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By: Russell Hsiao

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DPP Primary Moves Forward, KMT Stalls, Defining the 2020 Presidential Election

After months of media frenzy, the ruling-Democratic Progressive Party (DPP) has—entirely through public opinion polls—elected to nominate the country's incumbent president, Tsai Ing-wen (蔡英文, b. 1956), to serve as its candidate for the 2020 presidential election this coming January. President Tsai, who <u>announced</u> in February 2019 that she was seeking her party's nomination for the opportunity to continue the job, was faced with an unexpected challenge within her own party's primary by the former premier and mayor of Tainan city. With only seven months to go to the 2020 elections, the opposition party—which had resurrected in the November 2018 election—appear embroiled in an ongoing internal struggle between the anti-establishment candidates represented by the populist Kaohsiung mayor Han Kuo-yu (韓國瑜, b. 1957) and business tycoon Terry Guo (郭台銘, b. 1950) against the party's establishment candidates. Following the November 2018 election, in which economic issues dominated the election, it remains to be seen whether it will also become the defining issue of the 2020 elections.

In a hotly contested primary that saw President Tsai edge out her opponent, Lai Chingde (賴淸德, b. 1959), by a relatively comfortable <u>8.2 percent margin</u>, belie the total uncertainty over whether the incumbent president wou6ld in fact win her own party's nomination as the candidate for the 2020 president election. Indeed, opinion polls from multiple sources conducted earlier in the year suggested that the former premier, who supporters argue is more personable and in touch with the grassroot segments of the party, would be a more competitive candidate than the embattled president to face the resurgent opposition party and also fend off a potential hostile takeover from the independent Taipei mayor—who has yet to announce whether he will run for president.

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In an impressive turn of events—ostensibly due in part to numerous delays in the primary process and a series of domestic and international events that have boosted the president's popularity nationally—President Tsai has clinched her party's nomination in an striking surge that saw her obtain an average support rate of 35.67 percent from five different polls conducted in a potential three-way race, whereas her primary opponent garnered 27.48 percent. Based on conditions agreed to by the two candidates, the poll also compared the popularity of the two candidates against the popularity of independent Taipei Mayor Ko Wenje (柯文哲, b. 1959) and Kaohsiung Mayor Han Kuo-yu of the Nationalist Party (Kuomintang, or KMT). When compared to Tsai, Ko and Han received support rates of 22.7 percent and 24.51 percent, respectively. When compared with Lai, Ko and Han garnered support ratings of 27.38 percent and 23.47 percent on average, respectively. Lai immediately conceded following the results were announced and urged for party unity.

While the DPP appears to be moving ahead to the presidential race, the KMT is still entangled in an internal struggle between the popular anti-establishment candidates represented by the populist Kaohsiung mayor Han Kuo-yu and the business tycoon Terry Guo and the establishment candidates—which are struggling to get air time from the media in a crowded field dominated by the anti-establishment candidates. This stand-off came to a head in a drawn out and uncharacteristically open feud over the primary procedures, which has caused one of the establishment candidates to recently withdraw in protest. Wang Jin-pyng (王金平, b. 1941), the former legislative speaker, pulled out of the race ostensibly in protest to the special rules that had been adopted that bypass established procedures and made it possible to draft the Kaohsiung mayor, who remains the Party's most popular candidate.

The Nationalist Party, which will also determine its presidential candidate through a combination of <u>public opinion polls</u> that will be conducted from July 8-14, is expected to announce its presidential candidate as early as July 15. Right now, Gou and Han are locked in a political duel that appears to have marginalized the establishment candidates represented by Eric Chu (朱 立倫, b. 1961)—the party's presidential candidate in the 2016 presidential election. The independent Taipei

mayor—widely expected to run—is expected to announce whether he will run in August after the KMT has selected its presidential candidate.

While many variables in the 2020 presidential election remain unsettled, the decision of the DPP to select Tsai is a critical first step in the road to the 2020 elections. Following the ruling party's trouncing defeat in the <u>local elections</u> in November 2019, which appear to have centered on economic issues, it raises the question of what are going to be the defining issues for the 2020 election.

As a signal of what those electoral issues may be, according to a recent poll conducted by Academia Sinica-the Taiwan government's premier academic research institution—found that over 58.3 percent of Taiwan people believed that "national sovereignty" (國家主權)was more important than "economic interests" (經濟利益); whereas 31.3 percent felt that economic interests were more important than national sovereignty. The Institute of Sociology at Academia Sinica has been conducting these surveys since 2013 and according to survey data there appears to have been a significant shift in the perceptions of Taiwan people over the years. According to the same survey in 2013, 55 percent of the respondents answered that economic interests were more important national sovereignty, whereas 39 percent thought that national sovereignty was more important. After 2015, the margins became more narrow; however, in 2017-18 the percentage of people who thought economic interests were more important surged to 56 percent. However, in the most recent survey conducted in March of this year indicated a nearly 20 percent increase that 58.3 percent thought that national sovereignty was more important.

According to Chen Chih-jou (陳志柔), deputy director of the Institute of Social Affairs of the Academia Sinica, the shift in public opinion after 2018 apparent from the survey may be attributed to CCP Chairman Xi Jinping's tough talk on the "one country, two systems" during his 40th anniversary to the Taiwan Compatriots speech and ever increasing pressure campaign that have made the Taiwan people feel more threatened by China. Chen noted that the people's sense of threat to sovereignty is stronger than before and after the Sunflower Movement in 2014, and the Taiwanese are no longer as illusory about the supposed promises of eco-

nomic benefits. Against the backdrop of the Hong Kong political crisis over the controversial extradition law that scholars and activists argue represent the steady erosion of Hong Kong's autonomy under "one country, two systems," it appears that sovereignty may become a key feature of Taiwan's 2020 elections.

The main point: Against the backdrop of the Hong Kong political crisis over the controversial extradition law that scholars and activists argue represent the steady erosion of Hong Kong's autonomy over "one country, two systems," it appears that sovereignty may become a key feature of Taiwan's 2020 elections.

