leaders would act in a more prudent manner because they “understand that a military clash with Taiwan would have very high domestic and international costs.” Finally, “social and cultural interaction between the sides is growing and may have a leavening impact on attitudes on both sides of the strait.”¹⁷⁵

Neoconservative scholars were immensely excited about Chen’s reelection. William Kristol put forward a series of propositions at the hearing before the House Committee on International Relations to mark the twenty-fifth anniversary of the TRA. First, the George W. Bush should upgrade its congressional delegation, such as “a serving Cabinet official,” to Chen’s inauguration on May 20. Second, the administration should change its attitude toward Taiwan leaders’ visits to Washington. He considered it “absurd that a democratically elected president cannot visit senior U.S. officials or even Washington, but general secretaries of the Chinese Communist Party have been to the White House.” They thought that America had already reassured China too much in terms of refusing Taiwan leaders’ visits to Washington. Third, U.S. efforts to strengthen its commitments to Taiwan’s defense should be “continued, enhanced and made as public as possible.” These efforts would benefit Americans to “understand the importance of America defending democratic allies.” Fourth, Taiwan should be encouraged to take part in as many international organizations and activities as possible, including the recognition of Taiwan’s membership of proliferation security initiative. In light of Taiwan’s “strategic location” and “its long history of working with the United States,” “Taiwan’s cooperation in regional security is imperative to U.S. interests.” As WHO observership “explicitly does not require statehood,” the United States should include Taiwan into the WHO; and “the U.S. and other sympathetic countries need to meet China’s ante and raise it.” Taiwan should be allowed to join other multilateral discussions and exercises among democratic Asian countries. Fifth, propelling negotiations over a free trade area between the United States and Taiwan is consistent with U.S. business and trade policies, and “politically, the impact would be extremely important.” He quoted what Vice President Cheney said in a speech when visiting China in the middle of April that Chinese people will “eventually ask why they cannot be trusted with decisions over what to say and what to believe” and argued that the word “eventually” suggested that “for now the U.S. does not consider democracy a priority for China.” He thus made a conclusion, “America’s policy toward China is insufficiently directed toward democratizing China.”¹⁷⁶

¹⁷⁵National Committee on American Foreign Policy Visit to Taipei and Beijing, April 4–10, 2004, <http://www.ncafp.org/articles/04%20report%20on%20NCAFP%20visit%20to%20taipei%20and%20Beijing.pdf>.

¹⁷⁶“The Taiwan Relations Act: The Next Twenty –Five Years.” Testimony of William Kristol, Committee on International Relations, House of Representatives, April 21, 2004.

Thanks to the tripartite pressure from the Taiwanese people, the mainland and the United States, Chen had to unwillingly announce that he would follow the “four noes and one without” pledge when delivering the inauguration speech to initiate his second term. He also hypocritically claimed “We can understand why the government on the other side of the Strait, in light of historical complexities and ethnic sentiments, cannot relinquish the insistence on the ‘one China Principle.’” “I am fully aware that consensus has yet to be reached on issues related to national sovereignty, territory and the subject of unification/independence; therefore, let me explicitly propose that these particular issues be excluded from the present constitutional re-engineering project,” he said. Chen pledged that his “next step will be to invite both the governing and opposition parties, in conjunction with representatives from various walks of the society, to participate in the establishment of a ‘Committee for Cross-Strait Peace and Development,’ combining the collective insight and wisdom of all parties and our citizenry, to draft the ‘Guidelines for Cross-Strait Peace and Development.’” “The goal will be to pave the way for formulating a new relationship of cross-strait peace, stability and sustainable development.”¹⁷⁷ The Bush administration welcomed what Chen had pledged and believed that Chen’s reaffirmation of his previous commitments “creates an opportunity for Taipei and Beijing to restore dialogue across the Strait.” American scholars also shared the belief that Chen’s remarks were “positive, cooperative;” “Chen has taken the first step,” and now Beijing needs to “respond wisely” since “the ball is back in Beijing’s court.”¹⁷⁸ The Bush administration and U.S. scholars’ happy days, unfortunately, faded away quickly. Chen’s goal of seeking the “de facto independence” remained unchanged, and his actions later surprised Washington once again.

2.4.4 Think Tanks and the Abolition of the NUC and the GNU

Taiwan held its “three in one”—county heads, county councilors and village heads—election in December 2005, ending with the DPP’s fiasco and KMT’s landslide victory. Among the 23 seats for county magistrates and city mayors, the DPP reduced its seats from 9 to 6 while the Pan-Blue Coalition won 17 seats in which the KMT had 14. DPP Chairman Su Tseng-chang resigned after the failure. Chen’s response, however, was to announce that the National Unification Council (NUC) would “cease to function.” In his Chinese New Year address on January 29,

¹⁷⁷Government Information Office, Executive Yuan, “Zhonghuaminguo dishiyiren zongtong fuzongtong jiuzhi qingzhu dahui” [Inauguration Speech of the 11th President and Vice President of ROC], <http://www.president.gov.tw/Default.aspx?tabid=131&itemid=94538&rmid=514>.

¹⁷⁸Ralph Cossa, “Taiwan: The Ball in Beijing’s Court,” <http://www.nyu.edu/glaobalbeat/syndicate>; Alan Romberg, “Cross –Strait Relations: Avoiding War, Managing Peace,” *CAPS Paper*, No. 38, <http://www.stimson.org/images/uploads/research-pdf/CAPSPAPERSNO3pdf>.

2006, Chen declared his three pledges, of which the first one is proposing abolishing the NUC and the Guidelines for National Unification (GNU).¹⁷⁹ This apparently violated his previous pledges of “four noes and one without,” constituting a dangerous step that challenges the stability of cross-Straits relations. Both China and the United States realized the seriousness of the issue. On February 26 and 28, Spokespersons from both Taiwan Work Office of the CPC Central Committee and Taiwan Affairs Office of the State Council made a series of announcements. They harshly criticized Chen’s malicious move and solemnly declared “Taiwan compatriots are our brothers and sisters of the same blood. No matter what happens, we will put ourselves in their position, give full consideration to their needs and do our utmost to protect their legitimate rights and interests.” We will further promote people-to-people contact and economic and cultural exchanges across the Strait and facilitate progress in establishing “three direct links” between the two sides of the Taiwan Strait, and continuously safeguard and promote the peaceful and stable development of cross-Straits relations with firm resolve along with Taiwanese compatriots.¹⁸⁰

After the Chinese New Year address by Chen, the Bush administration once more made its clear stance, reiterating that Washington opposes unilateral change of the *status quo* and requesting Chen to comply with his “four noes and one without” pledge. Denis Wilder, Senior Director of National Security Council for Asian-Pacific Affairs, and Clifford Hart, Director of the Office of Taiwan Coordination of State Department, visited Taiwan as Special Envoys of President Bush on February 22. As reported by the press, Wilder and Hart had a six-hour meeting with Chen. Under U.S. pressure, Chen began to play with words. On February 27, Chen presided over the “National Security Council Meeting” and held a press conference after the meeting, formally announcing that the council would cease to function and the guideline cease to apply. The word “abolish” was thus replaced. Chen was obviously hoaxing Washington.¹⁸¹ On February 27,

¹⁷⁹In September 1990, Lee Teng-hui invited representatives from all fields of Taiwan as advisory members of the newly established the “National Unification Council” (abbreviated as NUC), providing research and advisory opinions for “national reunification.” The “Guidelines for National Unification” (GNU) was formally publicized by the NUC at its third meeting in March 1991. The guidelines stipulate, “both the mainland and Taiwan areas are parts of Chinese territory,” that the two sides of the Strait should “enhance understanding through exchanges ... and eliminate hostility through reciprocity,” that both sides should “gradually ease various restrictions” and promote “three direct links” across the Taiwan Strait, and “expand people-to-people contacts,” that they should promote “mutual visits by high-ranking officials on both sides” and “establish ‘official communication channels,’ that they should deal with cross-Straits affairs under the principles of ‘reason, peace, parity, and reciprocity’ and fulfill the national unification gradually. The NUC and GNU reflect the consensus over one China shared by all fields in Taiwan in the 1990 s.

¹⁸⁰Xu Shiquan and Yu Keli eds., *Taiwan 2006* (Beijing: Jiuzhou Press, 2007), pp. 463–464, pp. 415–418.

¹⁸¹The English translations of these terms now are “cease to function” and “cease to apply,” avoiding the use of the word “abolish” eventually.

Spokesman of U.S. State Department announced at a press conference that the NUC had not been abolished but frozen. He used the word “freeze” in an attempt to downplay the issue. The White House spokesman Scott McClellan told the press that Chen’s announcements did not abolish the NUC. However, Chen Tang-shan, Secretary-General of the “Presidential Office” and Chiou I-jen, Secretary-General of the “National Security Council” in Taiwan did not seem to buy it. Instead they publicly mentioned that there is no distinction between “abolish” and “ceasing activity,” showing no respect to the Bush administration and making it difficult for Washington to justify itself. On March 2, an uncommon document appeared at the website of U.S. State Department. “We expect the Taiwan authorities publicly to correct the record and unambiguously affirm that the February 27 announcement did not abolish the NUC, did not change the *status quo*, and that the assurances remain in effect,” the document says. “Abrogating an assurance would be changing the *status quo*.” The document reaffirms that maintenance of Taiwan’s assurance is critical to preservation of the *status quo*. “Our firm policy is that there should be no unilateral change in the *status quo*, as we have said many times.” Chen is identified in the declaration, without adding any prefix such as “Mr.” or any official title before him. This did reflect U.S. anger at him.¹⁸²

The United States’ dissatisfaction with Chen was soon reflected in its successive actions. Chen was about to pay a visit to South America in May, and planned to make a stopover in New York as his first choice and Chicago as second choice. But the United States did not agree on either options, and asked Chen to have a stopover outside the United States. On May 2, Chen met with AIT Director Stephen Young, asking the United States to agree his request and threatening with non-stopover in the United States. However, Washington was also quite tough and maintained the original arrangement, and warned that if Chen didn’t agree then he could never make any stopover in the United States. Out of spite Chen did not make a stopover in the United States finally. Instead he went to Abuja first, and then made a detour to Amsterdam. Chen spent thirty-seven hours in detouring and spent a totally “lost journey.” Pro-Taiwan members of Congress were sympathetic with Chen. When Deputy Secretary of State Robert Zoellick encouraged China to act as a responsible stakeholder in testimony given before the House Committee on International Relations on May 10, 2006, some Senators took the chance to attack him over the issue of Taiwan. “Independence means war” and might entail U.S. military casualties, Zoellick responded bluntly. If Chen kept challenging U.S. “one China” policy, then he would “keep hitting into a wall.”¹⁸³

While Chen had never ceased launching activities for “gradual independence” since his election, there was nothing yet like “abolishing the NUC” that Chen openly broke his early promises. Therefore, the Bush administration showed discontent with Chen, and even the attitude of Congress was under change. At a

¹⁸²Senior Taiwan Official’s Comments on National Unification Council, State Department Press Statement, March 2, 2006, <http://www.state.gov/r/pa/pres/ps/2006/662488/htm>.

¹⁸³See *Taiwan 2006*, pp. 327–328.

hearing before the Department of Defense FY 2007 Authorization Request on March 7, warned John Warner, Chairman of the Senate Armed Services Committee, “if conflict were precipitated by just inappropriate and wrongful politics generated by the Taiwanese elected officials, I’m not entirely sure that this nation would come full force to their rescue if they created that problem.”¹⁸⁴

It is with no doubt that the “abolition of the NUC” drew close attention of major think tanks. On May 26, 2006, Alan Romberg of the Stimson Center and a prestigious Taiwan expert, denounced the Chen administration for its flip-flopping policies in an interview with reporter of the *China Post*. “For many Americans, this change at the very least creates anxiety and uncertainty about whether the government here sees the requirements to maintain peace and stability in ways that are compatible with how the government in Washington does,” he said. “What concerns Americans today is that our respective leaders may be operating on different assumptions and aiming at significantly different goals.” Romberg underscored that the United States was really concerned about the Chen administration’s sudden policy shift that would create a “nightmare scenario.”¹⁸⁵ “The cessation of the NUC certainly did have an impact because the U.S. believe that this was part of a package of commitments that President Chen made in his 2000 inaugural speech and which he reiterated in 2004,” Richard Bush of the Brookings told a reporter in an interview in early August 2006. “They were the commitments to the people of Taiwan, to China, and to the international community, and they are very important to the maintenance of peace in the Taiwan Strait.” “If this commitment was withdrawn,” Bush asked, “then what could happen to the rest?”¹⁸⁶

U.S. situations had been quite embarrassing in the course of Chen’s “abolition of the NUC.” Considering the “abolition of the NUC” as successful in his own conceit, Chen, on the contrary, had nearly lost all his credibility with Americans. The Bush administration lost its trust in Chen, and U.S.-Taiwan relations deteriorated extremely.¹⁸⁷ Washington had further recognized that Chen was really a “trouble-maker” and that he would seek opportunities to provoke the stability of Taiwan Strait and challenge U.S. policy. Therefore, Washington became more vigilant about activities forged by secessionist forces in Taiwan.

