

Fortnightly Review

Russell Hsiao

Indonesia Balances Growing Ties with Taiwan and China

By: I-wei Jennifer Chang

Beijing Ramping Up Political Warfare Against US-Taiwan Ties

By: J. Michael Cole

PRC's South Pacific Blitz: The Good, The Bad, and The Ugly

By: Michael Mazza

A Preliminary Assessment of the Taiwanese Public's Views on Diplomatic Recognition

By: Timothy Rich

Fortnightly Review

By: Russell Hsiao

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USG Declassifies Reagan Memo Clarifying US Policy Towards Taiwan

Only days after the Pacific Island country of Solomon Islands announced it was switching diplomatic ties from Taipei to Beijing—Taiwan is now down to 15 diplomatic partners—a secret memo that President Ronald Reagan had sent to then secretaries of state and defense about US policy towards Taiwan appeared on the website of the *de facto* US embassy in Taiwan (AIT)'s [website](#). The declassified memo, dated August 17, 1982, was signed by Reagan and sent to Schultz and Weinberger. In it, the 40th president [stated](#):

“The US willingness to reduce its arms sales to Taiwan is conditioned absolutely upon the continued commitment of China to the peaceful solution of the Taiwan-PRC differences. It should be clearly understood that the linkage between these two matters is a permanent imperative of US foreign policy. In addition, it is essential that the quantity and quality of the arms provided Taiwan be conditioned entirely on the threat posed by the PRC. Both in quantitative and qualitative terms, Taiwan’s defense capability relative to that of the PRC will be maintained.”

While President Reagan ultimately agreed to sign the Third Communiqué of 1982 with the People’s Republic of China (PRC), it was not without qualifications as he was [seriously concerned](#) about its potentially [deleterious impact](#) on Taiwan’s security. The existence of the secret memo was known by some but not many in the policy community. It had been covered in a number of books, articles, and reports, but the original copy in its entirety had eluded the public eye since it was classified until only recently. As documented by Asia specialist Shirley Kan in her [seminal reports](#) for the Congressional Research Service.

“First publicly disclosed by James Mann, in About Face (Alfred Knopf, 1999). According to Mann, President Reagan’s secret memorandum (on the August 17, 1982, communiqué) clarified US policy as maintaining the military balance between the PRC and Taiwan. A version of the text, as provided by an unnamed former US of-

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cial, was published in Robert Kaiser, "What We Said, What They Said, What's Unsaid," Washington Post, April 15, 2001. According to Alan Romberg's Rein In at the Brink of the Precipice (Stimson Center, 2003), Charles Hill, then Executive Secretary of the State Department, confirmed that Secretary of State George Shultz was told by President Reagan that his intention was to solidify the stress on a peaceful resolution and the importance of maintaining the cross-Strait military balance for that objective. Reagan also intended his written clarification to reassure Republicans in Congress, such as Senator Jesse Helms, that Taiwan would not be disadvantaged by the communiqué. Partial text of the memo was published by James Lilley, in China Hands (Public Affairs, 2004). Also, author's consultation with Lilley."

While serving as internal guidance for successive administrations, the influence of Reagan's directives waned over time as China's military, economic, and political rise affected US policy considerations. Indeed, what had led to a protracted practice of undue deference by Washington to Beijing's sensitivities gradually eroded some of the original commitments made under the Taiwan Relations Act and President Reagan's directives as well as assurances.

This creeping [adjustment](#) in how Washington met its commitments to Taiwan over time as prescribed by the Taiwan Relations Act and conditioned by other policy considerations were manifested, for instance, in how US arms sales to Taiwan had been "packaged" to minimize friction with the PRC, and armaments that Taiwan's armed forces determined that it needed for self-defense were denied by the United States because it would presumably be seen by Beijing as being too provocative.

The significance of the memo's [declassification](#), which had been signed off by the former national security adviser, John Bolton, is that it shifts Reagan's directives from an internal guidance to public policy. By releasing it into the public bloodstream, it inserts a degree of accountability on executive policy by ensuring that the guidance is publicly known by both American and Taiwanese people, but also to remind Beijing that these were, in unambiguous terms, the American intent. Now clearly and visibly in the public discourse, the memo qualifies and, in the process, clarifies the letter of the US position as it relates to the Third Communiqué's place in US policy towards Taiwan.

In a recent testimony before the Senate Foreign Rela-

tions Committee, Assistant Secretary Stillwell [stated](#):

"The United States has an abiding interest in peace and stability across the Taiwan Strait. The United States has for decades maintained our support for Taiwan's ability to maintain a sufficient self-defense capability and we will continue to support an effective deterrence capability for Taiwan. US arms sales to Taiwan are informed by the Taiwan Relations Act and based on continuing assessments of Taiwan's defense needs."

All agreements entail reciprocal obligations and, by measures of Reagan's now declassified guidance, Beijing has clearly not been holding up its side of the bargain. As clearly noted on numerous occasions by senior officials in the US government, the destabilizing actions caused by Beijing's unrelenting pressure campaign on Taiwan is changing the status quo in the Taiwan Strait. This troubling situation has ostensibly prompted the United States to take steps to clarify its policy towards Taiwan. Perhaps more people have realized that ambiguous commitments could have emboldened Beijing to take these more offensive actions.

The main point: The declassification of the secret memo shifts Reagan's directives from an internal guidance to public policy. The memo qualifies and, in the process, clarifies the letter and intent of the US position as it relates to the Third Communiqué's place in US policy towards Taiwan.

Taiwan's 2020 Legislative Race Heats Up

The focus for most political observers of Taiwan's 2020 general elections has been on the field of potential candidates for the presidential race in the island democracy. While the presidential race is critical, there is also another important election happening at the same time on January 11, 2020: the country's legislative elections. Held every four years, the 2016 election saw the Democratic Progressive Party (民主進步黨, DPP)—for the first time—wrestle a majority of seats in the Legislative Yuan from the Nationalist Party's (中國國民黨, Kuomintang or KMT).