Correction: An earlier version the article incorrectly referred to a November 2019 election. It was in fact referring to the November 2018 local election.

Amid Ongoing US-China Trade War, 11th Straits Forum Kicks Off in Xiamen

Amid the ongoing US-China trade war, the largest annual conference organized by private entities on the two sides of the Taiwan Strait—the 11th Straits Forum (海峽論壇)—kicked off in the Chinese city of Xiamen in Fujian province on June 15. The conference, scheduled to run from June 15 to 21, is billed by organizers as one of the top three cross-Strait exchanges that take place each year. Attended by thousands of participants from both sides of the Taiwan Strait, the organizer says that this year reportedly had over 10,000 registered participants from Taiwan. Notable participants from the island-nation include Tseng Yung-chuan (曾永權, b. 1947), the vice chairman of Taiwan's main opposition party (Kuomintang, KMT) and Teng Chia-chi (鄧家基, b. 1956), vice mayor of Taipei city, among other participants from the country's New Party, People's First Party, and local officials. Senior Chinese participants include the chairman of the Chinese People's Political Consultative Conference (CPPCC) and Politburo Standing Committee Member, Wang Yang (汪洋), the director of the State Council's Taiwan Affairs Office (TAO), Liu Jieyi (劉結一), the party secretary of Fujian province, Yu Weiguo (于偉國, b. 1955), and the deputy director of TAO, Fei Jinjia (斐金佳), among other people.

According to the forum organizer, first-time attendees from Taiwan accounted for 40 percent of the reg-

istrants and young people from the island accounted for 50 percent of those new registered attendees. The Straits Forum is one of multiple cross-Strait initiatives launched after 2008, when exchanges between the two sides began to expand in number and accelerate in intensity. Beginning in 2009, the annual forum has attracted the largest congregation of citizens from both sides of the Taiwan Strait at a single event to promote cross-Strait dialogue. The Straits Forum is always attended by senior leaders of the Chinese Communist Party (CCP), which contradicts its supposed non-political orientation.

In his remarks, the chairman of the CPPCC, Wang Yang, reemphasized Xi Jinping's speech at the 40th anniversary of the Message to Taiwan Compatriots and noted how the Straits Forum was first large-scale forum organized after the important speech. Underscoring the theme of the forum to expand cross-strait civic exchanges and deepen integrated development, Wang pointed out that the number of participants has reached a record high, which the senior CCP official said fully demonstrated the trendline for cross-strait economic exchange and integration, and how cultural ties of the people on the two sides of the Strait cannot be severed by any force.

Wang touted how the Chinese economy is moving towards high-quality development and openness and demands for high-quality products and services are increasing daily. Moreover, that cross-strait economic exchanges and integration will only increase and there are no reasons that that relationship should not to become closer and better. The Politburo Standing Committee Member in charge of United Front then want to emphasize that peaceful unification is the least costly option for the two sides of the Strait and reap the greatest benefits for the compatriots. Wang stated that cross-Strait negotiations must be based on adhering to the so-called "1992 Consensus" and opposing "Taiwan independence." "We are willing to create a broad space for peaceful reunification, but we will never leave any room for 'Taiwan independence' separatist activities. Compatriots on both sides of the strait should join hands and share the great values of the nation and resolutely oppose "Taiwan independence" and jointly protect the beautiful homeland," Wang concluded.

Under the theme of "expanding civic exchanges, deepening integrated development" (擴大民間交流、深 化融合發展), the forum focused on four areas: youth exchanges, grassroots exchange, cultural exchange, and economic exchanges with around 83 organizations involved in organizing the event. In a comprehensive program that covered the gamut of issues that ranged from the social to the political, the director of Fujian provincial government's Taiwan Hong Kong Macau Affairs Office and deputy chairman of the Straits Forum organizing committee, Zhong Zhigang (鍾志剛), revealed new programs that were not so a-political, they included a new forum aimed at recruiting young talents from Taiwan. Moreover, the Cross-Strait Think Tank Forum also invited representatives from Taiwan to explore ways to promote the "new four links" (新 四通) and "three-transformations" (三化) across the Taiwan Strait, and inserted a discussion on exploring cross-Strait energy cooperation and a feasibility plan for electricity transmission and sharing between the Taiwan-administered territories of Kinmen and Matsu with Fujian province.

Another panel within the forum, The Cross-Strait Customs Clearance Forum, explored the security and facilitation of customs clearance of advanced science and technology across the Taiwan Strait. Interestingly, this year's Straits Forum appears to have had a heavy emphasis on promoting the concept of a "first home" (away from home) for Taiwanese companies and people in Fujian province. This initiative seems aimed at further refining the implementation of the "31 Measures" (卅一條惠台措施) and the "66 Implementation Opinions" (六十六條實施意見) of Fujian province and the "Implementation Opinions on Exploring the New Road for Cross-Strait Integration and Development" (探索海峽兩岸融合發展新路的實施意見) in Fujian province. Indeed, an apparent motto for this year's conference of celebrating 10 years of the Straits Forum, called on youths from Taiwan to seize the opportunity to live the Chinese dream. Another consistent theme is the promotion of traditional Chinese culture and the forum held the "Cross-Strait Family, To Connect Heart to Heart from Youth" (兩岸一家親‧從小 心連心) Research and Experience Camp, among other cross-Strait cultural exchanges.

Fresh off the heels of a propaganda forum held in Bei-

jing only a few weeks ago where major media outlets from Taiwan were invited to attend, the organizing committee of the Straits Forum announced that there are 42 Taiwanese sponsors that included several major media outlets from Taiwan: Want Want China Times Media Group (旺旺中時媒體集團), United Daily News (聯合報), TVBS Media Inc. (TVBS聯利媒體公司), Eastern Broadcasting Company (東森電視) and Taiwan Eastern Broadcasting New Media Company (台灣東森新媒體公司). The Taiwan News (台灣新聞報) and NOWNews (今日新聞網) are listed as support media for Taiwan. According to media reports, National Taiwan University (台灣大學) and Shih Hsin University (世新大學), which were previously listed as sponsors, are no longer listed.