Chen Shui-bian realized the severe damage of the “abolition of the NUC” to U.S.-Taiwan relations. When meeting with AIT Chairman Raymond Burghardt on June 8, Chen promised that he would follow the “four noes.”¹⁸⁸ Washington

¹⁸⁴ Alan Romberg, “The Taiwan Tangle,” *China Leadership Monitor*, No.18 (Spring 2006), pp. 10–11.

¹⁸⁵ Jane Rickards, “U.S. Visitor Issues Chen Administration One of the Bluntest Warnings,” *The China Post*, March 26, 2006, http://www.chinapost.com.tw/i_latestdetail.asp?id=38504.

¹⁸⁶ “Former AIT Head Bullish on U.S. –Taiwan Ties.” Interview with Dr. Richard Bush by Shih Ying-ying (*Taiwan Journal*), August 11, 2006, <http://www.brookings.edu/view/interviews/bush/20060811.pdf>.

¹⁸⁷ The author’s interview with Dennis Wilder, Senior Director for Asian-Pacific Affairs of National Security Council, March 17, 2006.

¹⁸⁸ Alan Romberg, “The Taiwan Tangle,” *China Leadership Monitor*, No.18 (Spring 2006), pp. 16.

welcomed Chen's argument ostensibly. But could anyone take it seriously since Chen failed to live up to his promises? Chen's moves to push for "Taiwan independence" more powerfully would soon force the Bush administration to react more severely.

2.4.5 U.S. Think Tanks and Taiwan's "Referendum on Joining the UN"

Chen's original intention is to amend the Constitution during his term in office, making the Constitution into an "independent" one. However, amending the Constitution requires an approval of three quarters majority in the Legislative Yuan. It is thus impossible for the DPP to advance the Constitutional alternations under the condition of veto-proof majority of the pan-Blue in the legislature. Taiwan would hold elections again in March 2008. The eight years during Chen's two terms in office from 2000 to 2008 had witnessed Taiwan's economic depression, people's struggle in mass impoverishment, ubiquitous corruption, social turbulence and constant protests. What cards could the DPP play during the March 2008 election under these circumstances? The party could do nothing but sowed discord among ethnic groups, tore the society into pieces and deceived the Taiwanese people on cross-Straits policies. Chen had expressed earlier that the island would reapply for joining the UN under the name Taiwan. Since the late May 2007 Chen had kept sensationalizing to push for "referendum on joining the UN under the name Taiwan," polluting the political atmosphere in Taiwan. On July 19, Taipei submitted the application for joining the UN to its secretariat with the help of "diplomatic allies" of Taiwan including Solomon Islands. But Taiwan's application was refused and returned by UN Office of Legal Affairs the next day. Chen's tactics of "seeking victory amid risk" were designed to attract international attention. Yet, in contradiction with the consensus of "one China" shared by the international society, his moves were criticized harshly internationally. The Bush administration repeatedly announced its strong discontent with Chen's actions; scholars of major think tanks in America also voiced their displeasure at Chen and criticized him sternly.

When meeting with AIT Chairman Raymond Burghardt on June 15, Chen appealed to him for U.S. reiteration of the Six Assurances. Alan Romberg told the press in an interview on the same day that a large number of Taiwan-related people in America adhere to a belief that the Six Assurances represent U.S. Taiwan policy. The Six Assurances, nevertheless, do not imply U.S. acknowledgement that Taiwan is a sovereign entity in the international community. That is why the United States has not supported Taiwan's participation in international organizations composed of sovereign states since 1979. Taiwan's applications for entering the WHO and the UN in the name of "Taiwan" are unhelpful to cross-Straits relations. "There really is no reason to believe that the United States would stand idly by if either side took

steps truly threatening to peace and stability in the Strait,” Romberg adds, “even if the president is distracted by many weighty issues, including the war in Iraq ... so this issue, too, merits his attention. While one may not agree with all of the positions Beijing is taking about Taiwan ... the caution so often heard from the Mainland, that one needs to deal with problems before they explode into crises, is worth heeding.”¹⁸⁹ No matter how many arguments the DPP adduced for the referendum, warns Romberg, “one cannot escape from the fact that it will inevitably be seen, not as crossing the line at this point to *de jure* independence, but as a step in that direction.” “One of the harsh realities that grow out of that history and that geography is that pressing for formal, independent sovereign status would be an invitation to tragedy.”¹⁹⁰

The George Washington University held a seminar under the title of “Taiwan’s Challenges” on June 22. CSIS senior research fellow Bonnie Glaser made some points at the seminar. Taiwan is not UN member, but this does not impact its international cooperation with other countries. However, the referendum did not help it to join the UN. Some people therefore doubted Chen’s political purposes behind the referendum. The White House made its stance quite clear that Washington opposed Taiwan’s referendum. If Chen insisted on pushing it, U.S.-Taiwan relations would inevitably be overshadowed. Later in her other article, Glaser points out, “Chen’s initiative violates the spirit if not the letter of his ‘four no’s’ pledge.” The United States should have taken steps to criticize and even punish Chen, as Glaser suggests. The purposes of doing these are twofold. The first one is “to inform the Taiwan people that Chen’s actions are putting US-Taiwan relations at risk so that they will oppose them.” The second is “to satisfy Beijing that US policy against Taiwan independence is firm and enable China to justify a more modest response should the referendum be held.” She lists some specific ways for the United States to punish Taiwan, such as allowing Chen to transit in Hawaii or Alaska only to South America, rebuking Chen as President Bush did in December 2003, postponing notifications to Congress of approved arms sales to Taiwan, and lobbying other countries to vote against Taiwan’s membership in the United Nations. Measures as such are sufficient to convey U.S. resolute opposition of alternating the *status quo* unilaterally. “The referendum will be high on Washington’s agenda this week when DPP presidential candidate Frank Hsieh meets with US officials,” Glaser suggests, “candid talks are sorely needed.”¹⁹¹

According to a report published on September 13 by senior research fellows of the Cato Institute Justin Logan and Ted Carpenter, “Taiwan’s recent push for independence from China and its recent bid to join the United Nations under the name Taiwan ... is aggravating the situation.” Thereby, “Washington needs to

¹⁸⁹ Alan Romberg, “Election 2008 and the Future of Cross-Strait Relations,” *China Leadership Monitor*, No. 21 (Summer 2007), pp. 18–19.

¹⁹⁰ Alan Romberg, “Applying to the UN ‘in the name of Taiwan’,” *China Leadership Monitor*, No. 22 (Fall 2007), p. 25.

¹⁹¹ Bonnie Glaser, “UN Referendum Impacts US-Taiwan Relations,” www.isn.ethc.ch/isn/current-affairs/security-Watch/Detail/?ots591=zlmg.

clarify its policy on Taiwan and prevent its client state from dragging the United States toward a confrontation with China.”¹⁹²

In a special interview conducted on July 6 by the *Washington Post*, Chen Shui-bian reacted and questioned Washington’s objection to Taiwan’s referendum. “Is it about the matter of holding referendum itself? Or about joining the UN? Or about using the name ‘Taiwan’? What is there to oppose in any of these?” “Using the name ‘Taiwan’ in an application does not change the official name of our country. Nor does this action violate my ‘four noes’ pledge.”¹⁹³

Even though some mainstream think tanks, as the Bush administration did, opposed Taipei’s push for referendum, some other think tanks vigorously offered support for Chen’s campaign and criticized the administration’s Taiwan policy. John Tkacik visited Taiwan again and had meetings with Lee Teng-hui in August 2007. He was told by Lee, “U.N. membership is not a legal issue, it is a political issue ... the most important things are power and friends.” “Taiwan’s ‘power’ pales in comparison to China’s,” and Taiwan’s most important friends are the United States and Japan. Lee told Tkacik, “If you alienate people, you have a problem.” In an article Tkacik writes, “President Bush was, no doubt, irritated to have Taiwan ... inject its domestic politics into his broad China agenda, superseding Iran, North Korea, Darfur, trade, product safety, and climate change.” He even argues that “U.S. policy toward Taiwan’s ‘status’ has been dogmatically agnostic” and the policy per se is confusing. The truth is, actually, the Bush administration “appears to care little about Taiwan’s referendum.” Therefore, Tkacik proposes that Washington should negotiate with Taiwan over the agreement “on a limit to Taiwan’s declarations of its own independent identity from China in return for United States reassurances, first pledged by President Ronald Reagan in 1982.”¹⁹⁴ Randall Schriver of Amitage International, former Deputy Assistant Secretary of State, writes for the *Taipei Times*, “China’s military capabilities are developing rapidly, while Taiwan’s may be atrophying;” Taiwan’s divisive internal politics have created “opportunities for Beijing to exploit divisions.” Given “Taiwan is increasingly isolated within the Asia-Pacific region,” “the US is diverted to issues” and “the US attention to Taiwan is episodic, and takes the form of ‘trouble shooting’ rather than sustained engagement,” Schriver proposes that the United States should consider delivering “six new assurances,” including mentioning “the survival and success of democracy in Taiwan is in the interest of the US;” the US will always “honor the TRA” and continue arms sales to the island; Washington “endorse cross-strait dialogue and interactions, but will not pressure Taiwan to enter into negotiations with Beijing “on terms Taiwan may deem as unfavorable;” issues related to the sovereignty of Taiwan are “for the people of the PRC and the people of Taiwan to decide

¹⁹²“U.S. Support for Taiwan Could Lead to War,” available at: upi.com/Top-News/Special/2007/9/13/...

¹⁹³“Interview with Chen Shui-bian, President of Taiwan,” *Washington Post*, July 8, 2007, www.washingtonpost.com/wp-dyn/content/article/2007/07/AR2007070700929.html.

¹⁹⁴John Tkacik, “Dealing with Taiwan’s Referendum on the United Nations,” *WebMemo*, Heritage Foundation, No. 1606. September 10, 2007.

peacefully themselves;" Washington will not formally recognize the PRC's sovereignty over Taiwan; Washington will not support any outcome achieved through the use of force" or seek to curry favor with China by "making sacrifices in its relationship with Taiwan;" and Washington will "seek to promote opportunities for Taiwan to participate meaningfully in international organizations."¹⁹⁵

However, mainstream scholars criticized their conservative counterparts for their support of Taiwan's referendum. In an article appears at *PacNet*, an online magazine of Pacific Forum by the CSIC, Alan Romberg notes that some criticized the U.S. stance against the proposed referendum as a betrayal of U.S. values and its commitment to democracy." And they argued that "Washington's *realpolitik* approach to relations with the PRC gives Beijing the whip hand not only on Taiwan matters but also on other pressing international issues" and that U.S. policy could not maintain the *status quo*. "If Taiwan does not act now, not to immediately change the constitution but at least to gain international acceptance as a 'state' separate from the PRC and to deepen the sense of 'Taiwanese identity' on the island, over time Taiwan will lack the strength to resist the PRC's intimidation and inducement, if not the outright use of force; the evolving 'correlation of forces' will tilt the table toward inevitable unification." Romberg nevertheless argues, "Taiwan's greatest strength against unwanted takeover is its political and economic vitality, not its military strength." "But pressing on the issue of Taiwan's 'status' is not the path to more meaningful democracy and security," he adds, "it is a provocative course that increase the possibility the PRC will opt for nonpeaceful means." Beijing deemed the proposed referendum "one more step in a consistent push toward 'Taiwan independence,' but one of special importance because it would be the first time the people of Taiwan would formally express themselves on a question related to Taiwan's status, potentially establishing not only a political but a legal foundation for pressing ahead toward formal independence." Although the United States should support democracy in Taiwan, Romberg suggests nevertheless, "democracy is not an excuse for irresponsibility, and all political leaders of Taiwan have a responsibility to look out for the security and well-being of the 23 million people they lead."

