



A Survey of Public Perceptions on Diplomatic Recognition of Taiwan



Timothy S. Rich
March 2020



Global Taiwan Institute

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About the Author

Dr. Timothy Rich is an associate professor of political science at Western Kentucky University. His primary research interest concerns electoral politics in East Asia (Taiwan, South Korea, and Japan), with an emphasis on the impact of the mixed-member legislative system. His broader research interests include diverse topics in East Asian domestic and international politics, including North Korea politics, diplomatic recognition of Taiwan, cross-Strait relations, and support for same-sex marriage legislation. Beyond East Asia, his research covers issues in other mixed-member systems (Germany, Mexico, Lesotho), Nigerian email scams, and the politics of microstates. Dr. Rich's research for GTI ties Taiwan's domestic politics to its international relations by identifying the factors that influence Taiwan's formal diplomatic relations.



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Introduction

What explains why some countries recognize Taiwan (Republic of China or ROC) despite intense pressure to recognize the People's Republic of China (PRC)? China precludes dual recognition, so countries are forced to choose between extending formal diplomatic recognition to China or Taiwan¹ and the vast majority, since the early 1970s, have sided with China. No country switched recognition during an eight-year truce that ended with the election of Tsai Ing-wen in 2016.² Now, with the departure of Panama in 2017 the switches of Burkina Faso, the Dominican Republic and El Salvador in 2018, and the loss of the Solomon Islands and Kiribati in 2019, Taiwan is left with only 15 formal diplomatic partners.³

Despite providing the basis of the international state system, diplomatic recognition is rarely examined in policy analysis nor is the foreign policy of small states.⁴ Taiwan provides a unique case to evaluate the main actors and conditions influencing diplomatic recognition. The literature focuses primarily on powerful countries and their decision to recognition smaller, often newly independent countries. Meanwhile the research on Taiwan's

diplomatic relations is dominated by individual case studies and regional analyses,⁵ potentially overlooking broader trends over time. The Taiwan case provides an intriguing example, which emphasizes the role of economics in diplomatic recognition and the role that small powers may play in international relations.

Meanwhile, remarkably little research considers public perceptions of Taiwan's efforts. Other than anecdotal evidence and news commentary, or vague survey questions that examine Taiwanese foreign policy in broad terms, public perceptions of Taiwan's formal diplomatic partnerships remain largely unexplored. As such, administrative presentation of diplomatic recognition, as well as public evaluation of diplomatic challenges, both remain overlooked precisely at a time when Taiwanese diplomatic partners face increased pressures to

“...the Taiwanese public remains particularly sensitive to international aid, perhaps due to the history of so-called “dollar diplomacy.” As such, Taiwanese officials may wish to downplay the extent of aid given to diplomatic partners and focus instead on the substantive areas of aid (e.g. education, healthcare, infrastructure) rather than the overall amount.

break relations and Taiwanese officials face pressures to respond.

To address gaps in the literature, this report employs a country-level dataset covering 1950-2016 along with three waves of an original experimental public opinion survey data to identify factors that influence and are influenced by diplomatic recognition. The analysis

¹ In this paper the term Taiwan refers to the Republic of China (ROC) and references to China to the People's Republic of China (PRC).

² The Gambia unilaterally broke ties with Taipei in 2013, but Beijing did not establish relations until 2016.

³ Recognizing countries include Belize, eSwatini (Swaziland), Guatemala, Haiti, Honduras, Kiribati, Marshall Islands, Nauru, Nicaragua, Palau, Paraguay, Solomon Islands, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Tuvalu, and Vatican City.

⁴ Mikulas Fabry, *Recognizing States: International Society and the Establishment of New States Since 1776* (Oxford: Oxford University Press, 2009); Robert O. Keohane, “Lilliputians Dilemmas: Small States in International Politics,” *International Organization* 23, no. 2 (1969): pp. 291-310, <https://doi.org/10.1017/s002081830003160x>; Christos Kassimeris, “The Foreign Policy of Small Powers,” *International Politics* 46, no. 1 (2009): pp. 84-101.

⁵ Eric Harwit, “Taiwan’s Foreign Economic Relations with Developing Nations: A Case Study of Its Ties with Palau,” *The Contemporary Pacific* 12, no. 2 (2000): pp. 465-479, <https://doi.org/10.1353/cp.2000.0054>; Elizabeth Larus, “Soft Power versus Hard Cash: Retaining Democratic Allies,” in *Taiwan and the International Community*, ed. S. Tang (Oxford: Peter Lang, 2008), pp. 153-188; Richard J. Payne and Cassandra R. Veney, “Taiwan and Africa: Taipei is Continuing Search for International Recognition,” *Journal of Asian and African Studies* 36, no. 4 (2001): pp. 437-450, <https://doi.org/10.1177/002190960103600406>; Colin Alexander, “Public Diplomacy and the Diplomatic Truce: Taiwan and the People’s Republic of China (PRC) in El Salvador,” *Place Branding and Public Diplomacy* 7, no. 4 (2011): pp. 271-288.

suggests the limits, in the Taiwanese public's view, to seeking formal diplomatic recognition and the role of framing while questioning whether formal recognition remains the gold standard for state sovereignty in an international system where many of the benefits of recognition can be obtained in its absence.

“ The economic correlation suggests that Taiwan’s efforts to promote economic development in recognizing countries potentially undermines Taiwan’s interests.

Diplomatic Recognition

The international system views sovereign states as the main actors in international relations.⁶ Formal diplomatic recognition is the clearest indicator of others acknowledging this sovereignty.⁷ Without pressure from China, one would expect Taiwan's diplomatic recognition to be nearly universal, as Taiwan meets most criteria associated with internal sovereignty.⁸ These criteria include a functioning state that controls a defined territory and a permanent population that accepts the state's rule. However, external sovereignty largely rests on the ability to engage in "normal" international relations, where parties acknowledge each other as sovereign equals. Some argue that an entity cannot claim sovereignty if it cannot assert this right.⁹ Here, the lack of formal recognition, despite complex attempts to maintain unofficial relations, undermines Taiwan's claims of sovereignty. This is further complicated by China's opposition to dual recognition.¹⁰ China, on occasion, however, has ignored practices that, in effect, mirrored dual recognition.¹¹

⁶ Kenneth N. Waltz, *Theory of International Politics* (New York: McGraw Hill, 1979).

⁷ Stephen D. Krasner, "Who Gets a State, and Why?," *Foreign Affairs*, 2009, <http://www.foreignaffairs.com/articles/64872/stephen-d-krasner/who-gets-a-state-and-why>

⁸ Thomas D. Grant, *The Recognition of States: Law and Practice in Debate and Evolution* (Westport: Praeger, 1999); There is no universally accepted checklist for recognition, although the Montevideo Convention does provide a basic framework for factors to consider (Grant 1999). Nevertheless, states can use any criteria they wish in determining to extend recognition (see Hillier 1988). Thomas Hillier, *Sourcebook on Public International Law* (London: Routledge, 1988).

⁹ E.g. Hedley Bull, *The Anarchical Society: A Study of Order in World Politics* (New York: Columbia University Press, 1977).

