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The Taiwan Question in US-China Relations and its Implications for the European Union

James Lee

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## **Abstract**

This paper discusses the question of Taiwan's political status (hereafter the 'Taiwan Question') in China's foreign relations and its implications for the European Union. To provide a point of reference for the EU's Taiwan policy, the paper examines how the United States has traditionally defined its position on Taiwan under the 'One-China policy.' Since the elements of that position were formulated in a specific historical context, this paper adopts a historical perspective. An understanding of this background will help to clarify the strategic and political problems that the One-China policy was intended to address. Whether or not that policy should change depends on whether or not the One-China policy can adapt to the new strategic and political conditions that have arisen since the rise of China. This author believes that it can, but not without giving care and attention to the precise wording of official statements.

## **Keywords**

Taiwan, China, United States, European Union, East Asia

James Lee Max Weber Fellow, 2018-2019

## Introduction

The Taiwan Question is a long-standing dispute in Chinese politics and the politics of East Asia. As one of the victorious Allies, the Republic of China asserted its rule over the island of Taiwan after the Second World War, ending fifty years of Japanese colonial rule. But the end of the World War was quickly followed by the onset of a civil war, which led to the establishment of the People's Republic of China (PRC) on mainland China and the retreat of the government of the Republic of China (ROC) to Taiwan. Though divided by the narrow body of water known as the Strait of Taiwan, the PRC and Taiwan have never been formally or legally separated. Their relations are not classified as 'international relations' between sovereign nation-states, but only as 'cross-strait relations': a geographic rather than a political label. In recent years, they have experienced flourishing economic ties alongside entrenched political differences and threats of war.

Although Taiwan has not become independent from China, it has evolved along a different political trajectory. An authoritarian party-state during the Cold War, it is now a liberal democracy. By any standard, Taiwan is prosperous and free: it holds regular and competitive elections; it enjoys a prominent position in the international economy that is disproportionate to its population and geographic size; and it boasts a standard of living that is comparable to that of advanced industrialised nations. Taiwan is one of the success stories of economic development and democratisation.

But Taiwan's insecurity has never been resolved. Considering Taiwan to be under its sovereignty, the PRC has threatened to use military force to prevent the island from becoming independent. Taiwan's insecurity has been compounded by its isolation in international affairs: although many countries recognised the Republic of China during the Cold War, the vast majority of those countries have switched recognition to the People's Republic of China, leaving Taiwan with only a handful of diplomatic allies. Taiwan is not a member of the United Nations; it participates in other international organisations using elaborate verbal contortions that avoid any suggestion of statehood or independence. Taiwan's vulnerability to attack from the PRC and its isolation in international affairs have shaped its interactions with the world at large.

## The Significance of the Taiwan Ouestion

An understanding of the Taiwan Question is essential for any actor – be it a private firm, national government, international organisation, or supranational agency – that seeks to manage its relations with China. It is also essential for any concerned observer of the tensions surrounding the rise of China and the calculations of war and peace in the future of East Asia.

As China has expanded its economic and military capabilities, the ability of Beijing to threaten and intimidate Taipei has grown markedly. The desperate plight of the beleaguered democracy on Taiwan has naturally attracted the attention of the international community. In making its voice heard in East Asian affairs, the European Parliament has issued statements calling for dialogue between Taiwan and mainland China; and the High Representative/Vice-President has called on both sides of the dispute to avoid escalating tensions. In light of European concern for cross-strait stability, this author

<sup>1</sup> For examples of recent tension, see Johnson, Jesse. 19 Dec. 2018. 'Chinese bombers, fighter jets and warships drill in first military exercise near Taiwan in months.' *The Japan Times*. Accessed 3 May 2019

<sup>&</sup>lt;a href="https://www.japantimes.co.jp/news/2018/12/19/asia-pacific/chinese-bombers-fighter-jets-warships-drill-first-military-exercise-near-taiwan-months/#.XL12qpMzZsN>; Chung, Lawrence and Liu, Zhen. 1 Apr. 2019. 'Taiwan will forcefully expel PLA warplanes next time: Tsai Ing-wen.' South China Morning Post. Accessed 3 May 2019

