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TAIWAN STRAIT

DILEMMAS

CHINA-TAIWAN-U.S. POLICIES

IN THE NEW CENTURY

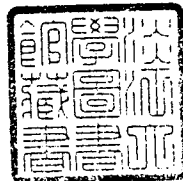
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CHAPTER TWO

U.S. POLICY AMBIGUITIES AND CURRENT CROSS-STRAIT DILEMMAS

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THE SUCCESSFUL VISIT TO THE MAINLAND OF KOO CHEN-FU, chairman of the Straits Exchange Foundation (SEF), in October 1998, sparked some hope for the future of cross-strait relations. Consensus between him and Wang Daohan, head of the Association for Relations Across the Taiwan Strait (ARATS), was reached in four areas: (1) a return visit to Taiwan by Wang Daohan, originally scheduled for the autumn of 1999; (2) further dialogue on political, economic, and other issues; (3) more exchanges between SEF and ARATS; and (4) greater assistance for those visiting the mainland, and those visiting Taiwan.

Then suddenly, without warning, Lee Teng-hui made his well-known statement on state-to-state relations to a German journalist on July 9, 1999. Consequently, the atmosphere for cross-strait relations deteriorated severely. Now concerned individuals from the mainland, Taiwan, and the United States are focusing on how to escape the dilemmas in the Taiwan issue.

LEE TENG-HUI, A TROUBLEMAKER

Since Lee Teng-hui became Taiwan's "president," the political situation on the island has undergone profound changes. Cross-strait relations have evolved from the original legal dispute as to "who

represents 'one China'" to disputes over legal issues as they relate to "two Chinas" or "one China, one Taiwan."

There have been three serious cross-strait disputes in the past five years.

The first was triggered by Lee Teng-hui's conversation with Japanese right-wing author Ryotaro Shiba in March 1994. While discussing "the sorrow of the Taiwan people," Lee ascribed the source of sorrow to the mainland and challenged the concept of "China," alleging that reunification was only "strange sleep-talking." Throughout the conversation Lee compared himself with Moses of the Old Testament who led the Israelites across the Red Sea and back to their homeland. He even made clear his desire to see Taiwan established as a country. Quite naturally, his splittist statements provoked vigorous criticism from Taiwan, the mainland, Hong Kong, Macao, and overseas Chinese communities.

Lee's visit to the United States in June 1995 and his speech at Cornell University set off a second round of disputes in cross-strait relations.

Since July 1999, Lee Teng-hui has espoused the so-called seven-lump theory, which divides China into seven regions, and the two-state theory, setting off a third round of disputes in cross-strait relations. "Since we launched constitution reforms in 1991, we have defined cross-strait relations as state-to-state, or at least special state-to-state," said Lee. Such a formal and undisguised challenge to the one-China principle is unprecedented in the history of cross-strait relations.

The explanation of Koo Chen-fu and the statement issued by Taiwan's Mainland Affairs Council did not retract the two-state theory but defended Lee. Thus Lee Teng-hui caused the dilemmas in cross-strait relations.

TIMING OF LEE'S STATEMENT

The timing of Lee's announcement of his two-state theory was not accidental but based on the following factors.

- With Taiwan's "presidential elections" coming up in March 2000, Lee believes his time in office is limited. He wants to leave a political legacy. He is therefore counting on his two-state theory to set the tone for his successors and to maintain a Taiwanese administration sympathetic to his own ideals after his term is over.
- Lee intends to maneuver political developments in Taiwan before the spring 2000 election to gain advantage for the KMT (Kuomintang) candidate. He is not sure that Lien Chan will win the election. By advocating the two-state theory, Lee intends to influence the trend of political thought in Taiwan further in the direction of "independence" and, on the one hand, marginalize James Soong and, on the other hand, extend the Democratic Progressive Party's (DPP's) political space. By so doing he may win some ballots that would otherwise belong to James Soong or to Chen Shui-bian.
- With the improved atmosphere in cross-strait relations after Koo's visit to the mainland in October 1998, it seemed likely that cross-strait dialogue, especially dialogue on political matters, could begin. Lee did not want this development. He was afraid of the repercussions of Wang Daohan's visit. By making his state-to-state relationship announcement, Lee deliberately damaged the process of cross-strait dialogue and poisoned the environment of cross-strait talks, making Wang Daohan's visit to Taiwan impossible.
- With Sino-U.S. relations at their lowest point as a result of NATO's U.S.-led bombing of the Chinese embassy in Yugoslavia, Lee found a good opportunity to make trouble with his two-state theory.

