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Who and What Will Shape the KMT’s “New” China Policy?

After the new chairman of the Nationalist Party (Kuomintang or KMT), Johnny Chiang (江啟臣), took over the helm of the ailing centenarian Party, a central question has been how the 47-year-old former minister of the Government Information Office-turned-legislator will reorient the KMT’s relations with “China” and change the Party’s discourse on cross-Strait relations. The KMT’s traditional position of favoring closer cross-Strait interactions has been fundamentally challenged in recent years. This was especially true in the 2020 elections, when Beijing’s increasingly aggressive approach towards Taiwan and neighboring Hong Kong sent a warning signal to the people of Taiwan, serving as one of the factors contributing to the Party’s defeat in the elections. The KMT Reform Committee (改革委員會)—which has a total of 62 members—officially launched after the new chairman was elected and is headed by Chiang, with KMT Secretary General Li Chien-lung (李乾龍) serving as deputy-general convener. According to news reports, the Committee is divided into four groups: the “Cross-Strait Discussion Group,” the “Organizational Reform Group,” the “Youth Participation Group,” and the “Financial Stability Group.” The group that is most in the public spotlight is the Cross-Strait Discussion Group.

The “Cross-Strait Discussion Group” (兩岸論述組) is in charge of gathering ideas from the Party’s leading thinkers on cross-Strait relations and proposing a new platform for the Reform Committee and the new chairman to consider and the Party to adopt. Probably the single most contentious policy issue facing the Reform Committee will be whether the Party will retain in its original form, discard, or modify in some way the so-called “1992 Consensus,” which refers to the tacit agreement between the KMT and the Chi-
nese Communist Party (CCP) that the two sides of the Strait belonged to “One China” and with each side free to interpret what that “China” is. There is reportedly a total of 16 cross-Strait experts and scholars included in the group. They are: Wang Hsin-hsien (王信賢), Chi-ang Shuo-ping (江碩平), Shen Ching-kuang (沈慶光), Lin Yu-fang (林郁方), Chiu Shih-yi (邱師儀), Yu Chen-hua (俞振華), Shih Wei-Chuan (施威力), Tu Li-Hsuan (涂力旋), Kao Wen-cheng (高文誠), Kao Su-po (高思博), Chen Wang-Chuan (陳汪全), Tseng Pai-wen (曾柏文), Liu Tai-ting (劉泰廷), Cheng Kuang-hung (鄭光宏), Su Chi (蘇起), and Huang Shao-ting (黃紹庭).

In an interview with the China Review News—a Hong Kong-based news outlet with close ties to Beijing—Professor Edward Chen (陳一新), a former deputy director for the KMT’s Mainland Affairs Department, stated that one the difficulties of determining how the KMT’s China policy may change stems from the fact that the Cross-Strait Discussion Group is comprised of many different opinions from various factions within the Party. As an example, Chen highlighted how the KMT’s brain trust on China policy includes former minister of the Mainland Affairs Council (MAC), Su Chi, National Chengchi University Professor Wang Hsin-Hsien, and National Taiwan University Professor Tso Cheng-tung (左正東), who is now the acting director of the Party’s Mainland Affairs Department. According to Chen, the three scholars represent starkly different views within the Party on China policy. Wang is associated with the “light Green” camp (in reference to the ruling Democratic Progressive Party coalition), Su favors a firm adherence to the “1992 Consensus,” and Tso advocates for the democratization of the People’s Republic of China. In Chen’s view, it will be very difficult to integrate these different views into one platform, much less satisfy Beijing as well as more than half of the Taiwanese people.

Moreover, regardless of the respective views of these individuals, Chen argues that the KMT will ultimately need to put forward a discourse on cross-Strait relations that is acceptable to Beijing. The KMT could shelve or even abolish the “1992 Consensus.” However, it would need to be replaced with a formula that Beijing could accept. According to Chen, the inclusion of Su in the Cross-Strait Discussion Group was intended to appease China, though whether Su alone could override the opinions of the others remains to be seen.

The former deputy director of the KMT Mainland Affairs Department also said that the Party and Beijing are now at a stalemate. Interestingly, Chen claimed that the KMT did not send any representatives to participate in this year’s Tomb-Sweeping Day celebration—a traditional Chinese holiday that celebrates ancestor remembrance—at the Yellow Emperor’s Mausoleum in China’s Shaanxi province. The KMT has sent representatives to this event every year since former Chairman Lien Chan (連戰) visited in 2009. Additionally, he cited the annual KMT-CCP Forum, which is reportedly not going to be held this year because the two parties have not agreed to the matter. Through these actions, the new chairman appears to be signaling to Beijing that the KMT does not have to cooperate with the PRC since China clearly does not cooperate with the Party. For example, Chen claimed that the KMT did not know in advance before Beijing proposed the preferential policies for Taiwan (惠台政策), such as the 31 or the “one country, two systems, Taiwan plan” (一國兩制台灣方案).

While the KMT’s traditional position of favoring closer cross-Strait relations may once have been an advantage for the Party—especially during previous periods of tense cross-Strait relations when voters preferred stability—it clearly turned into a liability in the 2020 election after Beijing ratcheted up its bullying of Taiwan and Hong Kong. Furthermore, Beijing’s narrow interpretation of the “1992 Consensus,” which essentially equates it with the “One-China” principle and “one country, two systems,” has squeezed the air out of the room to expand the interpretation of the supposed second clause of the tacit agreement of “different interpretations.”

According to Dr. Austin Wang in his GTI occasional report “Surveying the Taiwanese Psychology on Self-Defense and Self-Determination,” which utilizes an original survey on the Taiwanese public’s views on the “1992 Consensus”:

“If China and the United States wanted the Taiwan government to openly accept the “1992 Consensus,” they should at first loosen, rather than constrain, the definition of this magic word. … the public opinion in Taiwan on “1992 Consen-
“sus” is malleable depending on how Taiwanese people perceive and interpret the term.”

The urgency of reform cannot be understated. As Bonnie Glaser of the Center for Strategic and International Studies observed at a conference co-hosted by Global Taiwan Institute and The Heritage Foundation after the January 11 elections:

“The real question is whether the party [KMT] itself reforms. Whether some of the older generation people move aside [and] make way for the younger generation. Whether they try to redefine themselves as an indigenous party. There are younger people that I’ve talked to in the KMT that would like to be the ‘Taiwan Kuomintang,’ not the ‘China Kuomintang’—that may be a bridge too far in the immediate future. But they have to figure out their messaging and their policies, and, of course, fundamentally have to examine what their policies going to be going forward towards Beijing. Are they simply going to stick with the ‘1992 Consensus’ or are they going to come up with new policies? If they do not revise their policies going forward, then I doubt that they will be able to win support. The most important thing is [sic] KMT reform and generational change.”

In the final analysis, if personnel determine policy, the formation of the Cross-Strait Discussion Group demonstrates that the Party has begun the steps toward reformulating its China policy and it is casting a wide net. The advisory report will reportedly be proposed by the Reform Committee on May 22. What policy recommendations will come out at the end remain to be seen, though any proposals must be adopted by the Party for it to have lasting, meaningful effects. One thing seems to be clear: the KMT Reform Committee must reconcile external pressures that will shape its China policy and also internal differences and contradictions among its members’ views on China policies. As recent polling data indicates, the population in Taiwan increasingly sees China as unfriendly, prefer independence, and favor a slower pace of cross-Strait exchanges, demonstrating that a reform of the KMT’s policy and approach to China are more necessary than ever. Failure to reform now could have long-lasting generational effects.

The main point: The policy recommendations that will come out of the KMT’s Cross-Strait Discussion Group must reconcile external pressures shaping its China policy but also internal differences and contradictions among the various views within the Party on China policies.

