

2010: The Winter of PRC Discontent

Alan D. Romberg

A great deal has happened both within Taiwan and in terms of cross-Strait relations since the last issue of *China Leadership Monitor*. The DPP “did better” in local elections in December than previously—though this seemed largely a function of KMT supporters’ staying home rather than of a growing DPP support base.¹ Still, the DPP captured all three of the Legislative Yuan (LY) by-election contests in January and was hoping to keep up the momentum with victories in the four LY contests in late February.

With the DPP continuing to hammer away at the Ma administration’s competence and reliability—especially in the face of the still-unresolved brouhaha over importation of American beef—the president’s polling numbers continued to fall while the DPP’s (and DPP Chair Tsai Ing-wen’s personal ratings) continued to rise.² The Taipei government seemed to learn something from all of this, including the need for a more proactive approach to selling ECFA, especially now that the formal process has begun. The administration still felt confident that ECFA and beef were quite different issues, and that support for the former remained high and could grow. But they stepped up the public selling of ECFA—including by Ma himself—despite the fact that the terms of the agreement are yet to be negotiated.³

The DPP risked becoming yet again the party that can just say no, when, having pressed for briefings of the LY at every step of the ECFA negotiation, it then declined to attend the first such briefing until the administration had responded in writing to five demands.⁴ It also seemed to object to the briefing’s format. Since the administration apparently intends to continue to present material to the LY in the same format in the coming weeks and months, and since it will certainly not agree to most of the “demands,”⁵ the DPP will have to decide if staying away is really a productive tactic.

Meanwhile, as noted, ECFA finally passed through the informal consultative stage and, in accordance with agreement at the fourth SEF-ARATS meeting in Taichung in mid-December,⁶ conducted its first formal experts session in late January;⁷ a second round is to follow in late February or early March. Although strict application of WTO rules would argue for further opening of Taiwan’s agricultural market to Mainland products, Beijing appeared to be quite prepared to go along with not forcing that issue⁸ (which, if it didn’t do, would probably be a deal-breaker). In fact, the Mainland seemed quite positive about trying to push

through ECFA by the anticipated fifth meeting of SEF and ARATS in May, and about respecting Taiwan's "reasonable concerns" and the "characteristics" of the Taiwan economy. That said, there will be continuing emphasis on reciprocity and not simply a one-way street to benefit Taiwan.⁹

There was much discussion of whether Beijing would support, or at least not oppose, Taiwan negotiating FTA-like agreements with other nations, particularly in Southeast Asia, once ECFA is concluded. The PRC has resorted to repeating Hu Jintao's complex December 31, 2008, formulation on this¹⁰ and has declined to give a clear green light.¹¹ Nonetheless, it is quite clear that Beijing fully understands that if such agreements steer clear of "sovereignty" but the PRC nonetheless stands in their way, it will pay a heavy price in public perceptions of the Mainland in Taiwan.

The Taiwan economy continued to show signs of early recovery, with retail sales and exports picking up (especially to the Mainland) and unemployment easing off of record highs, with declines in the unemployment rate for four straight months. Still, experts cautioned against premature exuberance.¹²

Whereas in early fall Taiwan had sensed pressure from Beijing to begin political dialogue (in particular on military confidence-building measures), by the new year both sides seemed in accord that political conditions in Taiwan were simply not ripe for such dialogue. A conference in Taipei in mid-November attended by a number of prominent senior PRC personages led by former vice president of the Central Party School Zheng Bijian did seem briefly to raise the profile of political dialogue once again. But the Mainland attendees reportedly were struck by the total lack of positive resonance from among the Taiwan participants, even from KMT supporters, who they had anticipated would be more enthusiastic.¹³ In any case, Beijing continues to agree that the two sides should first tackle economic and easy issues, and following the Taipei meeting Wang Yi observed that Beijing had neither plans for cross-strait political dialogues nor a timetable for them.¹⁴ Still, the PRC argues, both sides should begin to lay a foundation for them to occur at an appropriate future time. As Hu Jintao put it to former vice president Lien Chan when they met at the November APEC Leaders Meeting in Singapore, "In the meantime, both sides should also actively create conditions for jointly breaking through political difficulties."¹⁵

Meanwhile, although Taiwan's efforts to have "meaningful participation" in the international community had gained some successes,¹⁶ its declared desire to participate in the International Civil Aviation Organization and the United Nations Framework Convention on

Climate Change tended to mark time.¹⁷ There were mixed reports about how Taiwan's NGO's were being treated, with a number of officials in Taipei complaining that they were being squeezed in terms of their names and roles, but Mainland officials and other observers maintained that there was no policy decision to do so.¹⁸

President Obama's trip to the PRC in November, and his reference (or non-reference) to various parts of the Taiwan policy mantra¹⁹ continued to reverberate to some extent in Taiwan in the succeeding months. By the end of the visit, however, it was clear that there had been no change in American policy. Ma Ying-jeou's successful transits of the United States in late January on his way to and from Central America were another clear sign of this. And the announcement at the end of January of a substantial package of arms sales to Taiwan finally put to rest most of the hand-wringing on the island about whether the United States supported Ma's policies toward the Mainland.

Indeed, that arms sales package, and the prospect of other events that could affect U.S.-PRC relations, is where we are going to focus our attention in the rest of this article. Despite its apparent patience in dealing with the Ma government, Beijing has obviously lost patience with American policy. At least in rhetorical terms, and prospectively in terms of action, Beijing has adopted a noticeably tougher stance in response to the latest arms package, even though it was the same size as—and arguably less controversial in content than—the package announced by President George W. Bush in October 2008. In the course of its reaction, the PRC—and Chinese commentators—cited a number of factors behind the more assertive stance. Given that it is being described almost as a watershed in how China will approach the United States on such questions in the future, and that many Americans and others seem to agree that this is at least China's intention and perhaps the way things will develop, we feel that it merits a single focus here.

After laying out the basic facts, we want to examine PRC objections to the sale in an attempt to understand what has motivated a stronger reaction this time. Readers familiar with this series of essays may find this piece characterized by a greater level of argumentation than usual. That is not the goal, but it may be inevitable given the nature of the topic.

Taiwan Arms Sales

The Setting

For those who follow the issue of American arms sales, it was clear that a substantial package would be forthcoming sooner rather than later after the Obama visit to China. As

we have pointed out before, President Obama himself had endorsed arms sales to Taiwan not only at the time of the Bush package in October 2008,²⁰ but even in his letter of congratulations to Ma on the occasion of the Taiwan leader's inauguration in May 2008.²¹ And after Obama took office, a number of high-level officials reiterated the U.S. commitment to such sales throughout the first year of the administration.²²

Part of the logic behind the sales was that, by at least raising the cost of military conflict, they could introduce an element of greater reluctance on the PRC's part to use force and hence contribute to maintenance of peace and stability in the Western Pacific, a vital strategic American national interest. But part of the logic was also that such sales helped strengthen Ma Ying-jeou's domestic credibility by demonstrating he was not enhancing cross-Strait ties at the expense of Taiwan's security, as some domestic critics have charged. In this sense, arms sales facilitated continuing cross-Strait rapprochement and reduction of tensions.

In October 2009, an article appeared in the journal published by the Foreign Ministry's publishing house that took an objective look at the issue:

The arms sale issue is the pillar of U.S. Taiwan policy. The Obama administration can welcome the move of both sides of the strait in exploring the establishment of a military security mutual trust mechanism, but, it will certainly not abandon arms sales to Taiwan. In the U.S. view, selling arms to the KMT regime does not mean supporting 'Taiwan independence,' but on the contrary will help Ma Ying-jeou to consolidate his political position on the island and strengthen his confidence in negotiating with the mainland, thus giving impetus to the sustained advance of cross-strait peace talks.²³

Some in the Mainland now argue that, whatever the logic, whatever the level of reiteration of the U.S. intention, the fact that there were no sales for the first year of the Obama term suggested that the new president's approach to such sales would differ substantially from that of his predecessors, especially that of George W. Bush. This view, they argue, was considerably enhanced when the United States agreed to the following language in the U.S.-PRC Joint Statement issued at the end of the Obama visit:

The two countries reiterated that the fundamental principle of respect for each other's sovereignty and territorial integrity is at the core of the three U.S.-China joint communiqués which guide U.S.-China relations. Neither side supports any attempts by any force to undermine this principle. The two sides agreed that respecting each other's core interests is extremely important to ensure steady progress in U.S.-China relations.²⁴

Americans have asserted on good authority that this paragraph was negotiated specifically with regard to Tibet and Xinjiang—not Taiwan.²⁵ But on its face the language is not limited to those two areas, and it follows immediately the paragraph that deals explicitly with Taiwan. So, whatever the negotiating history and whatever the

original focus, it is hard to argue that the principles laid out should not apply to Taiwan.