The race for the Legislative Yuan is significant because it will affect whether whoever is elected president will have the means to push through his or her policy agenda. The opposition will hope to ride the momentum from its sweeping victory in the [November 2018 local elections](#) and regain the majority that it lost in 2016. The DPP, which currently holds a majority of seats in

the Legislative Yuan, will want to maintain the majority with the support of its main coalition partner.

The prospects for the DPP to retain its current electoral buffer has suffered some setbacks as its primary coalition partner, the New Power Party (時代力量, NPP)—which currently holds three seats—appears in disarray. The People's First Party (親民黨, PFP)—which has traditionally been more aligned with the KMT—and also holds three seats, will likely want to maintain and if possible increase its share of seats. Interestingly, it has yet to decide whether to nominate a presidential candidate. Furthermore, the mayor of Taipei, Ko Wen-je (柯文哲), recently established his own political party, the Taiwan's People Party (台灣民眾黨, TPP) and is [fielding candidates](#) in the upcoming 2020 legislative race. The party just announced that it was nominating eight candidates for the legislative election under the slogan "[Push the pan-blue and pan-green camps to the two sides and put the people in the middle.](#)"

According to local media reports, the DPP has finished most of its nominations for the upcoming general elections. According to party insiders cited by UDN, the DPP's central committee's target is to hold more than half of the total number of seats in the Legislative Yuan—which means maintaining at least 57 seats. The DPP currently controls 68 seats. This also means that the party expects to lose 11 seats. Currently the largest opposition party, the Nationalist Party, holds only 35 seats out of a total of 113 seats; whereas the rest of the seats are held by smaller political parties. The KMT—buoyed by its success in the 2018 local elections—is bullish and its chairman reportedly aims to secure 60 seats in the upcoming legislative election. According to some [political observers](#), this prospect may depend at least in part on whether the extraordinary "Han-wave" (韓流) that swept in the opposition in last year's local elections can be replicated again in the upcoming general elections.

A recent [UDN survey](#) shed an interesting light on the voters' shifting party preference—at least as it relates to the legislative race. According to this survey, 40 percent of respondents are considering to vote for candidates other than those from the two major political parties in the upcoming election, whereas 44 percent are planning to vote for candidates from the two major parties. The [survey](#) also revealed a stark generational difference in whether respondents would be more or less likely to vote for a third party candidate. According to the survey, 61 percent of respondents 40 years old and younger indicated that are considering to vote for a legislative candidate from a third party, whereas 50

percent of respondents 50 years and older would vote for a candidate from one of the two major political parties.

It is important to note, however, that the legislative elections do not run in a political vacuum. A review of past general elections since 1996—when Taiwan had its first direct presidential election—showed that the winner of the presidential race always carried his or her party to win at least a [plurality of seats in the legislative elections](#). For instance, in 2000 and 2004, the DPP held a plurality of seats in the Legislative Yuan when President Chen Shui-bian won the elections and the KMT had the majority in 2008 and 2012 when President Ma Ying-jeou won the presidential elections. According to another recent UDN survey on voters support for the presidential candidates released on September 21, President Tsai is currently in the lead with a 45 percent support rating with Han Kuo-yu trailing behind at 33 percent.

Given the apparent [emphasis of this election on youths](#), one legislative race that may be worth watching closely is in Taipei City. In the third constituency of Zhongshan/Songshan District, the parties are pitting the top young Turks from their ranks. The incumbent office holder is the Kuomintang's Wayne Chiang (蔣萬安, b. 1978)—the grandson of Chiang Ching-kuo (蔣經國). Since the seventh session (it's currently the ninth session), the district has been represented by a KMT legislator. In the race, the DPP is being represented by Enoch Wu (吳怡農, b. 1980). Wu graduated from Yale and worked in the Goldman Sachs Group. His father is a noted academic at Academia Sinica and his uncle is Wu Nai-ren (吳乃仁), a former secretary general of the DPP. In addition, the Taiwan People's Party—Mayor Ko's party—announced that Indonesian-born Kimyung Keng (何景榮, b. 1977), who is an assistant professor at Feng Chia University, will also run in the race. According to political observers, the [structure of the constituency](#) is more blue than green and the longer ground game of the KMT candidate probably gives Chiang the incumbent advantage.

The main point: The DPP is reportedly hoping to maintain at least 57 seats and the KMT is aiming for 60 in the upcoming general elections. The prospects for the DPP appear difficult given the disarray of coalition partners and the entry of Ko's TPP. However, Han's flagging popularity could also weigh down on the KMT's electoral prospects in the legislative elections.

Indonesia Balances Growing Ties with Taiwan and China

By: I-wei Jennifer Chang

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At a reception celebrating the 74th anniversary of Indonesia's independence, on September 11, Indonesia's top diplomat in Taipei said Taiwan is one of Indonesia's most important partners in [trade and education](#). Didi Sumedi, representative of the Indonesian Economic and Trade Office to Taipei, cited [Taiwan's role](#) in contributing to Indonesia's 5-percent growth rate in recent years. Despite the lack of formal diplomatic ties between Jakarta and Taipei, both sides have been able to develop and sustain close relations largely on the account of their robust cooperation in trade, education, and science and technology, among other fields.

Indonesia's current relations with both Taiwan and China are largely motivated by economics, which have formed the basis of bilateral relations for the past several decades. For Jakarta, China and Taiwan are both important economic and trade partners. China has surpassed Japan as Indonesia's [main trade partner](#) and has become the [third-largest foreign investor](#) after Singapore and Japan. Meanwhile, Taiwan-Indonesia bilateral trade reached [USD \\$8.9 billion in 2018](#), an increase of 8.7 percent from 2017. Taiwan's large imports of [natural resources](#) such as crude oil, gas, coal, and rubber from Indonesia have often tilted the trade balance in Indonesia's favor. Taiwan constitutes Indonesia's [11th biggest trade partner](#), exporting machinery, electronics, vehicles, and other goods to the Southeast Asian country.

