Should Washington be Concerned about Whether Taiwan will Declare Independence?

By: Russell Hsiao

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As Tsai Ing-wen (蔡英文) finishes the remaining two years of her second and final consecutive term as president of Taiwan, there are some concerns being voiced in Washington that the people of the island nation may elect a pro-independence president who could upset the fraught yet delicate balance in the Taiwan Strait. Specifically, there are growing worries that the next president, who may not be as much of a “steady hand” as President Tsai, would take moves that could radically push Taiwan—officially known as the Republic of China (ROC)—towards de jure “independence” and provoke a military conflict in the Taiwan Strait. The question of whether or not Taiwan will declare its independence or move towards unification with the People’s Republic of China (PRC) is perhaps the most hotly debated and poorly understood issue in Washington, Taipei, and Beijing. While public opinion surveys in the country have gauged the people’s preference for either independence, unification, or the “status quo”—and clearly indicated that an overwhelming majority on the island clearly prefers the “status quo”—what is less clear from such polling data is what exactly the “status quo” of Taiwan’s national independence means to the people who would ultimately make that decision: the people of Taiwan.

De Facto, De Jure, and the Status Quo

In January 2022, the Green-leaning My Formosa E-Newsletter (美麗島電子報) released the results of a series of surveys evaluating the Taiwanese people’s views on this very question of national independence, and their expectations for the next president. The survey,
the “January 2022 National Political Poll” (2022年1月國政民調), asked respondents: “Some people say that only when a new constitution is enacted to establish the Republic of Taiwan, is Taiwan truly independent, but some people say that our country is already sovereign and independent, maintaining the status quo is independence, so there is no need to change the country name. Which one do you prefer?”

According to the survey results, 75.9 percent of respondents believed that maintaining the status quo meant independence, so there is no need to change the country’s name. This was described as “de facto independence” (事實獨立). By contrast, 14.4 percent think that only the creation of a new constitution would allow Taiwan to truly be considered independent. This is described as “de jure Taiwan independence” (法理台獨). These results suggest that there is a high degree of consensus among the people, with more than three-quarters of respondents across the political spectrum believing that the country is already sovereign and independent.

To put a finer point on the respondents’ views on Taiwan’s official name, the survey also asked the question: “The British media once asked President Tsai whether she would formally declare independence under the name of Taiwan. President Tsai publicly stated that Taiwan, the Republic of China, is already an independent country, and there is no need to declare itself an independent country again. Do you find President Tsai’s statement acceptable?” According to the survey results, 72.8 percent of the public said that they accept the statement (with 22.1 percent finding it very acceptable and 50.7 percent finding it fairly acceptable), 21.2 percent found it unacceptable (9.7 percent very unacceptable and 11.5 percent somewhat unacceptable), while 6 percent did not answer clearly. For context, in the BBC interview cited in the survey, the exact words of President Tsai were: “…the idea is that we don’t have a need to declare ourselves an independent state. We are an independent country already and we call ourselves the Republic of China (Taiwan), and we have our own system of running the country, and we do have a government and we have a military, and we have elections, like the presidential elections that you have witnessed.”
To be sure, a common definition of the “status quo” has been elusive in Washington, Taipei, and Beijing—much less within Taipei itself. Beijing has its definition, while Taipei has historically swung between two polar extremes—presidents on both sides of the aisle have skirted around the edges, with Chen Shui-bian (陳水扁) advocating movements towards de jure independence between 2000-2008 and Ma Ying-jeou (馬英九) arguing for greater alignment with Beijing between 2008-2016. Yet, as the My Formosa E-Newsletter survey may indicate, public opinion within Taiwan may be coalescing around a definition and a “Taiwan consensus.”

The 2022 survey result is also broadly consistent with public opinion polls on the topic conducted in 2015, just prior to the Tsai Administration. In one such survey, 65.8 percent supported the statement that “Taiwan is the Republic of China, the Republic of China is Taiwan,” whereas 22.6 percent did not support the statement, while 11.8 percent did not provide a clear answer. For those who agreed with the statement, 74.6 percent also believed that there is not a need to change the name of the country to become a new country, while 14.4 percent stated that it was necessary, and 10.9 percent did not provide a clear response.