As for some people's arguments that "PRC bluster to scare Taiwan into abandoning—or rejecting—the referendum, and to pressure the United States into imposing 'pragmatic' limits on Taiwan's democracy," Romberg argues that Washington's objections to the referendum does not spring from any PRC demands, rather, it is from its "own assessment of the dangers." Part of that assessment is that if the PRC feels so provoked that it decides it must act, Romberg says, "the likelihood of things getting out of control are not insignificant." "Beijing is clearly not spoiling for a fight, but if it concludes that Taiwan is irrevocably closing the door to unification, it will act – whatever the cost." Admittedly, "the U.S. would regard the use of force by Beijing as unacceptable, but provoking it

¹⁹⁵Randall Schriver, "Taiwan needs 'Six New Assurances'," *Taipei Times*, August 22, 2007, www.taipetimes.com/News/editorials/articles/2007/08/22/2003375330.

would also lay responsibility for the results on Chen.” For Taiwan’s part, Romberg warns, “Should Taiwan’s inability to rein in its own worst instincts lead to war, the U.S. reaction cannot be predicted.”¹⁹⁶

At a conference held in Taipei in early December, Romberg expressed his concerns that “not everyone in Taipei understands that the U.S. objections to provocation are not merely a matter of rhetoric.” “American officials will obviously shy away from publicly drawing lines in the sand or spelling out potential consequences.” Now that Washington “has clearly identified as ‘unacceptable,’” then “the United States will not merely ‘accept’ actions from Taipei.” Not only does the United States have the right but the responsibility to tell people in Taiwan “when their actions could have consequences of which they need to be aware,” Romberg indicates, the United States also “has a responsibility to ... protect and promote American interests, including national security, and not to allow itself to be dragged needlessly into confrontation or war.” He also cautions Taiwan against its “efforts to gain ‘membership’ in organizations made up of states” because “whatever the feelings here, the international community is simply not going to support Taiwan’s endeavors in that direction.” Furthermore, “other countries will oppose such efforts, and eventually even their support for Taiwan’s ‘meaningful voice’ in such organizations could be affected.” Romberg asks whether people present at the conference were aware U.S. statement posted on the website of the U.S. Mission to the UN in September against Taiwan’s application. He regards U.S. low-key approach as inappropriate. In an attempt to deceive the Taiwanese people, Taipei “purposely glossed over the statement ... that the United States did not speak in the General Assembly.” He warns that in the future the United States would not adopt such an excessively low-key approach.¹⁹⁷

Another mainstream scholar at the conference is Richard Bush. Bush noted that Thomas Christensen’s viewpoints in his speech in September not only presented the Bush administration’s policy toward Taiwan, but also shared by many mainstream scholars. This speech was consistent with U.S. long-standing policy. “In the U.S. government view,” Bush says, “the UN referendum was not a mechanism to give voice the aspiration of *all* the people of Taiwan; it was a means to advance the political fortunes of the DPP.” He refutes some people’s points that the UN referendum is a reaction to the PRC’s squeezing Taiwan in the international community, and contends that Beijing’s squeezing “intensified significantly after 2002 when Beijing became more alarmed about the Chen administration’s intentions and its capacity to achieve them.” While some people in Taiwan hold the view that the initiatives of referendum are expressions of Taiwan identity and thus cannot be stopped, Bush argues that identity is a complicated issue and thereby people need to

¹⁹⁶ Alan Romberg, “The U.S. ‘One China’ Policy: Time for a Change?” Pacific Forum CSIS, *PacNet*, No.45 (November 7, 2007).

¹⁹⁷ Alan Romberg, “Future Cross-Strait Relations and a Possible Modus Vivendi,” paper presented at a Conference on Washington-Taipei-Beijing Relations: Variables and Prospects, Taipei, December 3, 2007, <http://www.stimson.org/summaries/future-cross-strait-relations-and-a-possible-modus-vivendi>.

consider how to measure it. “Although identity can shape policy, arguably it is not the only factor shaping policy.” Regarding some people’s argument that “the institutions of indirect, representative democracy distort the will of the people” and so “the institutions of direct democracy, like a referendum, are a better way to reflect the public will,” Bush answers, “the experience in the United States with direct democracy, particularly with referenda, shows that special interests can use them to distort the will of the people as well.” He thinks it necessary for people in Taiwan to consolidate their democracy so that it can reflect the public will.¹⁹⁸

When talking about the influence of the initiative of referendum pushed by Chen in an article in early 2008, Joseph Nye says, “[The] US does not have a national interest in helping Taiwan become a sovereign country with a seat at the UN, and efforts by some Taiwanese to do so present the greatest danger of a miscalculation that could create enmity between the US and China.”¹⁹⁹

Due to the DPP’s action against the trend of the times, the Legislative Yuan election on January 12, 2008 ended with its fiasco. The KMT won 81 of the 113 seats and received 51.2% of the party votes, and the DPP won 27 seats and 36.91% of the party votes. Besides, the referendum on anti-KMT party assets and anti-corruption were invalid with the voter turnout of 26.34% and 26.08%, respectively. The results of the election bode well for the presidential election and the prospect of the referendum on March 22. The electoral situation became more favorable to the KMT.

To support the DPP, the AEI and Armitage International issued a joint report co-authored by Dan Blumenthal and Randall Schriver entitled *Strengthening Freedom in Asia: A Twenty-First-Century Agenda for the U.S.-Taiwan Partnership*, on the eve of Taiwan’s presidential election. They held a ceremony to mark the first publication of the report in Taipei and were received by Chen Shui-bian. The report puts forward a wide variety of recommendations concerning many aspects in U.S. policy toward Taiwan, including enhancing security cooperation, strengthening Taiwan’s defense capability, upgrading mutual visit levels, signing FTA between the United States and Taiwan, and promoting Taiwan’s democracy. “Rather than treating it as a subset,” the report even contends, “U.S.-Taiwan relationship should have its own agenda.”²⁰⁰

Some conservatives from political and academic circles bore a grudge against the Bush administration’s opposition to Chen’s referendum initiative, leading to a weakening Chen and the DPP. John Tkacik complains loudly about Chen’s “un-just” treatments in an article published in July 2008. “It was Chen who did his

¹⁹⁸Richard Bush, “U.S.- Taiwan Relations: What’s the Problem?” September 15, 2007, [www.brookings.edu/speeches/2007/1203_taiwan_bush.aspx?emc=lm&m+210954\\$1+13&v+859973](http://www.brookings.edu/speeches/2007/1203_taiwan_bush.aspx?emc=lm&m+210954$1+13&v+859973).

¹⁹⁹Joseph Nye, “Taiwan and Fear in US-China Ties,” *Taipei Times*, January 14, 2008, <http://www.taipetimes.com/News/editorials/articles/2008/01/14/2003397224>.

²⁰⁰Dan Blumenthal, Randall Schriver, *Strengthening Freedom in Asia. A Twenty-First-Century Agenda for the U.S.- Taiwan Partnership* (A Joint Project of the American Enterprise Institute and Armitage International, March 2008).

utmost to maintain Taiwan's separate identity from China but, in so doing," he argues, "was seen by the White House as causing unnecessary frictions with Beijing at a time when the U.S. had its hands full internationally."²⁰¹ Tkacik is not wrong completely at this point. The eight years when George W. Bush was in office had witnessed great changes in his attitude toward Taiwan. Bush began to assume the presidency with a pledge that he would do "whatever it takes to help Taiwan defend herself," but ended with his harsh rebuke of Taipei's referendum on the UN issue.

2.5 Think Tanks and Peaceful Development of Cross-Taiwan Strait Relations

The cross-Strait relationship entered into a new phase in 2008. After its victory in the legislative elections in January, the KMT again won the presidential election by a landslide victory in March. The KMT nominee Ma Ying-jeou and Vincent Siew won 58.45% of the total votes while the DPP candidate Frank Hsieh and Su Tseng-chang won 41.55% only. The voter turnouts of the DPP-supported "referendum on joining the UN" and the KMT-supported "referendum on returning the UN" were 35.82% and 35.74%, respectively. This election was thought as a plebiscite on the ruling DPP by the Taiwanese people over the past eight years. It also illustrated that the roadmap advocated by the CPC and KMT toward peaceful development of cross-Strait relations had obtained support from the mainstream public opinion, foreboding the end of the "high-risk period" of the cross-Strait relations. Hu Jintao, General Secretary of the CPC, met with Vincent Siew at Boao Forum for Asia on April 12, Lien Chan on April 29, and Wu Po-hsiung on May 28, and expressed his hope to foster the peaceful development of cross-Strait relations on the basis of the "92 Consensus." On his inaugural speech on May 20, Ma Ying-jeou highlighted that people from both sides of the Taiwan Strait belong to the Chinese nation, unequivocally stated that he recognized the "92 Consensus," and would not seek to amend the Constitution. He upheld a position of "no unification, no independence and no use of force," and sought interest convergence of the two sides of the Strait. Cross-Strait relationship thus ushered its historic transition, moving toward the trajectory of peaceful development. The objective of realizing "peaceful development and jointly creating a win-win situation" co-sponsored by both sides had been highly appreciated by the international society.

The United States had been shocked by and suffered so much from Chen's unexpected moves. Washington tried to be impartial and neutral, having neither good nor bad opinions of either candidate in the 2008 elections. But American officers and scholars did hope that the situations across the Strait be more

²⁰¹ John Tkacik, and Gary Schmitt, "Bush Administration Decision Weakens Taiwan's Position," July 21, 2008. Heritage Foundation, heritage.org/research/commentary/2008-7/bush-administration-decision...

predictable.²⁰² Ma Ying-jeou's overwhelming victory in the election had acquired "a lot of optimism and euphoria" in the United States.²⁰³ Of course, there were some people holding opposite viewpoints about Ma's election.

2.5.1 *Welcome Ma Ying-Jeou's Electoral Victory*

American think tanks paid close attention to elections in Taiwan. In an article entitled "Where Ma Won" published at the website of *The New York Times* at 8 am on March 22, Richard Bush analyzes the reasons for the failure of the DPP referendum. The first one was that the KMT call for boycott. The second is persistent U.S. opposition. The third reason is the perception of some voters that referendum is a "tactical device on the part of the DPP to mobilize turnout, not a serious exercise in public policy." Several hours later, Bush wrote another article for the website, on which he points out that Ma's clear margin of victory has suggested that "the public wasn't buying the DPP's claim that China's behavior in Tibet was significant for Taiwan." "If we step back and look at the big picture, Ma's victory creates a strategic opportunity to bring some stability and predictability to cross-Straits relations. Stability and predictability have been notably absent in the last 15 years, as leaders on each side of the Strait have feared that the other side is about to do something to challenge its fundamental interests." Now the two sides "can begin talking privately to increase mutual understanding and enhance cooperation." Four more hours later in his third article Bush calls the failure of the DPP "a bitter defeat," and suggests that the party "should engage in a period of more objective self-assessment to understand where it itself went wrong, both in terms of substance and process."²⁰⁴

Adam Segal in his article published at the website of *The New York Times* claims that "the most immediate effect of Ma's victory will be economic, felt on the Taiwanese stock market and in the value of the Taiwan dollar." There are many restrictions in Taiwan on investment in the Chinese mainland. "Any lifting of the restrictions on investment in mainland ventures" "will allow Taiwanese manufacturers to exploit their technology and management know-how in China." Taiwanese banks will also benefit from this. "If direct flights are allowed, travel, tourism and real estate will certainly benefit," Segal adds. What's more, "the flow will not be one way; Chinese tourists visiting Taiwan could help revive the economy."²⁰⁵

²⁰²The author's interview with an officer in U.S. Embassy, March 2004.

²⁰³Carnegie Debate, "U. S. Policy toward Taiwan: Time for Change," March 26, 2008, p. 8, wedmaster@carnegoeendpw.emt.org.

²⁰⁴Richard Bush, "Where Ma Won," *New York Times* website, March 22, 2008, http://topics.blogs.nytimes.com/2008/03/22/21/?_r=0.

²⁰⁵Adam Segal, "The Economic Effect," *New York Times* website, March 22, 2008, <http://topics.blogs.nytimes.com/2008/03/22/the-economic-effect/>.

Shelly Rigger also published an article entitled “What Happens Next?” at the same website. “Having spent the last many months wondering and speculating about how the election would come out,” Rigger suggests that “it’s time to turn our prognostication efforts to a new question: What happens next?” She contends that “the election has given Ma a solid mandate—no need for a recount in this contest—and that he is not constrained by referenda.” Ma also has obtained the support to move forward on his agenda. Rigger points out two expectations of the Taiwanese people. The one terrifies people that Ma would “bring about unification with the mainland, even against the will of the people here.” Another one ignites many others’ hopes that Ma “can solve overnight the decades-long standoff in the Taiwan Strait.” Rigger thinks neither view is realistic. “Campaigned as a moderate,” Rigger expects Ma will turn out to be a moderate leader. Furthermore, Ma would be constrained by both institutions and public opinion.²⁰⁶

In an article written at 2 p.m. on the day of the election, Alan Romberg makes a suggestion that both sides should seize the opportunity and open a new era for cross-Strait relationship. When speaking about U.S. Taiwan policy, as Romberg states, “the United States must be willing to cooperate with better cross-Strait relations.” Some Americans might be concerned that “even though unification is not on the table, any substantial improvement of Taiwan-Mainland ties could be detrimental to U.S. strategic interests,” says Romberg. “Should such a view prevail, it would hamper, and perhaps scuttle, the opportunity that now exists for the first time in a decade or more to stabilize the situation across the Taiwan Strait and give a boost to Taiwan’s own well-being and security and to U.S.-Taiwan relations as well as to U.S.-PRC relations,” he emphasizes.²⁰⁷ Five more hours later, Romberg published another article entitled “Ma and the ‘*de Facto*’ Tightrope” at the same website. “One of the Times’ readers asked whether one should be concerned about Ma because he seemed so close to China,” writes Romberg. He answers the question by recollecting his experience with Ma, “I have never heard him utter a ‘pro-China’ comment in all that time.” Instead, “what he has done is to seek to reduce tensions and build bridges that will promote Taiwan’s well-being and protect its security.” In spite of that, there are still some people in Taiwan bear this concern. In this case, Ma should continue to reinforce his point that he “will not even discuss unification during his term of office, whether it is four or eight years.”²⁰⁸

Former AIT Director Douglas Paal published an article on the same day at the website of *The New York Times* too. Paal declares that China “has been presented with a strategic opportunity in Ma’s big victory.” Now Beijing “can reduce the chances for a crisis,” and “can improve the prospects for long-term stability by

²⁰⁶Shelly Rigger, “What Happens Next?” *New York Times* website, March 22, 2008, <http://topics.blogs.nytimes.com/2008/03/22/what-happens-next/>.