With the upcoming Taipei-Shanghai Forum to be held in Shanghai, there are many scheduled activities in 2020 aimed at promoting cross-Strait interactions. The Taiwan government, increasingly concerned by these CCP United Front activities, has tried to <u>discourage</u> people to attend this year's conference. With the 2020 elections right around the corner, the CCP appears to be intensifying its United Front activities against Taiwan.

The main point: Amid the ongoing US-China trade war, the 11th Straits Forum kicked off in the Chinese city of Xiamen in Fujian province on June 15. With the 2020 elections right around the corner, the CCP appears to be intensifying its United Front activities against Taiwan. Time will tell if it will have any effects.

Opportunities and Challenges for Further Expansion of US-Taiwan Space Cooperation

By: David An

David An is a senior research fellow at the Global Taiwan Institute and was previously a political-military officer at the US Department of State.

With the upcoming launch of Formosat-7 satellite constellation by SpaceX on <u>June 24</u>, it is timely to examine the promises and pitfalls of further enhancements in US-Taiwan cooperation in space. Referring to Taiwan's Formosat-7, President Tsai Ing-wen (蔡英文) said that

it will collect even more weather data than what is currently possible, which will also serve <u>national defense and disease prevention purposes</u>. Considering President Tsai's remarks about the importance of cooperation, what drives such high-tech space cooperation, what holds it back, and how can both sides foster greater cooperation in this area? While the United States and Taiwan work together to develop satellites, what keeps Taiwan from developing space launch capabilities?

This article identifies key challenges to greater US-Taiwan space cooperation such as tight export control, the question of international demand, and intellectual property concerns. Yet, there are also plentiful opportunities for further expansion of US-Taiwan space cooperation due to Taiwan's talented workforce, affordable wages, and trust between the United States and Taiwan due to inherent political compatibility with Taiwan as a vibrant constitutional democracy aligned with US values and interests. [1]

Key Challenges: MTCR Norms, US Export Control, and Scaling Up

While the United States and Taiwan already have a track record of working together to produce satellites and satellite components, one key challenge to improving the space launch aspect of US-Taiwan space cooperation is that Taiwan is discouraged from manufacturing and launching rockets capable of reaching space. Such space launch vehicles are "dual use:" for the purposes of space launch and nuclear proliferation. The same rockets that launch payloads or passengers to space can also be used to deliver nuclear warheads over long distances.

For this reason, the United States supports the Missile Technology Control Regime (MTCR) of 1987 that discourages others that do not already have long range missile capabilities from acquiring them. Specifically, the MTCR limits the transfer of ballistic and cruise missiles that have the inherent capability to deliver 500 kilogram warheads to 300 kilometers. It limits the potential for US cooperation with Taiwan on space launch, though both sides could still continue to collaborate on producing satellites together.

The United States has a practice of holding Taiwan

and other partners and countries and partners such as South Korea to the norms of the MTCR. For Taiwan, adhering to MTCR is supporting a norm since Taiwan is not legally bound to it as a signatory, unlike the United States, which is a signatory of the MTCR. Taiwan is aware that the US government does not support any efforts for Taiwan to acquire long range missile and space launch capabilities. Taiwan expert Fu Mei mentioned in a 2018 *Global Taiwan Institute* article:

"These [missiles], with tactical ranges of 270-370 km, could afford Taiwan a measure of capability for suppressing Chinese air defenses from standoff distances and/or engaging high-value, time-critical targets [...] The lack of <u>US support for Taiwan acquiring such capability, in addition to the usual China concerns, has been further compounded by MTCR (Missile Technology Control Regime) proliferation issues."</u>

Furthermore, the Arms Control Association (ACA) further ties MTCR with Taiwan's lack of space launch capabilities. The ACA's discussion of MTCR mentions: "Diplomatic efforts built around MTCR standards are widely seen as having had a number of successes, including: Taiwan's abandonment of its dual-capable satellite launch program in 1990." The association elaborates in a separate report: "The MTCR has been credited with slowing or stopping several missile programs by making it difficult for prospective buyers to get what they want or stigmatizing certain activities and programs. Argentina, Egypt, and Iraq abandoned their joint Condor II ballistic missile program. Brazil, South Africa, South Korea, and Taiwan also shelved or eliminated missile or space launch vehicle programs."

If Taiwan were to improve cooperation with the United States in producing satellites or conducting a space launch, another challenge for Taiwan would be the need to find abundant international customers to break even or make a profit. In doing so, Taiwan would likely be less successful in competing in public tenders for satellite components or space launch services than well-established defense and space companies such as Lockheed Martin, Northrop Grumman, or SpaceX. The latter group of major international defense and space companies have a greater variety of products, longer track record, and full backing of their home governments.

While Taiwan is only starting to produce space satellite equipment, it already makes a strong push to sell its conventional defense equipment through international arms trade shows such as the <u>Abu Dhabi Defense Expo 2019</u>, and <u>International Defense Industry Fair 2019</u>. Ramping up production and selling to international customers would presumably follow these same sales channels since aerospace and defense industries intersect. In essence, scaling up production and finding customers could be another constraint to Taiwan's space ambitions.

Major Opportunities: Taiwan's High-Tech Economy, Work Force, and Political Compatibility

There are also many drivers of increasing US-Taiwan cooperation in the space industry. US cooperation with Taiwan on a cutting edge field such as space makes sense because both the United States and Taiwan have high-tech economies. The United States is the home to top research and development (R&D) talent in the technology industry with companies such as Apple, Google, IBM, and many others. Taiwan has the high tech industrial base to take its R&D plans and produce items such as iPhones from Apple's designs, and provide secure locations in Taiwan for Google's data centers.

Taiwan's high-tech economy had a head start compared to others in the region since Taiwan is historically considered one of Asia's <u>four tigers</u>. The four tigers was a designation for the rapid industrialization of economic powerhouses Taiwan, South Korea, Hong Kong, and Singapore from the 1960s to 1990s. This is the precedent and foundation for Taiwan's modern high-tech economy.