<sup>&</sup>lt;a href="https://www.scmp.com/news/china/military/article/3004119/chinese-jets-incursion-across-taiwan-strait-beijings-way">https://www.scmp.com/news/china/military/article/3004119/chinese-jets-incursion-across-taiwan-strait-beijings-way</a>; Marcus, Johnson. 2 Apr. 2019. 'China-Taiwan tensions grow after warplane incursion.' *BBC News*. Accessed 3 May 2019 <a href="https://www.bbc.com/news/world-asia-china-47786324">https://www.bbc.com/news/world-asia-china-47786324</a>; Blanchard, Ben and Yu, Jess Macy. 25 Apr. 2018. 'China warns of more action after military drills near Taiwan.' *Reuters*. Accessed 3 May 2019

<sup>&</sup>lt; https://www.reuters.com/article/us-china-taiwan/china-warns-of-more-action-after-military-drills-near-taiwan-idUSKBN1HW07W>

<sup>&</sup>lt;sup>2</sup> Yeh, Joseph. 21 Feb. 2019. '155 EU parliamentarians call on China to talk with Taiwan.' *Focus Taiwan News Channel*. Accessed 3 May 2019 <a href="http://focustaiwan.tw/news/aipl/201902210009.aspx">http://focustaiwan.tw/news/aipl/201902210009.aspx</a>;

believes it worthwhile to provide an overview of the Taiwan Question that will assist the EU in formulating its policies.

The European interest in the Taiwan Question is not limited to the EU's concern for international stability, nor indeed is it limited to supranational policy. In recent years, China has threatened to retaliate against multinational firms, including the Spanish brand Zara, for listing Taiwan as a separate country from China. Most of those firms have now complied with the PRC's demands, but these kinds of incidents are likely to continue.<sup>3</sup> If Europe and China deepen their economic ties, national governments and supranational agencies may be called upon to advise European businesses on how to respond to Chinese pressure; that has been the experience of the United States government in recent years.<sup>4</sup> And Taiwan itself is important for Europe's economic interests: as the EU's 16<sup>th</sup> overall trading partner in 2017, the 21<sup>st</sup> destination for EU exports, and the 13<sup>th</sup> source of imports to the EU, Taiwan holds a significant position for the European economy.<sup>5</sup>

The questions surrounding the rise of China are important for European unity and for Europe's place in the world. The Italian government recently signed a memorandum of understanding (MOU) with the PRC indicating its intention to participate in China's 'One Belt One Road' (or 'New Silk Road') initiative. The development of closer ties between Rome and Beijing has been a source of international tension, as Italy's European partners and the United States have expressed concern about the possibility that the PRC will use its infrastructure financing to gain political influence in Europe. And yet there is also the potential for European countries to benefit economically from closer ties with China, a

http://focustaiwan.tw/news/aipl/201902210009.aspx>; 'Speech on behalf of the High Representative/Vice-President Federica Mogherini at the European Parliament plenary debate on the latest developments in the cross-strait relations between mainland China and Taiwan.' 30 Jan. 2019. European External Action Service. Accessed 3 May 2019 <a href="https://eeas.europa.eu/delegations/taiwan/57441/speech-behalf-high-representativevice-president-federica-mogherini-european-parliament-plenary\_en">https://eeas.europa.eu/delegations/taiwan/57441/speech-behalf-high-representativevice-president-federica-mogherini-european-parliament-plenary\_en>