²⁰⁷Alan Romberg, “The Next Challenges,” *New York Times* website, March 22, 2008, <http://topics.blogs.nytimes.com/2008/03/22/the-next-challenges/>.

²⁰⁸Alan Romberg, “Ma and the ‘*de Facto*’ Tightrope,” *New York Times* website, March 22, 2008, <http://topics.blogs.nytimes.com/2008/03/22/ma-and-the-defacto-tightrope/>.

rewarding the Taiwan people with some accommodation of their goals.” Paal also provides some specific issues that China can begin with, such as allowing Taiwan’s observer status in the WHA, implementing a ceasefire in their campaign for diplomatic recognition from small states in the Pacific, Africa and Latin America. It is suggested that Beijing will not miss the “historic opportunity to transform this longstanding hot spot into a source of stability and growth on mutually acceptable terms.”²⁰⁹

Admittedly, not all think-tank scholars welcomed the electoral outcome. Some of them held a grudge against the Bush administration’s rebuke of the referendum campaign forged by Chen Shui-bian. In November 2008, more than half a year after the presidential election in Taiwan, the website of the Center for Naval Analyses (CNA) was still aggrieved at the DPP’s failure when summarizing Richard Bush’s speech at an academic seminar. It argues that the referendum the DPP proposed to hold was not likely to bring about any effect, nor would it be passed. But dozens of officials, including Secretary of State Condoleezza Rice, from the Bush administration jumped out to criticize the DPP. They were serving Chinese interests on this issue. The KMT, however, boycotted the arms purchase in the Legislative Yuan. U.S. arms sales to Taiwan meant several billion U.S. dollars for American companies and employees. Most importantly, these weapons were what Taiwan needed most. Had Secretary of State Rice ever blamed the KMT for its actions? American officials were rebuking the DPP-supported referendum but they never spent even one minute openly criticizing the KMT. How ridiculous it was!²¹⁰

John Tkacik, however, highlights on March 24 in an article that Ma’s election is the victory of Taiwan’s democracy. He suggests the administration and Congress to take measures immediately so as to enhance U.S.-Taiwan relations. Measures include opening U.S.-Taiwan negotiations on the FTA, offering Taiwan visa waiver privileges, selling advanced weapons including F-16C/D fighter, and having “structured strategic dialogue between command military and Cabinet-level officials from the U.S. and Taiwan.” These measures, as Tkacik says, are essential for the United States in case the democratic Taiwan would feel disappointed about Washington and switch to develop closer ties with the Chinese mainland. In order to “reassure democratic Taiwan that it still has alternatives to a closer relationship with authoritarian China,” Tkacik even asks the Bush administration to invite Ma and Siew to Washington before their inauguration on May 20. Their visit to Washington “would be a message to Taiwan that the United States continues to value Taiwan’s partnership and respect its democracy.” “Washington must not abandon Ma Ying-jeou and Vincent Siew to China’s gentle graces.” “Nor must Taiwan’s citizens be felt to believe they have no choice but China.” Lastly, Tkacik argues, “[How] Washington treats Taiwan, a long-time friend, will signal to the rest of Asia how Washington sees its role in the Asia-Pacific region.” The article

²⁰⁹Douglas Paal, “An Opportunity for Beijing,” *New York Times* website, March 22, 2008, <http://topics.blogs.nytimes.com/2008/03/22/an-opportunity-for-beijing/>.

²¹⁰Michaelturton.blogspot.com/.../can_carried-account_of_richard-bush.html.

concludes by claiming, “reassuring Taiwan of America’s continued friendship will reassure America’s democratic partners in the region that Washington actually places some value on a country that President Bush calls ‘a beacon of democracy to Asia.’”²¹¹

2.5.2 *Carnegie Debates*

On March 26, 4 days after the presidential election in Taiwan, the Carnegie invited some prestigious scholars of think tanks to discuss about U.S. Taiwan policy. Michael Swaine chaired the debate. Main speakers included Peter Brookes (senior researcher of the Heritage Foundation, Commissioner of U.S.-China Economic and Security Review Committee, and the Deputy Assistant Secretary of Defense for Asian and Pacific Affairs for the George W. Bush administration), Douglas Paal, Alan Romberg, and Randall Schriver. Prior to their service in think tanks, the four scholars all worked at the government. The issues that they debated can be generalized as follows.

2.5.2.1 **Is the Situation of Taiwan Strait Stable? Is Ma’s Victory in the Election Favorable to the Stability of the Strait?**

Alan Romberg and Douglas Paal maintain that the cross-Strait situation is stable, and Ma’s election as president will be beneficial to stable cross-Strait relations. As Romberg notes, “the Taiwan issue has been ... the only issue in the world on which one could find eventual great-power conflict.” “It is at heart a political issue and so military action won’t resolve it.” Ma Ying-jeou is “a man who is committed fundamentally to moderation,” and his overwhelming victory bodes “a more stable and sustainable situation across the strait.” Romberg thinks that the Ma administration “will develop in ways which will alter the political framework, make it much more sustainable.” “The tendency or the temptation to try to use other means over time to resolve this issue will fade even from where they are now,” Romberg adds. It is the same for the mainland, which repeats that it would seize the strategic opportunity. Both Romberg and Paal argue that the Chinese mainland “changed its focus in 2003, 2004 and has maintained it, and ... will continue to maintain it, from pushing unification to blocking independence, and it’s codified in the anti-secession law.” It is hard for the mainland to abandon this position “so as long as the door is left open to some other kind of One-China solution,” or it would risk a war with America and this is “not a war the PLA wants to fight” or “the PRC leadership wants to fight.”

²¹¹John Tkacik, “Taiwan’s Elections: Sea Change in the Strait,” *WebMemo*, No. 1865 (Heritage Foundation. March 24, 2008).

Brookes thinks “there are several trends that are unfolding simultaneously that if not arrested or reversed will ultimately lead to great difficulty.” The cross-Strait situation is unstable, but “it is manageable.” Brookes emphasizes the mainland’s militarization and suggests that the military balance between the two sides of the Strait “swung towards Beijing perhaps irrevocably several years ago.” Taiwan should, therefore, “be convinced of the military threat it faces from the growing might of the People’s Liberation Army.” To stabilize the situation across the Strait, it is necessary for China to “demilitarize the environment.” It is nonetheless “extremely difficult” for China to do so. Under these circumstances, Brookes considers it as “an appropriate policy” for America to deter “Chinese military moves against Taiwan through arms sales and American military readiness.” Only in this way can Beijing “have no illusions with regard to America’s commitment to Taiwan security.” It is important for Washington to make public statements, which will “hopefully add to the stability across the Taiwan Strait, advancing the best interests of the United States in the Asia-Pacific region.” What really Brookes suggests is that after Ma takes office America should not loose its grip over Taiwan but to strengthen its interventions in the cross-Strait relations principally through arms sales. This would obviously lead to continuous turbulence and instability instead of peace over the Strait.

2.5.2.2 What Does Ma’s Victory Mean? What Has Changed and What Has not Changed?

Randall Schriver contends that the primary reason Ma won the election is that Ma convinced the Taiwanese people that a better cross-Strait relationship would lead to more economic growth and he could make the worse economy better. Another reason is people’s “fatigue with the Chen administration and the DPP” and fatigue fueled by the DPP’s corruption. That’s to say, Ma’s victory was not because of “an outright endorsement necessarily of the Guo Ming Dang agenda and calling for an entirely different approach to cross-strait relations or relations with the United States.”

Paal shows his disagreement with Schriver by applying his own working experience as former AIT Director in Taipei during the Chen administration. If one looks at the polling data in late 2004, one can find that “the public really reversed its support for the DPP and turned toward the KMT.” Realizing the economic benefits the one-China policy brought, the Taiwanese people showed their discontent with the independence agenda the Chen administration stridently promoted. If talking to business people from Taiwan, one would probably be told that the policy of the Chen administration “was now hurting their business.” Paal contends that this is the reason why “the election went the way it did.” It will further motivate Ma “very strongly to get going with cross-strait flights on a more regular basis ... to get rid of the 40-percet capital transfer limitation,” and etc.

Paal also points out that “the result of the election was quite substantial.” “A 58-to-42 split and ... that evenly split(s) electorates are very different”. Ma’s

popular vote result both in the presidential and Legislative Yuan election indicates Ma's strong mandate, which was supposed to give birth to some changes on the island. When Chen Shui-bian was in office, the administration had never controlled the legislature. But now the political gridlock is gone in the Ma administration. Besides, the Chinese mainland will change its policy toward Taiwan, and thus there will be more chances to create more international space for Taiwan. The first opportunity is that the mainland might allow Taiwan to participate in the WHA. In regard to factors that remain unchanged, Paal claims that Ma's attitude toward the cross-strait relations will not change, and Ma is not a man who is pro-China but patriotically pro-Taiwan. The China mainland's military modernization is not going to change. The final unchanged factor is the TRA, but "the process of selling arms to Taiwan by the United States ... and military-to-military cooperation and consultation will be complicated as the political side has to be recalibrated."

Schraver argues that it is now important how China and the United States may respond. China's military modernization is of great concern to Taiwan, says Schraver, and "Taiwan's military modernization efforts to date have been insufficient to meet the growing threat." Besides, hard-liners' increasing voice in the decision-making system has changed their otherwise modest role and some people now doubt whether the CPC still commands the PLA. As for Taiwan, "some of the characteristics of Taiwan's domestic politics I think are fundamentally changed about identity" and about "how Taiwan perceives itself in relation to the PRC." There are something that the United States should do right away. Schraver argues that "Ma Ying-jeou should come to the United States before he is inaugurated." He would really like to see that (1) "the F-16 s released in a very short order," (2) "an agreement to craft a bilateral agenda with Taiwan that is much more robust than we currently have," and (3) Washington commitments to "sending a very senior and appropriate representative to the inauguration." In a word, Schraver advocates vigorously promoting U.S.-Taiwan relations in all respects. At other times, he even maintains that the United States should break the chains of the one-China framework. His position reflects the views of extreme conservative political forces, including viewpoints held by some Congressional members.

2.5.2.3 What Does Ma's Victory Mean to U.S. Taiwan Policy? What Are U.S. Interests in Taiwan?

The moderator Michael Swaine turns to a very strong perception on the part of people both in the mainland and in Taiwan: the United States maintains "a kind of tense separation between China and Taiwan" by preventing unification and preventing independence, "keeping the situation at a low boil" that, "diverts Chinese attention and resources, and provides some strategic leverage to the United States." He then asks the four participants to address this perception.

Brookes believes that "keeping things at a low boil" in the Taiwan situation might be "spinning out of control" and so it is dangerous to follow such a policy.

Randall Schriver claims that anyone who once worked at the State Department or the Defense Department knows that the United States could actually manage a low-boil policy “with that much deftness and skill.” He then makes it clear that it is not in “U.S. interest for Taiwan to reunify ... with the PRC as long as the PRC remains an authoritarian government.” Put differently, “the preservation of Taiwan’s democracy, its room for maneuver, is very important here and in our interest.” “If a settlement was arrived at peacefully and with the support of the people of Taiwan, I don’t think we should stand in their way.” Were Washington to stop this settlement, disastrous outcome would ensue.

Schrivers underscores the importance of Taiwan to the United States, “people almost exclusively talk about our interests in the cross-strait environment” while neglecting “that we also have a substantial set of interests in our relationship with Taiwan.” “More investment in that relationship could bring greater payoff.” Given more opportunities to it, he argues, “Taiwan is poised to do a great deal of more in the region and internationally.” Brookes shares Schriver’s point on Taiwan’s importance to the United States. He agrees to keep robust ties with Taiwan because Taiwan is “an important player in the region” and “an important player in American policy and the Asia-Pacific region.” He thinks “having those ties are critically important.”

Alan Romberg argues that U.S. policy is not “keeping things on a boil,” as it “would risk spinning out of control.” To avoid the waste of the opportunity available now, Romberg suggests the United States to “bring things down to a manageable, positive relationship for a very long time to come.” He further notes that “we’re at a turning point” and “it’s important to take advantage of it.”

In addition, Romberg does not agree with their counterparts’ points on U.S. interests in Taiwan. Instead he contends that U.S. interests lie in avoiding war, supporting Taiwan’s democracy, and maintaining U.S. credibility. While “we don’t have a defense commitment to Taiwan,” “we have commitments to provide defensive military equipment,” and “we have a grave concern if things were to be — if there’d be coercion of any sort and so on, but we don’t have a formal commitment.” To maintain the stability of Taiwan Strait is a very important stake for Washington.

Romberg thinks unification is “not on the table,” and people “don’t need to worry about it.” The improvement of the cross-Strait relationship is consistent with U.S. national interests. People need to remember that peace and stability across the Strait is not only the goal that Americans seek, but also the goal of the mainland and Taiwan. The United States does not support independence or unification. Washington does not oppose but “support closer cross-strait relations,” because it is in the U.S. interest. It could thus allow the people of Taiwan “live in safety, promote their democracy and economy, and it does serve American vital interests.”