Historical Baggage

As Indonesia seeks to expand trade and investment relations with both sides of the Taiwan Strait, there is an inherent distance that must be maintained with respect to Beijing. The Chinese Communist Party's (CCP) early support for communist parties throughout Southeast Asia, including Indonesia, during the Cold War has created a historical legacy of mistrust and suspicion towards China in the region. Beijing provided financial and material support to the Indonesia Communist Party (PKI), rallied ethnic Chinese in Indonesia to support the People's Republic of China (PRC), and was widely believed to have been involved in the PKI's coup that killed six Indonesian generals in September 1965. [1] After General Suharto took power in Indonesia in

1966, marking the beginning of the New Order, Jakarta severed diplomatic relations with Beijing on October 30, 1967. The Suharto regime's discriminatory policies towards its ethnic Chinese minority created a hostile atmosphere that led to an exodus of Chinese Indonesians, some of whom [fled to Taiwan](#), and contributed to the [anti-Chinese riots in 1998](#). Indonesia's relations with China continue to be complicated by the issue of ethnic Chinese in Indonesia.

Economic Considerations

Although the Indonesian government normalized relations with Beijing in August 1990 out of pragmatic economic considerations, Jakarta remains [cautious](#) about being too closely tied to China, both economically and politically. Indonesian elite and public opinions view China as both a [threat](#) and a source of [opportunity](#). Indonesian leaders have become sensitive to the influx of Chinese laborers to Indonesia, which have led to [local protests](#). As of 2018, more than [24,000 Chinese](#) nationals are working in Indonesia, with some employed by Chinese state-owned companies working on infrastructure projects throughout the country. The popular perception that Chinese companies are not creating local jobs for Indonesian workers has led to [economic grievances](#) against the growing Chinese economic presence in the country. Japan's major economic presence in Indonesia also led to [anti-Japanese protests](#) in the 1970s, underscoring the sensitivity of foreign dominance over the country's economy. By contrast, Taiwanese companies created [one million jobs](#) for Indonesians, according to 2015 data from the Indonesian Investment Coordinating Board.

Moreover, relations with China became a politicized issue during Indonesian President Joko Widodo (popularly known as Jokowi)'s re-election campaign for the April 2019 presidential election. His rival Prabowo Subianto attacked [Widodo's ties to Beijing](#) and Chinese investment in Indonesia in an effort to throw into question the president's loyalty to the nation. Under Widodo, Indonesia joined Chinese President Xi Jinping's Belt and Road Initiative (BRI, also known as "One Belt, One Road") and the China-led Asian Infrastructure Investment Bank (AIIB). The Indonesian government has looked to China for investment in roads, bridges, and power plants. Beijing has funded major infrastructure projects, notably a [USD \\$6 billion high-speed railway](#) linking Jakarta with Bandung, the capital of West Java, expected to be completed in [2021](#). Widodo's re-election campaign, however, tried to [downplay his relations](#) with Beijing.

The Widodo administration has spearheaded numerous infrastructure projects and aims to attract massive foreign investment to develop the economy. Indonesia's economy is projected to grow at [5.1 percent](#) in 2019 and then rise to [5.2 percent](#) in 2020. Widodo had initially set a [7-percent growth](#) target when he came into office in 2014, but observers argue that Indonesia would need to upgrade its national infrastructure and secure large foreign investment, with one estimate at [USD \\$90 billion](#), in order to reach Widodo's target. Widodo has launched three special economic zones (SEZs) in East Kalimantan, North Sulawesi, and North Maluku, and wants to attract [USD \\$7.7 billion](#) investment in the SEZs and create [120,000 jobs by 2025](#), according to the Indonesian government. Jakarta expects Taiwan, China, and Singapore to invest in these SEZs. Back in 2010, Indonesian President Susilo Bambang Yudhoyono conveyed his desire for [Taiwan to play a major role](#) in developing Morotai Island in North Maluku and presented Taiwanese officials with a [plan for Morotai](#). Taiwan's strengths in high technology, fisheries, eco-tourism, shipbuilding, and agriculture provide avenues for enhanced bilateral cooperation. In November 2018, Taipei and Jakarta signed a [MOU](#) on comprehensive economic cooperation including in agriculture, infrastructure, investment, and trade. A potential area of cooperation is in the use of Taiwan's technology to [dredge reservoirs](#) in Indonesia, said Taiwan's Ministry of Economic Affairs.

Indonesia's Muslim Identity Politics

While Widodo does not want to be seen as being too close to China, he also wants to preserve cooperative relations with Beijing. This may be one reason why he has remained reticent on China's internment of an estimated one million ethnic Uyghur Muslims in the Xinjiang Uyghur Autonomous Region. In March 2019, Widodo said, ["I don't know the facts there, so I don't want to comment,"](#) in response to a media question on the incarceration of Uyghurs in China. Despite his re-election campaign's attempts to present himself as a [defender of the Muslim faith](#) in Indonesia, Widodo has refrained from criticizing the Chinese government's Uyghur policy. By contrast, the president lambasted Myanmar's treatment of its [Rohingya Muslim minority](#). As a Muslim country, Indonesia faces a dilemma in responding to Muslim affairs in atheist countries such as China. In December 2018, Indonesia's foreign minister summoned China's ambassador to ["convey the concerns of Indonesian Muslims about the plight of Uyghur Muslims in Xinjiang."](#) Later, the Indonesian government backed down and said it did not want to

["intervene in the domestic affairs of another country."](#)

However, segments of Indonesian society did not share the same sentiments of its government. In late December, [hundreds of Indonesian protesters](#) surrounded the Chinese embassy in Jakarta protesting Beijing's treatment of Uyghur co-religionists.