At the Beijing press event at the end of Obama's visit, the two leaders characterized their positions this way²⁶:

President Hu:

During the talks, I underlined to President Obama that given our differences in national conditions, it is only normal that our two sides may disagree on some issues. What is important is to respect and accommodate each other's core interests and major concerns.

President Obama on various occasions has reiterated that the U.S. side adheres to the one-China policy, abides by the three Sino-U.S. joint communiqués, and respects China's sovereignty and the territorial integrity when it comes to the Taiwan question and other matters. The Chinese side appreciates his statements.

The two sides reaffirmed the fundamental principle of respecting each other's sovereignty and territorial integrity. Neither side supports any attempts by any force to undermine this principle. We will continue to act in the spirit of equality, mutual respect, and a noninterference in each other's internal affairs, and engage in dialogue and exchanges on such issues as human rights and religion in order to enhance understanding, reduce differences, and broaden common ground.

President Obama:

As President Hu indicated, the United States respects the sovereignty and territorial integrity of China. And once again, we have reaffirmed our strong commitment to a one-China policy.

We did note that while we recognize that Tibet is part of the People's Republic of China, the United States supports the early resumption of dialogue between the Chinese government and representatives of the Dalai Lama to resolve any concerns and differences that the two sides may have. We also applauded the steps that the People's Republic of China and Taiwan have already taken to relax tensions and build ties across the Taiwan Strait.

Our own policy, based on the three U.S.-China communiqués and the Taiwan Relations Act, supports the further development of these ties—ties that are in the interest of both sides, as well as the broader region and the United States.

It is possible that some PRC commentators over-interpreted the U.S. position.²⁷ Be that as it may, President Obama informed PRC President Hu Jintao during the November visit that he would provide Taiwan with military equipment necessary for Taiwan's

defense—and that he would meet with the Dalai Lama after returning to Washington. Thus, China knew at the time of the joint statement that these words did not preclude either event. Nonetheless, many Chinese now argue that Mr. Obama’s behavior was deceptive and that he betrayed his promises before the ink on the statement was even dry.

The PAC-3 Contract

Ironically, it was not a high-level decision by the Obama administration that initially set in train the latest reaction. It was a routine announcement in late December 2009 that Raytheon had been awarded a contract for \$1.1 billion for PAC-3 air and missile defense systems for Taiwan, as well as the Defense Department announcement in early January that Lockheed Martin had been awarded a \$968 million contract in connection with the same sale.²⁸ Both contracts were pursuant to the notification sent to Congress in the Bush October 2008 package, but the initial reaction in China seemed to presume they represented “new” sales by the Obama administration.

The argument against this sale was not that the missiles somehow offset the rapidly growing imbalance in military power between the two sides of the Strait. One of the most vocal critics of U.S. arms sales, Major General Luo Yuan, quite bluntly stated that “In terms of the effectiveness of the PAC system . . . Taiwan has only one layer of missile defense, with no ballistic missile early warning system; considering the width of the Taiwan Strait, it is insufficient . . . Patriot defense systems are expensive and cannot provide effective protection; therefore the anti-missile talk is clearly a pseudo issue.”²⁹

Rather, commentary began to focus on the underlying American motives and on the need to “change the rules” so as to constrain American policy choices. This included the proposition that the companies involved should be forced to recalculate cost of their participation in these activities. Rear Admiral Yang Yi was among the first to suggest that China must “seize the initiative” to “mold” U.S. policy options. He called for imposing sanctions on those businesses involved in Taiwan arms sales sufficient to ensure that their losses exceeded the profits they gained from selling arms to Taiwan.³⁰

Even though it was reported that neither company had gotten substantial contracts from the PRC in over five years,³¹ the Chinese government’s response to the PAC-3 contract picked up on the theme of sanctions.³² The foreign ministry spokesman advised that the American companies should “stop pushing for and participating in arms sales to Taiwan and stop doing anything that harms China’s sovereignty and security interests.”³³

Luo Yuan joined in, saying it was time to “settle accounts” on implementation (or non-implementation, as China sees it) of the 17 August 1982 communiqué, making the United States “fully feel China’s anger and the serious price it has to pay.”³⁴ Arguing that after the disintegration of the Soviet Union, the United States had come to view China as its foremost potential rival and “began using the Taiwan question to make life difficult for China and harass China,” Luo laid out a series of proposals for “reciprocal” actions, “capturing the king” (i.e., sanctioning firms), adopting an “uncooperative attitude” on issues of importance to the United States, and even suspending some but not all military

exchanges. Though they are perhaps cast in more strident tones than most PRC officials would use, Luo's proposals seem almost like the game book that Beijing turned to when the Obama administration announced its own Taiwan arms package at the end of the month (discussed below).³⁵

It was also in this period that new language began to appear in official commentary about the standards to which the United States should be held. Typically over the years, statements about arms sales have called on the United States to observe the three joint communiqués, especially that of 17 August (because of its focus on arms sales). Now, in a pattern that was to become familiar, the spokesman added another reference point: the U.S.-PRC Joint Statement of 17 November 2009, with a call for both sides to “respect each other’s core interests and major concerns.”³⁶

The Obama Package

On 29 January, the Department of Defense released the details of notifications to Congress of “possible FMS sales” to Taiwan of a total of \$6.4 billion worth of weapons, technology, and equipment.³⁷ This package represented most of the items pending but not acted upon by the George W. Bush administration when it made the last congressional notification in October 2008.³⁸ Notably, it did not include approval for a feasibility study for diesel-electric submarines, a longstanding Taiwan request, nor did it touch on the question of supplying Taiwan with F-16C/D fighter aircraft, another longstanding interest of Taipei’s but one for which a Letter of Request has not yet been accepted. Thus, at about the same size as the Bush October 2008 package, and arguably no more—perhaps even less—objectionable in terms of content, the Obama package would not have appeared on the surface to merit a substantially different response from Beijing.

Against the background just laid out, however, the PRC’s most formal response—a foreign ministry protest that U.S. Ambassador Jon Huntsman was summoned to receive within 17 hours of the announcement in Washington—was rhetorically sharper than any previous one. Given the speed with which it was made, it also seemed to have been prepared in advance on the assumption of what a minimum package would look like, while allowing flexibility in terms of detailed implementation to take account of what was actually included and excluded from the U.S. announcement.

According to the press account of the protest released through the official Xinhua News Agency and posted on the foreign ministry website, the retaliation was spelled out as follows:

The Foreign Ministry announced that as the U.S. arms sales to Taiwan had seriously damaged China-U.S. relations, the Chinese side decided to postpone some (部分) military exchanges with the United States and the China-U.S. Vice-ministerial Consultation on Strategic Security, Multilateral Arms Control and Non-proliferation that had been originally scheduled to be held soon. China would impose sanctions on U.S. firms involved in the sales. Foreign Ministry officials said cooperation between

China and the United States on the relevant important international and regional issues would also be inevitably (不可避免地) affected.³⁹

The Taiwan issue, Vice Foreign Minister He Yafei observed, is “crucial to China’s sovereignty and territorial integrity, concerns China’s core interests and affects the national feelings (民族感情) of the Chinese people.” “It has always been the most important and sensitive issue at the core of China-U.S. relations.” The damage done by the U.S. decision, He said, included serious violation of the three U.S.-PRC joint communiqués—especially the 17 August communiqué—grossly interfering in China’s internal affairs, seriously jeopardizing China’s national security, and undermining China’s peaceful reunification by sending a “seriously wrong signal” to the Taiwan side and the “separatist forces aimed at ‘Taiwan independence’” and gravely impairing peace and stability in the Taiwan Strait. “The Chinese side cannot but ask,” He reportedly said, “whether the U.S. side truly supports the peaceful development of cross-Strait relations. Does the U.S. side intend to cause new instability in the Taiwan Strait?”