Taiwan's high-tech economy is based on its highly educated populace as its workforce, which is relevant for a high-tech field such as the space industry. Basic education through high school or vocational high school up until age 18 is compulsory. There is an abundance of higher education options in Taiwan as well, with 158 universities in Taiwan enrolling 1.3 million students. The traditional Confucian culture that pervades Taiwan also drives young people toward academic achievements.

Another reason that US-Taiwan space cooperation to produce satellites makes sense is the affordable wages

of Taiwan's top talent. An early-mid career aerospace engineer in the United States would expect take-home pay of at least \$100,000 US dollars a year. That is around \$50 dollars an hour net take-home income, but with overhead costs of office space, health benefits, and matching 401K it can be upwards of \$100 dollars gross per hour. For a US engineer to work an extra long 10 hour day could cost \$1,000 with overhead costs included(\$1,000 US dollars is around \$30,000 NTD for one day of work). The same early-mid career engineer in Taiwan would cost between \$60,000 to \$90,000 NTD per month, which is the equivalent to the US engineer working for two or three days. To rephrase this, a Western engineer working for two or three days costs the same as an equally talented engineer in Taiwan working for a month. This shows the significant cost savings of choosing Taiwan engineering talent.

The cost savings of working with Taiwan's affordable top talent is a driver for even more US cooperation with Taiwan on space and other high tech fields, with the prime example of how Taiwan was set to deliver a moon lander to NASA for \$46 million US dollars before the mission was cancelled. The cost/price of \$46 million US dollars is incredibly affordable in the aerospace and outer space industry. In the aerospace context, a new F-16 fighter aircraft costs around \$50 million to \$60 million US dollars, and F-35 Joint Strike Fighter costs even more at around \$80 million US dollars. The moon lander would have cost less than either of these fighter aircrafts, even though a moon lander would have been a bespoke custom item that normally costs far more. The fighter aircraft are produced on assembly lines that minimize labor costs and save money due to large scale production. Taiwan was set to build a lunar lander for an incredibly low price.

In addition to possessing a highly educated workforce and affordable wages, the United States is working with a constitutional democracy with strong rule of law when it cooperates with Taiwan. This is in contrast to other governments with systems diametrically opposed to the United States. A common democratic system and rule-of-law in Taiwan and the United States means there is more trust between the two partners. This aspect is becoming increasingly important in the current geopolitical context.

While US-Taiwan space cooperation is promising in

terms of jointly producing satellites, it is less realistic for Taiwan to pursue space launch due to MTCR and export control restrictions. Despite those challenges holding Taiwan back from any space launch ambitions, Taiwan continues to be an attractive high-tech partner for the United States in producing satellites and satellite components. Taiwan's advantages are its highly educated workforce, rule of law, and constitutional democracy compatible with the United States' political system. These explain why there has been this track record of successful US-Taiwan cooperation in the Alpha Magnetic Spectrometer, ISS computer, Formosat-5 in 2017, and the upcoming June 24 launch of the Formosat-7 weather satellite cluster.

The main point: For the prospects of even greater US-Taiwan space cooperation in the future, the challenges for Taiwan include US export control, the Missile Technology Control Regime, and the difficulty in scaling up Taiwan's space industry. However, opportunities arise from Taiwan's highly educated talent pool, affordable wages, and compatible goals and values leading to even greater US-Taiwan space cooperation in the future

[1] In my first article on Taiwan's indigenous space industry, I mentioned Formosat-5 as Taiwan's indigenously produced satellite. In the second article on US-Taiwan space cooperation, I examined the US-Taiwan co-produced Formosat-7 satellite. I also addressed US-China cooperation through the alpha magnetic spectrometer and international space station computer.

China Amps Up the Rhetoric at Shangri-La Dialogue as US Signals Closer Ties with Taiwan

By: J. Michael Cole

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

During his address at the <u>Shangri-La Dialogue 2019</u>—18th Asia Security Summit, held in Singapore from May 31 to June 2, Acting US Secretary of Defense Patrick M. Shanahan touched briefly on Taiwan, mentioning it last in his list of collaboration between the United States

and partners in the Indo-Pacific region. "We continue to meet our obligations under the Taiwan Relations Act [TRA] to make defense articles and defense services available to Taiwan for self-defense," Shanahan said during the <u>first plenary session on June 1</u>. "This support empowers the people of Taiwan to determine their own future. We maintain that any resolution of differences across the Taiwan Strait must occur in the absence of coercion and accord with the will of the people on both sides of the Taiwan Strait." [1]

区onversely, on the next day, General Wei Fenghe (魏 鳳和), State Councilor and Minister of National Defense of the People's Republic of China (PRC) and the senior-most Chinese official to ever participate at the Dialogue, peremptorily signaled that Taiwan figured at the very top of Beijing's priorities in the region. A few minutes into his plenary, Wei, who was leading a group of 33 Chinese delegates at the forum, warned that "[w] e hold different views with the US side on several issues regarding the wrong words and actions of the US on Taiwan and the South China Sea."

Later in his speech, the defense minister revisited Taiwan and spent a substantial amount of time on the matter. "The Taiwan question," Wei said, "concerns China's sovereignty and territorial integrity. Not a single country in the world would tolerate secession." Using a skewed analogy derived from US history, he continued, "When I visited the US last year I was told by American friends that Abraham Lincoln was the greatest American president. I wondered why and they explained, 'It is so because he led the country to victory in the Civil War and prevented the secession of the US.' The US is indivisible and so is China."

"China must be and will be reunified. We find no excuse not to do so. If anyone dares to split Taiwan from China, the Chinese military has no choice but to fight at all costs for national unity," he said. "Hereby, I have a message for the Democratic Progressive Party authorities and the external forces. Firstly, no attempts to split China would succeed. Secondly, any foreign intervention in the Taiwan question is doomed to failure," Wei concluded.

Wei then sought to question the very legitimacy of the TRA. "I have taken note of the US speech yesterday [by Shanahan] which mentioned Taiwan. I want to ask: is

the Taiwan Relations Act a law of Taiwan or a law of the US? Is it a law of China or an international law? Is it an act of the UN? How can the US enact a law to interfere in China's internal affairs? Is there any sense in that?" Ironically, this was the only instance in all of Wei's address which mentioned international law.