Taiwan Becomes More than a Tourist Destination for Hong Kong as Beijing Tightens Grip

The political and business environments in Hong Kong are deteriorating further as Beijing tightens its grip over the Special Administration Regions (SAR), once the poster child for business innovation and economic vibrancy. Local startups are increasingly looking outside the territory for expanding business opportunities. In a recent poll conducted by a Hong Kong organization, Taiwan has emerged as the top choice for local startup businesses looking for expansion opportunities. Indeed, amid Beijing’s suppression of Hong Kong’s political space, many business enterprises are looking at Taiwan and Southeast Asia as their top two destinations of choice.

According to the Youth Entrepreneur Warrior (青年創業軍)—a Hong Kong organization set up in 2011 by local startup entrepreneurs—an online survey that interviewed 218 startups in the SAR in different industries indicated that 18.4 percent of respondents are considering expanding into the Taiwan market. In the poll, Taiwan topped Southeast Asia (14.7 percent), Japan and Korea (8.3 percent), Europe and the United States (4.8 percent), and mainland China (1.8 percent) as the destination that Hong Kong start-ups would most want to expand to. Coupled with other events, the polling data suggests that Taiwan is becoming far more than a popular tourist destination for Hong Kong residents.

Source: Ming Pao
The public sentiment reflected in the Hong Kong poll builds on an already robust economic linkage between Taiwan and the SAR. While the total trade volume between Taiwan and China captures most news headlines, Taiwan was Hong Kong’s third largest trading partner and Hong Kong was Taiwan’s fourth largest trading partner in 2019. Moreover, Hong Kong has been and remains a critical “entrepôt for cross-Strait indirect trade.” According to the Hong Kong Economic, Trade, and Cultural Office, in 2019, 22 percent of the total trade between Taiwan and China, which amounted to around USD $52.5 billion (HKD $411.5 billion), was routed through Hong Kong.

Strong economic links between Taiwan and Hong Kong have been accompanied by increased people-to-people ties. Despite the ongoing civil unrest and protest in Hong Kong, a combined total of 5,000 visitors from Hong Kong and Macau go to Taiwan on average every day, according to data from Taiwan’s Tourism Bureau cited by the South China Morning Post. Especially after the 2014 popular student-led protests in both Taiwan and Hong Kong, which stirred awake the youths in the two democracies, there has been a growing sense of solidarity between the two people. Furthermore, as a consequence of the anti-extradition law protests last year and Beijing’s unrelenting suppression, many young protestors have fled to Taiwan—some even seeking asylum. As NPR noted in a story, “as Chinese control grows over Hong Kong, Taiwan is again becoming a destination for political refugees from across greater China—especially from Hong Kong.” Most recently, the arrest of many Hong Kong pro-democracy legislators has only added fuel to the political and business risks. This will likely reignite the issue of Taiwan’s refugee law and whether it can provide political asylum for people from the SAR.

Beijing’s further restrictions on Hong Kong’s political space will fuel growing concerns that China will ultimately curtail Hong Kong’s high degree of autonomy, causing the business environment to suffer as well. Indeed, according to a survey of companies conducted by the American Chamber of Commerce in Hong Kong released in October 2019, “over half of the companies (61 percent) surveyed have started to feel the heat as they consider moving operations from Hong Kong, making contingency plans, or have had difficulties hiring people from overseas while also experiencing a talent drain.” In comments related to the AmCham survey, Tara Joseph, AmCham President, stated: “This survey should sound as an alarm bell for all who value Hong Kong as a vibrant business hub with rule of law and free flow of information. It’s crucial now to see an end to violence and for the government to step up and promote reconciliation before Hong Kong’s long-term reputation faces permanent damage.”

According to the Ming Pao news report, the vast difference in percentage of Hong Kong startups preferring to expand into the Taiwan market rather than the China market are for two main reasons: First, many small and medium-sized enterprises (SMEs) do not have the capacity to explore the huge inland market and compete with much larger Chinese companies in China. Second, during the COVID-19 pandemic, Taiwan has experienced a much smaller impact than in Hong Kong and many other places. While the results of the Hong Kong poll may reflect mostly business considerations, its correlation with other trends is hard to ignore. As Beijing squeezes Hong Kong ever more tightly, more people in the SAR see opportunities—political and business—in neighboring Taiwan.

The main point: As the situation in Hong Kong further deteriorates as Beijing tightens its grip over the Special Administration Regions (SAR), local startups are increasingly looking outside the territory for expanding business opportunities. Taiwan has emerged as the top choice for local startup businesses looking for expansion opportunities.
Hong Kong and Taiwan: Two Davids Facing a Chinese Goliath

By: Melissa Chan

Melissa Chan is a national and foreign affairs reporter based between Berlin and Los Angeles. She is a collaborator with the Global Reporting Centre and is also an editor and presenter at German broadcaster Deutsche Welle’s news program on Asia. This article was originally published as “Hong Kong and Taiwan: Two Davids Facing a Chinese Goliath” in Perspectives on Taiwan: Insights from the 2019 Taiwan-U.S. Policy, co-sponsored by the Global Taiwan Institute.

Journalist Richard McGregor has described Taiwan and Hong Kong as two places “strangely uninterested in each other”—an observation I can corroborate as a reporter who has worked on Hong Kong in some capacity since 2000. The mutual disinterest, however, is starting to change. At the Oslo Freedom Forum’s satellite Taipei human rights event in September 2019, organizers programmed a segment where Hong Kong pop star and activist Denise Ho took the stage with musician and legislator Freddy Lim, a founder of Taiwan’s pro-independence New Power Party. “Watching the struggle of the people of Hong Kong, how can we give up on ours?” asked Freddy Lim, as he thanked protesters in Hong Kong, pitching their fight not only as one between the territory and the Communist Party of China but as one between authoritarian China’s rising influence and its inevitable clash with the global free world. Denise Ho further exhorted, “Taiwan, protect your democracy and human rights.” The moment was one of the clearest displays of an emerging Taiwanese solidarity for the Hong Kong movement, and one of the strongest expressions of regard for Taiwan’s democracy in aspirational terms from the perspective of Hong Kong protesters.

The two places share many features in common, from the People’s Republic of China’s (PRC) eagerness to absorb both back under what it considers its inalienable control to their shared histories as destinations for mainland Chinese migrants. In recent decades, Taiwan (otherwise known as the Republic of China, or ROC) and Hong Kong have also enjoyed new rights—in the case of Taiwan, full-fledged democracy, and for Hong Kong a level of self-governance separate from Beijing under the “one country, two systems” formulation. These freedoms have served as a source of pride for its residents. Their liberal societies’ divergence from the PRC’s authoritarian system has produced significant social developments: in the case of Hong Kong, a new identity as “Hongkongers,” and for Taiwan, a stronger sense of collective nationality.

Both are Davids contending with the growing Goliath power of the PRC. While people in Taiwan had watched Hong Kong’s 2014 Umbrella Movement with interest, particularly after the island’s own Sunflower Movement, Taiwan’s people and government seem to interpret 2019’s discontent in Hong Kong in more direct and existential terms, commensurate with President Xi Jinping’s growing geopolitical boldness in the intervening years. As the PRC’s desire for unification grows in tandem with its power, one common remark is “Hong Kong today, Taiwan tomorrow.” The perception that the two places increasingly share a common foe has paved the way for more cross-border communication, collaboration, and displays of mutual political solidarity. “One country, two systems” had, after all, originally been conceived not as an arrangement for Hong Kong, but for Taiwan. And President Xi Jinping’s January 2019 speech, couched in the anachronistic lexicon used by the Party, alarmed many Taiwanese citizens. Xi clearly stated that armed force was an option and that unification was, in his mind, inevitable.