A parallel statement by the defense ministry said the action was bound to bring “serious interference” to relations between China and the United States and between the two militaries. Reiterating that the Taiwan issue concerns China’s sovereignty and territorial integrity and involves China’s core interests, the ministry spokesman said: “The Chinese side will absolutely not make concession and compromise on this issue.”⁴⁰ The ministry said it had decided to suspend (暂停) “planned exchange visits” between the two militaries and would pay close attention to further developments and make further reactions as warranted by the situation.

For its part, the State Council Taiwan Affairs Office focused on how the decision violated the U.S. commitment to support peaceful development of cross-Strait relations and ran counter to the “current excellent situation” regarding the development of those relations. Preemptively rebutting the American argument that U.S. arms sales help increase Taiwan confidence and, rather than impeding cross-Strait relations, are conducive to cross-Strait dialogue, the TAO statement called such a claim “completely untenable” (完全是站不住脚的).⁴¹

Although stating that sanctions against U.S. firms were “unwarranted,” American spokesmen basically sought to downplay the controversy and keep it in perspective.⁴² And the foreign ministry spokesman in Beijing, while reiterating the seriousness of the damage done and China’s determination to proceed with the steps announced, including sanctions, also sought to soften the tone somewhat. Calling for the promotion of “healthy and stable development” of bilateral relations, he said: “We hope the U.S. abides by the principles set in the three Sino-U.S. Joint Communiqués and China-U.S. Joint Statement, takes China’s position seriously and meets with China half way so as to jointly safeguard the overall interests of China-U.S. relations.”⁴³

But at the very same time, the issue was further complicated by a renewed focus on the President’s intention to meet with the Dalai Lama in the White House. That meeting, later confirmed by White House spokesman Robert Gibbs as slated for 18 February,⁴⁴

was attacked in harsh terms by the executive vice minister of the United Front Work Department of the CCP, Zhu Weiqun. At a press conference in early February, Zhu said that a meeting between U.S. leaders and the Dalai Lama would be “both irrational and harmful.” “If a country decides to [hold such a meeting],” he warned, “we will take necessary measures to help them realize this.”⁴⁵ Zhu went on to say that such a meeting would “seriously undermine the political foundation of Sino-U.S. relations” and “will certainly threaten trust and cooperation between China and the United States.”⁴⁶

Examining the PRC Charges

Although perhaps phrased in somewhat sharper ways than in the past, and somewhat expanded, the charges in the official PRC foreign ministry *démarche* are largely familiar. Charges raised in some of the unofficial commentary are more diverse but have often been heard in bilateral dialogues in the past. Some of the most serious dimensions, however, are only rarely directly addressed. All merit examination if one is to understand the Chinese grievances. And it is worth trying to at least lay out a minimal set of responses to these assertions and so promote a genuine dialogue across the Pacific. We try to do all of that below.

Violation of the three joint communiqués, especially the 17 August communiqué and a gross interference in China’s internal affairs. These are not identical points, but they are closely related. And to address them, one needs to rehearse the history of the three communiqués at least briefly.

In the Shanghai Communiqué of February 1972, issued at the time of President Nixon’s visit to China,

[T]he two sides agreed that countries, regardless of their social systems, should conduct their relations on the principles of respect for the sovereignty and territorial integrity of all states, non-aggression against other states, non-interference in the internal affairs of other states, equality and mutual benefit, and peaceful coexistence . . . The United States and the People’s Republic of China are prepared to apply these principles to their mutual relations.⁴⁷

As is well known, in that document, the PRC reaffirmed its position that “Taiwan is a province of China which has long been returned to the motherland” and that the “liberation” of Taiwan is China’s internal affair in which no other country has the right to interfere. The United States “acknowledged” that “all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China,” said it “does not challenge that position,” and reaffirmed its interest in a peaceful settlement of the Taiwan question “by the Chinese themselves.”

In the Joint Communiqué on the Establishment of Diplomatic Relations between the United States of America and the People’s Republic of China issued on 15 December 1978 (effective 1 January 1979), the two sides reaffirmed the principles agreed on in the

Shanghai Communiqué, and the United States recognized the Government of the People's Republic of China as the "sole legal Government of China." The United States also said it "acknowledges the Chinese position that there is but one China and Taiwan is part of China."⁴⁸

At the time, there was a fundamental disagreement over the continued provision of arms to Taiwan by the United States. Washington took the position that after a hiatus of a year while the U.S.-ROC Mutual Defense Treaty was ending the United States would, as National Security Advisor Zbigniew Brzezinski put it, "give Taiwan access to arms of a defensive character and do so on a restrained basis so as to promote peace and not interfere with peace in that area."

PRC Chairman Hua Guofeng made it clear China had a different view:

During the negotiations the U.S. side mentioned that after normalization it would continue to sell limited amounts of arms to Taiwan for defensive purposes. We made it clear that we absolutely would not agree to this. In all discussions the Chinese side repeatedly made clear its position on this question. We held that after the normalization continued sales of arms to Taiwan by the United States would not conform to the principles of the normalization, would be detrimental to the peaceful liberation of Taiwan and would exercise an unfavorable influence on the peace and stability of the Asia-Pacific region. So our two sides had differences on this point. Nevertheless, we reached an agreement on the joint communiqué.⁴⁹

It was not surprising that this issue festered over the next three years. Congress passed the Taiwan Relations Act in 1979 with the statement (agreed to by the administration) that "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."⁵⁰ Moreover, in 1981, President Ronald Reagan gave serious consideration to providing a new jet fighter aircraft to Taiwan, which led the issue of arms sales once again to come to a head. The upshot was the joint communiqué issued on 17 August 1982.

In that communiqué,⁵¹ the United States reiterated that it "acknowledged" the Chinese position on one China (that included Taiwan), and recognized the PRC government as the "sole legal government of China." The communiqué observed that the issue of U.S. arms sales to Taiwan had not been settled and that the Chinese side had said it would raise it again after normalization. Both sides reaffirmed their mutual respect for each other's sovereignty and territorial integrity and non-interference in each other's internal affairs as constituting the "fundamental principles" guiding their relations and "emphatically state[d]" that those principles continued to govern all aspects of their relations.

In the communiqué, the PRC cited the Message to Compatriots issued on 1 January 1979,⁵² which "promulgated a fundamental policy of striving for peaceful reunification of

the Motherland” and the nine-point proposal put forward by China on 30 September 1981,⁵³ which represented a “further major effort under this fundamental policy to strive for a peaceful solution to the Taiwan question.”

The United States reaffirmed the principles already mentioned and added, for the first time in any official document, that it had “no intention of . . . pursuing a policy of ‘two Chinas’ or ‘one China, one Taiwan’.” The U.S. statement went on to say

Having in mind the foregoing statements of both sides, the United States Government states that it does not seek to carry out a long-term policy of arms sales to Taiwan, that its arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China, and that it intends to reduce gradually its sales of arms to Taiwan, leading over a period of time to a final resolution. In so stating, the United States acknowledges China’s consistent position regarding the thorough settlement of this issue.

The communiqué continued:

In order to bring about, over a period of time, a final settlement of the question of United States arms sales to Taiwan, which is an issue rooted in history, the two governments will make every effort to adopt measures and create conditions conducive to the thorough settlement of this issue.

It is against this background that the Chinese have charged that the United States arms sales violate the three joint communiqués, and especially the 17 August communiqué, and constitute a “gross interference” in China’s internal affairs. However, it is important to note that the United States “acknowledgement” of the Chinese position on the status of Taiwan, and even its statement that it would “not challenge” that position, never meant that the United States accepted it. Thus, the U.S. position has consistently been that, in principle, pledging respect for China’s sovereignty and territorial integrity and not to interfere in internal affairs never embraced a pledge not to supply arms that were designed, not to promote Taiwan independence, but to promote peace and stability.