So, what then do the respondents hope the next president of Taiwan will emphasize on the matter of national independence? According to the 2022 My Formosa E-Newsletter survey, 70.9 percent want the next president to maintain the status quo, 10.7 percent want a new constitution and the establishment of a Republic of Taiwan, 10.1 percent want the president to pursue the “1992 consensus; One China, different interpretation,” and only 1.8 percent expect the president to pursue cross-Strait unification.

**Should Washington be Concerned?**

During a Congressional hearing held in April 2021, the Biden Administration’s Director of National Intelligence Avril Haines told the Senate Armed Services Committee: “I would say that already Taiwan is hardening to some extent towards independence as they’re watching, essentially, what happened in Hong Kong, and I think that is an increasing challenge.”

While public opinion in Taiwan does indeed appear to be hardening towards independence, the My Formosa E-Newsletter survey also shows that this does not mean that the people are rushing towards de jure independence. Quite the contrary, as the overwhelming majority prefers the status quo, which to them means that the country—the Republic of China (Taiwan)—is already sovereign and independent, negating the need for a change of name or a declaration of de jure independence.

Although the agency of the presidency certainly matters for the policy orientation of any new government, there are a multitude of factors that will shape their policies. Despite the pro-independence and pro-unification instincts of Chen Shui-bian and Ma Ying-jeou, respectively, neither were able to move the country fundamentally towards either goal. Structural factors, as well as the constraints of public opinion in a robust democratic system, have had a moderating effect on
both presidencies. Voters ultimately voted Chen and the Democratic Progressive Party (民進黨) out of office in 2008, while popular protests in 2014 turned public support away from the Kuomintang (國民黨), leading to Tsai’s victory in 2016. Such constraints will also help determine who would ultimately be electable in 2024, as well as the extent to which any presidential candidates’ individual initiatives would elicit popular support. With the likely inclusion of a strong third-party candidate like Taipei City Mayor Ko Wen-je (柯文哲) in the 2024 race, capturing the middle will become even harder, and will perhaps be an even more important factor in winning.

In November 2021, President Joe Biden stated: “We have made very clear we support the Taiwan Act, and that’s it. It’s independent. It makes its own decisions.” In a clarifying response, the American president added: “we are not encouraging [Taiwan] independence, we’re encouraging that they [the people on Taiwan] do exactly what the Taiwan Act requires, and that’s what we’re doing. Let them make up their mind. Period.”

It appears that the majority of people in Taiwan agree with President Biden.

The main point: According to a recent poll, around 75 percent of Taiwan people believed that maintaining the status quo meant independence and there is no need to change the country’s name. This should mitigate concerns that a future president of Taiwan will have demand signals to pursue de jure independence.

The Kuomintang Seeks to Reengage with Washington

By: John Dotson

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Amidst concerns that the Kuomintang’s (KMT, 國民黨) image and connections in the United States have both suffered in recent years—especially as the administration of Democratic Progressive Party (DPP, 民主進步黨)-affiliated President Tsai Ing-wen (蔡英文) has garnered widespread acclaim in the international community—the KMT party leadership officially announced in late November 2021 that they would be opening a new representative office in Washington DC. (An earlier representative office maintained by the party was closed in 2008.) The party’s official announcement stated that the KMT’s liaison office would “…work actively and earnestly in Washington […] to steadfastly defend the Republic of China, safeguard Taiwan, [and] sincerely and extensively communicate to all of our good friends in America the policy positions of sincere Taiwan-US relations.” This initiative, led by KMT International Department (國民黨國際事務部) former Vice Director Eric Huang (黃裕鈞), saw the completion of its first initial step in late January, with the reported selection of a property on Pennsylvania Avenue as the site for the new office.

The KMT’s Image Problem in the United States

The re-establishment of the KMT liaison office is a response to the party leadership’s apparent realization that the organization’s image in Washington DC has suffered in recent years. There are now widespread perceptions within the US Taiwan-watching community that the KMT’s electoral base and pro-unification wing are uncomfortably friendly towards Beijing; and that the media infrastructure that supports the party frequently serves as a conduit for propaganda orchestrated by the People’s Republic of China (PRC). This has been further reinforced by the KMT’s noisy opposition
to the import of US pork products containing ractopamine, a factor that has been a primary sticking point in US-Taiwan trade negotiations.