By contrast, the Taiwan government has promoted a Muslim-friendly image to attract Indonesians to travel, study, and work on the island. According to a September 16 Facebook post by Taiwan President Tsai Ing-wen (蔡英文), Taiwan boasts more than [200 halal-certified \(Muslim dietary\) restaurants](#) and has set up [Muslim prayer rooms](#) at Taiwan's Taoyuan International Airport, on Taiwan's high speed rail, and at major tourist attractions including Sun Moon Lake, Ali Mountain, and the National Palace Museum in Taipei. Furthermore, Mastercard-CrescentRating's Global Muslim Travel Index 2019 ranked Taiwan as the [third](#) most popular destination for Muslim travelers among non-Muslim countries. Leaders in Taiwan's Muslim community have also served as informal intermediaries that help connect Taiwan with Southeast Asian Muslim communities. Former imam at the Taipei Grand Mosque Ma Hsiao-chi [commented](#) that doing business with many Southeast Asian countries such as Indonesia necessarily touches upon Muslim culture.

Future of Taiwan-Indonesia Relations

The Indonesian government faces a balancing act of garnering Chinese financial support for infrastructure projects, while also not being too closely identified with Beijing and taking care not to roil interethnic relations in the country. Compared to relations with China, Indonesia's relations with Taiwan are decidedly less complicated and focused on expanding beneficial economic ties and other forms of cooperation. Taiwan's ability to maintain close overall relations with Indonesia despite Jakarta's "One-China" policy is largely due to the strong bilateral economic relationship. Even after Indonesia normalized relations with the PRC in 1990, Taiwan's relations with Indonesia remained strong. Taiwan's President Lee Teng-hui made a historic [visit to Indonesia](#) in February 1994—the first time that the Republic of China's (ROC) head of state visited Indonesia. In addition, Taiwan's government set up two representative offices in Indonesia—the Taipei Economic and Trade Office (TETO) (駐印尼台北經濟貿易代表處) in [Jakarta](#) and TETO in [Surabaya](#) (駐印尼泗水辦事處). The second office in Surabaya inaugurated in 2015 is aimed at accommodating the many [Indonesian workers from East Java](#) that apply for work visas in Taiwan.

Furthermore, Taiwan's relations with Indonesia will continue to solidify given the strength in people-to-people ties. Around [300,000 Indonesians](#) live in Taiwan, and they constitute the largest group of foreigners on the island. Many of these are domestic workers and caregivers to Taiwan's elderly population. Some 50,000 Indonesians are married to Taiwanese citizens, while there are currently [10,000 Indonesian students](#) studying in Taiwan. Going forward, these growing informal connections, coupled with the economics-centered relationship, will continue to propel Taiwan-Indonesia relations.

The main point: Despite growing economic ties between China and Indonesia, Jakarta is likely to remain cautious of Beijing's intentions and keep China at arms-length for domestic political reasons. That Taiwan's relations with Indonesia have been able to grow so closely is largely a function of the strong bilateral economic relationship and growing people-to-people ties.

[1] Samuel C.Y. Ku, Indonesia's Relations with China and Taiwan: from Politics to Economics, *Asian Perspective*, Vol. 26, No. 4, 2002, pp. 231-232.

Beijing Ramping Up Political Warfare Against US-Taiwan Ties

By: J. Michael Cole

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With the January 2020 elections in Taiwan just a few months away, influence efforts by China and its proxies in Taiwan to undermine President Tsai Ing-wen's (蔡英文) re-election prospects are expected to intensify. Besides hoping to make good on its threat to make Tsai a one-term president—as it vowed to do soon after her landslide election in 2016—Beijing will also seek to empower opponents of the ruling government who are judged to be more amenable to Beijing's agenda regarding Taiwan, and to undermine the unprecedented closeness that has developed between Taiwan and the United States since 2016.

Undermine Taiwan, Aim at the US-Taiwan Relationship

Over the past year, the two principal political opponents of the Tsai administration have both signaled a willingness to more closely engage China on its terms, and have both unleashed internet armies to spread

disinformation and intimidate critics of the said candidates. The volume of disinformation that has spread in the social media environment in Taiwan has reached unprecedented levels during this period.

National security sources told this author that in recent months the two political groups—one represented by a “non-mainstream” candidate from the “blue” camp, the other is the head of the recently formed political party that has taken aim at the two main political parties in Taiwan—have been sharing the same internet army capabilities. [1] Dozens of [websites](#), “content farms,” and Facebook pages involved in spreading disinformation and supporting the two anti-Tsai camps are also suspected of being funded by China or to be coordinating their efforts with elements from China's United Front units. [News reports](#) have also revealed that several “red media” web sites involved in such activities, many of which have since been closed, were operated by a businessman based in Taichung who is known to have attended the [Strait Forum \(海峽論壇\)](#) in Xiamen, where participants were encouraged to support Beijing's official line vis-à-vis Taiwan, such as adopting the “one country, two systems” formula for unification.

Taiwanese academics who have recently visited China have also told this author that their Chinese counterparts, and by default the Chinese Communist Party (CCP), have grown wary of what they see as troubling bilateral ties between the Tsai administration and its counterparts in Washington, DC. [2] Besides major arms sales, since 2016 the United States has ramped up its efforts to integrate Taiwan into its Indo-Pacific strategy, with various endeavors, such as the Global Cooperation Training Framework (GCTF), serving as a principal platform. Much of those activities have involved efforts to promote democracy, transparency, and good governance within the region, all values that are antithetical to the regime in Beijing and that serve as “firewalls” against China's efforts to expand its influence in the Indo-Pacific.