¹⁰ Ian Taylor, "The Ambiguous Commitment: The Peoples Republic of China and the Anti-Apartheid Struggle in South Africa," *Journal of Contemporary African Studies* 18, no. 1 (2000): pp. 91-106, <https://doi.org/10.1080/025890000111986>; Anthony Van Fossen, "The Struggle for Recognition: Diplomatic Competition Between China and Taiwan in Oceania," *Journal of Chinese Political Science* 12, no. 2 (2007): pp. 125-146, <https://doi.org/10.1007/s11366-007-9008-0>.

¹¹ Erik Pajtinka, "Between Diplomacy and Paradiplomacy: Taiwans For-

Diplomatic recognition remains stable among most states while revocation has been rare. Even among divided countries (e.g., Germany, Korea), states seldom severed diplomatic partnerships, with dual recognition eventually accepted as a confidence-building measure that could promote eventual unification.¹² In contrast, recognition in the Taiwan case is far less stable. This instability is particularly noticeable between the Lee

Teng-hui (1988-2000) and Chen Shui-bian (2000-2008) administrations. The former resulted in a net gain of seven recognizing states, the latter a net decline of six. Of the countries currently recognizing Taiwan, three have left only to return (i.e., Nauru, Nicaragua, and St. Lucia) and ten countries have switched at least twice, with the Central African

Republic switching five times.¹³ Pledges to stay with Taiwan seem to matter very little, as even Nelson Mandela's assurances that South Africa would not switch or that the country would attempt dual recognition ultimately led to South Africa's switch from Taiwan to China.¹⁴ Countries may promise to remain Taiwan's diplomatic partner but will leave if China offers enough incentives.¹⁵ Even evidence during the diplomatic truce

Relations in Current Practice," *Journal of Nationalism, Memory & Language Politics* 11, no. 1 (2017): pp. 39-57, <https://doi.org/10.1515/jnlp-2017-0003>; The UK established diplomatic relations with PRC in 1950, but maintained consular relations in Tamshui (Danshui) until 1972.

¹² William Glenn Gray, *Germany's Cold War: the Global Campaign to Isolate East Germany, 1949-1969* (Chapel Hill: The University of North Carolina Press, 2003); Mary Elise Sarotte, *Dealing with the Devil: East and West Germany, détente, and Ostpolitik, 1969-1973* (Chapel Hill, NC: University of North Carolina Press, 2001); Edward A. McCord, "One China, Dual Recognition: A Solution to the Taiwan Impasse," *The Diplomat* (The Diplomat, June 20, 2017), <https://thediplomat.com/2017/06/one-china-dual-recognition-a-solution-to-the-taiwan-impasse/>.

¹³ This excludes two cases—Vanuatu and Papua New Guinea—where recognition of Taiwan lasted days before switching back to China.

¹⁴ Gary D. Rawnsley, *Taiwan's Informal Diplomacy and Propaganda* (New York: Palgrave Macmillan, 2000).

¹⁵ Joe Hung, "President Tsai Ing-Wen's 'Checkbook Diplomacy' a Waste of Money: The China Post Columnist," *The Straits Times*, January 16, 2017, <https://www.straitstimes.com/asia/east-asia/president-tsai-ing-wens-checkbook-diplomacy-a-waste-of-money-the-china-post-columnist>.

indicates the instability of Taiwan's diplomatic partnerships. Several countries, notably El Salvador, Honduras, Nicaragua and Paraguay, showed interest in switching and were rebuffed by China.¹⁶

To prevent further diplomatic losses, Taiwan expends considerable resources on international aid to recognizing countries, with is often derisively labeled "check-book diplomacy" or "dollar diplomacy." These efforts are not without scandal, such as the unsuccessful attempt to sway Papua New Guinea under the Chen Shuibian administration, which led to Taiwanese middlemen absconding with USD \$30 million. Former presidents of Costa Rica (Miguel Rodriguez) and Nicaragua (Enrique Bolanos) were both accused of illegally receiving funds from Taiwan and other foreign entities.¹⁷ In

2000, Deputy Prime Minister Allan Kemakeza of the Solomon Islands was dismissed after embezzling some of the USD \$14 million Taiwan provided for civil war victim compensation, while bandits in 2001 requested cash from ministers after viewing Taiwanese aid as a diplomatic bribe.¹⁸ Dean (2002) also claims that, in addition to secret funds to bribe officials, the Taiwanese government paid foreign political parties and lobbying

¹⁶ Colin Alexander, "Public Diplomacy and the Diplomatic Truce: Taiwan and the People's Republic of China (PRC) in El Salvador," *Place Branding and Public Diplomacy* 7, no. 4 (2011): pp. 271-288; Josh Horwitz, "Taiwan Now Has Diplomatic Relations with Fewer than 20 Countries," *Quartz* (Quartz, May 1, 2018), <https://qz.com/1266620/the-dominican-republic-is-switching-diplomaticties-from-taiwan-to-china/>.

¹⁷ El Nuevo Diario, "Portillo Recibió 'Tajada' De Taiwan [Portillo Received 'Cash' from Taiwan]," *El Nuevo Diario*, February 12, 2005, <http://archivo.elnuevodiario.com.ni/2005/febrero/12-febrero-2005/nacional/nacional-20050212-02.html>; La Nacion, "Empresa De Rodriguez Recibió Depósitos De Reaseguros [Rodríguez's Company Received Reassurance Deposits]," *La Nacion*, May 26, 2006, http://www.nacion.com/ln_ee/2006/mayo/26/pais1.html

¹⁸ China Post, "No Dollar Diplomacy for Solomons, MOFA Says," *The China Post*, September 5, 2002, <https://chinapostnownews.com/20020905-142942>; Graeme Dobell, "China and Taiwan in the South Pacific: Diplomatic Chess versus Pacific Political Rugby," (The Lowy Institute, May 2007), http://chl-old.anu.edu.au/publications/csds/cscsd_op1_4_chapter_1.pdf

firms to buoy diplomatic relations.¹⁹

Setting aside these more egregious examples, the amount of aid does not appear incommensurate with Taiwan's economic clout. For example, member-states of the Organization for Economic Co-operation and Development (OECD) pledged in 1970 to donate 0.7% of donor's national income to official development assistance (ODA). Taiwan, like most countries, falls far short of this goal, with Alex Huang, spokesperson for Taiwan's Office of the President, stating Taiwan's ODA reaches roughly 0.05% of ODA.²⁰ According to the ICDF's accounting reports, the office maintained total assets of roughly \$16 billion NTD (\$523 million USD) in 2016 and 2017.²¹ However, a listing of cooperation projects in 2017 includes many countries without formal recognition.²² Taiwan is not alone in giving many of these countries sizable assistance packages, although diplomatic recognition is not a driving factor in the other cases.

An accurate account of the total monies allocated towards diplomatic partnerships over time is unavailable, although the allocation has become more transparent post-democratization. It often remains easier to identify the scope of assistance through sources provided by the recipient countries. Part of this non-transparency is intentional. Most aid is allocated through the Ministry of Foreign Affairs (MOFA) or from MOFA indirectly through the International Cooperation and Development Fund (ICDF). Part of the former's direct allocations remains strategically secretive to prevent China from easily matching aid amounts.²³ However, Chinese officials circumvent this secrecy by asking Taiwan's

¹⁹ Jason Dean, "Taiwan: Keep a Secret?," *Far Eastern Economic Review*, April 11, 2002.

²⁰ Personal interview.

²¹ International Cooperation and Development Fund. 2017. Annual Report. p 76.

²² Only in Central America and the Caribbean do projects appear limited largely to countries with formal relations with Taiwan. See International Cooperation and Development Fund. 2017. Annual Report. pp. 94-99.