Wei concluded with a stern warning. "Any underestimation of the People's Liberation Army [PLA] resolve and will is extremely dangerous," he said. "We will strive for the prospect of peaceful reunification with utmost sincerity and greatest efforts, but we make no promise to renounce the use of force. Safeguarding national unity is a sacred duty of the PLA. If the PLA cannot even safeguard the unity of our motherland, then what do we need it for?"

The asymmetry of attention on Taiwan, which characterized Acting Secretary Shanahan's address and Defense Minister Wei's speech the following day suggests that the US side, by limiting itself to the usual careful rhetoric on Taiwan and the TRA, was seeking to avoid a direct confrontation with China at Shangri-La on that particular matter. What, then, prompted Wei to adopt such harsh rhetoric?

The answer probably lies in the release of the Department of Defense's "Indo-Pacific Strategy Report" on June 1. Unlike Shanahan's address, the report makes it clear that Taiwan is now regarded as a key partner in the US' strategy for the Indo-Pacific. Revealingly, the report even refers to Taiwan as a *country*, one of four alongside Singapore, New Zealand, and Mongolia, that are "reliable, capable, and natural partners of the United States."

"All four countries," the report states, "contribute to US missions around the world and are actively taking steps to uphold a free and open international order. The strength of these relationships is what we hope to replicate in our new and burgeoning relationships in the Indo-Pacific."

No sooner had the report been released than some media began <u>speculating</u> that the reference to Taiwan as a country could indicate that Washington was about to abandon its "one-China" policy, speculation that probably reads far too much into the language.

Still, even if, as one would expect, US-Taiwan relations

continue to exist under Washington's "one-China" policy, the report's section on Taiwan was notable for its substance.

"The United States has a vital interest in upholding the rules-based international order, which includes a strong, prosperous, and democratic Taiwan," it said. "The United States is pursuing a strong partnership with Taiwan and will faithfully implement the Taiwan Relations Act, as part of a broader commitment to the security and stability of the Indo-Pacific. Our partnership is vital given China's continued pressure campaign against Taiwan. Taiwan lost three diplomatic partners in 2018, and some international fora continue to deny the participation of representatives from Taiwan. Although China advocates for peaceful unification with Taiwan, China has never renounced the use of military force, and continues to develop and deploy advanced military capabilities needed for a potential military campaign."

It continues: "The salience of defense engagements has increased as the PLA continues to prepare for contingencies in the Taiwan Strait to deter, and if necessary, compel Taiwan to abandon moves toward independence. The PLA is also preparing for a contingency to unify Taiwan with the mainland [sic] by force, while simultaneously deterring, delaying, or denying any third-party intervention on Taiwan's behalf. As part of a comprehensive campaign to pressure Taiwan, China has increased military exercises in the vicinity of Taiwan, including circumnavigation flights by the PLA Air Force and naval exercises in the East China Sea."

"The objective of our defense engagement with Taiwan is to ensure that Taiwan remains secure, confident, free from coercion, and able to peacefully and productively engage the mainland on its own terms," it said. "The Department is committed to providing Taiwan with defense articles and services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability. DoD [the Department of Defense] is continually engaged in evaluating Taiwan's defense needs to assist Taiwan in identifying capabilities that are mobile, survivable, and effective in resisting the use of force or other forms of coercion."

Five days later, news reports <u>stated</u> that the United States was exploring the possible sale of USD \$2 bil-

lion-plus in arms to Taiwan, as part of a package that would reportedly include 108 M1A2 Abrams main battle tanks, as well as 409 Javelin missiles, 1,240 TOW anti-tank missiles, and 250 Stinger missiles, according to unnamed sources. All these defense articles would play a major role in countering a landing force along Taiwan's west coast. Reports earlier this year also suggested that Washington may be more amenable than it was in the past to sell Taiwan F-16 Viper aircraft, for which Taipei has made an official request, though such a sale is unlikely to materialize before the January 2020 elections in Taiwan.

Five days after the release of the report, Chinese Foreign Ministry spokesman Geng Shuang (耿爽) said during a regular press conference that Beijing "urges the US to realize fully the high degree of sensitivity and severe impact of this issue, and honor its commitment to the one-China principle and the three China-US Joint Communiqués," adding, as it normally does with every announcement of a possible arms sale, that the United States "needs to stop selling arms to or having military ties with Taiwan." (Washington does not have a "one-China" principle, which is Beijing's phrasing, but rather its own "one-China" policy, which acknowledges Beijing's position on Taiwan and in no way restricts arms sales or military-to-military contact.) Geng also failed to mention among the documents that define US-Taiwan relations the TRA as well as the Six Assurances, which alongside the Joint Communiqués set the tone and direction of the overall US policy toward Taiwan, which, as per US commitments under the TRA and the Six Assurances, is bound to become more supportive toward Taiwan as China ramps up its military pressure against the island-nation.

A few days prior to Shanahan's remarks at Shangri-La, a Taiwanese graduate was seen waving the Republic of China (Taiwan) flag at the commencement ceremony of the US Air Force Academy (USAFA) in Colorado. Moreover, Taiwan Major General Erh-Jung Liu (劉爾榮), as well as the flag of Taiwan's Marine Corps, were also seen at the annual Pacific Amphibious Leaders Symposium (PALS-19), held in Hawaii from June 3 through June 6.

While the developments discussed above highlight several areas where closer collaboration on defense has developed between Taiwan and the United States, none of them contravenes the (self-imposed) limits on what Washington and its agencies can perform under its "one-China" policy. Nevertheless, this rapprochement, which has been accompanied by similar developments in other areas, has sparked anxieties in Beijing. This probably explains why, despite Acting Secretary Shanahan's rather cautious remarks regarding Taiwan at the Shangri-La Dialogue, General Wei struck a belligerent note on the subject.