Allegations of anti-American bias on the part of the KMT have also flared up as a periodic controversy in Taiwan’s domestic politics. For example, in January 2021, just prior to the turnover between US presidential administrations, a potential visit to Taiwan by then-US Ambassador to the United Nations Kelly Craft was reportedly under consideration. This prompted a public comment by KMT legislator Fei Hong-tai (費鴻泰) that Craft would be an unwelcome “obnoxious guest” (惡客). This in turn drew criticism from the DPP that the KMT was anti-American—resulting in a denial by KMT spokesperson Angel Hung (洪于茜) of anti-American animus within the party, and as well as an assertion that the KMT was interested in improving ties with the United States. (The immediate object of the controversy was rendered moot when Craft’s proposed trip was cancelled amid the flurry of issues surrounding the presidential transition.)

Since his election to party leadership in September 2021, KMT Chairman Chu Li-lun (朱立倫) has attempted to stake out a policy of simultaneously pursuing friendlier relations with both Beijing and Washington. Upon assuming the chairmanship, Chu received congratulations from Chinese Communist Party (CCP, 共產黨) General Secretary Xi Jinping (習近平) and PRC state media, and proclaimed his intentions to restart dialogues with the PRC. Chu also sparked controversy with a response letter to Xi that was criticized for being overly deferential in tone. Chu, along with KMT Deputy Chairman Hsia Li-yan (夏立言), further participated in the “13th Straits Forum” (第十三屆海峽論壇), a mid-December event in Xiamen organized by the CCP united front bureaucracy.

### The KMT’s New Outreach to Washington on Security Policy

However, steps towards boosting the party’s sagging image in America also began to take shape early in Chu’s tenure. In October, Dr. Dennis Lu-cheng Weng, a political science professor at Sam Houston State University, appeared as a KMT representative at the “2021 United States-Taiwan Defense Industry Conference” hosted by the US-Taiwan Business Council. Dr. Weng presented a keynote address in which he laid out some of the KMT’s key points in terms of national security messaging to an American audience. Specifically, Dr. Weng asserted that “The primary focus of our national defense and force building should be aimed at ‘preventing our adversary from making a decision to wage war against Taiwan’,” while also building up Taiwan’s defense capabilities. The speech offered support for the “Overall Defense Concept” (ODC, 整體防衛構想), a set of ideas that have been the focus of intense debate regarding Taiwan’s defense posture. Dr. Weng also indicated that the KMT had created an “International Affairs Working Group” (國際事務工作小組) tasked with formulating discussions with the PRC.
“national security strategy guidelines” that would be made available later in 2022.

This was followed by a more public event earlier this month, when KMT representatives spoke at a February 9 online discussion event hosted by the Weatherhead East Asian Institute at Columbia University. Titled “Cross-Strait and US-Taiwan Relations from the Kuomintang Point of View,” the event featured discussion by Dr. Alexander Huang (黃介正), a professor at Tamkang University and the director of the KMT’s International Affairs Department; and Johnny Chiang (江啟臣), a KMT legislator and the party’s former chairman in 2020-2021. (Eric Huang, the director of the KMT’s new representative office, was also scheduled to participate, but experienced connectivity problems during most of the event.)

Dr. Huang opened with comments that the KMT’s values and interests “sided with [the international] democratic community,” and stressed the KMT’s long history of ties with the United States. Much of his presentation focused on the national security threat to Taiwan, noting that the PRC was taking advantage of its growing power to “move more and more beyond its borderlines,” and that it was “crucial for not only Taiwan but the region to maintain peace and stability in the Taiwan Strait.” To achieve this, Dr. Huang asserted that Taiwan should “mitigate threat and prevent crisis” by resuming official dialogues with the PRC, while also taking the necessary steps to boost Taiwan’s defense capabilities through reorganization and training, the integration of new weapons systems, and the implementation of the Overall Defense Concept.