Romberg makes his own point on U.S. strategic interest in Taiwan. On the issue of “whether or not the United States wants to keep Taiwan separate for its strategic purposes,” he thinks that it is “widely claimed but ill understood.” “If we had Taiwan to arm to the teeth for our own purposes we would get no net advantage.” Romberg calls Taiwan “as vulnerable as it is an opportunity.” “If China had the

island and were to arm it to the teeth for its own purposes, it really wouldn't change things very much in the Western Pacific." "In terms of pre-positioning," Romberg argues, "it's just a distance of 90 miles or so," "and would introduce vulnerabilities to the PLA if they were there." Anyway, "getting involved in a continental struggle on the Asian mainland is not in the U.S. interest." On the other hand, he says, "our interests are highly interwoven with the maritime world of East Asia and we have very strong interest in maintaining that maritime posture." Taiwan is "the one piece of territory" of the mainland. By "recognizing the PRC, protecting American continued unofficial interests with Taiwan," "we've managed to diffuse the one place that brings the continental and maritime powers into conflict." "That was a huge benefit," as Romberg calls it.

Douglas Paal believes that "unification's not on the table and I don't think it's going to be on the table for a very long time." Thereby, there is no issue that really concerns the United States.

2.5.2.4 Is the Essential Framework of the Current U.S. Taiwan Policy Acceptable? Does It Need to Be Changed? and How to Change It?

Randall Schriver has been advocating improving U.S.-Taiwan ties, and proposes several ways to achieve that. First, now there are too many limits to reinforce Taiwan-U.S. relations. "We're to blame for that; that's not Taiwan's fault." Second, "we have to totally disabuse Beijing of the notion that we can deliver Taiwan for them, or that we are somehow drifting into a de facto co-management environment." Schriver objects the rhetoric of "co-management." Third, he suggests that U.S.-Taiwan defense relationship could be strengthened, and it "can be done quietly and primarily outside the public eye." The United States should encourage Taiwan to strengthen its deterrence. Fourth, he does not like the word of "*status quo*." He does not use it because different people have different definitions. In some degree, this term has become some sort of "an albatross than a helpful thing." Schriver also reassesses the referendum that the Chen administration had, and argues that equating holding a referendum with military coercion is fundamentally wrong. Holding a referendum is an essentially democratic move. He recommends that people "should be more focused on actions on both parties that don't contribute to stability." He lastly expresses his concerns that U.S. criticism of the referendum is actually in "a trap" that the PRC set.

Alan Romberg disagrees with most of opinions Schriver holds. Romberg thinks that U.S. policy toward Taiwan should make some adjustments, but in general it is acceptable. The U.S.-Taiwan ties should not be static but "need to be very careful." He agrees that stronger U.S.-Taiwan relations are needed and this is possible under the Ma administration. Authoritative communication is needed, but not through what Schriver suggests "cabinet-level coordination," which is not permitted by the "whole issue of what normalization was about." There will not be any significant alternation in regulations of official visits between Taipei and Washington. Since

military coordination between Taiwan and the United States is particularly sensitive, the United States thus should not “leave the suggestion that we’re restoring an alliance.”

Romberg thinks the U.S. opposition of the DPP’s UN referendum “was not because Beijing came to Washington and said do that,” but because “the U.S. government came to an assessment of its own.” Romberg, too, does not endorse the term of “co-management,” adding that Washington is “not interested in co-managing the Taiwan issue with the mainland.” However, the two parties “have had a shared concern over the recent period about what was coming out of Taiwan.” “Some in Beijing characterized this as cooperation, co-management, collaboration; I would reject all of those terms,” says Romberg. But Romberg does not think of this as an issue; an issue people should take seriously is that Washington should encourage the two sides of the Strait to move ahead in the way that consistent with the interest of the mainland, Taiwan and the United States.

Given the reality that people have their own definitions of the *status quo* on the issue of Taiwan, Romberg argues, “neither side should seek unilaterally to impose its own definition of the *status quo* on the other side.” But the shared definition underlying that is “don’t rock the boat.” This is precisely why the United States opposed Taiwan’s referendum on the UN.

Douglas Paal remarks that “there’s a lot of room for growth in the Taiwan, U.S., and multilateral agendas,” but an important principle underlying that is “no surprises.” It means that when there is anything new happening, one should make sure not to “get the counterproductive effects of surprises.” It should be conducive to peace and stability in the Strait, and this is the most important.²¹²

Some American mainstream scholars voiced their expectations of Ma Ying-jeou before his inauguration on May 20. In an article published at the website of the Brookings on May 8, Richard Bush contends that Ma’s victory “creates a strategic opportunity to transform relations” across the Strait, and the relations “have been severely strained for over a decade.” Ma’s victory, as Bush puts it, “creates a strategic opportunity to bring some stability and predictability to cross-Strait relations and so reverse the insecurity spiral that has prevailed since the mid-1990s.” “Over time, such a transformation will yield a significant payoff in a reduction of mutual fear and suspicion.” There are certainly some “obstacles to realizing this opportunity” and the “most notably the sovereignty issue, the legal character of the Taiwan government.” Obstacles as such, however, “can and should be addressed.” Hu Jintao and Lien Chan reached an understanding in April 2005. Bush claims that Washington “will welcome such an evolution since Washington has had to work to prevent the eruption of conflict between the two sides, through accident or miscalculation.” “If China and Taiwan are taking more responsibility for the security of the Taiwan Strait,” says Bush, “the United States will not have to do so as

²¹²Carnegie Endowment for International Peace, *U.S. policy toward Taiwan: Time for Change* (Transcript by Federal News Service, Washington, D.C.), March 26, 2008, webmaster@carnegieendowment.org.

much.”²¹³ When joining the International Affairs Forum on May 13, Bush points out that the mainland has “put forward a number of ideas for greater cooperation and stabilizing the situation in the Taiwan Strait.” Policy-makers of the mainland “will want to be certain that Ma’s long term intensions are compatible with their own.” “And actually it’s already begun a process of mutual reassurance that can pave the way for a stabilization of cross-straits relations,” says Bush. Lack of mutual trust and “some substantive issues” could “undermine this positive process.”²¹⁴

On May 12, the Carnegie hosted an event entitled “Taiwan’s New Ma Administration: A Look Ahead.” Bonnie Glaser and Michael Swaine participated in the discussion moderated by Douglas Paal, director of Carnegie’s China program. As Glaser indicates, “improving relations with the central government in Beijing is clearly on top of Ma’s agenda, as he has absolutely no intension to continue the confrontational approach adopted by the current administration under Chen Shui Bian.” She also points out that Ma “is determined to end the cross-strait hostility by promoting closer ties and other forms of interaction between both sides,” and “dedicated to preserving Taiwan’s sovereignty and securing more international space from Beijing through negotiation.” However, Ma is “extremely vulnerable to political oppositions from DPP” during his first term, Glaser adds. “Reciprocal actions from Beijing will reinforce Ma’s authority.” Swain analyzes the defense policy of the two sides across the Strait, indicating that both sides “have major differences over the implication of Taiwan military forces’ capability in promoting cross-strait talks.” “Beijing fears that improving the capability of Taiwan’s military would create more incentives for it to seek *de jure* independence,” while “Taiwan and the U.S. think the exact opposite.” Swaine nevertheless argues that acquiring F-16s in the near term would be “unnecessary for Taiwan and needlessly provocative towards Beijing.” At the end of the event, Paal concludes that “Ma is a man of strong principle” with his belief in pragmatism, making him “a competent leader to manage cross-strait stability” and improve Taiwan’s economic performance.”²¹⁵

2.5.3 *Developments in the Cross-Strait Relations*

On June 11, 2008, a delegation led by SEF Chairman Chiang Pin-kung visited Beijing, and held meetings with his mainland counterpart ARATS Chairman Chen Yunlin. Chen and Chiang signed agreements concerning charter flights and

²¹³Richard Bush, “Implication of the 2008 Taiwan Presidential Election for Cross-Strait Relations,” http://www.brookings.edu/opinions/2008/05_taiwan_bush.aspx.

²¹⁴Richard Bush, “China, Taiwan and U.S. Policy in Northeast Asia,” http://www.brookings.edu/interviews/2008/0513_asia_bush.aspx.

²¹⁵Bonnie Glaser, Michal Swaine, and Douglas Paal, “Taiwan’s New Ma Administration: A Look Ahead,” May 12, 2008, www.carnegieendowment.org/events/fa=events.

Mainland tourists as well as resuming the SEF-ARATS dialogue which had already been halted for nearly ten years. Most of U.S. scholars from the mainstream school welcomed the momentum of peaceful development across the Taiwan Strait. In an article published on June 23, Richard Bush says that events so far have proven the optimists to be correct in terms of the cross-Strait relations. In the interest of stabilizing the cross-Strait relations, the first element that Bush suggests is that “each side’s declaratory reassurance that it does not intend to challenge the fundamental interests of the other” will be necessary. Over a long term in the past, either side of the Strait has been becoming more concerned that another side threatens its basic interests. The second one is that the “balance of rewards must be equitable.” And the third element is to seek consensus inside the mainland and inside Taiwan.²¹⁶

A delegation of CSIS visited Taiwan from August 24 to 28, 2009, and had meetings with leaders of Taipei and scholars in think tanks based both on Taiwan and the mainland. A report entitled *Building Trust Across the Taiwan Strait. A Role for Military Confidence-building Measures* was accomplished based on the delegation’s visit. According to the report, “each looks at CBMs in a different light.” “From Beijing’s perspective, building political trust appears to be the primary objective, while for Taipei, the emphasis is on creating a more predictable security environment while avoiding accidents and incidents.” “More importantly, for Taiwan, CBMs should aid in preserving the *status quo*, whereas the mainland hopes that CBMs will promote reunification.” As for U.S. role in the cross-Strait relations, “the mainland hopes that the United States will encourage Taiwan to negotiate cross-strait CBMs but will not get involved in those discussions. Many in Taiwan favor a bigger role for the United States, perhaps as guarantor of an agreement.” As Bonnie Glaser, the author of the report reveals, despite the fact that there are some challenges, “there is great potential for implementing military CBMs between the two sides of the strait.” She thinks “the mainland needs to be patient and focus efforts on creating conditions that are conducive to beginning talks with Taiwan on military CBMs,” including taking unilateral measures with greater transparency to show its goodwill. Taiwan is recommended to enhance “the ability of its domestic leadership to bridge the political divide while also taking into account China’s interests and sensitivities.” For the United States, it “should continue to express its firm support for the ongoing process of easing cross-strait tensions and trust building.” It should not pressure Taiwan to “begin negotiations if it deemed such talks to be premature.” Instead both sides are encouraged to “consider such steps at the appropriate time and in a mutually agreed manner.” “The United States should take visible steps in the economic, political, and security fields to bolster Taiwan’s sense of security and confidence in the U.S.-Taiwan relationship.” “Close security ties with Taiwan should be sustained in accordance with the terms of the Taiwan

²¹⁶Richard Bush, “The Balancing Act Across the Taiwan Strait: Reflections on the First Chiang-Chen Meeting,” *Taipei Times*, June 19, 1008, <http://iir.nccu.edu.tw/attachments/news/modify/Kan.pdf>.

Relations Act.” Furthermore, “specific decisions on U.S. arms sales, military cooperation with Taiwan, and U.S. force deployments should be made in the context of U.S. interests in securing long-term peace and stability in the Taiwan Strait.”²¹⁷

It actually remains divided in the United States on whether the two sides of the Strait could and should embark on negotiations over military CBMs. Some scholars point out that when it comes to military CBMs, the DPP would accuse the Ma administration of holding discussions on political and military issues with the mainland. So it is better not to mention the term of “military confidence-building.” In the process of exchanges between the sides of the Strait, however, the issue is not only an economic one. Jointly combating crimes and carrying out maritime rescue and the like by the two sides, for example, are beyond the traditionally economic issues. Therefore, negotiations about military CBMs are suggested not to proceed with until exchanges across the Strait are further developed.²¹⁸

On June 29, 2010, the SEF and the ARATS held the fifth Chen-Chiang Meeting in Chongqing City, and signed the Economic Cooperation Framework Agreement (ECFA), indicating that the cross-Strait economic cooperation enters into a new era of institutional cooperation. The agreement also stands out as one of the most notable landmarks in the progress of the cross-Strait relations. Mainstream scholars in the United States welcome the agreement. On May 31, before the agreement was signed, Richard Bush, at a discussion on the cross-Strait relations held in Stanford University, claims that the ECFA could facilitate Taiwan’s incorporation into economic integration in Asia and also prevent Taiwan from being marginalized in the region, and could thereby be conducive to maintaining the developing momentum of Taiwan. Since the mainland has already established the Free Trade Area (FTA) with the Association of Southeast Asian Nations (ASEAN), Taiwan would be more subject to marginalization should Taiwan not sign any free trade agreement with major trading partners.²¹⁹ When commenting on the ECFA on June 30, Alan Romberg makes a point that the results of the agreement would be contingent on how the reciprocally economic relations and persistent relations of the two sides evolve. The DPP raised a wide variety of objections, for instance, that ECFA would only benefit quite a small portion of large enterprises, that the agreement would create a “one China” market, and that it would further undermine the sovereignty of Taiwan. Romberg points out that these disagreements are political rhetoric and are seldom analyzed from an economic aspect. But how the administration helps the enterprises suffering losses would be a problem that

²¹⁷Center for Strategic and International Studies, *Building Trust Across the Taiwan Strait. A Role for Military Confidence-building Measures* (A Report for the CSIS Freeman Chair in China Studies). January 2010.