After all, he deeply resents the one-China policy of the United States and especially the three no's made public by President Clinton during his China visit in the summer of 1998. He laid a trap for Sino-U.S. relations. He knew that the mainland could only respond strongly to his theory. But if the PRC response seemed too strong to the United States, Congress would probably pass the Taiwan Security Enhancement Act. Then Sino-U.S. relations would deteriorate further. Obviously, sabotaging Sino-U.S. relations is one of Lee's inten-

tions. The situation is, as some U.S. scholars put it, one where "one tail wags two dogs."

CAUSING TROUBLE FOR THE UNITED STATES

When President Clinton met with President Jiang Zemin in Auckland on September 11, 1999, Clinton said the two-state remarks of Lee Teng-hui "had brought about a lot of troubles" for both China and the United States. The Clinton administration certainly does not like Lee Teng-hui's two-state theory. And differences in attitude toward Lee's statement exist between the administration and Congress, among congressional members, and in public opinion.

The Clinton administration's response to Lee's statement is different from its attitude toward Lee's 1995 U.S. visit. The administration responded quickly after the statement. President Clinton telephoned President Jiang to express the strong commitment of the United States to a one-China policy. U.S. officials, including Secretary of State Madeleine Albright and National Security Adviser Sandy Berger, reiterated that position on different occasions. Richard Bush, chairman of the American Institute in Taiwan, visited Taiwan where he asked Lee to explain what he meant. At the same time Stanley Roth, the assistant secretary of state, and Kenneth Lieberthal, the National Security Council's senior director for Asia, visited Beijing to reassure the Chinese government that U.S. policy had not changed. The most complete statement is Roth's National Press Club address in Australia. He expounded on the three pillars of U.S. policy:

First, the United States has made very clear its continued strong support for a one-China policy. There has been absolutely no change in U.S. policy. Second, the United States continues to emphasize the importance of direct negotiations between the parties. It is not up to the United States to be an intermediary or a mediator. The third, crucial pillar is the abiding interest that the United States has in a peaceful resolution of this issue and making sure that force is not used. At the summit in Oakland, President Clinton reiterated the one-China policy. Partly because of U.S. pressure Lee Teng-hui was compelled to announce that the state-to-state theory is "only [an] oral statement"

and that he would not revise the "constitution" or related laws. Some members of Congress hold different views. Benjamin Gilman, chairman of the House International Relations Committee, visited Taiwan to express his support to Lee Teng-hui. In his announcement before leaving Taiwan, he praised Lee for speaking out on Taiwan's view of cross-strait relations and asserted that cross-strait dialogue should wait until China becomes a democracy.

Congress has always had divergent opinions, including those over China. Some members such as Jesse Helms and Ben Gilman support Lee's statement. But others criticize Lee's risky statement. Even Democratic Senator Robert Torricelli, who cosponsored the Taiwan Security Enhancement Act with Jesse Helms, criticized Lee for risking isolating Taiwan and triggering a confrontation with the mainland at the wrong time on the wrong basis.

Public opinion is also split over Lee's statement. It has been widely criticized by many China experts and former U.S. officials including Henry Kissinger, Zbigniew Brzezinski, Joseph Nye, and Brent Scowcroft. Michel Oksenberg called it a time bomb that could explode later. In contrast, some conservatives with the Heritage Foundation asked the United States to "defend Taiwan."

DUAL CHARACTER AND AMBIGUITY IN U.S. POLICY

The current trouble over Taiwan has been caused not only by Lee's state-to-state theory but also by the duality and ambiguity of U.S. policy toward Taiwan.

U.S. policy toward Taiwan has had a dual character since 1978 when the United States and China normalized relations. The policy is aimed at keeping a balance between the mainland and Taiwan, maintaining the current status of separation rather than reunification that the mainland strives for or independence that Lee Teng-hui and the DPP really intend to achieve. The Taiwan Relations Act (TRA) provides a new basis and legal framework for U.S.-Taiwan relations, allowing the United States to have a substantial relationship with Taiwan without official relations. When the United States and the PRC agreed in 1982 on the third communiqué on arms sales to Tai-

wan, the U.S. government made six assurances to Taiwan. It promised that the United States would not set a date for termination of arms sales to Taiwan, would not agree to hold prior consultation with the Chinese government on arms sales to Taiwan, would not alter the terms of the TRA, would not mediate between Taiwan and the mainland, would not alter its position on the sovereignty of Taiwan, and would not pressure Taiwan to negotiate with the mainland. Soon after President Clinton made public the three no's in the summer of 1998, the United States decided to sell more advanced weapons to Taiwan, including advanced frigates, antisubmarine S-2T aircraft, anti-air missiles, and E-2T early-warning aircraft.