The ramped up political warfare efforts against Taiwan and the United States, therefore, aim to:

1. undermine the democratic institutions of Taiwan, an important partner of the United States in the region;
2. reduce the role that Taiwan has played in United States-led democracy promotion efforts in the Indo-Pacific with partners including the National Democratic Institute (NDI), the International Republican Institute (IRI), the National Endowment for Democracy (NED), the International Religious Freedom (IRF) Secretariat,

and the United States Department of State (it is interesting to note that Beijing has often accused Taiwan and many of the aforementioned organizations of fomenting unrest in Hong Kong);

3. undermine the willingness of other countries in the region, principally Japan and Australia, to participate in such efforts;

4. prop up candidates running in the 2020 election in Taiwan, who are likely to be less amenable to such collaboration with the United States;

5. accentuate underlying anti-American sentiment in Taiwan;

6. decouple Taiwan from the United States (security guarantees, arms sales, et cetera) through efforts aimed at the United States, through the Fujian Province-based “311 Base,” think tanks such as the China-US Exchange Foundation (CUSEF, 太平洋國際交流基金會), and a constellation of other elements of Chinese political warfare. Such tactics also include elite capture, propaganda, and other efforts to shape the environment toward abandonment;

7. undermine the ability of US forces based in Okinawa, which likely would be activated in a Taiwan Strait military contingency, through infiltration of the Okinawa independence movement (some elements are Taiwan-based), support for the movement against US military presence and base relocation, and, according to Japanese government sources, infiltration of US military bases by Chinese nationals passing off as Japanese.

Pacific Islands Targeted

In recent weeks, efforts to knock off some of Taiwan’s official diplomatic allies in a part of the world that has gained significant importance for the United States’ Indo-Pacific strategy, also appear to have intensified, with evidence, since released in the [media](#), suggesting that China’s United Front Work Department and affiliated organizations are sponsoring political elements in those countries to force the recognition of the People’s Republic of China (PRC) and an end to official ties with the Republic of China (Taiwan).

It has been revealed that a delegation of Beijing-friendly MPs from the Solomon Islands tasked with assessing whether the Pacific island nation should establish ties with the PRC recently met with Li Xiaolin (李小琳), head of the Chinese People’s Association for Friendship with Foreign Countries (CPAFFC, 中國人民對外友好協會), in Beijing. Although the subordinate role of

the CPAFFC within the CCP hierarchy is unclear, the organization, which presents itself as an NGO, is known to be working closely with chambers of commerce, trade associations, and other local entities in foreign countries, all of which are known to be [involved in United Front work](#).

Li, the daughter of Li Xiannian (李先念), one of the Chinese Communist Party’s so-called “Eight Immortals,” was involved in the [signing of a memorandum of understanding](#) on October 26, 2016, at Nuku’alofa, Kingdom of Tonga, establishing the Pacific China Friendship Association (PCFA, 太平洋中國友好協會), which “promotes friendship and understanding between all members and the People’s Republic of China.”

According to Taiwan diplomatic sources, pro-Beijing elements in the Solomon Islands have also reportedly falsified alleged statements made by senior Taiwanese officials in their official report on the country’s relations with Taiwan and the PRC. [3] Elite capture, corrosive capital, media censorship, and other means of co-optation are also known to have been utilized by Beijing to shape developments in its favor.

Accelerated efforts to snatch the Solomon Islands are believed to serve two principal roles: (1) to add pressure on Tsai Ing-wen and empower candidates who will blame the loss of a diplomatic ally to her “wrongheaded” China policy; and (2) undermine the coherence of the United States policy and military posture in the Pacific. It is also known that Beijing has sought to lure other countries located in the region. The resumption of Beijing’s strategy of poaching Taiwan’s diplomatic allies also suggests that Beijing has decided to ramp up its psychological warfare efforts against Taiwan rather than keep a low profile lest interference blow back and benefit President Tsai and her Democratic Progressive Party in the elections.

Bolstering Cooperation

Despite the closer ties that have developed between Taiwan and the United States since 2016, and the realization that both are targets of CCP political warfare, funding and coordination on the Taiwanese side to identify and mitigate/counter such activities have remained largely insufficient. Efforts by Taipei do not appear as urgent as the nature of the problem, and this has often led to frustrations on the part of visiting American delegations. Arguably, there may also have been inflated expectations of Taiwan’s capabilities, or of what its intelligence agencies are willing to share with their foreign partners.

Consequently, the United States should convince the Taiwanese government to do more, especially when it comes to rendering a public report that makes its case with a public that remains largely oblivious, or is perhaps even skeptical, about the nature of the threat posed by political warfare against Taiwan and how such activities can undermine their democracy, affect electoral outcomes, and so on.

Closer engagement between the Federal Bureau of Investigation (FBI) and Taiwan's Ministry of Justice Investigation Bureau (MJIB), and the Central Intelligence Agency (CIA) and Taiwan's National Security Bureau (NSB) would also be advantageous to both, as would greater interaction between think tanks and civil society on both sides. The American side should also provide greater assistance on financial tracking (FINTRAC) of suspected Beijing proxies operating in Taiwan—e.g., the [China Unification Promotion Party \(CUPP, 中華統一促進黨\)](#), the Taiwan Red Party (中國台灣紅黨 – 紅黨), among others—to help determine whether such entities are indeed being illegally funded by the CCP.

In return, Taiwan's NSB and MJIB should intensify their information sharing on organizations and individuals—including triads—that operate in the jurisdictions of the United States. The United States should also lean on social media platforms such as Facebook and Twitter to cooperate more closely with Taiwan in addressing the challenges posed by bots, cyborgs, sock puppets, automation, algorithm manipulation, and other tools used by the CCP to spread disinformation and sow confusion within Taiwanese society.

Finally, against the backdrop of Beijing's intensifying diplomatic offensive, which is part of Beijing's broader political warfare strategy against Taiwan, the United States should accentuate its efforts to convince Taiwan's official diplomatic allies to not switch recognition to the PRC. Success on this front will be largely contingent on the ability of Washington and allies such as Australia to counter Beijing's charm offensive and address the issue of corruption in targeted countries. Greater emphasis on the risks of retaliatory moves by Washington and its allies, aimed not at the islands' public but at the leadership instead, should also be made so as to lower the likelihood of de-recognition of Taiwan.

The main point: Beside seeking to rid itself of a candidate who has proven unwilling to play into its unification strategy, Beijing's ramped up political warfare activities against Taiwan are aiming to sever the unprecedentedly close relationship that has developed

between Taipei and Washington, DC, since 2016.