The main point: Despite limiting itself to signals of support and engagement with Taiwan that do not contravene Washington's "one-China" policy, the US Department of Defense has embraced a greater role for Taiwan in recent months, and Beijing has taken notice. All of this came to a head at this year's Shangri-La Dialogue in Singapore.

[1] Taiwan had three delegates at the Dialogue, three of them listed under "IISS Guests" and one (this author) under "Canada." The US delegation, led by Shanahan, counted 98 members.

Momentum in the US-Taiwan Security Partnership

By: Shirley Kan

Shirley Kan is an independent specialist in Asian security affairs who worked for Congress at the non-partisan Congressional Research Service; founding member of GTI's Advisory Board.

Marking the 40th anniversary of the Taiwan Relations Act's (TRA) enactment and third anniversary in office of President Tsai Ing-wen (蔡英文), Taipei and Washington have momentum in their stronger security partnership. Developments include the bipartisan Taiwan Assurance Act in Congress, Tsai's substantive stopover in Honolulu, high-level talks on national security, regular arms sales, the Defense Department's signaling of support for Taiwan's security, and Senate's confirmation of David Stilwell as an assistant secretary of state, whom Taiwan welcomes. What more needs to be done? What do the incremental improvements mean? What do they not mean?

Improvements in Engagement

Improvements in engagement include numerous developments since early 2019. On March 26, Senators Tom Cotton, Robert Menendez, Marco Rubio, Ted Cruz, Catherine Cortez Masto, and Chris Coons, introduced the <u>Taiwan Assurance Act</u>. This legislation (S. 878) is notable for its bipartisan support as well as timing of its introduction during Tsai's stopover in Honolulu, for which she was pleased. On April 1, Representative Michael McCaul introduced the Taiwan Assurance Act in the House (H.R. 2002). The House passed it on May 7.

On March 26-27, President Tsai enjoyed a smooth stopover in Honolulu (after visits to Palau, Nauru, and Marshall Islands) that entailed substantive discussions with US officials, including Adjutant General Arthur Logan of the <u>Hawaii</u> Emergency Management Agency—not just greeting by the chairman of the American Institute in Taiwan (AIT).

On April 15, the administration formally notified Congress of one Foreign Military Sale (FMS) for training of pilots and maintenance of Taiwan's F-16 fighters at Luke Air Force Base.

In continuation of a practice, retired Admiral Samuel Locklear led a US delegation to observe Taiwan's improvements in its annual Han Kuang military exercise on April 22-26. More robust military-to-military exchanges have included visits by active-duty generals and admirals and senior enlisted leaders (a relatively new emphasis).

On May 13-21, the secretary general of Taiwan's National Security Council (NSC), David Lee, visited the United States to participate in different meetings with US defense and national security officials, including a meeting in Washington, DC, with National Security Advisor John Bolton. While it was not the first meeting in a NSC-to-NSC channel, Taiwan publicized this meeting as a long-sought visible sign of support. The significance was in both leaderships seeking to enhance mutual understanding in direct, clear communication of priorities and views, sometimes not sufficiently achieved through AIT's representatives.

On June 1, the Defense Department issued the Indo-Pacific Strategy Report. That report raised some hype over its use of "countries" in referring to Mongolia, New Zealand, Singapore, and Taiwan. That one word does not make a change in US diplomacy but is

common-sense language in recognition of realities in Taiwan as a de facto, legitimate democracy rather than bowing to political correctness. Indeed, Section 4(b)1 of the TRA stipulates that references to foreign countries in US laws shall apply to Taiwan.

The report's section on Taiwan reflects mostly continuity in policy while acknowledging that "the salience of defense engagements has increased" as the People's Liberation Army (PLA) continues to prepare for contingencies in the Taiwan Strait to deter, and if necessary, compel Taiwan to abandon moves toward independence, as well as to prepare for a contingency to unify Taiwan with the mainland by force while deterring, delaying, or denying third-party intervention to assist Taiwan.

Timed with the report's release, Acting Secretary of Defense Patrick <u>Shanahan</u> spoke at the Shangri-La Dialogue (SLD) of senior defense officials in Singapore in early June. He discussed Taiwan as a partner, pointing out that the US continues to meet our obligations under the TRA to make defense articles and defense services available to Taiwan for its self-defense.

In contrast, Defense Minister and PLA General Wei Fenghe spoke stridently about not renouncing force against Taiwan and invoked incorrectly the US Civil War to justify that threat. Despite some opinion that the US has raised tension with China partly by upgrading the relationship with Taiwan, Shanahan said that US policy is not about provoking conflict and that he and Wei met to talk about military-to-military interactions, but did not talk about Taiwan.

Even during the SLD to discuss peaceful engagement, the PLA tested a new submarine-launched ballistic missile (SLBM).

In early June, as expected, the administration reportedly notified Congress informally (before formal notification) of four proposed programs for Foreign Military Sales (FMS) of M1A2 Abrams tanks, TOW anti-armor missiles, Javelin medium-range anti-armor missiles, and Stinger air defense missiles, arms sales worth about \$2 billion.

On June 12, the Senate confirmed overwhelmingly (93-4 with 3 not voting) the nomination of retired Air Force Brigadier General David Stilwell as Assistant Secretary

of State for East Asian and Pacific Affairs. Stilwell is welcomed by Taiwan, and he is familiar with relevant policy.

June has featured extensive protests in Hong Kong against a proposed law on extradition potentially to China and against its expanding power in Hong Kong, despite the slogan of "one country, two systems."

Implications for Washington and Taipei

There is more work to be done. There is a five-year gap since the last US Cabinet-rank visit to Taiwan. That visit in 2014 ended the previous 14-year gap without a US Cabinet-rank visit.

In speaking to a conference in <u>Washington</u> on April 9, President Tsai acknowledged that "economic security is national security," a point President Trump made in announcing the Free and Open Indo-Pacific Strategy in 2017. She stressed that Taiwan seeks a bilateral trade agreement. Language in the proposed Taiwan Assurance Act urges the US Trade Representative to resume meetings in 2019 under the bilateral Trade and Investment Framework Agreement (TIFA) with the goal of reaching a bilateral free trade agreement.