Earlier in 1999, the United States hailed the twentieth anniversary of the TRA as a victory. On August 4, 1999, before the Senate Foreign Relations Committee, Kurt Campbell, deputy assistant secretary of defense, called the TRA "the most successful piece of legislative leadership in foreign policy in recent history."

On March 24, 1999, Stanley Roth noted that in the past 20 years "the TRA has not only helped to preserve the substance of our relationship with Taiwan, it has contributed to the conditions which have enabled the United States, the PRC, and Taiwan to achieve a great deal more." It is true that the TRA was carefully written, but the inherent ambiguity in the TRA is now a source of trouble for the United States. It is said that the U.S. decision to establish diplomatic relations with the PRC rests on the expectation that the future of Taiwan will be determined by peaceful means; indeed, in the TRA's words, the United States would "consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States."

Not said is what the United States would do if the situation described here happens. A great defect of the TRA is that it makes no distinction in situations not directly involving military force. And it does not ask whether all nonmilitary outcomes are themselves justified in determining the future of Taiwan. In this case the TRA simply

provides Lee Teng-hui and those like him with an umbrella under which to go step by step toward the independence of Taiwan.

PURPOSE OF U.S. POLICY

One may ask the purpose of U.S. policy toward Taiwan. The TRA carefully avoided this question as if peace and stability in the western Pacific were the only concerns of the United States. Actually, U.S. policy is aimed at maintaining the status quo. Neither reunification nor independence is in the interest of the United States. The United States knows clearly that the mainland would not let Taiwan become independent. Taiwan's independence risks involving the United States militarily. The United States does not favor reunification for several reasons.

First, whether or not the United States has strategic interests in Taiwan (the United States often denies any strategic interest), Taiwan is now a good card for the United States to hold in dealing with both the mainland and Taiwan. Washington can conveniently play this card to pressure both Taiwan and the mainland. Second, some in the United States talk about the so-called China threat. When unification is realized, the comprehensive national strength of a greater China, including the mainland, Taiwan, Hong Kong, and Macao, will be far greater than that of China currently. In this event, China would be in a much stronger position to challenge the United States economically and militarily, or even to threaten its interests. To avoid this possibility, the United States hopes reunification will not occur.

On the one hand, there is some common ground between the policy of the United States and that of the PRC—neither supports independence. On the other hand, there is some divergence between them—one does not support reunification, whereas the other strives for it. Similarly, there is some common ground between the policy of the United States and that of Lee Teng-hui—neither supports reunification. There is again some divergence between them—one does not support independence, whereas the other strives for it. So U.S. policy does not completely satisfy either the mainland or Taiwan. In other

words, the United States is caught between the mainland and Taiwan. That is the fundamental U.S. dilemma regarding Taiwan.

After Lee made his remarks, some members of Congress asked the administration to clarify the ambiguity and promise to protect Taiwan if the mainland were to use force to solve the Taiwan issue. Some advocated the Taiwan Security Enhancement Act. All this put the administration in a difficult position.

RESOLVING THE DILEMMAS

What can those on both sides of the strait and from the United States do to resolve the dilemmas?

1. Cross-strait relations need a new start. Lee is a troublemaker, a crisis maker, the greatest hindrance to cross-strait relations. The Chinese government has asked him to retract his two-state theory. Scholars understand that this would be difficult. So the two-state theory may be there as long as Lee is in power. The current dilemmas in cross-strait relations are likely to continue for a few months. The March 2000 general election in Taiwan gives some hope for the future. The new leader in Taiwan will not blindly follow his suit. Then Lee's statement will become irrelevant, providing a new start in cross-strait relations.

2. The mainland should remain calm and restrained. Naturally, those on the mainland are extremely dissatisfied with Lee's statement and have expressed their indignation. Some political and military pressure on Lee is also necessary to express the Chinese people's determination to protect their territorial integrity. Many are urging the government to respond strongly. But calm and restraint are needed for two reasons. First, although Lee's statement is a serious step toward independence, Taiwan is not yet independent. Although independence was written into the KMT's document, the constitution and relevant laws remain unchanged. Today it can be written into a document, tomorrow it can be deleted from the document. Second, as Taiwan's general election draws near, it is wise to watch carefully while refraining from exerting too much outside influence. We

should trust the Taiwanese and be confident that they will make a wise decision. Otherwise the result may be counterproductive.