²³ The total amount of secret allocations is believed to have been reduced considerably in recent years. Personal interview.

diplomatic partners about specific aid amounts in the most opportune organization in which Taiwan is absent: The United Nations.

Aid-for-recognition, even if not so explicitly stated by either Taiwan or recognizing states, helps stabilize Taiwan's diplomatic recognition.²⁴ This leads to countries pressuring Taiwan for additional funds or leaving when China will meet demands that Taiwan will not.²⁵ The Gambia left when Taiwan did not meet "exorbitant" requests for aid and Vanuatu extorted funds from Beijing when it threatened to switch.²⁶ Small states clearly benefit from what essentially resembles a bidding war.²⁷ In addition, when one country breaks relations with Taiwan, allocated money can be used

to either bolster support among remaining partners or to entice a country to leave China.²⁸ For example, Taiwan simply reallocated monies designated for El Salvador

²⁴ Gerald Chan, "Taiwan as an Emerging Foreign Aid Donor: Developments, Problems, and Prospects," *Pacific Affairs* 70, no. 1 (1997): pp. 37-56; Wei-Chen Lee, "Taiwan's Foreign Aid Policy," *Asian Affairs* 20, no. 1 (1993): pp. 43-62; Jie Chen, *Foreign Policy of the New Taiwan: Pragmatic Diplomacy in Southeast Asia* (Northampton: Edward Elgar Publishing, 2002); Barrie MacDonald, "Decolonization and beyond: The Framework for Post-Colonial Relationships in Oceania," *The Journal of Pacific History* 21, no. 3 (1986): pp. 115-126, <https://doi.org/10.1080/00223348608572536>; Tuan Y Cheng, "Foreign Aid in ROC Diplomacy," *Issues and Studies* 28, no. 9 (1992): pp. 67-84; Chiao Chiao Hsieh, *Strategy for Survival: the Foreign Policy and External Relations of the Republic of China on Taiwan, 1949-79* (London: Sherwood, 1985);

²⁵ Michael J Cole, "China, Taiwan and the Art of Stealing Allies," *The National Interest*, December 6, 2018, <http://nationalinterest.org/feature/china-taiwan-the-art-stealing-allies-25662>.

²⁶ Phillipa Brant, "China-Taiwan Diplomatic Rivalry Gives Way to New Maturity," *The Interpreter* (The Lowy Institute, November 25, 2013), <https://www.lowyinstitute.org/the-interpreter/china-taiwan-diplomatic-rivalry-gives-way-new-maturity>.

²⁷ Thomas V Biddick, "Diplomatic Rivalry in the South Pacific: The PRC and Taiwan," *Asian Survey* 29, no. 8 (1989): pp. 800-815; Carlos Brian Phaysey, "Diplomatic Rivalry between Taiwan and PRC in the South Pacific Islands," *Issues & Studies* 35, no. 2 (1999): pp. 73-104; Timothy Harris, "The Dynamics of International Diplomacy: The Case of China and Taiwan in the Caribbean: 1971 to 2005," *Journal of Caribbean International Relations* 2 (2006): pp. 122-137; He Li, "Rivalry between Taiwan and the PRC in Latin America," *Journal of Chinese Political Science* 10, no. 2 (2005): pp. 77-102, <https://doi.org/10.1007/bf02877029>.

²⁸ Interviews with officials from Taiwan's Ministry of Foreign Affairs (MOFA) and the International Cooperation and Development Fund (ICDF) state that funds allocated in a fiscal year for a recognizing state can be reallocated to other recognizing states if one breaks ties.

to Nicaragua post-diplomatic break.²⁹ Regardless, such efforts only work if countries are willing to forego relations with China. However, China's political clout, including its ability to veto United Nations (UN) peacekeepers for countries recognizing Taiwan (see Guatemala in 1997 and Macedonia in 1999), is now matched with a greater willingness to offer aid to lure diplomatic holdouts as well.³⁰ For example, China reportedly offered the Dominican Republic more than \$3 billion USD in loans and investments to switch, and in the aftermath of the loss of Panama, Guatemala and Belize reportedly asked for more assistance.³¹

“Chinese officials circumvent this secrecy by asking Taiwan’s diplomatic partners about specific aid amounts in the most opportune organization in which Taiwan is absent: The United Nations.

In sum, Taiwan's formal diplomatic relations remain precarious not only due to China's desire to isolate Taiwan diplomatically, but also due to the incentives of some recognizing states to consider using diplomatic recognition as a bargaining tool for more aid. Taiwanese officials frequently see these formal relations as playing a vital role, not only in symbolically affirming Taiwan's sovereignty and preventing further erosion of Taiwan's diplomatic space, but because these countries can speak on Taiwan's behalf in international organizations. However, even here, formal partnerships often fail to stand up for Taiwan's interests. Not all of Taiwan's diplomatic partners supported Taiwan's ill-fated

²⁹ Focus Taiwan, "80 Percent of Taiwanese Disapprove of China's Pressure," *Focus Taiwan*, June 17, 2018, <http://focustaiwan.tw/news/apl/2018061710004.aspx/>

³⁰ Interviews with government officials and politicians suggested that China's ability to thwart UN assistance played a part in both Burkina Faso and Chad breaking relations with Taiwan.

³¹ Jess Macy Yu and Ben Blanchard, "Taiwan Says China Dangled \$3 Billion to Grab Ally Dominican Republic," *Reuters* (Thomson Reuters, April 30, 2018), <https://www.reuters.com/article/us-china-dominicanrepublic-taiwan/taiwan-cries-foul-as-china-snatches-ally-dominican-republic-away-idUSKBN1I22LN>; Focus Taiwan, "No Promises Made to Guatemala on Aid Request: MOFA," *Focus Taiwan*, August 10, 2017, <http://focustaiwan.tw/news/apl/201708100020.aspx>; Interviews with officials from Taiwan's Ministry of Foreign Affairs (MOFA) suggest the lack of transparency on the total amount of aid given to diplomatic partners is in part strategic to prevent China from simply matching the offer. Additional interviews with current legislators suggest that MOFA's confidential budget was reduced in half with democratization.

effort to rejoin the United Nations during the Lee Teng-hui and Chen Shui-bian administrations, nor did all partners express their support for Taiwanese involvement in the UN in 2018.³² Regardless, contemporary efforts, whether “dollar diplomacy” or not, only function if countries are willing to forego relations with China.

³² Gary D. Rawnsley, *Taiwan's Informal Diplomacy and Propaganda* (New York: Palgrave Macmillan, 2000); Timothy S. Rich, “Status for Sale: Taiwan and the Competition for Diplomatic Recognition,” *Issues & Studies* 45, no. 4 (2009): pp. 159-188; Yi-Hsuan Lu, “Three Allies Stay Silent on Taiwan’s UN Participation,” *Taipei Times*, October 1, 2018, <http://www.taipeitimes.com/News/front/archives/2018/10/01/2003701502>.

Cross-National Evidence

Rather than view individual cases of Taiwan's diplomatic relations in isolation, this report expands on Rich (2009) to identify many of the apparent factors that influence the diplomatic recognition of Taiwan.³³ In addition, unlike other quantitative studies, this addresses factors that have led some regions to be more receptive to recognition.