[1] Author's conversation with an unnamed source, early August 2019.

[2] Author's conversation with an unnamed source, June 2019.

[3] Author's conversation with an unnamed source, mid-September, 2019.

PRC's South Pacific Blitz: The Good, The Bad, and The Ugly

By: Michael Mazza

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On September 16 and 20, the governments of the Solomon Islands and Kiribati in the Pacific Islands announced their decisions to terminate diplomatic ties with the Republic of China (ROC, Taiwan) and establish ties with the People's Republic of China (PRC), respectively. The announcement marked further advances in Beijing's years-long effort to squeeze Taipei. Honiara's announcement coming on the day that Vice Foreign Minister Hsu Szu-Chien (徐斯儉) arrived in the capital in a last-ditch effort to save the relationship, the switch once again shows Beijing to not only be malicious in pressuring Taipei, but petty as well. Even so, the Solomon Islands' and Kiribati's decisions are not cause for panic. To be sure, there are reasons for concern, especially for long-term stability in the Taiwan Strait, but there may be a silver lining here as well.

The Good

The loss of two diplomatic allies in quick succession is certainly not a positive development for Taiwan, but the news is not all bad. Honiara's and South Tarawa's decisions once again revealed the strength of the support for Taiwan on Capitol Hill. On the day the news broke, 15 members of Congress issued statements or tweets on the topic.

Marco Rubio is "exploring ways to cut off ties with #SolomonIslands including potentially ending financial assistance & restricting access to US dollars & banking." Cory Gardner [urged](#) the Solomon Islands to reverse its decision and described China's actions as "hostile." Ted

Yoho [described](#) the switch as “unfortunate,” saying it “undermines Taiwan & emboldens the #CCP.” Following the Kiribati decision, Mike Quigley [argued](#), “it’s more important than ever that the U.S. continue to stand with the Taiwanese people.”

These and other statements should serve as a useful reminder—not that one is needed—that despite the lack of formal diplomatic ties with Washington, the United States has been and will remain Taiwan’s most important partner. Indeed, as I’ve written [previously](#) for the *Global Taiwan Brief*, there have been a number of advances in US-Taiwan relations over the past two years, despite concerns over President Trump’s commitment to the relationship. From a deepening security relationship to growing trade and President Tsai’s substantial “transits” through the United States, the bilateral relationship has grown more normal to the benefit of both sides.

The Solomon Islands and Kiribati decisions, moreover, come at a time when the United States is strengthening ties with South Pacific countries and seeking to counter China’s efforts to extend its influence in the region. If Honiara’s and South Tarawa’s moves further focus attention in Washington on the South Pacific and on Taiwan’s shrinking diplomatic space, then there may be positive aftereffects. The United States can help to dissuade other waffling states from taking the plunge with Beijing. The question has always been one of how far Washington would go in doing so.

But even if Washington does not do so, or fails when it tries, Taiwan can weather the loss of allies like the Solomon Islands and Kiribati because it still has the world’s sole superpower standing by its side.

The Bad

The Solomon Islands’ diplomatic switch, in particular, demonstrates once again that China is active and aggressive in interfering in the domestic politics of other countries—in this particular case, in the Solomon Islands and Taiwan simultaneously. First, consider the Solomon Islands. Taiwan’s foreign ministry essentially alleges a corrupt process in its [statement](#) on cutting ties:

“The government of China has once again resorted to dollar diplomacy and false promises of large amounts of foreign assistance to buy off a small number of politicians, so as to ensure that the government of Solomon Islands adopted a resolution to terminate relations with Taiwan before China’s National Day on October 1.”

To be sure, the process by which Honiara made its decision raises questions. Prime Minister Manasseh Sogavare repeatedly assured Taiwan and the United States, including in public remarks, that any decision on ending (or maintaining) diplomatic ties with the ROC would be based on four government reports and public opinion. In the end, however, Sogavare apparently based his opinion on only one of the four reports (the Parliamentary Bi-Partisan Task-force Committee’s “Review of Solomon Islands Relations with People’s Republic of China [sic] and Republic of China [sic]”).

Nor did that one report, which has not been publicly released, consider all available evidence. On the same day as the announcement, the *Solomon Times* [reported](#) that the Central Bank of Solomon Islands (CBSI) prepared a paper raising serious concerns about the economic impact of establishing economic ties with China. In particular, CBSI suggested that the risks included unsustainable debt, depressed fiscal revenue, and the potential for Washington to freeze access to the 64 percent of Solomon Islands’ foreign reserves held in the United States in response to a diplomatic switch. According to the *Solomon Times*, the CBSI report “was not included in the Taskforce Report, nor was it considered during its [sic] consultations.”

What is included in the report, a copy of which I have attained, raises questions about whether the report was an independently produced product of the task force. Parts of it read like PRC propaganda. For example, this assessment of China’s political system leaves out some important facts:

“Yes it is correct that China is a communist country. China is a One-Party state. It is run by the Chinese Communist Party.”

“But to view modern China using the Cold-War lens is preposterous. Besides political reforms, PRC has moved from socialist economy to embrace the market economy. Since late 1970s and early 1980s it has opened up to the outside world attracting huge investment.”

“China today is not the China portrayed by our high school [...] social science text book [sic]. Nor is it anywhere new [sic] the propaganda perpetuated by western governments, institutions, and mass media.”

One must assume that by political reforms, the task force is not referring to the end of term limits, the return of one-man rule, or the assertion of the Chinese Communist Party’s power within the government, in

the economy, and in society at large. The task force may have also missed China's shift away from market reforms that began in the early 2000s.

Yet, as troubling as this incomplete assessment of China's political economy may be, the report's overview of China's human rights conditions is truly beyond the pale:

"The western mass media as tools of western governments shall never report of progress China has achieved regarding human rights. China's human rights record is better than that of USA, UK, Australia and NZ."