Making an implicit criticism of the current DPP administration, Dr. Huang stated that “In the past 6 years, we see that Taiwan is moving toward [a] more and more confrontational approach vis-à-vis mainland China without crisis prevention mechanism[s], without official communication,” and advocated government-to-government dialogue that would “allow room for cooperation.” By contrast, he defended KMT adherence to the so-called “1992 Consensus” (九二共識) as a useful tool for re-opening cross-Strait dialogue without surrendering Republic of China (ROC) sovereignty. He stated that the KMT would seek “a better status quo” by maintaining opposition to independence and other steps that might antagonize Beijing—while also refusing to accept a Beijing-defined “one China.”

In terms of relations with the United States, Dr. Huang stated that the creation of the new representative office was an expression of goodwill to the Washington policy community, and that it would plan and host a series of travel delegations in policy areas to include supply chain and high-tech issues, trade and economic matters, and a US visit by KMT Chairman Chu once pandemic restrictions are relaxed. He also noted that his own department in the KMT would be developing a “defense dialogue group,” consisting of six to eight policymakers and senior retired military officials, in order to re-engage with the Pentagon and conduct “better, quieter” exchanges on defense issues.

**Former KMT Chairman Chiang’s Comments on Cross-Strait Relations**

At the same event, former KMT Chairman Johnny Chiang presented a fundamentally optimistic view that “Washington-Beijing relations are moving towards stability” after the Xi-Biden talks held in November 2021, and that there would be “steadier controlled competition” in which “both sides will establish guidelines in order to prevent competition from descending into conflict.” By contrast, he stated that cross-Strait relations represented a “latent fuse that may initiate conflict.” For this, he placed blame on the Tsai Administration for “fail[ing] to take into account [the] political realities” of Taiwan’s position vis-à-vis the PRC. Citing President Tsai’s recent article in Foreign Affairs, he stated that the DPP “approaches the cross-strait question only from the international level,” and that the “DPP’s national security strategy is playing [the] democracy vs. authoritarian[ism] card, relying on the democratic world to rescue Taiwan.”

By way of contrast, Mr. Chiang stated that the KMT would be a “responsible friend” to the United States,
while also focusing on cross-Strait dialogue to improve relations between the ROC and the PRC. In this, he asserted that the KMT would not defer to Beijing’s authority: “[O]ur priority remains the sovereignty and independence of the Republic of China […] we are unequivocally opposed to Beijing’s so-called ‘One Country Two Systems’” (一國兩制) framework. He also defended the “1992 Consensus”—asserting, without clear explanation, that “the ‘92 Consensus has been destroyed on purpose by our political competitors”—and stated that it provided Taiwan with its own version of “strategic ambiguity” in dealing with the mainland.

More than any other theme, Mr. Chiang repeatedly stressed the importance of “people-to-people connections” as a means to build more positive cross-Strait relations. He stated that “people-to-people connection[s] […] should be the very fundamental thinking for both sides,” and asserted the concept of “people as priority” (民本思想) in traditional Chinese thought as a guideline for relations across the Strait. [1] This effort to “alleviate cross-Strait tensions at [the] people-to-people levels,” alongside party-to-party dialogue between the KMT and CCP, would allow the two sides to “plot a course towards long-lasting peace.”

**Conclusions**

The KMT leadership clearly recognizes that the party’s international reputation has declined in recent years, alongside its domestic electoral prospects. The party is currently undertaking steps to repair some of this damage among Washington policy circles—with the establishment of a new representative office, as well as public policy discussions by senior party representatives, providing the most prominent examples of this renewed outreach. However, the party continues to face fundamental quandaries in terms of its messaging to both domestic and international audiences.

The first and most fundamental of these is the questionable utility of cross-Strait dialogue with a CCP leadership intent on denying Taiwan’s government and political institutions any legitimacy outside the scope of the CCP united front system and the rigid “One Country, Two Systems” concept (which enjoys negligible support in Taiwan). The second of these is the limited space for the sort of “strategic ambiguity” advocated by former KMT Chairman Chiang: the “1992 Consensus” formally maintained by both the KMT and the CCP (albeit with arguably unbridgeable interpretations) appears to be increasingly moribund and unworkable as a practical framework for negotiations. Embracing Beijing’s preconditions for dialogue would force the KMT—or any other political party in Taiwan, for that matter—to embrace positions deeply unpopular with Taiwan’s electorate as a whole. In this light, hopes that “people-to-people” exchanges will bridge this divide seem naïve, at best. The KMT is undoubtedly taking more productive efforts to engage with a Washington audience; but as long as the underlying dynamics of both cross-Strait relations and the party’s domestic policies remain fundamentally unchanged, a shift in messaging alone is likely to have limited value.