Cold War bipolarity provided Taiwan a means to maintain diplomatic relations and imposed "structural constraints for countries recognizing the PRC."³⁴ However, with Sino-American rapprochement and the United States eventually switching recognition, even the majority of anti-communist regimes dropped Taipei for Beijing.³⁵ Another common claim is that Taiwan's democratization provided a new, post-Cold War method to appeal to countries as a form of democratic solidarity.³⁶ Prime Minister Solomon Mamaloni, for example, stated that the Solomon Islands only establishes relations with democracies.³⁷ Yet, a cursory view from 1996—the year Freedom House labeled Taiwan "free"—to the present fails to show any fundamental shift in diplomatic relations, although, increasingly, those recognizing Taiwan are

labeled "free" or "partially free."³⁸ While most current diplomatic partners are democracies, they have "strong authoritarian traditions and cultures that are not conducive to public participation."³⁹ More broadly, previous research claims that interviewed diplomats in Taipei did not attach political values to their country's recognition of Taiwan.⁴⁰

"With China actively attempting to limit Taiwan's diplomatic endeavors, especially since the end of the diplomatic truce, Taiwanese citizens would be expected to respond more favorably to pitches that describe standing up to China or that diplomatic efforts would hurt relations with China.

Likewise, geographic and economic factors potentially influence recognition. A cursory glance suggests smaller states that are unable to have a major impact on the system on their own are more likely to recognize Taiwan.⁴¹ Using various measures of small states, all of Taiwan's partners fall under this category.⁴² Distance from China may also influence recognition, as countries nearer to China are concerned about not only the economic costs of non-recognition, but also the potential security costs.⁴³

Economic factors also likely weigh heavily on diplomatic recognition decisions. Scholars historically

33 Timothy S. Rich, "Status for Sale: Taiwan and the Competition for Diplomatic Recognition," *Issues & Studies* 45, no. 4 (2009): pp. 159-188

34 Hoo Tiang Boon and Charles Ardy, "China and Lilliputians: Small States in a Big Power's Evolving Foreign Policy," *Asian Security* 2 (2017): pp. 116-131.

35 Garry D. Rawnsley, *Taiwan's Informal Diplomacy and Propaganda* (New York: Palgrave Macmillan, 2000); In 1971, Taiwan led China in recognition (68 vs. 53), but by 1979 China maintained twice as many relations (53 vs. 117).

36 Elizabeth Larus, "Soft Power versus Hard Cash: Retaining Democratic Allies," in *Taiwan and the International Community*, ed. S. Tang (Oxford: Peter Lang, 2008), pp. 153-188; M.J Peterson, *Recognition of Governments: Legal Doctrine and State Practice, 1815-1995* (New York: St Martins Press, 1997).

37 Tarcisius Tara Kabutaulaka, "Milking the Dragon in Solomon Islands," in *China in Oceania: Reshaping the Pacific?*, ed. Terrence Wesley-Smith and Edgar A. Porter (New York: Bergahn Books, 2010), p. 140.

38 The most notable counterexample remains the absolute monarchy of eSwatini (Swaziland).

39 James Ker-Lindsay, "Engagement without Recognition: the Limits of Diplomatic Interaction with Contested States," *International Affairs* 91, no. 2 (2015): pp. 267-285, <https://doi.org/10.1111/1468-2346.12234>

40 Czeslaw Tubilewicz and Alain Guilloux, "Does Size Matter? Foreign Aid in Taiwan's Diplomatic Strategy, 2000-8," *Australian Journal of International Affairs* 65, no. 3 (2011): pp. 322-339, <https://doi.org/10.1080/10357718.2011.563777>.

41 Christos Kassimeris, "The Foreign Policy of Small Powers," *International Politics* 46, no. 1 (2009): pp. 84-101; Michel Handel, *Weak States in International System* (London: Frank Cass, 1981); Robert O. Keohane, "Lilliputians Dilemmas: Small States in International Politics," *International Organization* 23, no. 2 (1969): pp. 291-310, <https://doi.org/10.1017/s002081830003160x>.

42 Shaohua Hu, "Small State Foreign Policy: The Diplomatic Recognition of Taiwan," *China: An International Journal* 13, no. 2 (2015): pp. 1-23; Peter R Baer, "Small States: A Tool for Analysis?," *World Politics* 27, no. 3 (1975): pp. 456-466; David Vital, *The Inequality of States: a Study of the Small Power in International Relations* (Oxford: Oxford University Press, 1969).

43 Shaohua Hu, "Small State Foreign Policy: The Diplomatic Recognition of Taiwan," *China: An International Journal* 13, no. 2 (2015): pp. 1-23.

criticize Taiwan's aid efforts as "dollar diplomacy." However, there is no systematic means to measure this aid, leaving scholars to assess records in the recipient country rather than directly from Taiwanese or Chinese sources. Piecemeal data from AidData helps identify Chinese efforts as China otherwise does not define official development assistance (ODA) as such.⁴⁴ Similarly, the ICDF identifies dozens of projects funded by the Taiwanese government, but this constitutes only a portion of Taiwanese aid. Several macro-level economic variables should aid in identifying linkages with recognition, namely exports as a percentage of GDP and GDP growth. In addition, based on claims of dollar diplomacy,

one might expect that countries in debt are more willing to consider switching recognition. However, now that China can offer greater aid packages, rather than being more willing to switch to the highest bidder, indebted countries may see China as the only option.

Lastly, Taiwan seems better equipped to maintain formal relations in some regions over others. While Taiwan's recognition peaked in Africa with 20 countries, Taiwan now only maintains relations with eSwatini (formerly known as Swaziland) in the region.⁴⁵ In contrast, historically most of Central American countries recognize Taiwan, while currently four of the seven countries remain with Taiwan, after the losses of Costa Rica in 2008, Panama in 2017, and El Salvador in 2018. Central America's enduring relations have been attributed to likeminded anti-communist sentiment in the Cold War, shared experiences in economic and political de-

velopment, continued American pressure on Taiwan's partners, the proliferation of Free Trade Agreements (FTAs), and Taiwan-embedded regional organizations.⁴⁶ Few of these claims, however, have been tested empirically. Likewise, the Caribbean has also historically appeared hospitable to Taiwanese efforts. Aid to Haiti, at one point, totaled one-fifth of Haiti's national budget.⁴⁷ Yet, with the recent loss of the Dominican Republic in addition to pressure on Haiti to recognize China, continued success may be short-lived.

Although the Solomon Islands and Kiribati recently broke relations, the countries in Oceania historically appear particularly welcoming to Taiwan. Pacific island countries maintain some of the highest

per capital foreign aid rates in the world, and Taiwan contributes to this pattern.⁴⁸ The cross-Straight rivalry for recognition in the Pacific "is conducted with an intensity...that goes far beyond normal standards of diplomacy of international aid."⁴⁹

To quantitatively assess the factors influencing Taiwan's diplomatic relations, I employ a series of probit models using panel-corrected standard errors and with

⁴⁶ Francisco Luis Pérez Expósito, "Taiwán y América Latina: Estrategia De Aproximación y Situación Actual," *Taiwán y América Latina: Estrategia De Aproximación y Situación Actual*, 2004, pp. 1-22; Timothy S. Rich and Andi Dahmer, "解析臺灣於中美洲的外交成果 [Explaining Taiwan's Diplomatic Success in Central America]," *全球政治評論 [Review of Global Politics]* 63 (2018): pp. 121-136).

⁴⁷ VOA News Report, "Haiti and Taiwan," *VOA News*, May 27, 2003.