Especially since late 2018, concerns have increased in Taipei and Washington about China's <u>influence operations</u> and political interference in Taiwan, the United States, and other countries.

Section 5 of the Taiwan Assurance Act contains its most significant language, which would require the President, notably not the State Department, to review its Guidelines on Relations with Taiwan. That document is part of a policy of self-imposed restrictions on the Executive Branch's contacts with Taiwan's officials. This policy is subject to review to relax or remove restrictions, with or without the legislative requirement.

The value of the FMS notified to Congress in April was relatively small (\$500 million for F-16 pilot training) and the timing occurred during the month commemorating the TRA's 40th anniversary. Nonetheless, the significance of this single program was in showing that the previous notification of a single FMS program (spare parts for aircraft) in September 2018 was not a fluke and that the administration has repaired the broken process that delayed multiple arms sales in a "package" in favor of regular notifications of pro-

grams. The US is showing urgency in helping Taiwan to upgrade its defense, even as the US urges Taiwan to exercise urgency. Moreover, US policy is returning to TRA's congressional intent, whereby the TRA stipulates the determination of defense articles and defense services "based solely" upon the judgment of the President and Congress about Taiwan's requirements.

Furthermore, US policy has returned to normal acceptance of Taiwan's Letters of Request for weapons, not necessarily for approval or denial but at least consideration. Since late 2018, decision-making on Taiwan's request for M1A2 tanks has been part of careful deliberation of considerations (such as costs, capability, challenges, and mission).

Because the administration resumed regular notifications to Congress of arms sales, their timing reflects a normal, deliberative decision-making process, not political interference in Taiwan. A key pending issue is whether to approve Taiwan's request for new F-16V fighters.

As stated in the Indo-Pacific Strategy Report, U.S. support for Taiwan's self-defense features continuity in serving US and international interests in security, stability, and prosperity; Taipei's confident and peaceful contacts with Beijing; as well as Taiwan's unique role in showing a better, democratic path for China.

Nonetheless, the Trump administration signals the partnership with Taiwan more openly. This partnership is not simply strong, but placed in context, it is stronger relative to that pursued under past administrations. This administration sees such a partnership as important in its own right for US interests, not subordinated to the relationship with China.

The administration has articulated expanded interests to include democracy in helping Taiwan to defend against China. Principal Deputy Assistant Secretary of Defense David Helvey stated in 2018 that Taiwan's ability to resist coercion and deter aggression not only will safeguard peace and stability, but "most importantly, it will help protect the free and democratic way of life for the 23 million people of Taiwan." Assistant Secretary of Defense Randall Schriver said in April 2019 that "a strong and secure Taiwan can deter aggression, defend the Taiwan people and their hard-won democracy, and engage on its own terms with the PRC."

It is a misrepresentation to claim that the US uses Taiwan as a "chess piece," "bargaining chip," or "card" in dealings with China. That fallacy is not the approach of Congress or the administration, which sees Taiwan's importance in its own right.

The United States is not pursuing Cold War-like "containment" of nor provoking "conflict" with China. Some officials in China and even Taiwan have over-emphasized recent US and other naval transits through the Taiwan Strait, though transits are normal through international water. Moreover, from 2007 to April 2019, the US Navy conducted 92 transits through that strait, and the transits increased during the Obama, not Trump, administration.

<u>Shanahan</u> stated at the SLD that the US cooperates with China where there is an alignment of interests and competes with China where we must, but "competition does not mean conflict." US policy also is not supporting independence for Taiwan but for its people to decide their way of life in a democracy free from coercion or use of force.

Taiwan needs to strengthen defense through implementation of its Overall Defense Concept (ODC) for asymmetric warfare, as the US has urged. In remarks (via video conference) to a conference hosted by Brookings, CSIS, and Wilson Center on April 9 in Washington, President Tsai stated, "the ODC has my support, 100 percent."

Nonetheless, implementation of the ODC requires resources in increasing defense budgets. A concern focuses on whether Taiwan's legislature will continue in future years to boost defense and whether any special budget for weapons again will be played in a political game.

The main point: Taiwan is at a strategic crossroads. The Taiwan Assurance Act (incorporating compromise language) shows the bipartisan character of US support for Taiwan. Can the same be said for Taiwan's leaders as attention focuses on elections? Will they support the momentum in sustaining a stronger Taiwan and a stronger partnership with the United States?

A Renewed Front in Cross-Strait Relations: Religious Freedom

By: Michael Mazza

Michael Mazza is a senior non-resident fellow at the Global Taiwan Institute. He is also a visiting fellow in foreign and defense policy studies at the American Enterprise Institute (AEI).

Taiwan has adopted a three-pronged approach to defend itself against China's intensifying pressure campaign against the island. There is the relatively straightforward effort to enhance its ability to mount a military defense, both by upgrading capabilities and in developing a new defense strategy (i.e., the Overall Defense Concept). There is the line of effort aimed at diversifying economic relationships away from China (to deprive Beijing of potential leverage) and to deepen economic linkages with countries across the Indo-Pacific region through the New Southbound Policy, in the Western Hemisphere, and in Europe (thus giving a greater number of countries a material stake in Taiwan's fate). The third line of effort, however, has received comparably little attention from outside observers: Taiwan's attempt to seize the moral high ground vis-à-vis China and convince others, especially the free world, that support for Taiwan is the morally correct choice.

In this regard, Taiwan has seized on the issue of religious freedom of late to distinguish itself from China. To be sure, Taiwan has long emphasized the protection of religious freedom, both in practice and constitutionally (Article 13 of the Republic of China Constitution guarantees "the freedom of religious belief"). Taiwan welcomed religious exiles from China during the Cultural Revolution and religious groups, notably the Presbyterian Church in Taiwan, played an important role in the island's later democratization. In other words, freedom of religion is, important ways, central to Taiwan's character.