Reading the language of the 17 August communiqué, one can particularly see why the Chinese claim U.S. violations, in regard to both quantity and quality of arms supplied. But, again, one needs to read correctly the U.S. position, which was carefully caveated (“Having in mind the foregoing statements of both sides” and “the two governments will make every effort to adopt measures and create conditions conducive to the thorough settlement of this issue”). The two Chinese policy statements that were cited in the communiqué were indeed consistent with a “fundamental policy” of peaceful resolution of the Taiwan question, as has been much of PRC outreach to Taiwan since then—especially under Hu Jintao, both before and particularly since the “six point” proposal.

But the steady expansion and modernization of the PLA in ways specifically

designed to confront Taiwan has not been similarly consistent with that policy nor has it helped “create conditions” for peaceful resolution. It isn’t that most people think China wants to use force to complete its goal of reunification. But the capability not only could be used directly in combat, it could also stand as a coercive element in making Taiwan “an offer it can’t refuse.” Both uses of military power would run counter to the consistent U.S. policy on peaceful, non-coerced resolution of the issue and the American strategic interest in maintaining peace and stability in the region.

Moreover, no one—including, as we have seen, some of the more vocal PRC critics of the sale—thinks that such sales truly “rebalance” the military situation. But, as we have already observed, they still are useful, as they could raise the cost of using force, thus complicating any decision to attack and making such a decision less likely.

That the United States does not provide such weapons to promote Taiwan independence should be self-evident to anyone looking objectively at U.S. policy throughout the Chen Shui-bian administration. And that it does not seek to block cross-Strait reconciliation should also be clear to anyone looking objectively at U.S. policy not only during those years but especially since Ma Ying-jeou took office in May 2008. Neither President Obama nor senior officials in his administration could be clearer on this point. That the Taiwan Affairs Office chose to preemptively dismiss the argument that such sales help bolster the Ma administration’s domestic political base for pursuing better relations with the Mainland does not make that dismissal valid. It is true that the United States argued for years that providing arms to Taiwan helped bolster Taipei’s confidence so that it might deal more constructively with Beijing. And it is true, in my view, that for perhaps most of the decade preceding the Ma administration that argument was self-serving and irrelevant: Neither Taipei nor Beijing had any intention to deal seriously with the other side on a basis acceptable to its cross-Strait counterpart. The other reasons for supplying arms—related to raising the cost of any attack—were still valid, but not the political point about how it supported cross-Strait dialogue.

But that situation changed dramatically in 2008, and it is not helpful that Beijing does not take full account of this fact and of Ma’s political situation. Indeed, examining them carefully, one cannot but conclude that arms sales are, paradoxically, in the PRC interest, because they help empower Ma to pursue an agenda of improved cross-Strait relations. Individual PRC counterparts, including some in official positions, actually understand the point. But as one recently said in a private conversation: “That is a hard logic. Even if I agreed to it, if I tried to persuade others of it I would not succeed.” Perhaps not. And Beijing certainly cannot embrace it as an official position, for obvious reasons. But the PRC might take account of it as a realistic factor and temper its reaction accordingly.

Arms sales will embolden Taiwan independence forces and damage the great cause of unification. The charge that somehow these sales will either embolden Taiwan independence forces or impede the cause of unification is appealing in the abstract, but it lacks a serious analytical foundation. If Chen Shui-bian had thought his cause was strengthened by arms purchases from the United States, he would not have waited for

four years after President Bush made the offer in April 2001 to send a budget proposal to the legislature to implement it.

It is a fact that very few people in Taiwan back unification, despite rhetorical claims to the contrary by PRC commentators. But it is also a fact that there really is no independence option; most people in Taiwan realize that, should the island move seriously in that direction, Beijing would employ every means necessary, including military force, to stop it, regardless of the potential cost. That is why polls consistently show strong public support in Taiwan for maintaining the “status quo” rather than any inclination to move to formal independence.

The fact is also that the PRC increasingly realizes the steep hill it has to climb to persuade people in Taiwan that political affiliation across the Strait is a good thing. That realization underlies, in my mind, the long-term framework of President Hu Jintao’s “six point” proposal of 31 December 2008. That proposal recognizes that maintaining de facto separation for an extended period of time is necessary to weave the fabric of relationships that can eventually lead to an outcome acceptable to both sides. The arms sales by the United States may bolster to some extent the confidence felt in Taiwan that enforced unification will not be imposed upon it, but in so doing, rather than obstructing the larger task of building political trust and a framework for the peaceful development of cross-Strait relations, the sales reinforce it. As noted earlier, they provide Ma Ying-jeou with tangible proof that his cross-Strait engagement policy is not coming at the expense of Taiwan’s security and hence can be pursued safely.

Seriously jeopardizing China’s national security. Frankly, this claim is hard to fathom on its face. If it refers to arms sales possibly leading to a later requirement to use force against a move to Taiwan independence (and hence possibly entering into conflict with the United States), this idea is far-fetched, for reasons already laid out.

If it means that the sales represent a U.S. effort to bolster Taiwan as a bastion from which to obstruct China’s rise, this represents a mistaken notion in my view, but it raises a large and very serious question of mutual strategic mistrust between the United States and China that I address further below.

Using the arms sales to help boost U.S. economic recovery. Anyone familiar with U.S. arms sales to Taiwan would hardly argue that U.S. manufacturers do not fight hard for the opportunity to make such sales to Taiwan. They do so at every stage of the process, from getting approval to make a pitch to Taiwan for their product, to getting Taiwan to request their product, and getting the United States to approve any such requests. There are also many examples of members of Congress supporting such sales because the items in question are manufactured in their districts.

But from many years of involvement with the process, it is my view that policy considerations generally win out over commercial considerations. Ronald Reagan wanted to help his friend at Northrop Grumman—as well as help Taiwan—with the sale of FX aircraft in the early 1980s. But in the end he decided not to do so because the aircraft

were not seen as militarily necessary at the time and the cost to U.S.-PRC relations was judged to far outweigh any benefit.

Some would say that George H. W. Bush approved F-16s for Taiwan a decade later primarily to help Taiwan maintain a credible air force. And that argument was made at the time. But, in my judgment, Bush made the decision because he thought the boost to his support in Texas (where the aircraft were made) could help him win reelection. (He was wrong, though he did win Texas.) Even if I am right, however, the deal would seem to have been an exception to the general rule of policy before politics and profits.

In any event, there is no evidence that the Obama administration viewed the recent announcement of the possible FMS sales as part of a “jobs” program. There are other aspects of policy toward the Mainland that clearly do have an economic motivation, exchange-rate policy and overall trade policy foremost among them. But the announced arms sales do not fall into that category.

Using arms sales to leverage relations with China and gain a “bargaining chip” on other matters. The United States has been firm over a number of years in holding to an explicit policy of *not* bargaining over arms sales with the Mainland. Since the 1980s and the famous Reagan “six assurances,” it has been an openly articulated matter of policy not to discuss specific arms sales with Beijing. Should the United States wish to use arms sales as leverage, the first step it would take would be to abandon that policy. In fact, no president since Reagan has done so.

It is China that quite clearly wants to engage in bargaining over arms sales. The so-called “Crawford proposal” mentioned by President Jiang Zemin to President George W. Bush in 2002 (*considering* reduction of missile deployments opposite Taiwan in exchange for cessation of U.S. arms sales) was an invitation to do just that. The United States responded that the proper recipient of any proposal on mutual cross-Strait arms reductions was Taipei, and that has remained the position ever since.

Violating pledges in the Joint Statement about respecting core interests. There is no question in anyone’s mind that blocking Taiwan independence and keeping the door open to peaceful reunification—and eventually getting there—is a “core” PRC interest. But not every aspect of “the Taiwan question” is part of that core interest, nor does the assertion of a core interest vitiate the fact that other parties, including the United States, also have vital interests tied up in aspects of the Taiwan question.

If it were demonstrable that arms sales were truly giving confidence to Taiwan independence forces, as Beijing argues, that would be one thing. But, as often as that argument is repeated, it is hard to sustain, as we have already discussed. Moreover, in the current situation, we will repeat once more, they can actually make a positive contribution to facilitating cross-Strait exchanges and progress in reducing tensions and enhancing connections.