⁴⁸ Azmat Gani, "Pacific Island Countries High per Capita Foreign Aid Requirement," *Journal of International Development* 18, no. 2 (2006): pp. 285-292, <https://doi.org/10.1002/jid.1217>; Barrie MacDonald, "Decolonization and beyond: The Framework for Post-Colonial Relationships in Oceania," *The Journal of Pacific History* 21, no. 3 (1986): pp. 115-126, <https://doi.org/10.1080/00223348608572536>; Shiu-Shen Chien, Tzu-Po Yang, and Yi-Chen Wu, "Taiwan's Foreign Aid and Technical Assistance in the Marshall Islands," *Asian Survey* 50, no. 6 (2010): pp. 1184-1204.

⁴⁹ Graeme Dobell, "China and Taiwan in the South Pacific: Diplomatic Chess versus Pacific Political Rugby," (The Lowy Institute, May 2007), http://chl-old.anu.edu.au/publications/csds/cscsd_op1_4_chapter_1.pdf.

diplomatic recognition of Taiwan as the binary dependent variable (1=recognizes Taiwan).⁵⁰ Table 1 presents three models. The first simply replicates that in previous work with data from 1950 extended through to 2016.⁵¹ These include Polity scores to address whether democratic countries are more likely to recognize Taiwan, area in square kilometers (in thousands), a dummy variable for the Cold War era (-1991), distance from Beijing in kilometers, and exports as a percentage of GDP. The second model includes three additional economic variables: GDP in billions and GDP growth in the year, as well as debt as a percent of GDP from the International Monetary Fund (IMF) Global Debt Database. One political variable is also included: the absolute difference between the Polity score of Taiwan and the other country to identify whether similarities in regime type influence recognition. The third model includes dummy variables for the countries in Central America, the Caribbean, Oceania, and Africa. This is both to acknowledge the regions historically constituting a disproportionate willingness to recognize Taiwan,⁵² but also to test whether such regional strongholds were due to underlying political and economic factors influencing recognition elsewhere.

Two variables are significant across all three models, distance from Beijing and exports as a percentage of GDP, which both positively correspond with recognition. These findings are consistent with previous research. The economic correlation suggests that Taiwan's efforts to promote economic development in recognizing countries potentially undermines Taiwan's interests.⁵³ Meanwhile, the Cold War dummy variable only reaches significance in the initial model. Model 2 provides additional insight, namely that economic growth appears to correspond with recognition of Taiwan, while debt appears to discourage recognition. Furthermore, despite rhetoric about democratic affinity, Model 2 finds that Polity scores negatively corresponds

⁵⁰ While in most cases a 0 in this variable would indicate recognition of China, in several cases a country recognized neither at a particular time. Bhutan for example still recognizes neither.

⁵¹ Due to data constraints, most economic data is only available starting in the 1960s.

⁵² In the data set, these four regions comprise 43.89 percent of cases years in the set, but 70.83 percent or case years recognizing Taiwan.

⁵³ Interviews with representatives of ICDF suggest that among their goals is private sector development and export-oriented growth.

with recognition, while the absolute difference in Polity scores weakly corresponds with recognition. In other words, historically less democratic countries and countries less like Taiwan were more likely to extend recognition. Such findings however may be a function of the time period under study and should not necessarily reflect that relations, especially after Taiwan's own democratization, follow a similar pattern. Finally, the introduction of regional dummy variables in Model 3 finds that only the Central American and Caribbean variables reach statistical significance, while maintaining the core findings of the original model.

Table 1: Probit Regression on Diplomatic Recognition of Taiwan

	Dependent variable: 1 = recognition of Taiwan					
	Model 1		Model 2		Model 3	
	Coeff	SE	Coeff	SE	Coeff	SE
Polity	-0.0073	0.0074	-0.0579****	0.0110	-0.0581****	0.0111
Area (sq. km 1000)	-0.0001	0.0001	0.0007****	0.0001	0.0010****	0.0001
Cold War	1.0550****	0.0767	-0.0085	0.1180	0.0620	0.1180
Distance from Beijing	0.0003****	0.0001	0.0006****	0.0001	0.0002****	0.0001
Exports as Percentage of GDP	-0.0271****	0.0032	-0.0167****	0.0047	-0.0186***	0.0047
GDP Growth			0.0280****	0.0080	0.0297****	0.0079
Debt as a Percentage of GDP			-0.0028**	0.0011	-0.0028**	0.0011
GDP in Billions			-0.0179****	0.0017	-0.0140***	0.0016
Polity Difference			0.0170*	0.0097	0.0216**	0.0097
Central America					11.2336****	1.4789
Caribbean					7.7200****	2.1774
Oceania					0.6197	0.7776
Africa					0.5999	0.6182
Constant	-6.2164****	0.5145	-11.2482****	0.7650	-7.9520	0.7263
N	7020		5426		5426	

****p < 0.001, ***p < 0.01, **p < 0.05, * < 0.10

Table 1: Probit Regression on Diplomatic Recognition of Taiwan

As probit models are not linear models, predicted probabilities generated from Model 3 provide additional insight, summarized for brevity in Table 2. Using the minimum and maximum values from the data set and leaving all other variables at their mean, we see the extent of the influence of economic and political factors on recognition. In terms of exports as a percentage of GDP, we see that export-dominated economies are five times less likely to recognize Taiwan. In terms of GDP growth, we find the highest growth countries to be five times more likely to recognize Taiwan, although such findings are, in part, due to extreme outliers. Meanwhile, high-debt countries are three times less likely to recognize Taiwan. Furthermore, we see that Polity scores and the absolute difference in Polity scores has little effect on recognition. Predicted probabilities for the regional dummies further highlight Central America and the Caribbean as outliers even after controlling for other factors. While the findings do not directly explain why these regions remain outliers, other work suggests, at least for Cen-

tral America, that regional specific efforts by Taiwan in terms of free-trade agreements and regional organizations have provided Taiwan greater stability here.⁵⁴ The predicted probability of countries outside of the four regions mentioned was .10, compared to .14 for both Africa and Oceania, but .49 for the Caribbean and .58 for Central America.

Table 2: Predicted Probabilities of Recognizing Taiwan

	Minimum	Maximum
Exports as Percentage of GDP	0.17	0.03
GDP Growth	0.05	0.25
Debt as a Percent of GDP	0.16	0.06
Polity	0.17	0.13
Polity Difference	0.15	0.16

Table 2: Predicted Probabilities of Recognizing Taiwan

In sum, the results suggest the influence of economic factors on diplomatic recognition, yet also suggest unaccounted for factors that explain Central America and the Caribbean. In particular, Taiwanese efforts to promote economic development in other countries may produce contradictory outcomes, as GDP growth positively corresponds with recognition, yet export-dominant countries negatively correspond with recognition. In other words, efforts to promote economic development through aid projects may end in enticing countries to switch recognition. Admittedly, international aid does not simply focus on the creation of markets and export-oriented growth, as evident in allocations to hospitals and healthcare, but, that aid could potentially create the outcome that Taiwanese officials were hoping to prevent. This suggests the potential long-term ineffectiveness of tying aid to diplomatic recognition. Instead of trying to compete with China in terms of the size of aid packages, a more fruitful policy may be to focus aid not only on humanitarian areas, which are less prone to complaints of “dollar diplomacy”, but also programs that develop deeper personal connections between recognizing countries and Taiwanese citizens. Furthermore, it is unclear whether the unique factors in Central America and the Caribbean can endure with recent losses.