"China is a big country with around 1.4 billion people. To govern and manage such a country is not a task for the faint of heart. There has to be tougher stance and measures imposed to have order, peace and prosperity."

The report goes on to compare "Chinese foreign policies and its peaceful rise" favorably to the "so-called beacons of democracy," whose work it is "to invade and destroy other countries [...] to destroy people's livelihood, steal their resources and leave in ruins."

That Sogavare and his cabinet based their decision on this regurgitation of CCP talking points is shameful. It also shows that although CCP influence operations are often subtle and insidious, they can also be blatant and plain for all to see.

In this instance, that interference is also rather blatant in the case of Taiwan. In recommending that Solomon Islands establish diplomatic relations with the PRC, the report somewhat oddly asserts, "this must happen before the 1st October 2019, to coincide with the commemoration of the 70th Anniversary of the founding of PRC" [emphasis added]. But of course, there was no reason that Solomon Islands needed to make this decision before the anniversary. Other countries have not timed their diplomatic switches to the PRC holiday calendar. Why the rush? Perhaps because Xi Jinping wanted another feather in his cap ahead of the anniversary—more proof that he is delivering on his promise of the "China dream"—and because Beijing wanted to make sure Solomon Islands made the switch while the presidential election race in Taiwan is still raging. Certainly, Taiwan's government sees the move as tied to the election, as the foreign ministry [made clear](#): "It is absolutely evident that China, through this case, deliberately seeks to influence Taiwan's upcoming presidential and legislative elections." The Foreign Ministry [asserted](#) the same about Kiribati, adding that China aims

to "undermined [Taiwan's] democratic processes."

The loss of a seventh diplomatic ally will provide fodder for both Han Kuo-yu (the Kuomintang, or KMT, candidate for president) and for the Democratic Progressive Party's (DPP) deep green faction, which has never been particularly supportive of Tsai Ing-wen. This single development in Taiwan's diplomatic ties is unlikely to sway the election. But when these overt efforts to affect Taiwan's elections are combined with more covert efforts to do so, like the dissemination of "fake news" on social media, it further complicates Tsai's path to the presidency and may heighten DPP infighting, especially given former Vice President Annette Lu's decision to enter the race.

The Ugly

Taiwan will undoubtedly not suffer much from the loss of Solomon Islands and Kiribati as diplomatic allies. It has far more important unofficial relationships with the United States, Japan, and the European Union—and China knows that buying off Washington, Tokyo, or Brussels is a far more difficult task than doing so with governments in Africa, Latin America, or the South Pacific.

Still, every time Beijing poaches an ally, it alters the state of affairs in the Taiwan Strait—it is an act contrary to stability, and thus peace, in the region. There may be negative long-term implications for stability should Beijing opt to continue its efforts to strip Taiwan of its diplomatic allies.

The Montevideo Convention on Rights and Duties of States [defines](#) a "state," or a country, as possessing the following qualifications: "(a) a permanent population; (b) a defined territory; (c) government; and (d) capacity to enter into relations with the other States." The Republic of China, or Taiwan, meets all of these qualifications. If China deprives Taiwan of most or all of its remaining diplomatic allies—effectively depriving it of the capacity to enter into relations with other states—the rationale for the continued existence of the Republic of China might weaken. At the very least, it would open the door for Taiwan's people to consider alternatives to the ROC constitution and alternative means of defining Taiwan as a political entity.

Beijing might think this would bring China and Taiwan closer to unification, but that seems unlikely given longstanding trends in Taiwan regarding identity and views towards independence and unification. Rather, it is perhaps more likely that the people of Taiwan will begin to more seriously consider moving from de facto

to de jure independence. China seeks to squeeze Taiwan, but in so doing only heightens the distance between the two, making a real crisis more likely. Beijing wants a unified People's Republic of China, but it may well get a Republic of Taiwan instead. Taiwan's people, of course, have the right to determine their own destiny. China's refusal to accept this makes the pursuit of that destiny a potentially dangerous affair.

The main point: The Solomon Islands' decision to withdraw diplomatic recognition from Taipei highlights the importance of the US-Taiwan relationship, demonstrates Beijing's capacity for interfering in the domestic politics of other states, and raises questions about long-term stability in the Taiwan Strait.

A Preliminary Assessment of the Taiwanese Public's Views on Diplomatic Recognition

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This month the Solomon Islands became [the sixth country](#) to break relations with Taiwan since the election of Tsai Ing-wen, reportedly after a Chinese commitment of USD [\\$500 million](#) in aid. Kiribati followed, after Taiwan refused to provide assistance [to purchase commercial airplanes](#), leaving Taiwan with only 15 countries maintaining formal diplomatic relations. Diplomatic recognition remains one of the [hallmarks of state sovereignty](#) for international relations. Compared to other states of similar size and capabilities, Taiwan would appear weaker by this measure, solely due to China's opposition to dual recognition that forces countries to choose between the two. Efforts to isolate Taiwan diplomatically are likely to continue as China attempts to entice others with assistance packages, notably [Haiti](#).

Despite the challenge of formal diplomatic recognition for Taiwan, and a sizable literature on why a particular country or group of countries maintain diplomatic ties with Taiwan, surprisingly little research addresses an important related question: what does the Taiwanese public think of diplomatic recognition? Only occasionally have surveys attempted to assess the public's view on diplomacy, while diplomatic recognition in particular seems ignored. Part of this ignorance

is a pervasive view that the public is not particularly knowledgeable on the subject. Few Taiwanese, if surveyed, likely would be able to name a diplomatic partner unless recent news suggested that country was about to break diplomatic ties. Meanwhile, interviews with government and party officials suggest that the public views the gains and losses of diplomatic partners as symbolically important and influence perceptions of the incumbent administration's commitment to Taiwan's diplomatic space. Others suggested that the trend of countries breaking relations with Taiwan has left the public accustomed to such losses and that whatever visceral reaction from loss in the past does not apply now. Others, especially the more ardent independence-oriented Taiwanese, may view the decline of formal recognition as a catalyst for a push for formal independence. Still, others across the spectrum may view it as an opportunity to save money as Taiwan would likely spend less on foreign aid.