²¹⁸The author’s interview with Barbara Schrage, Managing Director of American Institute in Taiwan in Washington, January 27, 2010.

²¹⁹“ECFA could Help Taiwan to Ink Regional Trade Deal: US scholar,” www.taiwannews.com.tw/news_content.php.

requires more attention.²²⁰ In brief, it is difficult for American scholars who always deliberately strike up a discordant tune to raise any direct objection to the economic cooperation between the Strait, including the ECFA.

2.6 Debates Among Think Tanks on U.S. Taiwan Policy in Recent Years

With China's rapid rise and fast development of China-U.S. relations in recent years, Beijing and Washington's mutual interests deepen increasingly. Some distinguished persons and scholars have begun to rethink the Taiwan issue, sparking a new debate on U.S. Taiwan policy.

An influential figure that raised the question much earlier is Bill Owens, a retired Admiral in U.S. Navy and the former Vice Chairman of the Joint Chiefs of Staff. In an article in November 2009, Owens writes that the world changes rapidly, and China's growth is four to five times faster than that of America and there will be two big equally-matched powers within less than thirty years. He suggests that Washington "need to make a frank and pragmatic assessment" of U.S.-China relations. "The solution is to approach the US-China relationship not with hedging, competition or watchfulness, but with co-operation, openness and trust," and thus "America must start treating China as a friend." The TRA is the basis to sell arms to Taiwan, but this act "is not in our best interest." "A thoughtful review of this outdated legislation is warranted and would be viewed by China as a genuine attempt to set a new course" for China-U.S. relations. Besides, Owens puts forward some concrete suggestions to enhance US-China relationship including military exchanges.²²¹

Americans might not notice Admiral Owens' article because it was published at British newspaper. Another two articles published at the U.S. authoritative magazine *Foreign Affairs* in 2010 and 2011, comparatively, drew much more attention.

At the first issue of *Foreign Affairs* in 2010, Bruce Gilley, associate professor at Portland State University, published his article "Not So Dire Straits: How the Finlandization of Taiwan Benefits U.S. Security." In the article, Gilley reviews security interests for all parties involved because of Finland's policy of neutrality on U.S.-Soviet relations during the Cold War. It is noted that, as Gilley observes, "Taiwan shares many of the key features that characterized Finland in the late 1940s," and both of them are geographically close to rival powers. He then analyzes the importance of the Finlandization of Taiwan to U.S. security interests. First, Taiwan issue remains the most explosive issue for Beijing and Washington,

²²⁰"Alan Romberg Comments on ECFA, the Cross-Strait Economic Agreement," June 30, 2010, http://fucustaiwan.tw/ShowNews/WebNew_Detail.aspx?Type=201006300024 .

²²¹Bill Owens, "America Must Start Treating China as a Friend," *Financial Times*, November 17, 2009, <http://www.ft.com/cms/s/0/69241506-d3b2-11de-8caf-00144feabdc0.html#ixzz1glpXTEWk>.

Taiwan's Finlandization could cut off the blasting fuse and consequently "mollify Beijing's fears about the island's becoming an obstacle to China's military and commercial ambitions in the region." Second, Taiwan has been serving U.S. strategic interests since 1949. "The tragic result of this policy, however, has been that it has played into Beijing's fears of encirclement and naval inferiority, which in turn has prompted China's own military buildup." "Finlandization will allow Taiwan to break this cycle by taking itself out of the game and moderating the security dilemma that haunts the Washington-Beijing relationship." Third, concerns in Washington have grown increasingly in recent years, doubting whether Taiwan is becoming American strategic burden. Taiwan's Finlandization, in this case, could remove people's concerns and worries. Fourth, "even from a strictly realist perspective, there is no need for the United States to keep Taiwan within its strategic orbit, given that U.S. military security can be attained through other Asian bases and operations." To sum up, this policy shift "serves its own long-term strategic aims in Asia and globally." When talking about the possibilities of the Finlandization of Taiwan, Gilley argues that the Chinese mainland is seeking for peaceful development with Taiwan, and there already developed an inclination in Taiwan to seek security through integration rather than confrontation. Therefore, Taiwan's Finlandization is realistically possible.²²²

This article has drawn responses from a wide variety of scholars. Another two articles conveying different viewpoints are published at *Foreign Affairs*' May/June issues of the same year. Vance Chang, Director of the Information Division at the Taipei Economic and Cultural Representative Office in Washington, D. C., rejects the theory of Finlandization by emphasizing that "relations between Taiwan and mainland China ... have represented the exact opposite of the Finlandization model" since 1949. "Taiwan's strong security partnership with the United States provides a foundation of support" for various achievements that Taiwan has made, including the supportive foundation for economic cooperation with the mainland. Taiwan should not weaken its relationship with the United States. Hans Mouritzen, a Danish scholar specializing on studies on Finlandization, too, disagrees with Bruce Gilley's model of Taiwan's Finlandization. His main argument is that "unilateral dependency is not a desirable project for any small power... no small power today will voluntarily discard a reasonable alliance option and limit its room to maneuver in the way Finlandization requires."²²³

More people vocalized diverse views on U.S. Taiwan policy in 2011. The bimonthly *Foreign Affairs* at its 2nd issue in 2011 publishes an article titled "Will China's Rise Lead to War?" by Charles Glaser, professor of political science and International Relations at the George Washington University. Glaser points out in his article, "the rise of China will likely be the most important international relations

²²²Bruce Gilley, "Not So Dire Straits. How the Finlandization of Taiwan Benefits U.S. Security," *Foreign Affairs*, Vol. 89, No.1 (January/February 2010), pp. 48–50.

²²³Vance Chang, "Taipei Is Not Helsinki;" Hans Mouritzen, "The Difficult Art of Finlandization," *Foreign Affairs*, Vol. 89, No. 3 (May/June 2010), pp. 128–131.

story of the twenty-first century, but it remains unclear whether that story will have a happy ending.” The academia of international relations therefore has always been debating over China’s rise and China-U.S. conflicts. According to Glaser, China’s rise will not lead to war with the United States, and “the solution to the puzzle lies in the concept of the security dilemma – a situation in which one state’s efforts to increase its own security reduce the security of others.” He thinks that U.S. military superiority, particularly its nuclear advantage, and “separation by the Pacific Ocean,” as well as “political relations that are currently relatively good” should enable China and the United States to “maintain high levels of security and avoid military policies that severely strain their relationship.” “Because China places such high value on Taiwan and because the United States and China ... have such different attitude regarding the legitimacy of the *status quo*, the issue poses special dangers and challenges for the U.S.-China relationship,” he adds. “A crisis over Taiwan could fairly easily escalate to nuclear war,” Glaser says. “Given the different interests and perceptions of the various parties and the limited control Washington has over Taipei’s behavior, a crisis could unfold in which the United States found itself following events rather than leading them.” Therefore, the United States should consider backing away from its commitment to Taiwan, which “would remove the most obvious and contentious flash point between the United States and China and smooth the way for better relations between them in the decades to come.” Admittedly, it remains a “complex issue” for the United States whether and how to reduce its commitment to Taiwan. As Glaser suggests, “a gradual easing of its commitment is likely best, as opposed to a sharp, highly advertised break.” As cross-Straits relations have improved over the past several years, “Washington will likely have both the time and the room to evaluate and adjust its policy.”²²⁴

Charles Glaser’s article received a large amount of reaction. On March 2, *Foreign Policy* published an article by Denial Blumenthal. According to Blumenthal, first of all, “the administration initially viewed the biggest obstacle to Sino-U.S. stability as Washington’s misreading of Chinese intentions,” so that it called its new policy “strategic reassurance.” Second, except for “the sale of half an arms package left over from the Bush years,” the Obama administration has done nothing else and “has basically abandoned its commitment to Taiwan.” Third, “Taipei has followed a policy of reconciliation and removed any conceivable ‘threat’ of independence.” Furthermore, China-U.S. relations have rarely been worse. Yet despite stability in the strait and a relative decline of U.S. military power in the Pacific, Chinese military advances continue apace. Eventually, the administration had to “resist China’s aggressive moves” and “the rest of Asia is arming itself to the teeth to guard against the dual danger of China’s rise and a weakening of the U.S. commitment to Asia.”

²²⁴Charles Glaser, “Will China’s Rise Lead to War?” *Foreign Affairs*, Vol. 90, Issue 2 (Mar/Apr 2011).

For Blumenthal, Taiwan is a significant part of Asia's democratic peace and critical part of Asia's economic boom and political transitions. "Every time we try and abandon it — in the 50s, in the 70s, in the 90s — we find it too important to be left to China's tender mercies." He thinks "any change to Taiwan's *de facto* independent status would be highly destabilizing." First, a large majority of Taiwanese does not want to change the *status quo*. Second, "if Taiwan were to fall into China's hands, China could militarize it in such a way as to remove any strategic depth from Japan, to control the South China Sea, and to push farther forward into the Pacific." And "for the first time since Pear Harbor, we face threats to our command of the Pacific Ocean." Beijing and Washington "would then find many new reasons for conflict." Third, alternating the current policy would likely arouse a debate through which all frustrations the American public and their representatives felt toward China would find expressions. "Congress would start to focus on all the dangers that China poses and consequently lead to the deterioration of China-U.S. relations."²²⁵

On March 7, an article by Rupert Hammond-Chambers, President of the U.S.-Taiwan Business Council, appeared at the website of *The Wall Street Journal*. He argues, "The notion that China would become more pliant to U.S. concerns and demands or that war would be less likely should we step aside and allow China to annex Taiwan does not hold water." Taiwan is an essential link in the "first island chain" and the loss of it "would result in "a recalibration of Japan and Korea's security posture including the possibility of Japan developing nuclear weapons" and "would also open the western Pacific to China's increasingly robust blue-water navy." As a consequence, Hammond-Chambers argues that China becoming more active on the issue of Taiwan in front of a "passive America" is "deeply troubling."²²⁶

On March 8, an article "Why Taiwan Matters" written by AEI senior research associate Michael Mazza appeared at its website. Mazza highlights Taiwan's strategic salience to America, contending that "an annexed Taiwan" will almost certainly become "a militarized Taiwan" and China would obtain threefold of benefits from this. First, in the event of conflict in East Asia, the "unsinkable aircraft carrier" will provide the Chinese mainland with "strategic depth that it currently lacks." Second, it will allow China to easily "threaten Japan's southern flank." Third, it will enable the PLA to more easily "exert over the Luzon Strait," obtain "greater strategic depth" and threaten Guam and Hawaii. He thinks "Taiwan isn't a relic of the Cold War" but "situated at the geographic forefront of the strategic competition that very well may define the 21st century that between the United States and China," Mazza proposes that Washington "has long pursued a policy in Asia in which it provided security while promoting economic and political

²²⁵Denial Blumenthal, "Rethinking U.S. Foreign Policy towards Taiwan," http://shadow.foreignpolicy.com/posts/2011/03/02/rethinking_us_foreign_policy_towards_taiwan.

²²⁶Rupert Hammond-Chambers, "Time to Straighten Out American's Taiwan Policy," March 7, 2011, <http://online.wsj.com/article/SB10001404250748754504404576183831310151722.html>.

liberalization,” and only by continuing to nurture its relationship with Taipei ... can the United States hope to ensure continued peace in Asia.”²²⁷

Will Inboden, Researcher at the Robert S. Strauss Center for International Security and Law of the University of Texas-Austin, published an article titled “Taiwan still Matters” at the website of *Foreign Policy* on April 1. He argues that the current equilibrium between the two sides are fragile and “many Taiwanese feel uncertain of the White House’s commitment to Taiwan’s security.” “The Taiwan question is about more than just the bilateral U.S.-Taiwan and U.S.-China relationships,” and it is also about Washington’s “strategic posture in Asia and the credibility of our commitments. American allies such as Japan, South Korea, and Australia, along with emerging powers such as India, Indonesia, and Vietnam, all watch carefully how the U.S. treats its friends — particularly follow democracies like Taiwan.” To strengthen the U.S.-Taiwan relations, Inboden makes some proposals, including agreeing Taiwan’s requests to buy F-16 C/D fighter jets and diesel submarines, sending senior officials to visit Taiwan, increasing U.S. support for Taiwan’s participation in international organizations, and increasing visits of members of Congress from both parties and both houses to Taiwan.²²⁸

Foreign Affairs at its July/August issue published Douglas Paal’s article titled “Accommodation Will Not Work.” Paal points out that the unstated premise of Charles Glaser’s recommendation is “the people of Taiwan would have no say in this decision.” He observes that the reason why the United States has embraced the same Taiwan policy over eight successive presidential administrations is because that the policy “serves U.S. interests in peace, prosperity, and stability.” “U.S. arms sales to Taiwan,” as asserted by Paal, “are an important part of maintaining peace in the western Pacific.” “Despite a gradual easing of tensions between China and Taiwan, Beijing continues to enhance its military capabilities with regard to Taipei” and “this has developed a vicious cycle.” Taiwan’s leaders would be removed by their voters should Taiwan fail to find outside sources of support. Since only Washington has “the will to fulfill Taiwan’s request,” as Paal suggests, “it needs to start with the mainland’s choice to increase or decrease its military deployments, not with Washington conceding Taiwan to Beijing” so that the cycle can be broken.²²⁹

Charles Glaser responded to Paal’s criticism by arguing that while Paal wants the Taiwanese people to have a greater say in U.S. decision-making, this rarely happens in international politics. “Especially when important national interests are threatened, countries will establish foreign policies for their own interests. Their friends, allies and enemies may not prefer these decisions, but they have no choices but to adapt to them.” Indeed, Washington aims at supporting freedom and democracy in

²²⁷Michael Mazza, “Why Taiwan Matters,” <http://www.aei.org/article/103283>.