⁵⁴ Timothy S. Rich and Andi Dahmer, “*解析臺灣於中美洲的外交成績 [Explaining Taiwan’s Diplomatic Success in Central America]*,” *全球政治評論 [Review of Global Politics]* 63 (2018): pp. 121-136).

“... now that China can offer greater aid packages, rather than being more willing to switch to the highest bidder, indebted countries may see China as the only option.

Public Opinion

Other than anecdotal evidence, news commentary, and broad survey questions that ask about Taiwan's foreign policy or diplomacy, how the public views Taiwan's situation regarding formal diplomatic partnerships remains largely unexplored. Hickey (2007: 63) states that diplomatic recognition remained popular among Taiwanese voters that viewed it as ensuring sovereignty and promoting national self-confidence, while MOFA officials suggested that, in the past, diplomatic gains would temporarily increase public approval of the administration.⁵⁵ However, interviews with legislators, government officials, and reporters in Taiwan suggest that most see formal diplomatic relations as symbolically important and not providing the security assurances seen in informal relations with the United States and others. For example, several interviews reiterated that the public arguably has become accustomed to formal

diplomatic partnerships breaking off relations with Taiwan. For a segment of the population, the breaking of relations may not only save money or reallocate money to other worthy domestic causes, but for independence-oriented Taiwanese, diplomatic isolation may lead to a push for formal independence and a name change (e.g. Republic of Taiwan).⁵⁶

How administrations present the issue of diplomatic recognition to the public and how the public evaluates this challenge remains largely overlooked precisely at a time when Taiwanese diplomatic partners face increased pressures to break relations and Taiwanese officials face pressures to respond. The presentation of diplomatic recognition would likely influence percep-

tions, consistent with the broader literature on framing and priming.⁵⁷ Likewise, prospect theory in social psychology research suggests that individuals are not purely rational actors engaging in a cost-benefit analysis but weigh the likelihood of losses more heavily.⁵⁸ This is evidenced in the Taiwanese context through experimental surveys on perceptions of free trade agreements.⁵⁹

In the case of diplomatic recognition, two particular factors should influence perceptions: the roles of China and of aid to diplomatic partners. With China actively attempting to limit Taiwan's diplomatic endeavors, especially since the end of the diplomatic truce, Taiwanese citizens would be expected to respond more favorably to pitches that describe standing up to China or that diplomatic efforts

would hurt relations with China. For example, in the wake of the loss of relations with Burkina Faso, a survey by the Taiwanese Public Opinion Foundation found 79.1 percent of Taiwanese disapproved of China's actions, while only 32.7 percent stated they also had confidence in the ability of President Tsai's administration to safeguard Taiwan's international participation.⁶⁰

⁵⁵ Dennis Hickey, *Foreign Policy Making in Taiwan: from Principle to Pragmatism* (London: Routledge, 2007).

⁵⁶ Personal interviews with legislators from the Democratic Progressive Party (DPP) and New Power Party (NPP). June-July 2018.

⁵⁷ Amos Tversky and Daniel Kahneman, "Prospect Theory. An Analysis of Decision Making Under Risk." *Econometrica* 47, no. 2 (1979): pp. 263-291, <https://doi.org/10.2307/146884904044941>.

⁵⁸ Lucas Knight and Timothy Rich, "Trade Off: Taiwanese Attitudes Toward FTAs," *Taiwan Sentinel*, April 26, 2017, <https://sentinel.tw/trade-off-taiwanese-attitudes-ftas>

⁵⁹ Focus Taiwan, "80 Percent of Taiwanese Disapprove of China's Pressure," *Focus Taiwan*, June 17, 2018, <http://focustaiwan.tw/news/aipl/201806170004.aspx>

Historical cases of aid to maintain or attract partners are abundant, although, in recent years, Taiwanese administrations have flatly denied the more egregious claims tying aid to recognition. However, Taiwanese citizens interested in politics would be well aware of the decades-long claims of “dollar diplomacy” and may perceive requests for additional aid as money poorly spent or worse, a never-ending cycle of aid demands that siphons money from domestic programs.

We conducted three experimental web surveys through PollcracyLab at National Chengchi University’s (NCCU) Election Study Center, the first in March of 2018 with 600 respondents, the second in November of 2018 with 1,000 respondents, and the third in April of 2019 with 504 respondents.⁶¹ Respondents received one of four versions of a question regarding support for Taiwan’s efforts towards formal diplomatic relations and were then asked to evaluate the statement on a five-point scale, ranging from strongly disagree to strongly agree. The four versions attempted to tackle two competing issues on diplomatic recognition: the influence of China, and the role of “dollar diplomacy.”⁶²

Version 1: Currently twenty (November/April: seventeen)⁶³ countries recognize Taiwan. It is important for Taiwan to maintain these formal diplomatic relations.

Version 2: Currently twenty (November/April: seventeen) countries recognize Taiwan. It is important for Taiwan to maintain these formal diplomatic relations, even if this hurts relations with China.

61 <http://plab.nccu.edu.tw/>

62 The word choice about maintaining formal relations was chosen as it matches current diplomatic conditions. Taiwan is unlikely in the short-term to court additional countries to break relations with China while increased pressure falls on virtually all of their current partnerships, pressure that several embassies in Taiwan also acknowledged.

63 The first survey was conducted prior to three countries breaking relations: Burkina Faso, the Dominican Republic, and El Salvador.

Version 3: Currently twenty (November/April: seventeen) 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 twenty (November/April: seventeen) 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.

“Cold War bipolarity provided Taiwan a means to maintain diplomatic relations and imposed “structural constraints for countries recognizing the PRC.”

Table 3 shows the percentage of respondents that agreed or strongly agreed with each of the four randomizations. Overall, roughly a majority agreed with

the baseline (55.33% in March, 48.40% in November, 58.73% in April). Meanwhile, support increased by over ten percent when framed in terms of the effect on relations with China, while support declined by over fifteen percent when framed in terms of the potential costs of diplomatic partnerships. Meanwhile, the balanced version (Version 4) finds less consistency over time, with roughly a fifteen-point decline from the baseline in March, a six-point decline in November, and a three-point increase in April.

Table 3: Percent of Respondents Supporting Diplomatic Relations
(% agree or strongly agree)

	March 2018	November 2018	April 2019
Baseline (V1)	55.33	48.40	58.73
Hurts Relations with China (V2)	68.00	60.40	70.08
Countries Ask for More International Aid (V3)	31.34	22.00	41.67
Both (V4)	40.67	42.00	61.60

Table 3: Percent of Respondents Supporting Diplomatic Relations
(% agree or strongly agree)

For greater insight, Figures 1-3 show the change in support for Taiwan’s diplomatic efforts compared to the baseline (Version 1) in each wave. First, across all three waves, respondents were more likely to support Taiwan’s efforts when framed as potentially hurting relations with China, with the strongest effects among DPP supporters in April of 2019. However, suggesting that diplomatic efforts would lead countries to ask for

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more international aid results in large decreases in support among all waves and subgroups except the DPP supporters in April of 2019. Lastly, the version which included both China and the potential costs (Version 4) produced less consistent findings compared to the baseline, with declines in all three subgroups in March of 2018, and all but the DPP supporters in November of 2018, but with increases in all but KMT supporters in April of 2019. Overall, the results suggest both the saliency of respondents to China's efforts to reduce Taiwan's international presence, but also concerns about additional aid requests.