**The main point:** Representatives of Taiwan’s main opposition party, the Kuomintang, are engaged in an active outreach effort to improve the party’s image and contacts among the Washington policy community, as seen most clearly in the creation of a new liaison office for the party in Washington, DC. However, the underlying dynamics affecting both the party’s electoral prospects and its Washington connections remain unchanged, and will present challenges to the KMT’s efforts to boost its international image.

[1] In this, Chiang’s comments are strikingly evocative of the focus on “people-to-people exchanges” (民間交流) advanced by the PRC united front system; as well as the “people as the foundation” (以人為本) slogan evoked in Chinese Communist Party propaganda under Xi Jinping.
RIP Naval Attaché Association: We Hardly Knew You

By: Wallace ‘Chip’ Gregson

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Global Taiwan Institute members and fans no doubt noticed the contretemps over the inclusion of TECRO officials in activities of the semi-official Naval Attachés’ Association (NAA). These networking organizations exist in various capitals around the world. There are even naval attaché spouses’ organizations. The clear purpose is to establish support networks to enhance information gathering and share cultural knowledge and customs across the representatives of many countries. This makes sense. Attachés live for information. International bonds made over shared service last a lifetime and remain exceedingly valuable.

A quick backgrounder may add some perspective. Attachés are ‘intelligence collectors.’ Our US officers posted around the world as attachés report to our Defense Intelligence Agency. They are “overt” collectors, and hardly clandestine. James Bond types and those given to visions of accomplishing “Mission Impossible” are not welcome. Attaché’s uniforms are an unmistakable clue to their status and duties. It’s customary for attachés to wear various forms of gold or silver braid, lots of it, to further announce their presence and role. They purposefully stand out at various functions. Their duties also involve attending ceremonies, meetings, briefings, showing visiting dignitaries around, and anything else their ambassador or chief of mission desires. But ‘collection’ is the big thing. Open source, unclassified observations, including softer things like perspective, attitudes, and morale of serving officials, national characteristics, technological efforts, industrial capability, and other matters are valuable. All interesting and important things are not behind the classification barriers.

Most valuable intelligence is in plain sight. The Ardennes Forest was considered impassable to armored vehicles, acting as a natural extension of the Maginot Line in 1940, until German forces proved otherwise. Closer to home, each of the component parts of the 9/11 attack were visible in events well before the attack, including the simultaneous hijacking, or attempted hijacking, of multiple aircraft. The “vision thing” failed in Europe in 1940, and in the United States in 2001. Attachés can help prevent recurrence.

It is common in the United States for our government agencies to support tours and visits of members of the attaché corps accredited to posts here. The NAA, among other things, acted as an organizer and sponsor of visits to officials and approvals to visit various places on behalf of all its members. The United States, in turn, is more than happy to support this. In the Cold War, we even hosted Soviet officers aboard our aircraft carriers, and demonstrated the junior sailors doing all the fueling, arming, repositioning, launching and recovery of aircraft. Such tours are part of our influence efforts.

Access is a key objective for the attachés, individually and collectively. That access is now at least greatly attenuated for the Chinese and the remaining members of the Naval Attachés Association. According to reports, China’s attaché in the United States, People’s Liberation Army (PLA) Senior Captain Meng Zhang, threatened the Association’s leadership with repercussions against fellow officers in Beijing unless the invitation to Taiwanese officials to attend an association breakfast, and their Association memberships, were rescinded. According to the Financial Times of January 13, Captain Meng Zhang said:

“Should the Taiwan personnel not be delisted off the NAA list and the invitation not be revoked, there is no doubt that your military personnel in Beijing will be adversely affected.”