While Xi Jinping has worked to make his country red again, combatting what he perceives as ideological rot across the party system with an unprecedented authoritarian hand, Taiwan has only become more democratic. Public perception there of democracy as the best form of government, and the one most suitable for the island, has grown in spite of the bitter partisan politics that characterize Taiwan’s elections. Meanwhile, in Hong Kong, polling at the end of its summer of discontent showed that more than half of the population (69 percent) felt police used too much violence, and while 41.4 percent felt protesters used too much violence, 59.2 percent also believed that violence was justified in the wake of authorities ignoring large, peaceful protests. In other words, people’s anger was mostly targeted at the territory’s un-democratic institutions rather than at protesters. Those who have tak-
en to the streets have argued that in the absence of real representation, they can only vote with their feet. The polling suggests that a significant portion of the population appears to agree with, or at least tolerate, the protesters’ position.

Regardless of how officials choose to resolve the protests, the activism, insurgency, and citizen resentment will continue, even if forced underground or self-censored. This means that Taiwanese grassroots and governmental-level interest in Hong Kong will continue to matter. For now, Taiwanese solidarity can be characterized as real, yet fledgling and inconsistent.

**Solidarity from the People**

The Oslo Freedom Forum speech by Sunflower Movement veteran Freddy Lim and Umbrella Movement veteran Denise Ho serves as a reminder of the shared consciousness between Taiwan and Hong Kong activists that developed back in 2014. The resurrection of those Sunflower and Umbrella connections five years later has contributed to some of the mobilization efforts in Taiwan, but the collaboration remains tenuous.

While the Taiwan Association for Human Rights and Amnesty International Taiwan have organized events in solidarity with Hong Kong, a considerable amount of activity taking place on the island has actually been driven by university students from Hong Kong, not by locals. The flash mob gathering at Taipei’s main station was initiated by a Hong Kong resident. Taipei’s own “Lennon Wall,” replicating Hong Kong’s mosaic spaces where citizens have left Post-It note messages of freedom and democracy, was launched by Hong Kong students at National Taiwan University. A solidarity anthem recorded in both Mandarin and Cantonese was produced primarily by Hong Kong artists. Collectively, these actions give the perception of more Taiwanese solidarity than perhaps exists. It will be interesting to see how successful turnout will be.

My own observation is that Hong Kong activists, as part of their efforts to build global solidarity for their cause, have worked harder to reach out to their counterparts in Taiwan than the other way around. They have had a greater sense of urgency against the China threat; emphasizing solidarity with Taiwan, along with shoring up broader international support, is a matter of strategic importance for Hongkongers in their fight.

Speaking to *The Atlantic* in July 2019, Hong Kong pro-democracy legislator Ray Chan drove this message home: “Hong Kong and Taiwan are both at the front line of the global fight to stop Beijing’s creeping authoritarianism and control. Our cooperation and mutual support will be key to defending our freedom.” While many people in Taiwan might feel this way, and some have shown support—especially online, by switching their Facebook profile pictures to Hong Kong resistance symbols—translating digital activism to real-world activism has proven more difficult. Sustained support will likely continue to come out of Taiwan, but to what extent depends in part on the outcome of the island’s own presidential elections. A Kuomintang (KMT) win may galvanize those worried about a closer relationship with China, leading to more engagement and activism, which could in turn lead people to pay closer attention to events in Hong Kong. On the other hand, a Democratic Progressive Party (DPP) win may mean a sustained administration-led approach that may matter more to the Hong Kong resistance than grassroots support.

**Solidarity from the Government**

There is something newer and bolder at play than mere citizen support: Taipei’s formal reaction to the Hong Kong protests. Braving the risks of Beijing’s frequent warning that others should not meddle in its internal affairs, President Tsai Ing-wen and others in her administration have made clear statements on Hong Kong. Foreign Minister Joseph Wu, for instance, weighed in throughout the summer as protests became more dramatic. In our era of Twitter diplomacy, Wu posted on Twitter in June 2019: “Please know you are not alone. #Taiwan is with you! The will of the people will prevail!” A few days later, he continued his message of support: “The people of #Taiwan share your values & struggle. Our paths & destinies are linked as we both live under the shadow of the #CCP regime. We shall overcome together.”

On July 1, 2019—the anniversary of Hong Kong’s transfer from British to Chinese control—Wu published a tweet addressing the “one country, two systems” formulation that Beijing leadership had suggested would serve as a way forward in unification talks with Taipei. For Wu, the whole thing had clearly become a sham. He wrote that “citizens are seething with anger & frus-
tration. It’s clear the CCP regime’s ‘one country, two systems’ is nothing but a lie. I urge the global community to support the people’s struggle for freedom & fully democratic elections.”

One of President Tsai’s most strongly worded tweets was posted at the start of summer, when she compared Hong Kong’s struggle with Taiwan’s own, saying she was “reminded that #Taiwan’s hard-earned democracy must be guarded & renewed by every generation. As long as I’m President, ‘one country, two systems’ will never be an option.”

She made that declaration just a few days ahead of her contested primary. While Tsai has a long history of commitment to democracy and liberties, the protests in Hong Kong had started at a time when she most needed political support. The KMT had roundly defeated the DPP earlier in 2018 in local elections and the president was under pressure from her own party. Her proven credentials as a guarantor of ROC sovereignty and effective manager in dealing with China helped give her the political ammunition she needed to tip the primary balance in her favor.

But Tsai’s was no longer a uniquely DPP position. It had become bipartisan. Under pressure to clarify his views on China—and following bad press when he expressed little awareness of the Hong Kong protests—KMT presidential hopeful Han Kuo-yu effectively echoed President Tsai at a massive campaign rally when he stated that “one country, two systems” would never happen under his watch. The people of Taiwan would never accept it, he reasoned, unless it’s “over my dead body”—words spoken in English for emphasis and dramatic flair. The PRC has effectively and irrevocably lost “one country, two systems” as a feasible model it can offer to Taiwan.

In July, Radio Free Asia reported that some activists had fled Hong Kong for Taiwan, putting the government there on the spot. While Tsai, Wu, and other politicians had issued words of support, the arrival of Hong Kong refugees, with the possibility of more, presented a very tangible problem that would require more than just words to resolve. Taiwan is not party to the UN’s Refugee Convention and does not have a refugee policy of its own. Without divulging what her administration had in mind, or perhaps in the absence of any immediate solution to handle the conundrum, President Tsai simply said, “These friends from Hong Kong will be treated in an appropriate way on humanitarian grounds.”

By the end of the summer, President Tsai circulated four “directives” to government agencies and shared them on Twitter, though she continued to lack specificity on exactly how she would handle refugees from Hong Kong. “Like the rest of the international community, when necessary and based on humanitarian concerns,” Tsai wrote, “we will provide necessary assistance to Hong Kong residents in Taiwan, and will not just stand on the sidelines and watch.”

Some activists in Taiwan have proposed workarounds for Hong Kong refugees, including extended “work” visas, generously defined student visas, and the use of other existing visas which the immigration department may grant on a case-by-case basis. These methods will likely continue for the foreseeable future, since a bipartisan refugee law to address what to do with Hongkongers is unlikely to pass in 2020 or beyond. Dealing with refugees is a touchy political subject. Some worry Beijing would read any law as interference in its internal affairs. Others worry it would attract not only Hong Kong refugees, but those from mainland China, as well.

**Hong Kong, Taiwan, and the Chinese Dream**

The scope of this piece precludes a deeper, more complete examination of Taiwan and Hong Kong’s interaction with each other during this politically volatile period, but I hope the examples provided of both grassroots and government responses underscore the PRC’s difficulties as it proceeds with its Manifest Destiny attitude to both.