Figure 1: Treatment Effects on Support for Diplomatic Relations (March 2018)
(% agree or strongly agree)

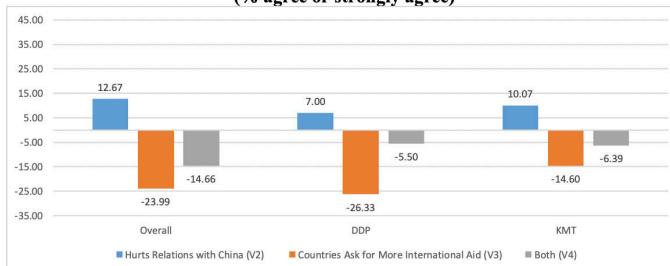


Figure 1: Treatment Effects on Support for Diplomatic Relations (March 2018)
(% agree or strongly agree)

Figure 2: Treatment Effects on Support for Diplomatic Relations (November 2018)
(% agree or strongly agree)

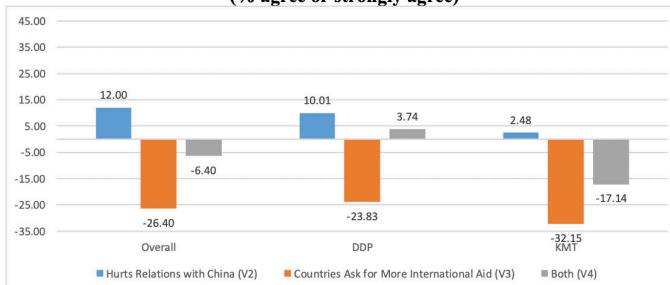


Figure 2: Treatment Effects on Support for Diplomatic Relations
(November 2018)
(% agree or strongly agree)

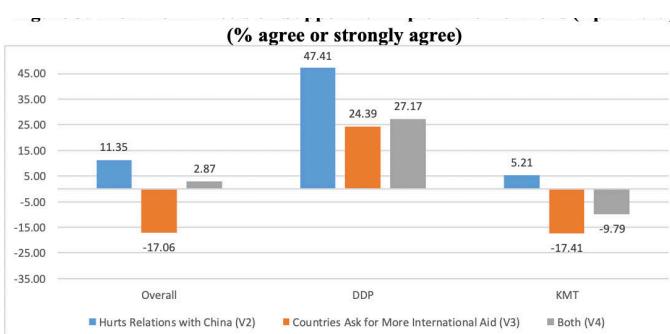


Figure 3: Treatment Effects on Support for Diplomatic Relations (April 2019)
(% agree or strongly agree)

Regression analysis provides additional insight (see Table 4). Starting with the March 2018 data, the first model only includes Versions 2 through 4 as independent variables, with the first used as a baseline. The second adds demographic controls for age (continuous measure), gender (female), monthly income (ten-point scale), and education (five-point scale). The third model also includes dummy variables for the two largest parties. The fourth switches the party variables for the unification-independence scale (a three-point measure), also known as *tondu*. Across each model, the China version (Version 2) corresponds with higher support, while both versions mentioning aid correspond with lower support, significant at $p = .01$ or stronger. Meanwhile, age negatively corresponds with support while the party variables in the third model have roughly similar substantive effects but in the opposite direction of each other, consistent with expectations that respondents who shared President Tsai's party affiliation would be generally more supportive of the administration regardless of the issue and that KMT identifiers would be less supportive overall. Similarly, the *tondu* measure corresponds with general support for diplomatic actions, also consistent with various forms of independence sentiment.

Table 4: OLS Regressions on Perceptions of Diplomatic Recognition (March 2018)

	Model 1		Model 2		Model 3		Model 4	
	Coeff	SE	Coeff	SE	Coeff	SE	Coeff	SE
V2	0.3667***	0.1301	0.3734***	0.1301	0.3961***	0.1288	0.3860***	0.1251
V3	-0.8000****	0.1301	-0.7819****	0.1297	-0.7808****	0.1283	-0.7729****	0.1247
V4	-0.4867****	0.1301	-0.5033****	0.1296	-0.4904****	0.1282	-0.4896****	0.1246
Age	-0.0116***	0.0043	-0.0086**	0.0044	-0.0049	0.0042		
Female	0.0212	0.0934	-0.0195	0.0926	-0.0548	0.09		
Income	-0.0213	0.0168	-0.0201	0.0166	-0.0155	0.0162		
Education	-0.0045	0.0542	-0.0091	0.0536	-0.0409	0.0524		
DPP			0.3103**	0.13				
KMT			-0.2583**	0.1094				
Tondu					0.4573****	0.0651		
Constant	3.5600****	0.092	4.1928****	0.3611	4.1129	0.3685	0.4573****	0.0651
Adjusted R ²	0.1325		0.1412		0.1602		0.206	
N	600		600		600		600	

***p < 0.001, **p < 0.01, *p < 0.05, * < 0.10

Table 4: OLS Regressions on Perceptions of Diplomatic Recognition (March 2018)

Tables 5 and 6 present the same series of models with the November 2018 and April 2019 data respectively, producing largely similar results. The only main deviations in the November data from the initial models include a weaker statistical relationship on Version 2 and an insignificant KMT dummy variable in the third model. With the third wave, Version 4 fails to reach significance in any of the models, while education positively corresponds with support

for diplomatic efforts.

Table 5: OLS Regressions on Perceptions of Diplomatic Recognition (November 2018)

	Model 1		Model 2		Model 3		Model 4	
	Coeff	SE	Coeff	SE	Coeff	SE	Coeff	SE
V2	0.1720*	0.0979	0.1953**	0.0979	0.1863*	0.0976	0.2008**	0.0977
V3	-0.9000****	0.0979	-0.8709****	0.0981	-0.8710****	0.0977	-0.8616****	0.0976
V4	-0.3960****	0.0979	-0.3571****	0.0983	-0.3678****	0.0979	-0.3712****	0.0976
Age		-0.0122***	0.0043	-0.0129***	0.0044	-0.0070	0.0044	
Female		-0.0925	0.0706	-0.0761	0.0705	-0.1024	0.0702	
Income		0.0102	0.0126	0.0082	0.0125	0.0057	0.0125	
Education		0.0749	0.0566	0.0816	0.0564	0.0757	0.0561	
DPP				0.3241****	0.0984			
KMT				0.0066	0.0800			
Tondu						0.3044****	0.0527	
Constant	3.4880****	0.0692	3.6400****	0.3205	3.5952****	0.3192	2.7958****	0.3498
Adjusted R2	0.1221		0.1304		0.1390		0.1552	
N	1000		1000		1000		986	

****p < 0.001, ***p < 0.01, **p < 0.05, *p < 10

Table 5: OLS Regressions on Perceptions of Diplomatic Recognition (November 2018)

Table 6: OLS Regressions on Perceptions of Diplomatic Recognition (April 2019)