How the Taiwanese government portrays diplomatic recognition to the public likely affects the public evaluation, yet this crucial role of the government's own narrative remains virtually absent from research on Taiwan's diplomacy. The public's views on diplomatic recognition are not set in stone but can be potentially influenced by two major factors.

First is China's effort to limit Taiwan's international space. China's opposition to dual recognition may seem counterproductive to China's goals of unification as dual recognition in two other cases—between West and East Germany and between North and South Korea—improved relations between the two sides. China's efforts to court Taiwan's remaining diplomatic partners since Tsai's election could be expected to create public resentment. Such efforts are consistent with broader efforts by China to deny Taiwan's ability to engage in diplomacy and participate in the international community as a sovereign state.

In the immediate aftermath of a loss of a diplomatic partner, we should expect public scrutiny. For example, the [Taiwanese Public Opinion Foundation](#) asked the Taiwanese public about China's actions to lure diplomatic partners away from Taiwan following Burkina Faso breaking relations, finding that 79.1 percent of respondents disapproved of China's actions. Furthermore, less than a third (32.7 percent) stated they had confidence in the Tsai administration to safeguard Taiwan's international participation. Such results suggest that the public, at least in the wake of diplomatic losses, desires a stronger response. Yet, any effort by Taiwan to expand its international space, including formal

diplomatic recognition, predictably leads to Chinese condemnation and has the potential to complicate further cross-Strait relations. The question thus becomes, to what extent does the Taiwanese public value diplomatic relations over aggravating cross-Strait relations?

The second factor revolves around what would be necessary to keep Taiwan's diplomatic partners. Critics have accused Taipei for decades of using international aid as a means to influence countries to recognize Taiwan. The Tsai administration denies such "dollar diplomacy" as was common with previous administrations, often claiming that they ended the practice inherited by their predecessors. Yet, numerous scandals prior to Tsai's presidency have been associated with Taiwanese aid, whether due to the lack of transparency in the amount of aid or due to allegations/suspicion that the aid has been connected to [bribery or embezzlement](#), which lead to the public's skepticism for continued aid packages. Often it remains easier to identify the total amount of aid received by a recipient country not by analyzing Taiwanese sources, but recipient sources. The Taiwanese public, aware of the decades of such non-transparent aid, may perceive additional offers as part of a never-ending cycle of increasing demands, preferring instead that the money is spent on various domestic programs. More problematic is that aid, even if well-intended, could hasten diplomatic departures. For example, [this author's previous research](#) suggests that if aid allows a country to develop into a more export-driven economy, as measured in exports as a percentage of GDP increases, that country is more likely to recognize China.

The Taiwanese public's views on maintaining diplomatic relations appear to be influenced not only by references to how China would respond, but also the potential increases in international aid necessary to keep diplomatic partners. In April of this year, this author conducted an experimental web survey with 504 respondents through [PollcracyLab](#), administered through National Chengchi University's (NCCU) Election Study Center. Respondents received at random one of four prompts about support for Taiwan's efforts at formal diplomatic relations and then were asked to evaluate the statement on a five-point scale (strongly disagree to strongly agree). The versions intended to capture two distinct challenges to Taiwan's diplomatic efforts: exacerbating tensions with China and increasing costs if partners request additional international aid. The versions were:

Version 1: Currently seventeen [sic] countries recognize Taiwan. It is important for Taiwan to maintain

these formal diplomatic relations. [At the time of this study Taiwan's diplomatic allies were 17 and that is why these versions do not account for the [Solomon Islands'](#) very recent switch in recognition from Taiwan to the PRC, which took place on September 16, as well as the one by [Kiribati](#) which took place on September 20]

Version 2: Currently seventeen [sic] countries recognize Taiwan. It is important for Taiwan to maintain these formal diplomatic relations, even if this hurts relations with China.

Version 3: Currently seventeen [sic] countries recognize Taiwan. It is important for Taiwan to maintain these formal diplomatic relations, even if this encourages these countries to ask for more international aid from Taiwan.

Version 4: Currently seventeen [sic] countries recognize Taiwan. It is important for Taiwan to maintain these formal diplomatic relations, even if this hurts relations with China and encourages these countries to ask for more international aid from Taiwan.

The figure below shows the percentage of respondents that agreed or strongly agreed with the statement received. Here we see the extent in which framing and priming matters. Mentioning that maintaining diplomatic partnerships may hurt relations with China increases support for these efforts by over 11 percent, while mentioning that countries may ask for more aid had a stronger influence, decreasing support by 17 percent. A closer analysis finds that while the general patterns endure regardless of partisan identification, Version 2 more positively persuaded supporters of the Democratic Progressive Party (DPP), which is the party of President Tsai, while Version 3 more negatively persuaded Kuomintang's (KMT) supporters. These findings were consistent with the author's previous experimental surveys on diplomatic recognition in March and November of 2018.

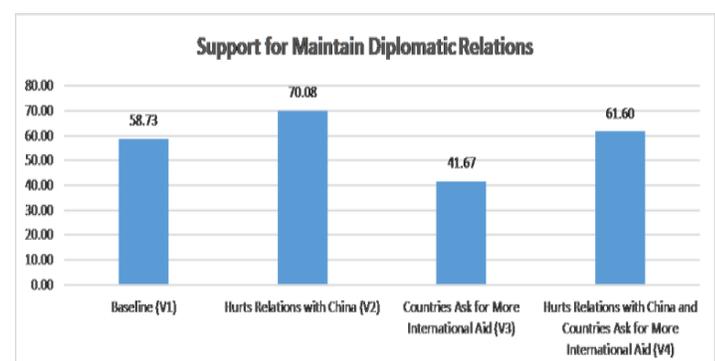


Figure 1: Public support for maintaining diplomatic