Examine that threat statement again. It was made by the senior naval representative at the Chinese embassy, not the ambassador. Senior Chinese officers are hardly known leading on policy. This was a deliberate
attack, no doubt sanctioned.

After initial resistance, the Association’s leadership reversed course, cancelling the breakfast invitations and even memberships for Taiwan officials. It seems that wolf warrior diplomacy now extends through the attaché corps. And why not? This gambit resembles Chinese coercion of the Chinese diaspora around the world: “We know where your family is. It would be a shame if something were to happen.”

In turn, again according to the Financial Times:

“The US navy has banned officers from attending NAA events. Carlos Del Toro, navy secretary, last month said it did not support China’s ‘coercive tactics’ and opposed efforts to ‘manipulate independent organisations [sic].’”

It is worth the time to look at the precise language of the “ALNAV” (for All Navy message) signed out by the secretary. ALNAVs, like most such directives, are most often known for their sleep-inducing qualities. This one breaks from that tradition. After a quick reference to the importance of engagement with naval representatives of foreign powers represented here, it then seizes the moral high ground.

“That engagement must be conducted in accordance with overarching US interests and values, and must not provide advantage to our strategic competitors or allow those competitors to disadvantage the appropriate engagement of foreign partners with the DON leadership.”

Naming names, the ALNAV continues:

“Accordingly, effective until further notice, unless specifically authorized by the Secretary of the Navy, the members of the Department will no longer participate in NAA-sponsored or hosted events. The Department WILL continue to engage with the entire Corps of Foreign Naval Attaches, and looks forward to hosting inclusive opportunities to continue fostering open dialogue and understanding with our valued naval attaché colleagues.”

The citation of “overarching US interests and values” as the foundation for our actions is powerful. Appealing to the better moral angels of democratic, allied countries is “realpolitik,” not some so-called “woke” fad. Values are also one of the best parts of our national “brand.” Moreover, the mention of “appropriate engagement for foreign partners” should be encouraging for our Taiwanese friends.

The Association will apparently continue to exist in Washington, but without its TECRO and US members, and without the previously extended robust access to US officials and events so necessary for attaché duty. The NAA officials who reversed their original principled stand, perhaps following the sentiment of many members, will now have to be content with talking to each other. It remains to be seen how long other nation’s attachés will wish to continue paying dues for NAA membership to have access to Chinese officials.

Does all this matter? Does writing about it give the story more legs than it deserves? Valid questions. It does matter, as this is yet another attempt by China to marginalize and intimidate Taiwan. This manifest threat to retaliate against those posted to Beijing from the United States and other nations deserves attention. China, always quick to take offense over the most benign actions, turns a blind eye to its own international transgressions. Do as we say, not as we do. Most notably, China repeatedly violates its own “One-China Principle.” In 1979, a Chinese commitment to a peaceful resolution of disputes with the Republic of China (ROC) paved the way for normalization of Sino-American relations. That was, and remains, the foundation, the fundamental agreement, that enabled all that followed. Yet China refuses to renounce the use of force and continues its sharp coercion of Taiwan, most recently with large and frequent aerial intrusions and militant demonstrations. We are a long way from peaceful resolution.

Informal attaché networks and connections among like-minded national contingents here in Washington
will no doubt arise, acknowledged and unacknowledged. One such alternative is the posting of two retired officers, a major general and a Navy captain, to the United States last month to oversee US-Taiwan Veterans Affairs cooperation. Presumably they will have a staff. Those who have served their nations in such positions never lose their passion for service, their prestige, and their interest, just because they have taken off the uniform. Observations, information, experiences, and impressions will continue to be passed among friends. The NAA may continue to exist, and collect dues from its remaining members, but the overt, announced, and sponsored access to officials, briefings, tours, and social (meaning business) functions, will not. It is hard to see its purpose under these conditions. Perhaps this is one more “decoupling.”

The main point: Beijing’s pressure forcing the Naval Attaché Association to rescind TECRO’s participation is yet another attempt by China to marginalize and intimidate Taiwan. The more coercive Beijing becomes, the more likely the United States and China will decouple.