	Model 1		Model 2		Model 3		Model 4	
	Coeff	SE	Coeff	SE	Coeff	SE	Coeff	SE
V2	0.3660**	0.1492	0.3519**	0.1485	0.3640**	0.1471	0.3375**	0.1452
V3	-0.4683***	0.1495	-0.4513***	0.1490	-0.4170***	0.1479	-0.4352***	0.1457
V4	0.1001	0.1498	0.1069	0.1489	0.1154	0.1477	0.1217	0.1456
Age		-0.0073	0.0050	-0.0036	0.0051	-0.0009	0.0050	
Female		0.1904*	0.1121	0.2164*	0.1113	0.1527	0.1099	
Income		-0.0017	0.0186	0.0008	0.0185	-0.0019	0.0182	
Education		0.1710**	0.0853	0.1414*	0.0849	0.1651**	0.0834	
DPP				0.2497*	0.1500			
KMT				-0.3168**	0.1264			
Tondu						0.2014****	0.0411	
Constant	3.5159****	0.1057	3.0626****	0.4670	3.0345****	0.4625	2.0564****	0.5006
Adjusted R2	0.0556		0.0676		0.0806		0.1089	
N	504		504		504		504	

****p < 0.001, ***p < 0.01, **p < 0.05, *p < 10

Table 6: OLS Regressions on Perceptions of Diplomatic Recognition (April 2019)

Admittedly the experimental design cannot tell us to what extent the public cares about diplomatic recognition as the question itself may prime respondents to consider an activity they otherwise might not weigh heavily. Nonetheless, the results suggest that the Taiwanese public remains particularly sensitive to international aid, perhaps due to the history of so-called “dollar diplomacy.” As such, Taiwanese officials may wish to downplay the extent of aid given to diplomatic partners and focus instead on the substantive areas of aid (e.g. education, healthcare, infrastructure) rather than the overall amount. Meanwhile, the results suggest that emphasizing that Taiwan’s limited formal relations are a result of China’s actions may boost support further for efforts in which the public is otherwise generally supportive.

Does Diplomatic Recognition Matter?

Ker-Lindsay asks, “Just how far is it possible to engage with states that are not recognized?”⁶⁴ The European Union’s engagement with Kosovo, for example, endures despite several members not extending recognition.⁶⁵ The benefits of formal recognition in terms of entry to international organizations and responding to China’s claims about Taiwan’s status are rather clear. However, increasingly, Taiwan receives most of the benefits of formal recognition through trade offices which, although providing a range of privileges and immunities compared to diplomatic offices, function in practice as embassies.⁶⁶

In addition, although most of Taiwan’s FTAs are with recognizing countries, Taiwan also maintains similar arrangements with New Zealand and Singapore.⁶⁷ Taiwanese citizens can also enter 166 countries without a visa, compared to only 21 for Chinese citizens.⁶⁸ Beyond the Taiwan Relations Act (TRA), entrenchment of US-Taiwan relations with the Taiwan Travel Act (TTA) and the expansion of the American Institute in Taiwan (AIT) emphasizes American commitment to Taiwan’s

security.⁶⁹ Nor is it inconceivable that other states will follow suit in entrenching relations with Taiwan to the point that one must question the demarcation of official and unofficial relations.

States will continue to seek diplomatic recognition as long as this remains the hallmark of state sovereignty and, as such, countries willing to use diplomatic recognition strategically may find ways to manipulate others for their own benefit. Taiwan’s diplomatic challenges also show the limits to which a country exerting internal sovereignty can maintain its formal recognition in the face of increased pressure and economic incentives to recognize China.

Yet, Taiwan’s unofficial relations continue to increase, and these unofficial relations with major powers remain more

⁶⁴ James Ker-Lindsay, “Engagement without Recognition: the Limits of Diplomatic Interaction with Contested States,” *International Affairs* 91, no. 2 (2015): pp. 267-285, <https://doi.org/10.1111/1468-2346.12234>

⁶⁵ Spyros Economides and James Ker-Lindsay, “Forging EU Foreign Policy Unity From Diversity: The ‘Unique Case’ of the Kosovo Status Talks,” *European Foreign Affairs Review* 15, no. 4 (2010): pp. 495-510.

⁶⁶ Erik Pajtinka, “Between Diplomacy and Paradiplomacy: Taiwan’s Foreign Relations in Current Practice,” *Journal of Nationalism, Memory & Language Politics* 11, no. 1 (2017): pp. 39-57, <https://doi.org/10.1515/jnlp-2017-0003>; Taiwan maintains more de facto embassies in non-recognizing countries (53) than de jure embassies, greater representation than many small countries have in terms of embassies or offices abroad in total.

⁶⁷ Samuel C.Y. Ku, “Strategies of China’s Expansion and Taiwan’s Survival in Southeast Asia: A Comparative Perspective,” in *Taiwan and China: Fitful Embrace*, ed. Lowell Dittmer (Oakland: University of California Press, 2017), pp. 249-282.

⁶⁸ Simon Shen, “Why Taiwan Should Be Worried about Losing Its Friends One by One,” *EJ Insight*, July 9, 2018, <http://www.ejinsight.com/20180709-why-taiwan-should-be-worried-about-losing-its-friends-one-by-one/>; Shen argues that a prevailing view in Taiwan is that the more powerful passport matters more than the number of foreign partners vis-à-vis China.

“Taiwan’s formal diplomatic relations remain precarious not only due to China’s desire to isolate Taiwan diplomatically, but also due to the incentives of some recognizing states to consider using diplomatic recognition as a bargaining tool for more aid.

important than formal relations with smaller powers.⁷⁰

Additionally, the way in which one talks about Taiwan’s diplomatic recognition requires attention. The rhetoric of calling diplomatic partnerships “allies” heightens the perceived loss when another country inevitably leaves for China.⁷¹ Such rhetoric, used by Taiwanese government officials and media alike, commonly ignores the lack of depth of these formal relations and disproportionately treats each loss as weakening Taiwan’s claims to sovereignty. Yet it remains unclear what would substantively differ for Taiwan if all remaining “allies” were to break relations, a situation China likely wishes to avoid as Taiwanese officials with little to lose may

⁶⁹ A Clinton administration official observed that the unofficial US-Taiwan relationship remained more productive than many formal relations. Dennis Hickey. 1998. “Washington to Hold Steady in Relationship with Taipei.” *FCJ*. May 29.

⁷⁰ Ralph N Clough, *Reaching Across the Taiwan Strait: People to People Diplomacy*. Boulder, CO: Westview, 1993.

⁷¹ Timothy S Rich and Andi Dahmer, “Taiwan’s Diplomatic Recognition Challenge in 2018,” *Taiwan Sentinel*, January 31, 2018, <https://sentinel.tw/tw-diplo-recognition-challenge-2018/>.

feel compelled to respond with actions less acceptable to China (e.g. a referendum to change the country's name to the Republic of Taiwan).

Moreover, instead of viewing formal relations separately from informal relations, Taiwan should leverage the benefits of both to enhance Taiwan's international space.

The case of Taiwan remains one of limited formal diplomatic recognition, yet extensive efforts domestically and by others have enhanced informal relations to the point where the distinction can be lost to the casual observer. If we call such relations a success for Taiwan, the question remains whether the Taiwan example provides a roadmap for other states with limited diplomatic recognition. Taiwan's own economic clout greatly assists efforts to maintain formal relations and provides a mean to entice other states which most other disputed states simply do not have at their disposal. That said, the Taiwan case study suggests means to, if not overcome, then certainly mitigate the effects of being a state with limited formal diplomatic recognition through the pursuit of creative unofficial relations.

“Aid-for-recognition, even if not so explicitly stated by either Taiwan or recognizing states, helps stabilize Taiwan’s diplomatic recognition.