The United States and other nations do not have a vital interest in seeing that Taiwan

and the Mainland are kept apart. But they do have a vital (one might say “core”) interest in the maintenance of peace and stability in the Western Pacific. That is why Washington pushed back so hard against many of Chen Shui-bian’s initiatives—not because the United States thought he really could move to de jure independence, but because he was contributing to heightened tension in the Strait that could have ended up in military confrontation.

Some would argue that while the United States does not want Taiwan independence, neither does it want unification. The first point to make is that any form of unification is a very long way off, so it is not an immediate policy concern. Second, even if one wanted to frame U.S. policy today with the prospect of eventual unification in mind, any model of unification that would be acceptable to the people of Taiwan would likely not be of great concern to the United States. So, again, what primarily matters to American policy-makers is not the nature of the formal ties across the Strait, but that the process of forming those ties is peaceful and non-coercive.

As to the argument that Taiwan represents a “strategic asset” to the United States and arms sales are part of an effort to hold on to it, no serious military planner would think of placing military assets on Taiwan for offensive use against the Mainland—they would be too vulnerable. Moreover, as U.S. military commanders in the Pacific have noted from time to time, one of the major headaches they have faced is the risk of war with the PRC over Taiwan, making the latter far from a strategic asset in their eyes. They point out that peaceful settlement of cross-Strait relations would provide relief from this headache.

Finally, as noted, the fact is that, as they were preparing the 17 November Joint Statement, President Obama directly informed President Hu Jintao of his intention to sell arms to Taiwan—as well as to meet the Dalai Lama. So a charge that he was double-dealing is not sustainable. If China had thought it would somehow “trap” the United States into backing off of these declared plans by getting agreement to the language on “core interests” in the Joint Statement, this would have been naïve. Since Chinese leaders and officials are not naïve, one has to assume that they realized there would be “contradictions” regarding “core interests”—just as there have always been, in the Chinese view, on the issue of “respect for sovereignty and territorial integrity”—but that they felt these were contradictions they could live with. The question is: Why did this change?

Understanding the Change in China’s Position

Some people believe that China has chosen to take a more assertive stand on arms sales this time “because it can.” The United States has sought China’s active participation in resolving so many key issues, ranging from non-proliferation to climate change and energy security and from North Korea to Iran, this argument goes, that Beijing now feels it has leverage to push back effectively against what it sees as intransigent and intrusive American policy toward Taiwan.

Others see the change as an example of “killing the chicken to scare the monkey.”

That is, to demonstrate in relatively “mild” form how Beijing would respond if the United States were to sell F-16C/Ds, and possibly submarines, to Taiwan.

Perhaps both of these factors entered into the calculation; they certainly are referred to with great frequency by PRC public policy commentators.

Without dismissing a new sense of empowerment as a conditioning factor, or a desire to fend off F-16 sales, it seems to me that there are two other factors that may be more relevant—and more basic. One is a lingering deep sense of mutual strategic suspicion between the United States and China; the other is a sense of vulnerability on the part of PRC leaders to the growing power of public opinion.

Relevant to many of the charges already discussed is that Beijing holds a deep level of strategic suspicion about U.S. attitudes toward China’s rise. The PRC has felt for a very long time that Washington has sought in a variety of ways to constrain its power and influence. Deep American involvement with Taiwan, including but not limited to arms sales, has been seen as part of this effort. One should note that this has been balanced by a concern—a “strategic suspicion”—on the U.S. side that China may seek eventually to displace American power and influence at least in East Asia, if not beyond.

As to American objectives, it is my own view that the U.S. government has long accepted the inevitability of China’s rise and that, rather than seeking to block it, the United States has sought to channel it in ways that contribute constructively to addressing the enormous common challenges we face. In fact, a widely held article of faith among U.S. officials has been that the United States could not block China’s rise even if it wanted to, and rather than adopting positions that seemed to reinforce the image of obstructing or containing China, the United States should welcome the PRC into international activities and regimes. An explicit understanding in adopting this approach has been that China should have an appropriate role in setting the rules, not just following them. Seeking to have China accept due responsibility along with its increasing influence has also been a central part of that effort, one that has often seemed unsuccessful in the past, but that, as reflected in the November Joint Statement, is becoming ever more critical to American policy.

Getting China to believe that this is the U.S. attitude, however, is not an easy task. For example, the United States has proposed to engage China in “rebalancing” the world economy. But one hears that this proposal is viewed in the PRC as a one-way street, benefiting the United States while fettering China.⁵⁴

The United States has also raised the notion of providing mutual “strategic reassurance” to deal head-on with our respective concerns and suspicions. But, again, one hears that many Chinese believe this is not only conceived of in too-narrow terms—as focused exclusively on military security issues—but that it, too, is envisaged by Washington as a way to gain advantage over the PRC.⁵⁵

As a result, Beijing has been reluctant to engage on these topics. That is unfortunate,

to say the least, because any such ideas cannot succeed if they do not entail mutual benefit along with mutual responsibility. And if China believes they lack mutuality, or for other reasons does not accept the way they have been framed, it can reframe them. But to hold back from engaging on topics of such importance seems to me to be a mistake.

The other factor that appears to be at work is concern at leadership levels in China about public opinion. One hears repeatedly that the Chinese public is very angry about both the arms sales and the impending meeting with the Dalai Lama, and the government must be responsive.

One is not sure how public opinion is measured in China. Nonetheless, there is no doubt that the changes wrought there over the past three decades extend well beyond economics to politics and society. Except for some limited topics (such as the proper role of the Communist Party), free expression has taken hold with a vengeance. One only needs to follow the postings in Chinese internet chat rooms to become well aware of this.

But saying that the government cannot tell people what to say, much less what they should think, is not the same thing as saying that the authorities have no tools for shaping public opinion. Not only can they issue authoritative statements but they also can use state-run media, public lectures, and many other devices to do so. The PRC government, knowing that arms sales would be made, and knowing that the Dalai Lama would be visiting the White House, could have voiced its principled objections while framing the issues for the public in less contentious ways. It could have underscored the support the United States has given to cross-Strait reconciliation (sometimes even to Taiwan's discomfort) and its repeated assertion that the United States has all along recognized Tibet as part of China.

The fact is that it did not. Instead, perhaps because it also allowed for a certain release of pent-up resentment over these issues, it chose a more assertive stance.

Whether implementation of the steps already announced will cause deep and lasting damage to the bilateral relationship remains to be seen. The betting in this corner is that it will not. China is generally pretty good at calculating its own interests and acting accordingly. But as of this writing, the White House meeting between President Obama and the Dalai Lama has not yet taken place, so we cannot be sure what that event will trigger in terms of a further PRC reaction.

In any case, one can hope that despite the current tensions over a regrettably growing list of contentious issues between the two sides, both will seek to facilitate rather than shy away from candid and in-depth discussions of these and other serious problems. Most especially they need to address the mutual strategic suspicions that underlie so much of what is not productive about the relationship. Unfortunately, it is apparent that, rather than welcoming dialogue at this moment, China is putting it off. If such meetings would merely turn into accusatory exchanges, one would have to agree they would not be useful. But surely both sides are mature enough to avoid that trap and to use the occasion to seek a way forward. Dialogue alone is not going to be the answer, but it is an indispensable starting point.

Notes

¹ KMT candidates received almost a million fewer votes in the 5 December election than Ma garnered in March 2008 (Maubo Chang, “United Daily News, extract: Why KMT voters stayed away,” Central News Agency [CNA], 12 January 2010). But former DPP chairman, Hsu Hsin-liang also pointed out that the number of ballots actually cast for DPP candidates decreased by tens of thousands compared with previous mayoral and magistrate elections. Moreover, while the gap between KMT and DPP votes narrowed to 2.5 percent (still in KMT favor), if one factors in “mavericks” who follow the KMT, the gap grows again to eight points. (Sofia Wu, Taiwan editorial extract, “United Daily News: Did DPP truly win?” CNA, 16 December 2009.)

² As this article was going to press, a new poll showed, in fact, that Ma’s numbers were beginning to turn up, while Tsai’s (and the DPP’s) were going down. One will need to watch to see if this is the beginning of a genuine trend. (Global Views Survey Research Center, Taiwan Public Mood Index, February 2010 [in Chinese], http://www.gvm.com.tw/gvsrc/GVSR_C_TPMI_201002_C.pdf.)