It is perhaps natural, then, that Taipei has decided to emphasize this value in its international engagement. Religious freedom appears to be a personal, priority issue for Foreign Minister Joseph Wu; but more than that, it is a key area in which differences between Taiwan and China could not be starker. In its annual "Freedom in the World" report, Freedom House gives Taiwan a maximum four points on the question of religious freedom, noting,

"Taiwanese of all faiths can worship freely. Religious organizations that choose to register with the government receive tax-exempt status."

<u>China</u>, on the other hand, receives zero out of four possible points. According to the Freedom House report:

"The CCP regime has established a multifaceted apparatus to control all aspects of religious activity, including by vetting religious leaders for political reliability, placing limits on the number of new monastics or priests, and manipulating religious doctrine according to party priorities. The ability of China's religious believers to practice their faith varies dramatically based on religious affiliation, location, and registration status. Many do not necessarily feel constrained, particularly if they are Chinese Buddhists or Taoists. However, a 2017 Freedom House report found that at least 100 million believers belong to groups facing high or very high levels of religious persecution, namely Protestant Christians, Tibetan Buddhists, Uighur Muslims, and Falun Gong practitioners."

The report goes on to describe a litany of religious freedom violations committed by China, from banning online Bible sales to demolishing houses of worship, and from torturing Falun Gong practitioners to detaining Muslims in "reeducation camps."

Taipei has been working hard to accentuate these differences. On the one hand, Foreign Minister Wu has not been shy in using the Twitter bully pulpit to call attention to China's abuses (given Taiwan's lack of formal diplomatic ties with much of the world, its senior leaders have found Twitter to be a useful means to engage beyond its own borders). In a late May retweet of a report on the Chinese government's removal of some 1,200 Buddhist statues from public spaces, Wu wrote:

"The #Taliban was condemned by the rest of the world for blowing the Bamiyan Buddhas to smithereens. The Chinese commies are 1,200 times worse! What have Buddhists done to deserve this torment? Nothing! Stop fearing #ReligiousFreedom. Let the people believe!"

Wu has taken to the pages of the foreign press as well.

In a June 11 op-ed published in *The Times of London*, he <u>described</u> China as "a police state that monitors its citizens with social credit surveillance, puts Uighurs in mass internment camps, suppresses religion and dissent in Tibet, throws human rights lawyers in jail and limits access to the internet."

On the other hand, Taiwan has also sought to partner with the US government and with foreign non-governmental organizations to promote religious freedom in Asia. As I noted in a previous issue of the Global Taiwan Brief, earlier this year Taiwan played host to the first regional follow-up to the inaugural Ministerial to Advance Religious Freedom held in Washington, DC, in 2018. The Ministry of Foreign Affairs and the American Institute in Taiwan, the US diplomatic outpost on the island, co-sponsored the event. In her opening remarks at the "Civil Society Dialogue on Securing Religious Freedom in the Indo-Pacific Region," President Tsai Ing-wen declared that "freedom of religious has become central to our democratic life." She followed this boast with an oblique reference to China:

"In countries where human rights and democratic values are suppressed, governments engage in discrimination and violence against people who simply want to follow their faith. In those countries, religious organisations [sic] are being persecuted, religious statues and icons are being destroyed, religious leaders are forced into exile, and people are held in re-education camps, and force to break their religious taboos. Taiwan knows how it feels when someone tries to take away your rights, wipe out your identity, and challenge your way of life."

US Ambassador at Large for Religious Freedom Sam Brownback, who delivered a keynote address, was more direct in calling out Chinese abuses and holding up Taiwan as a model. After listing Chinese Communist Party crimes against minority Muslim groups, Tibetan Buddhists, Protestant Christians, and Falun Gong practitioners, he expressed a commitment to fight for the ability of all people everywhere to exercise their human rights: "Like people can do here in Taiwan should be the norm for everybody throughout the region and the world."

A few weeks ago, Taiwan held a second major conference on religious freedom. The Taiwan International Religious Freedom Forum, which was co-hosted by the Presbyterian Church of Taiwan, the Taiwan Association for China Human Rights, the Heritage Foundation, and ChinaAid, included discussions on religious rights issues in countries stretching from Africa and the Middle East to North Korea. Ambassador Brownback and President Tsai again delivered addresses, with Tsai drawing a more direct comparison between Taiwan and China.

Although the forum highlighted a variety of abuses in a number of countries, the gaping chasm between religious freedom in China and Taiwan was again on full display at the conference's close, with attendees approving the "Declaration on Uyghur Religious Freedom," or the "Taiwan Declaration" for short. The declaration "urges all governments, religious institutions, academic institutions, and non-governmental organizations to actively advance freedom of religion or belief by adopting and fully implementing commitments and laws to upholding freedom of religion or belief in their respective communities and countries."

Value considerations may not dominate foreign policy making in democratic polities, but they do matter. It appears that Taipei hopes that, going forward, such considerations in foreign capitals will redound to its benefit.

By advertising its own religious freedom track record, Taiwan earns respect from other countries and peoples who value such freedom. Moreover, Taiwan may make itself more important to religious groups abroad that see Taiwan as advancing the cause of religious freedom in China, home to 445 of what Evangelicals call "unreached people groups," totaling nearly 150 million people.

Religious voters in the United States and elsewhere may also come to care more about what happens to Taiwan, as they do not want to see a country open to the unhindered practice of religion and to missionary work subsumed by a ruling party openly hostile to believers of all stripes. Support for Taiwan at the grassroots level can, even if only minimally, filter up into the halls of the US Capitol and the White House.

To be sure, Taiwan's leaders may have chosen to focus on advancing international religious freedom for a number of reasons. Perhaps most importantly, they may well simply see it as the right thing to do. Beyond that, it is a good topic on which to engage civil societies

abroad without needing to engage with governments directly, making it an issue area in which Taiwan can exert leadership without running into disadvantageous diplomatic roadblocks. Of course, there is a strategic rationale as well: in establishing itself as a champion of religious freedom, and in distinguishing its record from that of China, Taiwan can garner more international support for its continued *de facto* independence.

The main point: In establishing itself as a champion of religious freedom, and in distinguishing its record from that of China, Taiwan can garner more international support for its continued de facto independence.