²²⁸Will Inboden, “Taiwan Still Matters,” http://shadow.foreignpolicy.com/posts/2011/04/01/taiwan_still_matters.

²²⁹Douglas Paal, “Accommodation Will Not Work,” *Foreign Affairs*, Vol. 90, No.4 (July/August, 2011), pp. 180–181.

the world, including Taiwan. “But the U.S. should seek these interests without a serious security risk.” “Given the U.S. commitments to Taiwan may cause tension to its relations with China, and even lead to a serious crisis, the U.S. should consider withdrawing these commitments, though not necessarily terminating them.” He then puts forward several possible choices to reduce the commitments.²³⁰

More than just a couple of American scholars hold divided views over U.S. Taiwan policy. After Chinese President Hu Jintao’s successful state visit to the United States in January 2011, a three-day roundtable discussion, organized by the former U.S. Ambassador to China and Admiral Joseph Prusher, was held in the Miller Center of the University of Virginia from January 22 to 23. Participants of the roundtable are leaders from the academy, military, government, and business. They are U.S. Pacific Commander Timothy Keating, FedEx Express Asia Pacific Region President David Cunningham, FedEx Express International Division President Michael Ducker, former diplomat Charles Freeman III, and scholars such as Harry Harding and David Lampton. A report, which is entitled *A Way Ahead with China: Steering the Right Course for the Middle Kingdom* has been formulated and issued after the roundtable. The report indicates that due to “some differences that are not likely to change soon” between the United States and China, the bilateral relationship “will need to accommodate some fundamental differences—and we can do this.” China-U.S. relationship since Nixon’s visit to China in 1972 is a process of “protracted negotiation.” With regard to such a negotiation, “it is important that both parties understand each others’ want-to-haves and need-to-haves.” Among the items that China “wants” as listed in the report, the first one is that the United States is “to stop selling arms to Taiwan and to promote the peaceful unification of Taiwan and China.” The report additionally recommends that “we should take a fresh look at Taiwan,” and “a peaceful resolution of the longstanding Taiwan issue, acceptable on both sides of the strait would indeed be a boon to stability in East Asia, as well as to U.S.-China relations.” It is unfortunate, however, that “U.S. arms sales to Taiwan are part of a vicious circle, leading to the Taiwan issue that is clearly political, and increasingly economic, being always discussed in military terms.” “The solution to the Taiwan issue is not a military one, so we should discuss it in the layers of economy, politics, and culture.” “The goal enunciated in the Taiwan Relations Act—‘to preserve and promote extensive, close, and friendly commercial, cultural, and other relations between the people of the United States and the people on Taiwan, as well as the people on the China mainland and all other peoples of the Western Pacific area’—needs to be re-thought by all sides in a context broader than military.” “Of course,” as the report notes, “something as sensitive as Taiwan policy should be changed only with great deliberation.” The report finally puts forward six important suggestions, one of which is to “take a fresh look at Taiwan.” It argues, “The United States takes a

²³⁰Charles Glaser, “Glaser Replies,” *Foreign Affairs*, Vol. 90, No.4 (July/August, 2011), pp. 181–182.

somewhat protectionist stance with Taiwan historically” and “Taiwan is now an economically successful democratic institution that is slowly tending towards greater alignment with the Mainland.” Moreover, “our involvement with Taiwan is a frequent point of contention with the Chinese, particularly in respect to arms sales, and one that should be re-examined.” “The complex relationship is political” and thereby “should be re-examined outside of a military context.” The roundtable suggests taking serious and official steps to break the vicious circle described above.²³¹

Ambassador Chas Freeman, Jr. expressed his concerns about U.S. Taiwan policy at a discussion hosted in May by the China Maritime Studies Institute. “The Taiwan issue is the only one with the potential to ignite a war between China and the United States,” remarks Freeman. The Beijing-Washington relationship is “incompatible with our emotionally fraught differences over the Taiwan issue,” and “these differences propel mutual hostility and the sort of ruinous military rivalry between the two countries.” “To the PLA, U.S. programs with Taiwan signal fundamental American hostility to the return of China to the status of a great power under the People’s Republic.” “America’s continuing arms sales, training, and military counsel to Taiwan’s armed forces represent potent challenges to China’s pride, nationalism, and rising power, as well as to its military planners.” He also notes that China considers U.S. Taiwan policy as the “last effective barrier” to the arrival of national unity. “China has been patient for four decades,” argues Freeman, “but it is now actively pondering how best to remove the United States from what is — from its point of view — our very unhelpful residual military role in cross-Strait relations so that Beijing’s negotiators can settle the Taiwan issue with their counterparts in Taipei.” China may continue to emphasize the avoidance of conflict with the United States. But the political dynamics of national honor will sooner or later force Beijing to adopt less risk-averse policies than it now espouses. “We are coming to a point at which we can no longer finesse our differences over Taiwan. We must either resolve them or live with the increasingly adverse consequences of our failure to do so.”²³²

The Center for National Policy sponsored a small-scale conference in June 2011. Main speakers included Joseph Bosco from the CSIS, Justin Logan, director of Foreign Policy Studies at the Cato Institute, and Rupert Hammond-Chambers of the US-China Business Council. Joseph Bosco, who once worked as a China Desk officer in the Pentagon during the George W. Bush administration, points out downsides to U.S. policy of “strategic ambiguity” on Taiwan, believing “US, China and Taiwan urgently need a ‘declaration of strategic clarity.’” Washington must “declare clearly, unequivocally and publicly that it will defend Taiwan against Chinese attack” just as what the United States had done with Japan and South

²³¹ *A Way Ahead with China. Steering the Right Course with the Middle Kingdom*. Report from the Miller Center for Public Affairs Roundtable, University of Virginia, millercenter.org/policy/chinaroundtable.

²³² Ambassador Chas Freeman, “Beijing, Washington and the Shifting Balance of Prestige,” <http://sinocism.Com/?p=2346>.

Korea. He argues that According to him, “delays by the US government in selling F-16C/D aircraft to Taiwan is sending the wrong signal to Beijing and others in the region,” while clarifying US commitment to Taiwan “would send a clear signal to China and to the countries of the region that the US would neither abandon nor be driven from East Asia.” Besides, China must respect the international norm established after World War II. In essence, Bosco’s suggestions are attempts to bring the current Taiwan-U.S. relations back to the age when Beijing and Washington did not establish diplomatic relations. It is a retrogression of history, representing arguments held by some part of the most conservative persons in American society. Their positions are incompatible with the current situations of China-U.S. relations. Justin Logan expresses strong opposition of suggestions by Bosco. While agreeing with Bosco on the “downsides” of “strategic ambiguity” on Taiwan, he argues nevertheless that the United States should not make a formal commitment to defend Taiwan, as “this is extraordinary risky,” and “would threaten to plunge the two countries headlong into near-term conflict.”²³³

Rupert Hammond-Chambers highlights the issue of U.S. arms sales to Taiwan. When Americans say that the process of U.S. arms sale to Taiwan was completely interrupted, they actually mean that the United States didn’t plan to accept the claim from Taiwan (the purchase of F-16C/D Fighting Falcons). Hammond-Chambers argues that some projects such as F-16C/D Fighting Falcons and diesel submarines are important to U.S. industrial base, commitments as well as strategic flexibility. As U.S. Congress constantly claimed that the process of Taiwan arms sale was interrupted and that Taiwan’s self-defense capabilities are damaged, and Taipei keeps making requests, the U.S. administration should not postpone discussing arms sale to Taiwan any more, Hammond-Chambers urges.²³⁴

In January 2010, the Obama administration conducted the sale of half an arms package left over from the Bush years. Afterwards, Taipei has been asking for more advanced weapons from Washington. Since July 2006, Taiwan has actually made a demand for purchasing 66 F-16C/D fighters. The administration was reluctant to make decision, which stirred up resentments from the conservatives. On March 1, 2010, Walter Lohman, director of Asian Studies Center at the Heritage Foundation, wrote an article in which he complains that “U.S.-Taiwan relationship today is all but frozen.” “Taiwan’s outreach to the mainland is predicted on strong U.S.-Taiwan ties. Ma has delivered on the outreach; it is the U.S. that is failing to do its part. And that makes the Taiwanese nervous about their future.” Lohman observes that there are “so many things waiting to be done” for Washington, and the first one is to sell the F-16C/D to Taiwan “without regard to China’s interests.” Some other things that the administration should do include advancing negotiations over the Trade and Investment Framework Agreement (TIFA) and extradition treaty, cutting

²³³Justin Logan, “Would China Really Just Shrug at U.S.-Sponsored Taiwan Independence?” <http://nationalinterest.org/blog/the-skeptics/would-china-really-just-shrug-us-sponsored-taiwan-independence-5528> [2011/7/4].

²³⁴The Center for National Policy, “Arming Taiwan: Impact on Asian Security,” June 22, 2011, <http://centerforationalpolicy.org/ht/display/ContentDetails/i/34472>.

“diplomatic” red tape between Taiwan and the United States, and acceleration of the admission of Taiwan into American’s Visa Waiver Program (VWP). In short, the Obama administration needs to “defrost the U.S.-Taiwan relationship” as soon as possible.²³⁵

In August 2011 Project 2049 Institute issued a report entitled *Asian Alliances in the 21st Century*, on which Dan Blumenthal, Randall Schriver, Mark Stokes, L.C. Russell Hsiao and Michael Mazza signed their names. The report analyzes U.S. security strategies and alliance system, challenges to U.S. strategies by the rise of China, and emphasis on the significance of Taiwan to U.S. security system in the Asia-Pacific. The report warns, “in the event that Taiwan falls into China’s hands, Asia could be cut in half, the U.S. command of the Pacific would be further imperiled, the South China Sea could become a Chinese lake, and Japan would lose strategic depth ... with China’s growing basing infrastructure on Hainan Island, a few bases and ports with missile and ISR forces placed in Taiwan could begin to give Beijing control of the South China Sea.” In addition, the report also discusses “strategies and capabilities required to defend Taiwan.” It suggests the U.S. government to be prepared to “send aircraft over Taiwan to conduct combat air patrols, and send small contingents of U.S. forces into Taiwan to help with the defense of the island.” Once the mainland attacks Taiwan, the United States and Japan should be willing to “interpose themselves between China and Taiwan.” This report aims at completely reinstating Taiwan’s status as U.S. ally and reviving the U.S.-ROC Mutual Defense Treaty. According to the report, the United States is strongly recommended to reinforce its security relationship with Taiwan.²³⁶

In the fall 2011 issue of *The Washington Quarterly*, Nancy Tucker, professor of history at Georgetown University, and Bonnie Glaser published an article titled “Should the United States Abandon Taiwan?” This article is a comparatively comprehensive and systematic response to opinions on the Taiwan issue by Bill Owens, and members of a study group at the Milner Center of the University of Virginia, as well as Charles Glaser. It is also a comprehensive explanation of “why the United States should not abandon Taiwan?” Numerous reasons are listed in the article. First, “a decision to jettison Taiwan, or even cut back significantly on U.S. support, would prove to an increasingly confident China that Washington has become weak, vacillating, and unreliable.” The 2009 U.S.-China Joint Statement takes Taiwan as the core interest of China, which has reflected Beijing’s estimate that “Washington could be intimidated or misled.” According to them, accommodating China’s demands on Taiwan “would not necessarily cause Beijing to be more pliable on other matters of importance to the United States ... such as Korea and Iran.” Second, the risks of appeasement over Taiwan are too high for the United States. The current Taiwan policy has gained continuing support from various U.S.

²³⁵Walter Lohman, “Defrost the U.S.-Taiwan Relationship,” *WebMemo*, No. 3173 (Heritage Foundation March 1, 2011).