³ Some PRC officials, in the meantime, were expressing concern that the more public airing of ECFA negotiating positions in Taiwan will limit the flexibility of both sides, making agreement harder. (Private conversations, January 2010.)

⁴ These included:

- An explanation of Ma Ying-jeou’s remarks that “the only difference between people on the two sides of the Strait is their household registrations” and the term “area to area”;
- Abolishment of the KMT-CCP platform;
- Establishment of a supervisory team on cross-Strait affairs in the Legislative Yuan;
- Holding of a referendum on any cross-Strait agreement on opening Taiwan’s market beyond WTO regulations; and
- An effort to get the PRC’s pledge of not interfering in Taiwan’s talks on free trade agreements with other countries before starting to negotiate ECFA with Beijing. (Wang Peng-chieh, “DPP rejects MAC briefing on Chiang-Chen talks before receiving written response to five demands,” *Central Daily News*, 7 December 2009, translated in summary by Open Source Center [OSC], CPP20091208569001. Original article available at http://www.cdnews.com.tw/cdnews_site/docDetail.jsp?coluid=107&docid=100994349.)

⁵ The KMT “formally responded” to the DPP’s “five questions,” basically rejecting them all. (KMT Cultural and Communications Committee, “KMT’s response to the DPP’s ‘five questions’ for Chairman Ma,” KMT News Network, 12 February 2010, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=111&anum=7651>.)

⁶ At that meeting in Taichung, three of the four planned agreements were signed: fishing crew cooperation; agricultural quarantine inspection; and industrial product standards, inspection, and certification. The agreement on avoidance of double taxation was set aside due to what were described as “technical issues.” (Kuo Mei-lan and Elizabeth Hsu, “Taiwan, China seal three agreements on cross-strait cooperation,” CNA, 22 December 2009.)

⁷ “Mainland, Taiwan experts start talks on economic pact,” *China Daily*, 26 January 2010.

⁸ Hu Jintao reportedly assured a group of visiting Taiwan business leaders that ECFA will “look after” the interests of Taiwan farmers. (“Beijing leader promises pact won’t harm farmers,” *China Post*, 14 February 2010.)

⁹ Taiwan Affairs Office director Wang Yi expressed it this way:

We will vigorously push normalization of cross-Strait economic relations, which will further facilitate the movement of production factors, optimize the conditions for economic cooperation, solidify the win-win pattern of mutual benefit, and bring more practical benefits to the compatriots across the Strait. To this end, we are ready to continue to actively seek solutions to problems existing in the trade, investment, financial, and other areas within the framework of the two organizations [the PRC’s Association for Relations Across the Strait and Taiwan’s Straits Exchange Foundation] and through equal consultation between the two sides of the Strait. In the process, we will address Taiwan compatriots’ reasonable concerns as much as possible and fully consider the characteristics of Taiwan’s economy and the ability of adaptation in working out

arrangements in a fair and reasonable way. (Liu Tong and Feng Guo, “Wang Yi pledges to actively promote system and mechanism in cross-Strait economic relations,” Xinhua [domestic], 19 November 2009, translated by OSC, CPP20091119066001.)

¹⁰ “We maintain that building a mechanism for closer cross-strait economic cooperation will help find a practical way that can dovetail the two sides’ common economic development and the mechanism of economic cooperation in the Asia-Pacific Region.” (Transcript of PRC State Council TAO news conference, 16 December 2009, translated by OSC, CPP20091216046001, available in Chinese at http://www.gwytb.gov.cn/xwfbh/xwfbh0.asp?xwfbh_m_id=122.)

¹¹ The PRC Minister of Commerce, Chen Deming, went so far as to say: “There’s no way Taiwan’s signing of trade pacts with other countries will come without conditions. There must be certain arrangements.” (Shu-ren Koo, “The dangers of ECFA obsession,” *CommonWealth Magazine*, 12 November 2009, no. 434, <http://english.cw.com.tw/print.do?action=print&id=11504>.)

¹² “CEPD [Council for Economic Planning and Development]: Economic recovery still tentative,” *Economic Daily News* (translated in *Taiwan Today*), 11 December 2009.

¹³ Readout from PRC officials, January 2010.

After returning from Taipei, Xu Bodong, a professor of Taiwan studies at Beijing Union University, said the temperature of Taiwan’s political water “may not be freezing but [it is] really very low.” He was surprised, he said, to hear pan-Blue scholars changing position, openly denying “one China.” The Mainland could not accept “one China, respective interpretations,” Xu said, because “respective interpretations” would inevitably lead to “each side [of the Strait] a [separate] country” (Chen Shui-bian’s position dating back to August 2002), and this would be no different from Taiwan independence. (“Mainland Scholar: Taipei’s political water temperature very low,” CNA [domestic], 22 November 2009, reporting article in *Haixia Daobao*, translated in summary by OSC, CPP20091122102004.)

Yu Keli, director of the Institute of Taiwan Studies under the Chinese Academy of Social Science in Beijing, also a participant in the meeting, opined in his Taipei presentation that “A relatively intensive consensus has all along existed between the two sides of the Strait on major issues directly related to the well-being of the compatriots on both sides, peace across the Taiwan Strait, and the rejuvenation of the Chinese nation, including ending the hostile state, signing a peace agreement, and building a military mutual trust mechanism. This is especially the case today.” (Lo Hsiang-hsi: “Yu Keli: The two sides of the Strait have a relatively intensive [high level of] consensus on signing a peace agreement,” *Zhongguo Pinglun Tongxun She*, 14 November 2009, CPP20091116710009. Original article at <http://www.chinareviewnews.com/doc/1011/3/4/8/101134891.html?coluid=1&kindid=0&docid=101134891>.)

After experiencing the dialogue in Taipei, however, he was moved to observe like Xu Bodong that “some KMT friends [who] until now expressed different opinions” about the “one China” principle (i.e., who had supported it), did not agree about the applicability of that principle, but spoke of the “1992 Consensus.” He went on to say that Beijing does not agree to the idea that the “1992 Consensus” is tantamount to the “one China principle,” although the “1992 Consensus” will remain the basis of future cross-Strait talks for quite a long period of time. (Chang Ming-kun & Bear Lee, “No consensus on China and Taiwan’s ‘1992 consensus,’” CNA, 14 November 2009.)

In an article a month later, however, Yu seemed to set aside his Taipei experience and revert to his earlier view: “History shows that the two sides of the Taiwan Strait have no differences on the principle and stance of adhering to the ‘one China’ principle.” (Yu Keli, “Promoting political relations is the only way for the two sides to deepen peaceful development,” *Zhongguo Pinglun Tongxun She* [ZPS], 30 December 2009, translated by OSC, CPP20091230710007. Original Chinese text available at <http://www.chinareviewnews.com/doc/1011/5/5/0/101155044.html?coluid=33&kindid=3470&docid=101155044&mdate=1230001454>.)

As we have pointed out before, there are different views in the PRC on the question of whether—and when—a more explicit embrace of the “one China” principle going beyond the 1992 Consensus will be necessary. While some people feel that the “1992 Consensus” should suffice, others believe there would have to be a change in Taipei’s formulation before a peace accord or possibly even confidence-building measures could be agreed.

¹⁴ Lai Chin-hong, “Wang Yi says no timetable for cross-Straits political negotiations,” *Lien-Ho Pao*, 19 November 2009, translated in summary by OSC, CPP20091120100001. Original Chinese-language story available at <http://www.udn.com/2009/11/20/NEWS/NATIONAL/NATS2/5261458.shtml>.

¹⁵ Huang Xingwei, “Hu Jintao meets Lien Chan in Singapore,” Xinhua (Domestic), 14 November 2009, translated by OSC, CPP20091114001010.

¹⁶ Having previously been an “observer” at the Inter-American Tropical Tuna Commission (IATTC), in early January Taipei followed through on a 2003 invitation to join that body as a “fishing entity” under the name “Chinese Taipei.” (“International fishing body open for Taiwan,” *Liberty Times*, translated in *Taiwan Today*, 5 January 2010.) In addition to its 16 members, the IATTC now has six “Cooperating Non-Parties or Cooperating Fishing Entities” including Canada, China, and the European Union. In fact, “Chinese Taipei” is the only “cooperating fishing entity.” (“Inter-American Tropical Tuna Commission organizational chart, Participation, Cooperating Non-Members,” <http://www.dfo-mpo.gc.ca/fgc-cgp/documents/meltzer/IATTCfinal.pdf>.)