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Taiwan’s Place in Biden’s Indo-Pacific Economic Framework

By: Riley Walters

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The Biden Administration is looking to expand its partnerships in Asia this year. In particular, it plans to announce what US Secretary of State Anthony Blinken has called a new “comprehensive Indo-Pacific economic framework.” While details about the framework are sparse, it is clear that some issues, like trade, may not be a focus in this “comprehensive” framework. This means that it is unlikely that the Biden Administration will pursue a US-Taiwan free trade agreement; instead, technology will take front and center. This leaves plenty of opportunities for the United States and Taiwan to cooperate—either bilaterally or multilaterally—on a range of issues. In addition, recently established bilateral dialogues between the United States and Taiwan on supply chains and technology could help ease Taiwan’s participation into the new framework.

The New Economic Framework

At last October’s East Asia Summit, President Biden announced that the United States would soon develop a new Indo-Pacific economic framework. A readout from his speech noted that the framework would “define our shared objectives around trade facilitation, standards for the digital economy and technology, supply chain resiliency, decarbonization and clean energy, infrastructure, worker standards, and other areas of shared interest.”


Certainly, there is an argument to be made that the US government has been lacking an economic strategy as it looks to focus more on the Indo-Pacific. Even White House Indo-Pacific Coordinator Kurt Campbell has noted that economic policy is “an area where the United States, indeed, needs to step up its game.” Indeed, the new framework appears to be a mix of new and old initiatives already ongoing in the Biden Administration.

For example, supply chain issues are expected to be a major focus of the new framework. Already as a part of the Biden Administration’s supply chain task force re-
view from last year, the United States will soon convene a Global Supply Chain Forum, the outcomes of which will likely be mixed into the new economic framework. The United States also has several supply chain initiatives already underway with Japan, Australia, and India through the Quadrilateral Strategic Dialogue (“Quad”) framework.

Climate change assistance and infrastructure development are two other initiatives covered in the framework that are already addressed by current activities in the US government – either through the Quad, or the Development Finance Corporation. With this in mind, the real question is: Which parts of the new framework will actually be new?

To understand what will take priority in the new framework, we simply have to look at its structure. The design of the framework appears to be led by US Secretary of Commerce Gina Raimondo and US Secretary of State Antony Blinken. While US Trade Representative (USTR) Katherine Tai is also a part of these efforts, it is clear that USTR will only be playing a supporting role. As a result, trade will likely not be a major feature of the economic framework.

In fact, Secretary Raimondo noted that the framework will act as a substitute for the US joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). She even suggested that the framework would be “even more robust [...] than the traditional free trade agreement.” And while USTR is actively working to establish new standards around workers’ rights that will likely be folded into the Indo-Pacific framework, it will still fall short of negotiations towards trade liberalization—such as those involving Taiwan as it works to join the CPTPP.

Ultimately, this only leaves the digital economy and technology as possible new areas for cooperation under the new framework. What could that include? Perhaps a digital trade agreement—so long as it does not require Congress to get involved. Such an agreement would most likely look to bridge the gap between the digital chapter of the US-Canada-Mexico Agreement and the digital chapters of the CPTPP and Regional Comprehensive Economic Partnership (RCEP).

The economic framework would also likely look at areas to co-develop standards for new technologies (such as artificial intelligence), and include efforts to exchange information regarding foreign investments into such sensitive technologies. More likely, the framework will try and establish a new multilateral system to regulate the export of technology to potential adversaries like China. This could mean reexamining what technologies need to be regulated and what level of enforcement by the US and others is needed.

A Focus on Technology

There is an increasing focus on technology these days—whether it is the supply chain of technologies like semiconductors, or the development of new technologies with dual-use potential (i.e., important for consumers and national security organizations alike). In September, the US and European Union issued a joint statement as a part of their inaugural Trade and Technology Council that focused primarily on technology, including matters such as global trade challenges, semiconductor supply chains, investment screening, export controls, and artificial intelligence.

Taiwan knows just as well as any other country in the Indo-Pacific the importance of not letting its technology fall into the wrong hands. This is especially true given Taiwan’s leadership in the semiconductor industry and Beijing’s growing desire to become technologically self-reliant. Taiwanese regulators have always been cautious about potentially transferring technology to China. Recently, regulators in Taiwan announced that they are reviewing whether to block domestic tech companies from selling their subsidiaries or assets to China.