In September 2019, grassroots activism came together with government support when Hong Kong activist Joshua Wong visited Taipei. While he did not meet President Tsai, he met with members of her ruling DPP party. The Umbrella Movement leader traveled with lawmaker Eddie Chu Hoi-dick and with Lester Shum, formerly of the Hong Kong Federation of Students. Together, they asked people in Taiwan and beyond to join in global protests supporting Hong Kong. It was unclear what other support Wong could ask for from a government with so little international standing of its own. Alluding to the “Hong Kong today, Taiwan tomorrow”
warning. **Wong chose to turn the phrase on its head:** “But I think the most ideal thing we’d say is ‘Taiwan today, tomorrow Hong Kong’. Hong Kong can be like Taiwan, a place for freedom and democracy.”

Wong hit at the heart of the matter for the PRC. If people in Taiwan regard the threat of China as a frightening, existential matter, so too does Beijing when it looks at Taiwan. The island’s very existence is proof of a workable, alternative governance model for Chinese-speaking people, a democracy that serves as a refutation of the authoritarian legitimacy of the Communist Party of China.

The Chinese leadership has been consumed by the crisis in Hong Kong, but Xi would be wise in his calculus not to forget Taiwan, whose people and officials have been watching with considerable care. It has become increasingly difficult for anyone in Taiwan to justify the position of advocating unification or even closer relations with the PRC. Looking not only at Taiwan and Hong Kong but beyond, at the autonomous regions within China’s national borders that it seeks to consolidate—places such as Xinjiang and Tibet—Xi’s performance so far for his Chinese Dream is exactly that: a dream. His policies have so far driven these territories farther, not closer, to the Party’s twenty-first century goals.

**The main point:** While Taiwan and Hong Kong have rarely worked together in the past, the recent anti-government protests in Hong Kong have provided an opportunity for greater solidarity between the two. Despite Beijing’s attempts to rein in the two democracies, its aggressive tactics have only spurred greater cooperation between the two, making unification more unlikely than ever.

[Editor’s note: This article was slightly edited for style. The original version of the article is available [here].]

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**Taiwan’s Catch-Up with Myanmar Constrained by China Ties**

By: I-wei Jennifer Chang

I-wei Jennifer Chang is a research fellow at Global Taiwan Institute. Special thanks to GTI intern Ines Chung for her research assistance.

Shortly after Taiwan President Tsai Ing-wen (蔡英文) won a second term in the island’s presidential election on January 11, Chinese President Xi Jinping (習近平) made his first state visit to Myanmar. [1] In a move that irked Taipei, Beijing and Naypyidaw reiterated their support for each other’s core interests. The two sides issued a joint statement on January 18 that claimed Taiwan was an “inalienable” part of China. [2] Xi met with State Counselor Aung San Suu Kyi and Myanmar Army Chief Min Aung Hlaing, backing the Myanmar military’s campaign against Rohingya Muslims, which a United Nations report called a genocide. The Myanmar government, in turn, reaffirmed “its commitment to the ‘One-China’ policy” and supported “the efforts of China to resolve the issues of Taiwan, Tibet, and Xinjiang, which are inalienable parts of China,” according to the joint statement. In response, Taiwan’s foreign ministry condemned the joint statement that sought to “diminish the sovereignty of the Republic of China, Taiwan.” Taipei is playing catch-up on developing ties with Myanmar, which opened to the world in 2011 after six decades of self-isolation under a military dictatorship. More broadly, China’s close ties with Myanmar have made it difficult for Taiwan to develop comprehensive links with the Southeast Asian country.

**Taiwan-Myanmar Ties Constrained by China**

China has emerged as a dominant external player in Myanmar, a position that has been strengthened by the Rohingya crisis since 2017. The Chinese government has backed the civilian government led by former democracy icon Aung San Suu Kyi and the Myanmar army’s (Tatmadaw) repressive crackdown and ethnic cleansing campaign against Rohingya Muslims in western Rakhine State. As the United States and other countries have condemned Aung San Suu Kyi’s silence on the Rohingya issue, Beijing has often come to Naypyidaw’s defense as a means to pursue its strategic interests in the resource-rich Southeast Asian country.

China has been pushing the Belt and Road Initiative (BRI, formerly known as “One Belt, One Road”), in particular the China-Myanmar Economic Corridor that includes the controversial Kyaukphyu Special Economic Zone along the Bay of Bengal. China’s strategic ties with Naypyidaw, coupled with its extensive economic presence throughout the country, have constrained Taipei’s development of more robust ties with Myanmar. Ac-
cording to former Taiwan representative to Myanmar, Chang Chun-fu (張俊福), some of Taiwan’s operations in Myanmar are still subject to significant restrictions because of the close relationship between Naypyidaw and Beijing.

**Myanmar Re-opens to the World**

After Myanmar launched economic and political reforms and re-opened to the international community in 2011, Taiwan’s government and businesses were motivated to explore opportunities to develop ties with the resource-rich country. After nearly six decades of non-existent ties, Taiwan’s relations with Myanmar were underdeveloped compared to the island’s more robust economic ties with other Southeast Asian countries, in particular Singapore, Indonesia, Malaysia, Vietnam, and the Philippines. Myanmar’s outward turn and transition from military rule toward democracy marked a turning point in Taiwan-Myanmar relations, not to mention Myanmar’s relations with the United States and many other countries.

Prior to 2011, Taiwan-Myanmar relations had languished for several decades. Taiwan’s relations with Myanmar were “not good” during Myanmar’s military rule (1962-2011), said Representative Chang. China, however, emerged as Myanmar’s lone ally during the junta period, shielding the country from censure and sanctions from the United Nations Security Council in the 1990s. For a long time, Taiwan’s foreign ministry could not set up a representative office in Myanmar because of Naypyidaw’s close ties with China, according to Chang. For a time, Taiwan-Myanmar bilateral matters were handled by the Taipei Economic and Cultural Office in Thailand (駐泰國台北經濟文化辦事處). During this period, Burmese citizens had to travel to Thailand to apply for a Republic of China (ROC) visa.

In March 2016, the Taipei Economic and Cultural Office in Myanmar (TECO, 駐緬甸台北經濟文化辦事處) began operations in Yangon, the largest city and former capital of Myanmar. However, it is notable that the office was not located in the current capital, Naypyidaw. TECO’s mission is to provide consular services and facilitate exchanges in trade and investment, agriculture, education, culture, tourism, and capacity building between the two sides. TECO replaced the Yangon-based representative office of the International Cooperation and Development Fund (TaiwanICDF, 國際合作發展基金會), an aid agency overseen by Taiwan’s Ministry of Foreign Affairs. Prior to the opening of TECO, the Taiwan External Trade Development Council (TAITRA, 中華民國對外貿易發展協會), a semiofficial entity that promotes foreign trade, also maintained an office in Yangon. Subsequently, the Myanmar government opened the Myanmar Trade Office (MTO, 緬甸聯邦共和國駐台北貿易辦事處) in Taipei in 2015.

After the opening in 2011, Taiwan has been progressively building comprehensive ties with Myanmar. Initially, Taiwan’s strategy toward Myanmar emphasized economic and trade relations because they best showcase Taiwan’s strengths, said Representative Chang. However, he argued that Taiwan has other advantages to offer, including health and welfare services, which will help to strengthen relations with the Myanmar government. Since its establishment, TECO has worked to gradually build links with Myanmar through economics and trade, tourism, health services, medical treatments, and education, among other areas, according to Representative Chang. For example, Taipei has provided assistance for projects in Rakhine State, including the donation of 30 houses for ethnic Mro people in the Maungdaw township.