¹⁷ In a letter from the Chinese UN Representative to the Secretary-General several weeks after the General Debate, Ambassador Zhang Yesui charged that efforts in that General Debate on the issue of “Taiwan’s participation in the United Nations specialized agencies” amounted to advocacy of “two Chinas” and “one China, one Taiwan.” Hence, he said, it “violated the purposes and principles of the Charter of the United Nations, infringed on China’s sovereignty and territorial integrity and interfered in China’s internal affairs.” He said that General Assembly resolution 2758 (XXVI) adopted in 1971 had “resolved the issue of China’s representation in the United Nations once and for all, politically, legally and in terms of procedures.” By disregarding this, he said, the “sponsoring nations” “trumpeted the so-called Taiwan’s ‘participation’ in the International Civil Aviation Organization and the United Nations Framework Convention on Climate Change. This is unacceptable.” (不可接受的).

Zhang then came to the bottom line:

We understand the feeling of our Taiwan compatriots about participating in the activities of international organizations, and attach great importance to solving this issue. Taiwan compatriots’ participation in the activities of international organizations is an internal affair of the Chinese people, and can be arranged in a fair and reasonable manner through pragmatic cross-Straits consultation on the premise of not creating ‘two Chinas’ or ‘one China, one Taiwan.’ (“Letter dated 5 November 2009 from the Permanent Representative of China to the United Nations addressed to the Secretary-General,” Document A/64/515, 6 November 2009. English text at <http://documents-dds-ny.un.org/doc/UNDOC/GEN/N09/597/84/pdf/N0959784.pdf?OpenElement>; Chinese text at <http://documents-dds-ny.un.org/doc/UNDOC/GEN/N09/597/83/pdf/N0959783.pdf?OpenElement>.)

¹⁸ “MAC: Mainland has not shown good will, Taiwan still is constrained in joining international NGOs,” CNA (domestic), 25 January 2010, original at <http://www.cna.com.tw/ShowNews/Detail.aspx?pNewsID=201001250303&pType0=aALL&pTypeSel=0>.

One “answer” to the differing perceptions may be that, as PRC NGOs increase their own international participation, they are taking steps in the organizations they are newly joining to ensure that the name and status of any Taiwan organization does not suggest a “two Chinas” or “one China, one Taiwan” situation. From Beijing’s perspective this would not represent any change in position, only wider application of a long-standing principle. For the Taiwan NGOs, however, this represents a new limitation on their participation.

¹⁹ The DPP expressed concern not only that President Obama had not mentioned the Taiwan Relations Act (TRA) in his Shanghai Town Hall Meeting—he later mentioned it in the press event in Beijing with President Hu Jintao standing at his side—but also that it was not referred to in the U.S.-PRC Joint Statement. The DPP also said that the reference in the Joint Statement to U.S. respect for China’s sovereignty and territorial integrity was the first time the United States has made such a statement. (“DPP Central Executive Committee concerning statement of Presidents Obama and Hu,” 19 November 2009, http://www.dpp.org.tw/index_en/.) The fact is, of course, that the TRA has never been referred to in a joint U.S.-PRC statement and never will be, because Beijing rejects the legitimacy of that law. And starting with the Shanghai Communiqué of February 1972, the United States has consistently referred to mutual respect

for sovereignty and territorial integrity, but this has not meant acceptance of PRC claims to sovereignty over Taiwan.

Even though they understood the history of the language quite well, Taiwan officials also expressed some concerns about the reference to sovereignty and territorial integrity because they saw an emerging pattern in which the PRC was beginning to emphasize that point in a variety of joint statements. (Personal interviews in Taipei, January 2010.) They pointed specifically to the Joint Statement of the 12th EU-China Summit on 30 November (http://www.china.org.cn/world/2009-11/30/content_18979511.htm) and the China-Canada Joint Statement on 3 December (<http://www.fmcopec.gov.hk/eng/zgwjsw/t631109.htm>).

²⁰ Alan D. Romberg, “Cross-Strait Relations: ‘Ascend the Heights and Take a Long-term Perspective’,” *China Leadership Monitor* 27, Winter 2009, p. 23.

²¹ On that occasion, then-candidate Obama put his support for arms sales in the perspective of supporting better cross-Strait relations: “We should continue to provide the arms necessary for Taiwan to deter possible aggression. And we should support your efforts to build closer ties with the Mainland that will lay the groundwork for a more stable and predictable relationship.” (“Letter from Barack Obama to Ma Ying-jeou,” 22 May 2008,

<http://www.china.usc.edu/ShowArticle.aspx?articleID=1066&AspxAutoDetectCookieSupport=1.>)

²² In a Senate hearing in early February 2009, Director of National Intelligence Dennis Blair said that “Taiwan should not be so defenseless that it feels that it has to do everything that China says. On the other hand, China cannot be so overwhelming that it can bully Taiwan.” (Chiehyu Lin and Y.F. Low, “U.S. reaffirms commitment to maintain cross-strait military balance,” CNA, 12 February 2009.)

A few days later, Secretary of State Hillary Clinton affirmed that there would be no change in American policy toward Taiwan, including arms sales policy. (Chiehyu Lin and Y.F. Low, “U.S. to continue arms sales to Taiwan: U.S. state secretary,” CNA, 16 February 2009.)

In his confirmation hearings, Assistant Secretary of State for East Asian and Pacific Affairs Kurt Campbell affirmed that the United States remained firmly committed to preserving peace between Taiwan and the Mainland, including through its provision of defensive military equipment to Taiwan. (Chiehyu Lin and Y.F. Low, “Nominee reaffirms U.S. commitment to Taiwan,” CNA, 10 June 2009.)

Deputy Secretary of State James Steinberg affirmed that, guided by the terms of the Taiwan Relations Act, the United States was “committed to help support Taiwan meet its legitimate defense needs.” (“Keynote Address at the Center for a New American Security,” 24 September 2009, <http://www.state.gov/s/d/2009/129686.htm>.)

In November, at a Brookings Institution briefing on the upcoming Obama trip to Asia, Jeffrey Bader, Special Assistant to the President and Senior Director for East Asian Affairs at the National Security Council, said: “Our policy on arms sales to Taiwan has not changed, and that will be evidenced over the course of our administration.” (“Keynote address,” *Obama goes to Asia: Understanding the President’s trip*, 6 November 2009, http://www.brookings.edu/~media/Files/events/2009/1106_obama_asia/20091106_obama_asia_trip_bader.pdf.)

²³ Guo Yongjun, “Focused on stability: How Obama views Taiwan,” *Shijie Zhishi*. 16 October 2009, translated by OSC, CPP20091209671006.

²⁴ “U.S.-China Joint Statement,” White House, Office of the Press Secretary, 17 November 2009, <http://www.whitehouse.gov/the-press-office/us-china-joint-statement>.

²⁵ AIT Chairman Raymond Burghardt met with the press in Taipei in late November. Making clear that he was basing his remarks on a thorough review of the negotiating record of the Joint Statement with senior officials in Washington, he said: “[O]nly one paragraph in the Joint Statement is relevant to Taiwan. This is the paragraph that begins, ‘The U.S. and China underscored the importance of the Taiwan issue in U.S.-China relations.’”

Burghardt went on to note that the next paragraph (“The two countries reiterated that the fundamental principle of respect for each other’s sovereignty and territorial integrity . . .”) was negotiated “solely” to cover issues regarding Tibet and Xinjiang. “The negotiating record is clear,” Burghardt said, “that this paragraph was not intended to concern Taiwan. That certainly was the U.S. understanding.” (“AIT Chairman Raymond Burghardt, Press Roundtable,” Taipei, 24 November 2009, <http://www.ait.org.tw/en/news/officialtext/viewer.aspx?id=2009112501>.)

²⁶ “Hu-Obama joint press appearance in Beijing,” White House, Office of the Press Secretary, 17 November 2009, <http://www.whitehouse.gov/the-press-office/joint-press-statement-president-obama-and-president-hu-china>.