3. The mainland should remain patient. There are two issues in cross-strait relations: reunification and opposition to Taiwan's independence. These two issues are connected. If Taiwan declares its independence, any talk about reunification will be meaningless. Nevertheless they remain distinct issues. Reunification will be a long process. Although China has general principles about reunification, it cannot be achieved in a short time. China needs to have more patience, even while opposing independence with urgency and determination. To do that China must show determination and will. Even then reunification will not be easy.

4. Cross-strait economic ties should be developed further. With Taiwanese commercial interests properly protected, cross-strait political talks should be started as soon as possible. South Korea two years ago expressed great envy as it watched the development of cross-strait economic relations. It is true that the two sides of the strait have achieved a great deal. Without cross-strait economic ties the general atmosphere in cross-strait relations would be much worse. Encouraging and strengthening cross-strait economic exchanges make Taiwan independence more difficult. Nevertheless it is wrong to think that economic relations naturally lead to political closeness, as past experience proves. Without improved cross-strait political relations, cross-strait economic ties remain limited and unsafe. Thus talks on political matters should start as soon as possible. Without such a start progress is impossible.

5. The United States should openly criticize Lee's two-state statement. Although U.S. officials, including President Clinton, repeat the U.S. commitment to a one-China policy, they refrain from saying they do not support Lee's statement. Thus pressure on Lee from the United States seems mild indeed.

6. The United States might impose some sanctions on Taiwan. Imposing sanctions is a common U.S. foreign policy practice and sometimes it makes sense. For example, the United States might postpone delivery of some weapons to Taiwan or suspend official visits at a certain level.

7. The United States should reconsider its arms sales to Taiwan from a long-term perspective. In spite of the third Sino-U.S. communiqué on August 17, 1982, the U.S. government continues to sell advanced weapons to Taiwan. During the past three years, U.S. arms sales to Taiwan have continued to increase in quantity and in quality. Such sales amounted to U.S.\$1.163 billion in 1996, U.S.\$1.172 billion in 1997, and U.S.\$1.496 billion in 1998. Advanced weapons sold include the Patriot II missile, E-2 early-warning aircraft, and early-warning radar. Even after Lee's statement, the United States concluded a new deal with Taiwan on July 30, 1999, for a sum of U.S.\$550 million. Past experience shows that the more advanced weapons the United States sells to Taiwan, the more reckless Lee Teng-hui becomes in planning and moving toward Taiwan independence. So arms sales to Taiwan become increasingly dangerous to cross-strait relations and to U.S. interests in the region. It is important to discourage Taiwan's independence by decreasing both the quantity and the quality of arms sales to Taiwan.

8. The United States should openly declare that Taiwan will not have access to theater missile defense (TMD). Soon after President Clinton's visit to China in the summer of 1998, there were talks both in the United States and in Taiwan about including Taiwan in TMD. Such talks encouraged the trend toward Taiwan's independence and harmed the atmosphere for cross-strait relations. In an April 1999 discussion regarding TMD, Senator Kay Bailey Hutchison made her position on TMD clear. She said that TMD is to protect U.S. soldiers in East Asia, not to protect Japan, South Korea, or Taiwan. TMD would remain in U.S. hands and not be transferred to other countries. The U.S. government should make a similar public announcement.

9. The United States should clarify its commitment to "not support Taiwan independence." During the past few years U.S. officials, including President Clinton, have reiterated this principle. Yet it remains abstract and vague. Some U.S. scholars, such as Joseph Nye, advocate more concrete measures, suggesting that the United States make clear that, if Taiwan declares independence, the United States will not recognize it, will not cooperate with Taiwan in defense, and

will discourage the international community from recognizing it. The effects of such measures to discourage Taiwan's independence are obvious. The U.S. government should make such an announcement.

10. The United States should clarify its principle of non-use of force in solving the Taiwan issue. In discussions about such questions in the autumn of 1996, Kenneth Lieberthal said that "the United States would most likely become involved in the issue militarily if the mainland uses force without a serious provocation from Taiwan." When asked "What do you mean by serious provocation?" he said, "for instance, if Taiwan declares independence." He did not think that the United States would intervene militarily if the mainland used force because Taiwan had declared independence. Asked the same question again after he joined the White House in the summer of 1998, Lieberthal replied, "Since I have now become an official it's better to forget everything I said before." But it is important for the United States to make its non-use of force principle conditional rather than unconditional as it is now. This would better serve the interests on both sides of the strait as well as U.S. interests.