**Economic Opportunities**

While Myanmar is one of 18 countries included in Taiwan’s New Southbound Policy (新南向政策) launched by President Tsai in 2016, it plays a minor role in Taiwan’s overall trade and economic approach to Southeast Asia. Taiwan-Myanmar trade relations rank among the lowest out of Taiwan’s regional trade relationships, second only to Taiwan’s minuscule trade ties with Laos. In 2019, Taiwan-Myanmar bilateral trade reached USD $312.6 million, with Taipei enjoying a trade surplus of USD $171 million. Neither economy is the other’s main trade partner. Myanmar’s main export markets are China, Thailand, India, Germany, and Japan, while it largely imports from China, Singapore, Thailand, India, and Indonesia. Meanwhile, Taiwan’s main Southeast Asian trade partners in 2019 were Singapore (USD $26 billion in bilateral trade), Malaysia (USD $19.8 billion), Vietnam (USD $16 billion), Thailand (USD $9.8 billion), the Philippines (USD $8.2 billion), and Indonesia (USD $7.6 billion).
The relatively meager bilateral trade and investment ties may have been affected by the Myanmar government’s previous restrictions on Taiwan. Naypyidaw prohibited direct trade and foreign investment from Taiwan until 2013. Previously, Taiwanese businesses had to go through a third party or country in order to carry out trade and investment activities with Myanmar. There was also a temporary ban on Taiwanese commercial organizations in Myanmar. In addition, there was few official interaction between Taipei and Naypyidaw, as the two governments did not have economic and trade cooperation agreements with each other. In turn, this slowed the growth of bilateral economic and trade activities. By contrast, Taiwan has signed bilateral investment agreements with other Southeast Asian countries such as Singapore, the Philippines, Vietnam, Malaysia, and Thailand, as well as a free trade agreement with Singapore.

Since the Myanmar government began to allow foreign direct investment from Taiwan, Taiwanese investments in the Southeast Asian country have steadily increased. From 2013 to 2018, Taiwan’s foreign direct investment in Myanmar grew 172 percent from USD $131 million to USD $356 million. As of late 2019, there were approximately 270 Taiwanese businesses operating in the Southeast Asian country, across industries including agriculture, electronics, footwear, and textiles. Taiwan’s advanced technologies could help Myanmar propel its manufacturing capacity for exports, said Myo Thet, vice president of the Union of Myanmar Federation of Commerce and Industry.

A major Taiwanese investment project is the development of the Htantabin Technology Park northwest of Yangon. The project is led by Wedtex Industrial Corporation (偉特企業股份有限公司), a lace maker based in Taipei, and has also attracted other foreign investors. In May 2019, the Yangon region government and a Taiwanese delegation led by Wedtex President Jack Wang signed a memorandum on the project. Once operational, the technology park is expected to create approximately 150,000 new jobs in the country.

Taiwan’s interest in Myanmar continues to expand, particularly as the US-China trade war has shifted global supply chains and Vietnam becomes oversaturated with foreign companies. Accordingly, the World Bank predicts that the production relocation resulting from the US-China trade war could benefit Naypyidaw. Myanmar and Indonesia could serve as alternate markets for Taiwanese companies that are seeking to shift their operations from China and want to avoid the congestion in Vietnam. At the same time, Myanmar’s participation in the Regional Comprehensive Economic Partnership (RCEP), a free-trade agreement in the Asia-Pacific region that excludes Taiwan, may have the opposite effect, spurring Taiwanese businesses—particularly those in the garment industry—to divest from Myanmar to avoid future tariffs.

**Coronavirus Assistance to Myanmar**

Despite the absence of diplomatic relations, since the outbreak of the novel coronavirus (COVID-19), Taiwan has aided Myanmar in its battle against the virus. In March, Taiwan health experts held a virtual conference with Myanmar medical staff at a hospital after the latter sought out Taiwanese medical help to test and treat the coronavirus. The Burmese side needed assistance with testing for COVID-19 and interpretation of test results, patient treatment, and quarantine measures, according to Taiwanese medical experts. Previously, Myanmar was unable to diagnose the coronavirus and had sent swab samples to Thailand for testing. Naypyidaw, which has only one national laboratory for testing COVID-19, also sent some patient samples to Taiwan, which has upwards of 2,000 to 3,000 labs. Taipei said it would donate over one million surgical face masks to countries targeted by the New Southbound Policy. Despite being constrained by China, Taiwan’s medical diplomacy has played an important role in fostering collaboration and friendly people-to-people relations with Myanmar.

As Myanmar and Taiwan both rethink the risks attached to economic dependence on China, more recently sparked by the coronavirus, both sides have the opportunity to further develop commercial, medical, and societal ties. Greater collaboration over COVID-19 can help broaden bilateral ties beyond trade. Taipei has emerged as a leader on containment of the coronavirus and has used its face mask diplomacy to strengthen relations with the United States, European countries, and New Southbound Policy countries including Myanmar. Although Naypyidaw seeks to benefit from its strategic alignment with China, Beijing’s testy relations with many segments of Burmese society, which have
protested in the past against large Chinese-funded infrastructure projects, provides room for Taipei to build a stronger foundation from the bottom-up through increased direct engagement with Burmese people and civil society.

**The main point:** Taiwan is playing catch-up on developing ties with Myanmar after the Southeast Asian nation opened to the world after decades of self-isolation under its military rule. Taiwan-Myanmar relations and trade are gradually growing, though the China factor remains a major barrier in many aspects of the relationship.

[1] Prior to 1989, the country was referred to as Burma. Beginning in 1989, the military government changed the country’s name to Myanmar.

[2] Beijing’s Chinese-language version of the joint statement said Taiwan was an “inalienable part” of “the People’s Republic of China,” instead of “China.”

**Increased PLA Activity Near Taiwan: How to Respond?**

By: J. Michael Cole

*J. Michael Cole is a senior non-resident fellow at the Global Taiwan Institute.*

Despite exigencies caused by the COVID-19 pandemic, China’s People’s Liberation Army (PLA) has continued to conduct military exercises and transits near Taiwan, suggesting that Beijing may be using the global crisis to create new facts on the ground. Since the outbreak of COVID-19—centered in Wuhan, Hubei Province—and the re-election on January 11 of President Tsai Ing-wen (蔡英文), the PLA Air Force (PLAAF) and Navy (PLAN) have conducted as many as 10 transits and exercises near Taiwan. On two occasions—February 10 and March 16—PLAAF aircraft, including KJ-500 AEWC aircraft and J-11 fighters, briefly crossed the median line in the Taiwan Strait, prompting the Republic of China (Taiwan) Air Force to scramble interceptors.

Until 2019, such deliberate incursions had been rare. On March 31, 2019, two PLAAF J-11 fighters crossed the median line in the Taiwan Strait, flying 43 nautical miles into Taiwan’s airspace and resulting in a harsh response from President Tsai, who vowed that future incidents would compel a “forceful expulsion.” At the time, Taiwan’s military stated that this was the first willful incursion by the PLAAF since 1999. Now, in a matter of weeks, Chinese aircraft have violated the median line on two occasions.

Subsequently, on April 9, the Chinese aircraft carrier Liaoning, escorted by two destroyers, two frigates, and a supply ship, passed through the Strait of Miyako between Taiwan and Japan on their way to a long-range training mission. While the Taiwanese government was quick to reassure the public about the safety of the island, it is clear that the Chinese transit was worrisome for Taiwanese officials.

This intense military activity indicates that despite the global pandemic, Chinese authorities have had no problem compartmentalizing—dealing with the pandemic on the one hand, while forging ahead with their efforts to intimidate Taiwan and pursue their territorial ambitions in the region. Following revelations that China had continued with its development of various features in the contested South China Sea at the height of the pandemic, reports in early April revealed that a large Chinese vessel had rammed, and sunk, a Vietnamese fishing boat in waters off the Paracel Islets. Unfortunately for all the countries involved, the lack of international criticism of China’s military activities in times of crisis has allowed it to largely get away with unbecoming behavior.

