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SPECIAL COMMENTARY:
Xi Jinping's Visit and Growing Angst over Taiwan

October 1, 2015

Commentary by Rupert Hammond-Chambersⁱ

President Xi Jinping of China visited Washington, D.C. last week, and for the first time in a number of years he is worried about Taiwan. On January 16, 2016 Taiwan will hold a general election in which a new president and parliament will be elected. It looks increasingly likely that the independence-leaning Democratic Progressive Party (DPP) led by Tsai Ing-wen will win the presidency, and this realization is causing growing panic amongst those vested in China's vision of a unified Taiwan.

United States policy toward Taiwan since 2009 has been one of modest ambition, with the U.S. happy to leave current President Ma Ying-jeou's Kuomintang (KMT) focused on their China economic engagement plans and on the short-term reduction in cross-Strait tensions they delivered. An understanding seems to have developed that became unspoken policy - Taiwan would demand little of the U.S., which the U.S. would be happy to deliver, and both parties would then declare the relationship the "best ever."

The U.S. has now slowed its engagement with Taiwan to a crawl. When the U.S. prioritizes one relationship, China, over another, Taiwan, it telegraphs a lack of will and intent to maintain peace and security in the Taiwan Strait. As with nature, U.S. global interests abhor a vacuum, and vacuums are inherently destabilizing.

Year in and year out, the Pentagon has released a report stating that the cross-Strait military threat from China continues to grow, and yet September 21, 2016 was the four-year anniversary of the last congressional notification of a U.S. arms sale to Taiwan. While it is presently working toward a new arms sale package, the Obama Administration has accepted only one major Taiwan Letter of Request – the F-16 upgrade program in the fall of 2009, which was notified to Congress in September of 2011. The U.S. has given no new commitments to capabilities since President Bush's 2001 arms package.

If the U.S. is not prepared to sell Taiwan new fighter jets - a Taiwan request that has now languished in the bureaucracy for 9 years - what is the explanation for that non-decision? Saying that it is still "under consideration" is disingenuous. Conversely, President Ma's underinvestment in Taiwan's national defense has to end with the new Taiwan government, whether DPP or KMT. No U.S. government can reasonably undertake support for new defensive capabilities if Taiwan takes its national defense less seriously than the U.S. does.

The U.S. is vested in a healthy and balanced political system in Taiwan, so an outbreak of political frustration last year with the advent of the Sunflower Movement is cause for concern. The growing alarm on the island over seemingly unstoppable cross-Strait commercial links, and the benefits it accrues to Taiwan's ruling class, drives Taiwan's people away from China, not towards it.

The near-completed Trans Pacific Partnership (TPP) is currently the world's most important trade initiative. Once consummated, Taiwan will be one of Asia's most important economies positioned outside of that agreement. Its trade diverting effects represent an existential threat to Taiwan, as it will exacerbate its already marginalized global position. That in turn will further deepen angst on the island over engagement with China.



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If the United States wishes to see Taiwan remain economically strong and stable enough to engage with China from a position of strength, it needs to show leadership in Taiwan's candidacy for inclusion in the TPP. That should entail an overt declaration of support by the Obama Administration for Taiwan's membership, coupled with Taiwan action to remove outstanding and politically difficult agricultural irritants.

President Xi Jinping inherited his present policy toward Taiwan, but Xi's China with its Nuremberg-like rallies and assertive policies in the South China Sea should lead no one naïve to the possibility that a DPP government will face direct and indirect challenges unlike any seen since the 1996 missile crisis.

The vacuum created in U.S. relations with Taiwan over the past 7 years leaves the possibility of a crisis in the Taiwan Strait in 2016, as China capitalizes on U.S. inattentiveness. But a "house cleaning" arms sale prior to the Taiwan election and a declaration of support for Taiwan's TPP candidacy in the first part of 2016 would place Taiwan policy back on a stable footing and telegraph U.S. support.

Conversely, attempts to avoid a crisis by placing undue pressure on a potential DPP government to accommodate Chinese demands will instead fuel further estrangement in Taiwan, and would likely see escalating demands from China and increased cross-Strait tensions. Neither is in the best interests of the U.S.

About the US-Taiwan Business Council:

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