Given the increasing threat of China’s military presence in the region, there is a growing need for the United States and Taiwan to work together and with partners to increase their deterrence capabilities, which means more investment in new technologies. Just last year,
Japan’s former Prime Minister Shinzo Abe argued that Japan, the United States, and Taiwan should share more defensive technologies. However, this would also mean that these partners would need to up their export control enforcement capabilities as well. Export controls, like economic sanctions, are generally more effective if multiple countries agree to enforce them, instead of a single country acting unilaterally.

**Introducing the TTIC**

In December, the US and Taiwan established a new Technology Trade and Investment Collaboration (TTIC) framework. Much like the Indo-Pacific economic framework, the TTIC operates under the purview of the Department of Commerce (through its International Trade Administration) and partners with Taiwan’s Ministry of Economic Affairs. The aim of this initiative is to “develop commercial programs and explore actions to strengthen critical supply chains” between the US and Taiwan. While the TTIC has yet to have its inaugural meeting, it could be an ideal venue for American and Taiwanese officials to discuss ways of strengthening export controls.

The TTIC adds to a growing list of US-Taiwan initiatives. Among these high-level bilateral initiatives is the Trade and Investment Framework Agreement (TIFA) led by the USTR. This program has existed for nearly 30 years, but was suspended during the Trump Administration before resuming last June. More recently, the United States and Taiwan met for the second Economic Prosperity Partnership Dialogue (EPPD), which was launched in late 2020. The EPPD also looks to enhance cooperation on global health, infrastructure, women’s empowerment, technology, and investment screening. (While it can be difficult keeping track of each initiative, an easy way to think about these dialogues is that the TIFA is led by USTR, the EPPD is led by the Department of State, and the TTIC is led by the Department of Commerce.)

**Combining Efforts**

The Biden Administration seems to be going all-in on establishing this new Indo-Pacific economic framework, which means that it will be looking to ongoing bilateral efforts it has with friends and partners in the region—such as Taiwan and Japan—to help give the framework legitimacy. For their part, Taiwanese officials are also looking at how they might join the framework.

It is possible that discussions at both the TTIC and EPPD can help feed into the framework—just as the new US-Japan economic 2+2 (also led by the Commerce and State Departments) will feed into the economic framework. This is also similar to the recently established US-Japan Commercial and Industrial Partnership, which looks to strengthen “competitiveness, resiliency, and security […] promote investment and vitalize cooperation between the private sectors of both countries […] advance innovation in areas such as digital and advanced technologies […] promote the resiliency of supply chains for semiconductors […] [and] strengthen collaboration in the protection of critical technologies and the development of infrastructure.”

Laura Rosenberger, senior director for China at the National Security Council, recently mentioned how different conversations in which the US government is currently engaged with partners in Asia will move at different speeds. What this could potentially mean is that, since USTR is only playing a supporting role in the Indo-Pacific economic framework, TIFA dialogues will likely continue at their own pace and not add much value to the new framework.

**Conclusion**

It is questionable what new efforts will come from the Biden Administration’s proposed Indo-Pacific economic framework, but there is no question that the framework is a priority. The US will be looking to incorporate the input of as many partners and allies in the region as possible in order to give the framework legitimacy. This means relying on some of the bilateral and multilateral dialogues already underway—such as the Quad, TTIC, EPPD, and others—with a main focus on technology.
Ideally, countries in Asia would like the United States to play a greater role in trade negotiations, especially by signing on to regional trade deals like the CPTPP. Yet, this would require both Congress and the White House to get over their aversion to trade agreements. This means that while it is unlikely there will be a US-Taiwan free trade agreement anytime soon, there will be plenty of opportunities for bilateral and multilateral cooperation over the next year.

The main point: Just as the US-Taiwan Economic Prosperity Partnership Dialogue became a substitute for a US-Taiwan free trade agreement under the Trump Administration, the new Indo-Pacific economic framework is the Biden’s Administration’s substitute for engaging in trade negotiations in Asia. As the framework will mostly center on technology, Taiwan should be a welcome partner in this new initiative.