**Psychological Warfare**

China’s decision to increase the frequency of its military exercises around Taiwan and activity in the contested South China Sea while the world copes with a pandemic suggests that Beijing does not care about the impact that such activities may have on its reputation. In fact, the Chinese leadership may regard the global crisis as providing a necessary distraction, allowing China to intensify its activities.

With regards to Taiwan, the ramped-up military activity was likely an attempt to normalize such behavior, particularly naval transits. Furthermore, the twin incursions into Taiwan’s side of the median line and violations of Taiwan’s air defense identification zone as part of the first PLAAF nighttime exercises near Taiwan on March 16 were likely intended as a challenge to President Tsai’s
vow to “forcefully” expel PLAAF aircraft. Dealing with the COVID-19 crisis at home and knowing that Taiwan’s principal security guarantor, the United States, was struggling with its own response to the deadly pandemic, President Tsai probably realized that acting on that promise could expose Taiwan to Chinese retaliation without the guarantee of US support. Thus, recent PLA exercises and transits may well have been intended as tactics to signal Taiwan’s powerlessness in the face of PLA maneuvers.

In addition to highlighting Taiwanese impotence, the increase in the frequency of PLA activity near Taiwan since January has put the Tsai administration in a difficult position. No matter how it responds—by downplaying the incidents or scrambling interceptors—the end result is likely to be the same: the normalization of growing Chinese military activity in the vicinity of Taiwan.

By expanding the military component of its strategy vis-à-vis Taiwan, Beijing is signaling its discontent with the results of the January 11 elections in Taiwan—in which its favorite candidate, Han Kuo-yu (韓國瑜) of the Chinese Nationalist Party (KMT), was defeated—and reaffirming its decision to coerce the democratic island nation.

**US Response**

The increase in PLA activity around Taiwan since the beginning of 2020 has nevertheless resulted in countervailing activity by the US military, which has responded by increasing the tempo of its own naval activity in the region and dispatches of surveillance aircraft near Taiwan. This has resulted in several sorties by the US Air Force and US Navy during the period between January and April of this year.

US RC-135W Rivet Joint and P-3 Orion aircraft have operated in areas near Taiwan since the end of March. According to Taiwan’s Ministry of National Defense, US reconnaissance aircraft have, at the time of this writing, been spotted on at least 10 occasions near Taiwan since March 25, ostensibly in response to increased PLAAF activity in the area.

The response by the US military has arguably been played a key role in the reaction of the Taiwanese public to the increased activity on the part of the PLA. Despite the distraction of a serious COVID-19 outbreak in the US and infections on the USS Theodore Roosevelt, the decision by the US military to intensify its operations in waters and airspace near Taiwan has created its own normalization of activity. In turn, this has allowed the United States to successfully counter Beijing’s efforts to create new facts on the ground and show, at least to the public, as if the areas surrounding Taiwan were its “internal waters.” Besides sending reassuring signals to Taiwan, US countermeasures have informed Beijing that, COVID-19 notwithstanding, the US military is still paying attention to developments in the Indo-Pacific and will not ignore Chinese attempts to exploit the crisis.

For the sake of Taiwan and regional stability, it is important that the United States continues to signal its determination to maintain a balance of power. Strength is the language which is understood by Beijing; any suggestion of weakness or sign that other, perhaps more pressing contingencies, may be leading the US military to focus its attention elsewhere is likely to be perceived by Beijing as an opportunity to advance its interests. Absent pushback, Beijing will use all the assets at its disposal to maximize its gains in times of stress.

**The Way Forward**

Despite battling a raging COVID-19 outbreak at home, the US government, like Beijing, has demonstrated its ability to compartmentalize and to stay the course. If the United States had not responded as it has in recent weeks, US allies and partners like Taiwan and Japan could have been forgiven for concluding that the current distracted state of the world provided an opportunity for China to change the status quo unchallenged.

Notwithstanding the destabilizing intrusions across the median line in the Taiwan Strait, the PLA is arguably well within its rights to perform transits in international waters, including on its side of the Taiwan Strait, the Strait of Miyako, and the Bashi Channel. Nevertheless, the frequency of such passages by the PLA in those waters and airspace should compel the United States, along with allies in the region, to respond in kind.

The unchallenged normalization of such activity by the PLA, while legal under international law, would contribute to Taiwan’s isolation and threaten the territorial integrity of other states (e.g., Japan’s Senkaku Islets in the East China Sea). Thus, waterways and airspace around Taiwan...
should not be ceded to the PLA alone. Instead, these areas should be frequented by non-Chinese forces—regional militaries as well as likeminded democracies like France, the UK, Australia, and Canada.

For its part, the Taiwanese government will need to continue to strike a balance between reaffirming its ability to defend its territory from PLA incursions and the need to avoid sparking a chain of escalation which could quickly lead to a situation where it needs to defend itself against Chinese aggression. Its room to maneuver will in large part be predicated on the level of non-Chinese military activity in the region. More than ever as the world grapples with the COVID-19 pandemic, United States and regional powers need to remain engaged and remind the Chinese leadership that adventurism will not be countenanced—even in times when non-military contingencies, such as the COVID-19 outbreak, seem to have distracted unprepared governments. Beijing has demonstrated its ability to compartmentalize in times of crisis; for the sake of regional stability, China’s opponents in the battle for influence must show that they have the determination to respond in kind.

The main point: The Chinese military has intensified its activities in the vicinity of Taiwan since the re-election of Tsai Ing-wen in January and amid the COVID-19 pandemic. Countervailing measures by the US military, despite the crisis at home, will be essential to ensure that China does not use this opportunity to create new facts on the ground in the Taiwan Strait.

The “Taiwan Model” for Self-Defense

By: Shirley Kan

Shirley Kan is an independent specialist in Asian security affairs whose service for the US government has included working for Congress at the Congressional Research Service (CRS). She is a founding member of GTI’s Advisory Board.

People in Taiwan might pay less attention to rumors emanating from the American Institute in Taiwan (AIT) chairman’s visit in March and more attention to the US government’s call for Taiwan to implement its Overall Defense Concept for asymmetric advantage. The Congress and Trump Administration have a consensus about arms sales to Taiwan and its military transformation to fortify deterrence. Earning the praise of “Taiwan Model,” Taiwan is gaining international goodwill during the COVID-19 pandemic. Nonetheless, President Tsai Ing-wen’s failure or success in directing the military determines whether that goodwill has implications for Taiwan’s defense against China’s threats. What are the options?

No Time to Waste

For as long as about a month after the AIT chairman imposed a visit in Taipei in early March 2020, reports talked about his purported opinions and pitch for a billion-dollar sale of Raytheon’s Standard Missiles. Taiwan has no time to waste. Such rumors take up the time of Taiwan’s Ministry of National Defense (MND) that reflexively reacts to reports. Rather than sensational stories, Taiwan should pay attention instead to the US Congress, Administration, and Indo-Pacific Command (INDOPACOM) about Taiwan’s essential military reforms to strengthen deterrence against China’s rising threat.

Indeed, on March 16, the People’s Liberation Army (PLA) Air Force flew J-11 fighters and KJ-500 early warning aircraft southwest of Taiwan in the first nighttime training near the island, according to MND. As Minister of Defense Yen Te-fa warned, China continues to increase its military threat even as Taiwan deals with the pandemic.

Before the full-blown pandemic, I wrote that it is in Taiwan’s interest for President Tsai to name quickly the national security officials, even ahead of her second term to start on May 20. Since her re-election in January, attention has focused in particular on decisions about leaders in MND. More happened in January. A tragic crash of a Black Hawk helicopter killed the Chief of General Staff (CGS), Air Force General Shen Yi-ming. Then, Tsai selected Admiral Huang Shu-kuang to act as the CGS. On April 13, the President presided over a ceremony, where Huang was officially sworn in to be the CGS. Meanwhile, Tsai has tackled the crisis caused by the coronavirus suspected from a virology laboratory in Wuhan and misinformation from China.