²⁷ One article in the immediate wake of the visit suggests this: “The U.S. is willing to reconsider its standard practice and even reset its conventional stance over the Taiwan Issue by standing at a height of the common strategic interests shared with China.” (Li Hong Mei, “China’s ‘core interests’ diplomacy gains ground,” *People’s Daily*, 20 November 2009, <http://english.people.com.cn/90002/96417/6819611.html>).

²⁸ “US to sell Patriot missiles to Taiwan,” *China Times* (translated in *Taiwan Today*), 8 January 2010, <http://www.taiwantoday.tw/ct.asp?xItem=91438&CtNode=414>.

²⁹ “‘Across the Strait’ discusses US selling Patriot systems to Taiwan,” CCTV-4, 27 December 2009, translated in summary by OSC, CPP20091228119003.

³⁰ Yang Yi, “Dare to be good at ‘setting the rules’ for the United States,” *Huanqiu Shibao*, 6 January 2009, translated by OSC, CPP20100115710003.

³¹ Lai Jinhong, “Selling weapons to Taiwan, Raytheon is severely sanctioned by the Mainland,” *Lien-ho Pao*, 12 January 2010, <http://udn.com/NEWS/MAINLAND/MAI1/5360482.shtml>.

³² It has been argued that, in fact, sanctions were applied before, but just not announced. (“US arms sales to Taiwan indicate the United States does not want to see the two sides of the Strait get too close to each other,” interview with Wu Xinbo, deputy dean of the School of International Relations and Public Affairs, Fudan University, *Dongfang Zaobao Online*, 31 January 2010, translated by OSC, CPP20100201038005.) And indeed, as indicated, neither Raytheon nor Lockheed Martin has received any substantial business in China for several years.

³³ “Chinese foreign ministry spokesman Jiang Yu answers a reporter’s question on US Raytheon company’s arms sales to Taiwan,” Xinhua (domestic), 8 January 2010, translated by OSC, CPP20100108364004, original available at http://news.xinhuanet.com/world/2010-01/09/content_12779376.htm. This exchange is not available on the foreign ministry website, so seems not to have occurred at a regular press briefing but in a separate “questions and answer” with Xinhua.

Notably, Taiwan officials have regularly pointed out that, despite high-level démarches to the United States on arms sales, Beijing has not complained directly to Taipei. Although there is no sign in the recent brouhaha that that is about to change, in the wake of the PAC-3 contract, and in the context of castigating the United States, the Taiwan Affairs Office spokesman did include the following sentence: “It is hoped that the Taiwan side will cherish the good situation of peaceful development of cross-Strait relations, which did not come easily, and do more things to help improve and develop cross-Strait relations.”

“希望台湾方面珍惜两岸关系来之不易的良好局面，多做有利于两岸关系改善和发展的事情。” (Transcript of PRC State Council TAO news conference, 13 January 2010, translated by OSC, CPP20100113075001, original Chinese at http://www.gwytb.gov.cn/xwfbh/xwfbh0.asp?xwfbh_m_id=124.)

³⁴ Wang Te-chun, “Luo Yuan says it is time to ‘settle accounts’ on implementation of 17 August communiqué,” Hong Kong *Ta Kung Pao*, 10 January 2010, translated by OSC, CPP20100111710006; original available at <http://www.takungpao.com/news/10/01/10/ZM-1199134.htm>.)

³⁵ Lin Jian, “Luo Yuan: Make the US feel some pain over arms sale to Taiwan,” *Guoji Xianqu Daobao*, 18 January 2010, translated by OSC, CPP20100125671002 (original text available at http://blog.sina.com.cn/s/blog_4bcca320100hbhj.html).

³⁶ Foreign Ministry Spokesperson Ma Zhaoxu’s regular press conference,” 26 January 2010, Ministry of Foreign Affairs, <http://www.fmprc.gov.cn/eng/xwfw/s2510/t654019.htm>.

³⁷ The package included 60 Black Hawk helicopters (\$3.1bb); 114 Patriot Advanced Capability (PAC-3) firing units, training units, and missiles (\$2.81bb); Multifunctional Information Distribution Systems (\$340mm); 2 OSPREY-class mine hunting ships (\$117mm); and a number of HARPOON telemetry missiles (\$37mm). (Details are at http://www.dsca.mil/PressReleases/36-b/36b_index.htm.)

³⁸ Alan D. Romberg, “Cross-Strait Relations: ‘Ascend the Heights and Take a Long-term Perspective’,” *China Leadership Monitor*, no. 27, Winter 2009, pp. 20–21.

³⁹ “Vice Foreign Minister He Yafei made stern representations to the US Ambassador to China on the US arms sales to Taiwan,” 30 January 2010, <http://www.fmprc.gov.cn/eng/zxxx/t655095.htm>. The Chinese-language text of this announcement is at <http://www.fmprc.gov.cn/chn/gxh/tyb/zyxw/t654807.htm>.

⁴⁰ “Defense Ministry spokesman comments on US weapons sale to Taiwan,” Xinhua (domestic), 30 January 2009, translated by OSC, CPP20100130119005 (original Chinese-language text at http://news.xinhuanet.com/mil/2010-01/30/content_12904309.htm.)

⁴¹ “State Council Taiwan Affairs Office spokesman comments on U.S. weapons sale to Taiwan,” Xinhua (domestic), 30 January 2010, translated by OSC, CPP20100130119006. (Original Chinese-language text at http://news.xinhuanet.com/mil/2010-01/30/content_12904307.htm.)

⁴² White House Press Secretary Robert Gibbs—who characterized the sanctions as “unwarranted”—tried to cast public disagreements as normal events in a relationship that encompasses so many important issues: “We have always said that we want the type of relationship where we’re working together on important issues of mutual concern—the global economic recovery, our concerns about proliferation—but when we have disagreements, we’ll do so—we’ll voice those disagreements out in the open in public. I think that’s the type of relationship we’ve had with China during this administration and one that we’ll continue to have.” (“Briefing by White House Press Secretary Robert Gibbs,” White House, 1 February 2010, <http://www.whitehouse.gov/the-press-office/briefing-white-house-press-secretary-robert-gibbs-2110>.)

While expressing regret over the Chinese position, and affirming that the United States would protect its national security interests, State Department Spokesman Philip J. Crowley took a similar stance: “We have a wide-ranging relationship with China. It’s one of the most important . . . bilateral relationships in the world. And within our strategic and economic dialogue, we touch on a wide range of subjects. We are going to have areas of agreement. We’re going to have areas of disagreement. And when we have disagreements, we will work through them in a consistent but candid way.” (“Daily Press Briefing,” State Department, 1 February 2010, <http://www.state.gov/r/pa/prs/dpb/2010/02/136356.htm>.)

⁴³ “Foreign Ministry Spokesperson Ma Zhaoxu’s regular press conference,” 4 February 2010, <http://www.fmprc.gov.cn/eng/xwfw/s2510/t656333.htm>.

⁴⁴ “Briefing by White House Press Secretary Robert Gibbs,” White House, 12 February 2010, <http://www.whitehouse.gov/the-press-office/briefing-white-house-press-secretary-robert-gibbs-21210>.

⁴⁵ Xiong Tang (ed.), “China warns U.S. of detrimental effect of meeting Dalai Lama,” Xinhua, 2 February 2010, http://news.xinhuanet.com/english2010/china/2010-02/02/c_13160009.htm.

⁴⁶ “China warns US President Obama not to meet Dalai Lama,” Agence France-Presse, 2 February 2010, disseminated by OSC, CPP20100202968174.

⁴⁷ Excerpted in Alan D. Romberg, *Rein In at the Brink of the Precipice*, (Henry L. Stimson Center, 2003), pp. 233–234.

⁴⁸ *Ibid*, p. 238.

⁴⁹ *Ibid*, pp. 95–96.

⁵⁰ *Ibid*, p. 240.

⁵¹ The following discussion comes from that Communiqué, excerpted in Romberg, *Rein In at the Brink*, p. 242 ff.

⁵² *Ibid*, pp. 96–97.

⁵³ *Ibid*, pp. 124–125.

⁵⁴ Private conversations, January 2010.

⁵⁵ *Ibid*.