
Program Brief

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Taiwan's Trajectory and the Future of US-Taiwan Relations"

A Luncheon Panel Discussion with Richard Bush, Banning Garret, and David M. Lampton.

Monday, October 27, 2003

The Nixon Center, Washington DC

On Monday, October 27th The Nixon Center and the Atlantic Council co-hosted a luncheon panel discussion, "Taiwan's Trajectory and the Future of U.S.-Taiwan Relations." The panel featured three speakers: Richard Bush, Director of the Center for Northeast Asian Policy Studies at the Brookings Institution; Banning Garrett, Director of Asia Programs at the Atlantic Council; and David M. Lampton, Director of the Chinese Studies Program at The Nixon Center. The panelists contended that much of the erosion in the U.S-Taiwan relationship is due to upcoming presidential elections in Taiwan and Taiwan's willingness to test China's patience during a time of focus on domestic growth and improved Sino-American relations.

Taiwan's Point of View

Having just returned from a trip to Taiwan, David Lampton gave a brief overview of the Taiwan situation. His first observation was that Taipei finds itself in a "bifurcated" state with Washington. President Chen Shui-bian has burned much of the political capital he had with President Bush when Bush took office through his repeated statements causing anxiety in Beijing, which then require reassurance from Washington. Chen started down this path in 2002 with his theory of *yibian, yigyong* ("one state on each side of the Strait"), but has quickly accelerated in the last

month or two, with increasing talk of referenda for constitutional change. These statements have taken the White House and the PRC by surprise and have caused more tension in U.S.-Taiwan relations than any time since 1999. At the same time, Lampton contended, the U.S.-Taiwan military-to-military relationship is vibrant, and Taiwan has received dignified treatment of its officials from the U.S. government.

Lampton then turned to Taiwan's analysis of China's potential reaction to this rhetoric, and why Chen finds this to be an opportune time to threaten independence. Taipei believes that Beijing is too pre-occupied with domestic issues to become embroiled across the Strait. According to Lampton, Chen appears to think that the Chinese will not react until after the election, because they will wait to see who the next President is and whether he will be more agreeable to Beijing, and they want to do nothing that will mobilize Chen's voters. Taiwan is not concerned about losing favor with Bush, because it believes that the U.S. Congress will still support it, and that ultimately, facing an election himself, Bush could not leave Taiwan's fate in the hands of the Mainland.

The Chinese Perspective

Banning Garrett provided a look at possible Chinese reactions and insights from recent discussions with Chinese officials in Beijing. He began by stating that "the PRC is worried" about Taiwan's recent actions and motives and reached similar conclusions to those Lampton described. Garrett spoke specifically about China's desire to avoid the "trap of reacting" to perceived provocation that could help the reelection prospects of Chen Shui-bian. He stated that Beijing's deepest concern is the prospect of a referendum on the constitution, and he suggested that it would be very difficult for Chinese leaders *not* to react if a referendum is held.

Garrett then went on to explain that the PRC does not want a "military deadlock" with Taiwan. He pointed to the "Crawford Proposal" as evidence China wants to diffuse the situation. The proposal, mentioned by Jiang Zemin to President Bush in 2002, suggested Beijing could be willing to remove some of the missiles deployed across from Taiwan, if Washington was willing to reign in its military links to Taiwan. Although the proposal is ambiguous and has not generated any response from the Bush Administration, it demonstrated potentially serious Chinese interest in some sort of similar deal.

Finally, Garrett discussed the type of Taiwan that China says it foresees under a One-China agreement. He said that Chinese officials insist that Taiwan would still elect its own leaders, retain its own judicial system, keep its own army and its own currency – and that Taiwan's international space would be expanded.

Beijing recognizes that the Bush administration came into power not only as the friendliest administration to Taiwan in two decades, but also with some senior members of the Administration viewing China as a "strategic competitor."

The U.S. Viewpoint

Richard Bush looked at recent developments from the U.S. perspective, breaking down his argument into four main points. First, Bush recognized that democracies friendly to the United States do not always fit with the U.S. agenda. This is not just true of Taiwan, Bush asserted, (Israel is another example), but

Taiwan presents a great challenge in this particular case because of its relationship with the PRC.

Second, the United States has a mixed record regarding the Taiwan problem. According to Bush, in 1996, the United States was slow to pick up on implications of Taiwan's democracy, and communications between Taiwan and the United States were poor. The current U.S. Administration has taken a similar stance regarding the upcoming election, and the State Department recently announced U.S. neutrality in the March 2004 election.

Third, Bush acknowledged that Taiwan's current president and his predecessor, Lee Teng-hui, have experienced deep frustrations regarding the PRC's stance. Both presidents began their administrations with the intention of being open to dialogue with Beijing, but found Beijing spurned their good will. The United States is aware of these frustrations, and it is concerned that Beijing will not be as rational as Taiwan expects.

Finally, Bush pointed to the issue of communication. He argued communication was crucial for all three sides of this "triangle." He suggested that if communication lines between Taiwan and China had been more open previously, the current situation may have been avoided, but given the scenario as it stands, communication would be absolutely essential going forward.

This program brief was prepared by Nixon Center staff member Elizabeth Coleman.

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Donald L. Bendetti, Chairman
John H. Taylor, Executive Director

THE NIXON CENTER

Maurice R. Greenberg, Chairman
Dimitri K. Simes, President
1615 L Street, NW, Suite 1250
Washington, DC 20036
202-887-1000 Fax 202-887-5222