The broader question concerns whether Tsai is failing or succeeding to select MND officials with military experience, leadership capability, willingness to engage internationally, and bold personalities for military trans-
formation under the Overall Defense Concept (ODC). English is not needed. MND designed the ODC partly under the command of a previous CGS (Admiral Lee Hsi-min, 李喜明). But beyond any individuals, the crux of the current challenge is whether Tsai can carry out the concept to construct a cost-effective, lethal, and resilient military.

Tsai is proactively, decisively dealing with the health crisis and earning her country the State Department’s praise of “Taiwan Model” in fighting COVID-19. Keeping Taiwan safe from another threat from China, will Tsai focus the same direct attention to Taiwan’s military as its commander-in-chief? Will Tsai personally dedicate more time to lead the military, beyond simply appointing personnel and delegating to subordinates? Senior US officials talked with Tsai before January. With her re-election over, Tsai’s direction can determine whether there is US-Taiwan divergence or convergence in assessing and deterring the PLA’s threat.

**An Opportunity Taiwan Cannot Avoid to Waste**

A US consensus supports Taiwan’s sufficient self-defense and asymmetric warfighting to improve military readiness, survivability, and deterrence against China’s threat. The consolidated consensus is held at the Congress, Trump Administration, and INDOPACOM. Will Taiwan apply or waste this opportunity of bipartisan, staunch support?

I have written that Congress has passed laws, including the National Defense Authorization Acts (NDAA), to assert its oversight and policy-making under the Taiwan Relations Act (TRA) (P.L. 96-8). Taiwan has tended to cite such legislation as signals of US support. Congress has called on the Administration to approve closer military-to-military (mil-to-mil) exchanges with and regular arms sales to Taiwan, as they suffered presidential delays in notifications to Congress.

However, Taiwan has stressed only some of the story. Significantly, Congress has placed priority on Taiwan’s choices concerning asymmetric capability and reserve fighters.

In 2016, Congress adopted one provision on Taiwan’s defense in the FY2017 NDAA (P.L. 114-328). The law expressed a “sense of Congress,” counseling that the defense secretary should (not shall) improve US-Taiwan mil-to-mil exchanges at senior levels. Still, the conference report requested that the secretaries of defense and state brief Congress on arms sales to Taiwan by September 1, 2017. The report also stressed the importance of regular transfers of defense articles and services; Taiwan’s innovative and asymmetric capabilities (including undersea warfare); Taiwan’s effective air defense with a balance of fighters and mobile air defense systems; and Taiwan’s participation in bilateral training with the US military.

The FY2018 NDAA (P.L. 115-91) included compromise language about a “sense of Congress.” It recommended a stronger partnership with Taiwan, regular arms sales, Taiwan’s participation in air and naval exercises, senior-level mil-to-mil exchanges, expanded training for Taiwan’s military, and consideration of the advisability and feasibility of US naval port calls to Taiwan (rather than the Senate’s proposed directive to re-establish such naval port calls). Most consequentially, the NDAA for FY2018 included a mandatory, yet noncontroversial, provision to normalize the arms sales process by requiring reports and briefings from the defense secretary. The NDAA did not include a provision on Taiwan’s undersea warfare capability.

Congress passed the FY2019 NDAA (P.L. 115-232) with a section on “strengthening Taiwan’s force readiness.” The legislation required that the secretary of defense shall conduct a comprehensive assessment of Taiwan’s military, particularly the reserves. This legislation reinforced the Defense Department’s focus on Taiwan’s requirement to reform its reserves as an effective fighting force. A study, sponsored by the Pentagon and published in 2017 by the RAND Corporation, found Taiwan’s training for its reserve force to be “insufficient to meet the challenges posed by the increasing threat from the PLA.”

There was more. The NDAA for FY2019 also included a “sense of Congress on Taiwan” that, inter alia, called for US arms sales with emphasis on asymmetric warfare and undersea warfare, as well as predictability of arms sales with timely review and response.

In 2019, Congress passed the FY2020 NDAA (P.L. 116-92). Concerning Taiwan, the law required the Pentagon’s reports on subjects that included: cybersecurity, the TRA, National Security Strategy, National Defense
Strategy, senior-level exchanges, and regular transfers of US defense articles that are mobile, survivable, and cost effective to most effectively deter attacks and support Taiwan’s asymmetric defense strategy. The NDAA also included a “sense of Congress” on enhancement of bilateral exchanges for defense.

**One Fight that Taiwan Cannot Afford to Lose**

Congressional expectations about Taiwan’s transformation complement the Administration’s messages. The Defense Department and National Security Council (NSC) emphasize that Taiwan is not alone in needing to build its military into a distributed, maneuverable, and decentralized force to survive and counter the PLA’s missile, air, and naval attacks. Moreover, INDOPACOM adapts its forces to be agile and distributed. According to its new “Force Design 2030,” the US Marine Corps is transforming with the US Navy and stressing “Stand-In Forces” for “technically disruptive, tactical stand-in engagements that confront aggressor naval forces with an array of low signature, affordable, and risk-worthy platforms and payloads.”

This outlook is found in the Administration’s speech delivered by Principal Deputy Assistant Secretary of Defense David Helvey at the US-Taiwan defense industry conference in October 2019. He cautioned Taiwan that it cannot afford to overlook preparation for the one fight that it cannot afford to lose. Helvey warned that “if the Overall Defense Concept is to remain Taiwan’s guiding framework [...] much remains to be done to ensure Taiwan strikes this balance [between capabilities in peacetime and wartime] by fielding a combat credible force proficient in asymmetric warfare, force preservation, and littoral battle.” He expressed Washington’s earnest expectation for the ODC’s implementation, adding that “the Department and our interagency counterparts are eager to see further progress on these fronts.”

**Not Wasting the Goodwill of the “Taiwan Model”**

Now, Taiwan is earning the compliment of “Taiwan Model” and garnering greater goodwill in the United States and other countries. The question is how to avoid wasting the goodwill’s potential and to sustain that support for Taiwan’s self-defense. First, Taiwan’s resilient, lethal, and cost-effective deterrent would avoid a fait accompli by China to annex the island. Second, foreign countries have more resolve to assist if assured that Taiwan does not face a hopeless fate and has the operational capability to deter and deny the PLA’s attack. Third, Taiwan can assure that its joint forces will survive (for more than one week) until getting foreign assistance. Fourth, Taiwan’s credibility depends upon whether it implements the ODC in alignment with the assessments across the US Executive and Legislative Branches, military, and intelligence agencies. Fifth, Taiwan’s military credibility counters China’s political warfare in peacetime, even without conflict. Finally, President Tsai’s direct decision-making determines how effectively and urgently the MND reforms the reserve and active forces.

As legislation urged for years, the once-broken arms sales process is repaired with normalized notifications to Congress. The Administration sends general/flag officers to visit Taiwan for substantive dialogues. What are other options, if Taiwan transforms its military? I have raised an issue of whether to foster military interoperability, speaking at GTI’s symposium in 2019. This step would be consistent with an objective of the INDOPACOM to strengthen allies and partners in shared strategic competition with China. More options include enhancing mil-to-mil cooperation concerning: special operations forces (SOF); political warfare; US National Guards; official tabletop exercises and analyses specifically with MND (which is more insular than Taiwan’s NSC); and mutual observation or participation in military exercises such as RIMPAC 2020 (if it will still be held this summer after the pandemic). Washington could consider a formal visit by Taiwan’s minister of defense, although Taipei has remained reluctant.