²³⁶Project 2049 Institute, “Asian Alliances in 21st Century,” project2049.net/.../Asian_Alliances_21st_Century.pdf.

interest groups, and military industrial groups profit from U.S. arms sales to Taiwan in money and employment. If the Lockheed Martin's F-16 production line is shut down, it "would mean the loss of some 11,000 jobs in 43 states." The outcome of the abandonment of Taiwan is worrisome. It could be "profoundly disturbing to American liberals as well as conservatives for whom Taiwan's vibrant democracy has appeared to be a vanguard for political development in Asia." If China were to be "perceived as coercive, unreasonable, or unjust, Taiwan's fate would undermine U.S.-China relations, nullifying the original purpose of abandonment." Third, although the trajectory for cross-Strait relations looks promising, the PLA is developing the capability to settle the dispute in case of conflict and is developing anti-access as well as area-denial capabilities to deter U.S. intervention. "Appeasing" Beijing over Taiwan can only encourage China's "militant nationalism." Fourth, Taiwan-U.S. economic relationship is extremely important. Taiwan is the ninth largest trading partner of the United States, and the United States is Taiwan's third largest. Besides, America is Taiwan's largest foreign investor. "Particularly at a time when the U.S. economy remains in the doldrums, the United States should not impede access to economic opportunities in Taiwan." Fifth, U.S. support for Taiwan in recent years has been weakening due to many factors. To alter Taiwan policy, the administration "would have to confront congressional Taiwan caucuses comprising 29 senator and 145 representatives." Senate and House reiterated their position that "Taiwan is one of our strongest allies in Asia." Furthermore, hearings held in June 2011, for the first time in seven years, by the House Foreign Affairs Committee on "Why Taiwan Matters" may mean "revived activism," as indicated by the promise of Representative and Committee Chairwoman Ileana Ros-Lehtinen to introduce legislation to enhance the TRA." Sixth, Washington's long-term support for Taiwan also has "significance for U.S. allies and friends," because U.S. credibility is at stake. If U.S. policy were to be implemented inconsistently, U.S. allies and friends would "doubt U.S. reliability," and then strengthen their military buildup or align with Beijing. Lastly, the authors propose a series of suggestions to boost Taiwan-U.S. relations, including selling F-16C/D.²³⁷

Almost at the same time, an article titled "Why Giving Up Taiwan Will Not Help US with China?" by Shelly Rigger appeared at the AEI website. Rigger emphasizes the significance of Taiwan to the existing security architecture in the Asia-Pacific region serves the interests of many nations. "Washington's behavior toward Taiwan indicates its attitude toward security assistance generally, including its alliance commitments and willingness to honor other obligations around the world. How the United States manages its relationships with longtime friends, including Taiwan, is an important measure of its commitment to that leadership role." Quoting retired admiral Eric McVadon's remarks that "American credibility as an alliance partner and as a bulwark of peace and stability in the region and

²³⁷Nancy Tucker and Bonnie Glaser, "Should the United States Abandon Taiwan?" *Washington Quarterly*, Fall 2011, pp. 23–37.

around the world would be sorely diminished” were we to abandon Taiwan. She also quotes her interview with Richard Bush: “How the Taiwan Strait issue is resolved is an important test – perhaps the most important test – of what kind of great power China will be and of how the US will play its role as the guardian of the international system.” She highlights moral reasons in Taiwan-U.S. relations, claiming that “Washington and Taipei share decades of friendship, cooperation, common purpose, and shared sacrifice” and “US treatment of Taiwan stands as a critical test of America’s commitment to its core foreign policy values: democracy, freedom, and market economics.”²³⁸

In October 2011, the Obama administration decided to sell \$5.85 billion worth of arms to Taiwan, mainly aiming at upgrading more than 140 F-16A/B Falcon Fighter Jets. The arms sales deal was strongly criticized and opposed by the Chinese government. Taiwan also showed its discontent with the sales because Washington refused to sell the latest F-16C/D. The sales triggered a new round of debates over weaponry sales to Taiwan in U.S. academia. As suggested by Michael Swaine, “The United States should think of its own national interest, even if this means to modify the ‘Six Assurances’ to Taiwan.” The assurances are not “written by blood, nor are they American laws. They are modifiable, if the national interest believes they should be.”²³⁹ When interviewed by correspondent of Chinese *Global Times*, Swaine insisted that the “Six Assurances” are not American laws but policies. “The current question remains that whether it would be more consistent with U.S. interests if these policies were to be modified under certain conditions. American government should reexamine its policies when the main trend shows US should do so.” He maintains that more understandings achieved by Beijing and Washington over military and security issues of the Taiwan Strait, more favorable to resolve Taiwan issue or more stable the situation will be. The United States does not intervene into Chinese domestic politics. Rather, China needs to recognize the fact that Washington has virtually intertwined with the Taiwan issue. Both of China and America should face the realities.²⁴⁰

On November 10, 2011, *New York Times* published an article “To Save Our Economy, Ditch Taiwan” by Paul Kane, former International Security Fellow at the Harvard Kennedy School and a Marine. He contends in the article, “American jobs and wealth matter more than military prowess ... America has little strategic interest in Taiwan, which is gradually integrating with China economically ... The island’s absorption into mainland China is inevitable.” Therefore, Kane proposes

²³⁸Shelly Rigger, “Why Giving Up Taiwan Will Not Help US with China,” *Asian Outlook*, American Enterprise Institute, No. 3, November 2010.

²³⁹Mexin Zhu, “Opposition to arms sales on both sides of Taiwan Straits,”

<http://jmscintews.edublogs.org/2011/10/24/opposition-to-arms-sales-on-both-sides-of-taiwan-straits>.

²⁴⁰Wang Tian. “Kaneiji guojiheping jijinhui gaoji yanjiuyuan shiwen jieshou huanqiu shibao zhuanfang” [Senior researcher of Carnegie Endowment for International Peace Michael Swaine receives exclusive interview by *Global Times*], *Huanqiu shibao* [Global Times], November 17, 2011, p 7.

Washington to “enter into closed-door negotiations with Chinese leaders to write off the \$1.14 trillion of American debt currently held by China in exchange for a deal to end American military assistance and arms sales to Taiwan and terminate the current United States-Taiwan defense arrangement by 2015.” By doing so, American debt could be reduced and part of Chinese defense spending could be saved.²⁴¹

This proposition by Kane is so unusual that there is no surprise that it would be against by some scholars. Michael Mazza wrote an article entitled “Don’t Ditch Taiwan” and published on the official website of the AEI. According to him, “selling out Taiwan to the Chinese would be detrimental for U.S. strategic and economic interests and devastating for Taiwan’s people.” Following this Mazza basically repeats Taiwan’s strategic values to the United States — just as shown in the aforementioned “Asian Alliances in the 21st Century.” He contends, “ceding to China the strategic advantage in the Asia-Pacific wouldn’t seem to be the solution to America’s problems.”²⁴²

From the above discussions around American scholars’ debates over U.S. Taiwan policy in recent years, some preliminary observations can be summarized as follows.

First, U.S. scholars and former officials from government who advocate reexamining U.S. Taiwan policy offer various advices yet out of the same consideration: the narrowing gap of power between China and the United States due to the rise of China, the significance of the bilateral relationship to the United States and the seriousness of Taiwan issue, and the necessity of changing the current U.S. Taiwan policy and removing a blasting fuse that may ignite a bomb between Beijing and Washington. There are some unrealistic, if not fantastic, suggestions like Taiwan’s Finlandization and terminating U.S. arms sales to Taiwan in exchange for writing off American debt held by China. This is not important. What really matters is that American scholars and former officials do not endorse the current Taiwan policy, and believe that it is the time to rethink and change it.

Second, viewpoints criticizing these proposals generally fall into two categories, with one representing the mainstream and another conservatism. Douglas Paal, Nancy Tucker, Bonnie Glaser, and Shelly Rigger are considered as the mainstream scholars, while Project 2049 Institute, the AEI and the Heritage Foundation are representatives of conservatives. The two main groups share some similar views. Both argue that U.S. support for Taiwan accords with American values and is crucial to U.S. credibility, that Taiwan is an important economic partner to America, and that selling weapons to Taiwan brings economic interests to the United States, to name but a few. The largest difference between them lies in that the mainstream scholars either downplay the strategic values of Taiwan to America or doubt if there is any strategic value of Taiwan, while the conservative scholars and politicians instead emphasize Taiwan’s strategic value to America. Reports by

²⁴¹Paul V. Kane, “To Save our Economy, Ditch Taiwan,” *New York Times*, November 10, 2011.

²⁴²Michael Mazza, “Don’t Ditch Taiwan,” <http://www.american.com/archive/2011/november/dont-ditch-taiwan>.

Project 2049 Institute, remarks by Joseph Bosco and articles by Rupert Hammond-Chambers have clarified this.

Third, the scale of the debate right now is not large and quite a limited numbers of scholars and politicians participated in this debate. The important thing is the debate has already begun; the author believes that it will continue. As some mainstream scholars argue, opinions by Charles Glaser cannot be considered as mainstream in America, or even not close to the mainstream.²⁴³ It might be true. However, since China's development and its growing comprehensive strength are unstoppable, the strategic cost of U.S. arms sales to Taiwan will exceed its "benefits" one day in the future. There will be more Americans, including people from political and academic fields, realizing that the *Taiwan Relations Act* is obsolete and detrimental. The *TRA* will then come to an end.

Brief Summary

Taiwan issue is the most important and sensitive core issue in China-U.S. relations. The essential contents of the three China-U.S. Joint Communiqués are about the Taiwan issue. The One China principle is thought as the political foundation of China-U.S. relations. The experience over the past three decades proves that China-U.S. relations will encounter setbacks or even retrogress whenever Washington goes against the stipulations in Joint Communiqués about the Taiwan issue. America is a diversified society, and has many interest groups, whose viewpoints and positions regarding the same topic are diverse; there is no exception to the complicated and sensitive Taiwan issue. As illustrated in this chapter, different positions exist within American political and academic circles as well as the society as a whole. They generally fall into three categories, namely, the liberal, mainstream and conservative school. Of which the mainstream advocates maintaining the current U.S. Taiwan policy and the "one China" policy based on the three Communiqués and the *TRA*. They oppose any side of the Taiwan Strait to unilaterally alter the *status quo*, because they think the current policy has effectively served China-U.S. relations over the past thirty plus years and there is thus no reason to change it. They suggest the *TRA* continue to work, and substantial relations between the United States and Taiwan be maintained, including military relations and arms to Taiwan. The policy explained in the section two of this chapter is both U.S. official policy and the mainstream position held by U.S. think tanks.

The liberals argue that with the development of China-U.S. relations in the past three decades situations have undergone dramatic changes. The balance of power between China and the United States has been shifting and it is today completely different from that was thirty years ago. China-U.S. relationship today is extremely important to the United States, and it is unimaginable if the bilateral relationship goes back several decades earlier. In addition, the cross-Strait relations are now developing peacefully. The current U.S. Taiwan policy has become an obstacle to the further development of U.S.-China relations. The *TRA* is obsolete and America

²⁴³Ralph A. Cossa, President of the Pacific Forum, CSIS, said so at the seminar that Chinese and American scholars participated in May 2011.

should reexamine its “security commitments” to Taiwan, including Taiwan-U.S. military relations and U.S. arms sales to Taiwan, and Washington ought to “abandon” Taiwan in some degree. There are a variety of positions that liberals have on U.S. Taiwan policy, with some are more practical, some quite romantic, and some even fantastic. Their suggestions per se do not really matter, what really matter is that they propose rethinking U.S. Taiwan policy and making this policy work consistently with the times.

The positions of conservatives on U.S. Taiwan policy are just opposite of those of liberals. Arguing that Beijing is increasingly threatening Washington due to China’s rise, conservatives suggest the United States do what it can to contain China particularly in military terms. They contend that the strategic salience of Taiwan to America has grown, and consider Taiwan as a vital component of American alliance system in Asia-Pacific region. Therefore, they ask to reinforce U.S. security pledges to Taiwan and sell more advanced weapons to the island, and they make some requests similar to what was already debated over *Taiwan Security Enhancement Act* (TSEA) in U.S. Congress in 1999. Some even require reviving the stipulations in *Mutual Defense Treaty between the United States of America and the Republic of China*. They spare no efforts to block the peaceful development of cross-Straits relations, perpetuating the situation of separation of Taiwan from the mainland. To this end, they publicly claim the United States to abandon the “one China” policy and even advocate Taiwan’s independence. To recap, conservatives want to embed U.S. Taiwan policy as a crucial part into U.S. strategy of containing China.

As seen from the current circumstances, the mainstream school accounts for the majority in America whether in terms of institutions, researchers, qualities, or influence. As for institutions, the Brookings, the Carnegie, the Stimson Center, and the CSIS represent the mainstream. With regard to scholars, Richard Bush and Alan Romberg among others can be considered as eminent representatives of the mainstream school. And their works represent the authoritative interpretations of American Taiwan policy. They do not advocate alternating the current U.S. Taiwan policy but maintaining the *status quo*. The past thirty years have witnessed the existence of viewpoints by conservatives, which are mainly represented by the AEI and the Heritage Foundation, along with the new comer—Project 2049 Institute. They are all major advocates of “China threat.” Combining U.S. Taiwan policy with “China threat,” conservatives attempt to virtually separate Taiwan from China permanently and are thus deemed as a school supporting Taiwan independence. This school has a few members, yet its strength is by no means small. They have political representatives proposing various bills in Congress so as to create disturbance to China-U.S. relations. The liberal school made its voice heard only in recent years, and people can hardly tell which think tanks stand for it. Compared with another two schools, the liberal school is the smallest one in terms of members and influence. The significance of this school lies in that it is a new thinking and novel voice in American academia and political sphere, and it is likely to gain more recognition as time goes by. The mainstream school’s stance on U.S. Taiwan policy will remain to be the majority in a long term.

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