**The main point:** Taiwan has no time to waste. President Tsai’s direct decision-making over the military can ensure that the “Taiwan Model” extends foreign goodwill to Taiwan’s defense.
Time to Harden the Last Line of Defense: Taiwan’s Reserve Force

By: Michael Mazza

Michael Mazza is a senior non-resident fellow at GTI. He is also a visiting fellow in foreign and defense policy studies at the American Enterprise Institute (AEI), where he analyzes US defense policy in the Asia-Pacific region.

While the recent uptick of Chinese exercises and patrols around Taiwan have not amounted to a crisis—and Taipei is right not to treat any incident thus far as such—taken together, they are indicative of Beijing’s malign intentions and point to the People’s Liberation Army’s (PLA) rapidly advancing capabilities. If it is true that intent plus capability equals threat, then the threat to Taiwan is clearly growing. Increasingly, a Chinese use of force is not some distant possibility but rather a danger that draws closer day by day. This development appears to be well understood at Taiwan’s Ministry of National Defense and in its National Security Council, but it is not at all clear that the broader population has a firm grasp of the looming peril. As such, the Tsai administration should consider altering its restrained rhetorical responses to PLA activities and instead highlight those activities to build support for potentially unpopular defense reforms. Although Taiwan has been strengthening national defense through the implementation of its Overall Defense Concept (ODC), a crucial component of Taiwan’s defensive toolkit has been relatively neglected. The reserve force is undersized and undertrained, and thus lacks the deterrent punch it should carry. Now is the time to begin addressing these deficits.

Whither the Reserves?

The Overall Defense Concept (ODC), announced in December 2017, elevates the role of asymmetric approaches to Taiwan’s defense, which are crucial to successfully defending against invasion, while continuing to emphasize conventional approaches to less stressful scenarios, as I have argued for the Global Taiwan Brief previously:

“It may be the case that Taiwan is not buying enough of the asymmetric capabilities it says it needs. The capabilities balance—between high-end and low-end, between those optimized for scenarios short of invasion and those crucial for that eventuality—may be off. But MND is not neglecting its asymmetric requirements. It is striving to field a force suited to the conducting a variety of missions, from peacetime deterrence to defending against invasion and occupation. For a country of nearly 24 million people, this is no easy task.”

A harder task yet remains, however. For although MND is not neglecting asymmetric requirements, the Tsai administration has failed to prioritize what should be seen as a necessity: radically improving the reserve force. The reserve force is the crucial last line of defense in an invasion scenario. As such, large, lethal reserves help to ensure Beijing never makes the attempt.

The reserve forces do have a role to play in the ODC. The ODC, as described in MND’s 2019 National Defense Report, has three pillars: “force protection” (or what the US-China Security and Economic Review Commission has called “preservation of warfighting capability”); “decisive battle in littoral zone”; and “destruction of enemy at landing beach.” Per the National Defense Report, in service of the ODC, the reserve forces are developing capabilities for “safeguarding littoral zone, protecting [High Value Targets], and conducting anti airborne/heliborne [sic] operations.” These are critical missions in the event of an invasion and, given that the regular forces will be tied up along the coastline, assigning them to the reserves is sensible. The missions suggest that a relatively small portion of the reserve forces will be highly trained for combat with elite Chinese warfighters—paratroopers, air cavalry, and perhaps special forces.

Neither the ODC nor the overriding “resolute defense and multi-domain deterrence” military strategy, however, provide any guidance for sustaining the defense of Taiwan in the event that the PLA successfully establishes a beachhead and launches a drive inland. Unless the plan is to give up the fight, Taiwan’s reserve force will be the difference-maker.

At present, it is highly questionable whether Taiwan’s reserve force can make that difference. According to a 2017 RAND report, there are 2.5 million men in the
The military reserve system plus 1 million civil defense volunteers (which would be responsible for “air raid defense, communications, firefighting, first aid, and traffic control”). In aggregate, that number accounts for less than 15 percent of Taiwan’s population and “one man out of every four.” As Ian Easton, Mark Stokes, Cortez A. Cooper, and Arthur Chan, the report’s authors, explain, these reservists are not well trained:

“Taiwan’s force transformation program reduced compulsory military service for the reserve force from one year to four months of basic and specialized training prior to assignment to the reserve force, and the service does not necessarily have to be continuous. For example, a university student may divide his military service commitment into two eight-week periods over two consecutive summers to fulfill his service obligation. After that, the conscript will register with his local reserve command, where he will report for duty only once every two years for a mere five to seven days of refresher training. That equates to as little as 20 days of training spread out over eight years. After eight years, conscripts will go into inactive reserve status, and Taiwan will call these inactive reservists back into service only in the event of a war.”

Easton et al., with remarkable understatement, conclude: “current reserve force training is insufficient to meet the challenges posed by the increasing threat from the PLA.”

If Taiwan’s reserve forces are to have a meaningful deterrent effect vis-à-vis China, they will need to be capable of conducting the missions assigned to them in the ODC, contributing to a fight with PLA regulars marching on Taipei and other centers of gravity, and waging a prolonged insurgency in the event that the PLA occupies the island. In other words, the reserve force likely needs to be far larger, far better trained, and sufficiently armed.

Is Reform Possible?

These are difficult reforms to pursue. Such reforms, of course, require dedication of resources. Training does not come cheap and reservists must be paid. The defense ministry might have to invest in numerous arms caches, extensive tunnel systems, and secure yet easy-to-use communications equipment. In short, MND should be planning to train and equip millions of people for a prolonged fight, while also ensuring smaller groups of elite reservists are ready to carry out highly skilled or high-tech-dependent missions. Despite growing defense budgets in Taiwan, such resources are not readily available.

Significantly expanding the reserve system is an exceptionally difficult political problem. It is one thing to convince a voter of the need for an increase in defense spending at the expense of other priorities. It is quite another to convince that voter to spend new moneys on an effort that will put him (or her) through strenuous military training and take him away from his family, job, and other obligations more frequently and for longer periods.

This is why the Tsai’s administration’s somewhat muted responses to Chinese military activities around Taiwan are misguided. The government need not exaggerate the threat, but it should be forthright in describing it and categorical in explaining what is necessary to counter it. MND should consider quarterly public briefings (delivered orally with accompanying fact sheets) on PLA patrols, exercises, and other activities of relevance to Taiwan. Such regularly scheduled updates would allow Taiwan’s population—and the international community—to more readily understand how Chinese behavior and capabilities are changing over time. President Tsai should draw attention to these briefings on social media and in public remarks. She should also consider giving an annual address focused narrowly on the Chinese military threat.

Recent public opinion polling suggests that Taiwan’s people may be, more than in the past, particularly receptive to arguments about China’s ill intentions, and less likely to dismiss as fear mongering a focus on the military threat. As Russell Hsiao described in the previous issue of the Global Taiwan Brief, the Mainland Affairs Council’s latest poll “indicates that the numbers of people on the island who think China is unfriendly toward the Taiwan government and the public have risen to 76.6 percent and 61.5 percent, respectively.” These numbers have been on an upward trajectory since 2016 and are now the highest they have been in a decade.
In another poll, commissioned by Yao-Yuan Yeh, Charles K.S. Wu, Austin Wang, and Fang-Yu Chen and conducted in April 2019, 62.4 percent of respondents said they believed their “conscription training to be helpful in the battlefield.” Those perceptions may or may not be accurate, but they do at least suggest a populace that is not ill disposed to mandatory military training.

It is easy to say that voters will never support large increases in defense spending or a major revamping of the reserve system. That may, in the end, turn out to be true. But at present, Taiwan’s leaders do not appear to be effectively making the case that Taiwan’s people must sacrifice more to ensure their freedom. China is providing the ammunition with which to make that case. It is past time to start doing so.

**The main point:** The Tsai administration should be forthright in describing China’s growing military threat and categorical in explaining what is necessary to counter it: more defense spending and a much-expanded military reserve system.