<sup>&</sup>lt;sup>3</sup> Liu, Kuan-lin. 17 Jan. 2018. 'Qantas becomes latest business to bow to Chinese pressure over Taiwan.' Focus Taiwan News Channel. Accessed 3 May 2019 <a href="http://focustaiwan.tw/news/acs/201801170026.aspx">http://focustaiwan.tw/news/acs/201801170026.aspx</a>; Jennings, Ralph. 17 Jan. 2018. 'China Demands Companies Stop Calling Taiwan A Country – Here's What They'll Do.' Forbes. Accessed 3 May 2019. <a href="https://www.forbes.com/sites/ralphjennings/2018/01/17/corporations-will-quickly-comply-as-china-pressures-them-to-stop-calling-taiwan-a-country/">https://www.forbes.com/sites/ralphjennings/2018/01/17/corporations-will-quickly-comply-as-china-pressures-them-to-stop-calling-taiwan-a-country/</a>

<sup>&</sup>lt;sup>4</sup> Goh, Brenda and Rucinski, Tracy. 9 Aug. 2018. 'U.S. airlines say further amending websites to change Taiwan references.' *Reuters*. Accessed 3 May 2019 <a href="https://www.reuters.com/article/us-usa-airlines-china/u-s-airlines-say-further-amending-websites-to-change-taiwan-references-idUSKBN1KU0D4">https://www.reuters.com/article/us-usa-airlines-china/u-s-airlines-say-further-amending-websites-to-change-taiwan-references-idUSKBN1KU0D4</a>

<sup>&</sup>lt;sup>5</sup> 'Taiwan and the EU.' 17 May 2016. *European External Action Service*. Accessed 3 May 2019 <a href="https://eeas.europa.eu/delegations/taiwan\_en/2000/Taiwan%20and%20the%20EU">https://eeas.europa.eu/delegations/taiwan\_en/2000/Taiwan%20and%20the%20EU</a>

<sup>&</sup>lt;sup>6</sup> Lee, Jeong-ho. 24 Mar. 2019. 'Italy's move to join New Silk Road may see European Union tighten coordination on China.' *South China Morning Post*. Accessed 3 May 2019 <a href="https://www.scmp.com/news/china/diplomacy/article/3003061/italys-move-join-new-silk-road-may-see-european-union-tighten?li">https://www.scmp.com/news/china/diplomacy/article/3003061/italys-move-join-new-silk-road-may-see-european-union-tighten?li</a> source=LI&li</a> medium=home-top-picks-for-you>

<sup>&</sup>lt;sup>7</sup> Lau, Stuart. 12 Mar. 2019. 'Italian PM Giuseppe Conte ignores US warnings and pushes for closer cooperation with China's belt and road plan.' *South China Morning Post*. Accessed 3 May 2019 <a href="https://www.scmp.com/news/china/diplomacy/article/3001150/italian-pm-giuseppe-conte-ignores-us-warnings-and-pushes">https://www.scmp.com/news/china/diplomacy/article/3001150/italian-pm-giuseppe-conte-ignores-us-warnings-and-pushes</a>; Kington, Tom. 21 Mar. 2019. 'Italy's populists split by lure of Chinese Belt and Road billions. *The Times*. Accessed 3 May 2019 <a href="https://www.thetimes.co.uk/edition/world/italy-s-populists-split-by-lure-of-chinese-belt-and-road-billions-3frfjnkrz>">https://www.scmp.com/news/china/diplomacy/article/3001374/german-opposition-italys-belt-and-road-deal-china-unfair-says>">https://www.scmp.com/news/china/diplomacy/article/3001374/german-opposition-italys-belt-and-road-deal-china-unfair-says>">https://www.faz.net/aktuell/wirtschaft/mehr-wirtschaft/neue-seidenstrasse-maas-warnt-italien-wegen-obor-16105324.html></a>. On France's recent attempts to demonstrate European unity on relations with China, see Pedroletti, Brice and Semo, Marc. 26 Mar. 2019. 'Macron impose un front commun européen au président chinois Xi Jinping.' *Le Monde*. Accessed 3 May 2019 <a href="https://www.lemonde.fr/international/article/2019/03/26/emmanuel-macron-impose-un-front-commun-europeen-a-xi-jinping\_5441269\_3210.html">https://www.lemonde.fr/international/article/2019/03/26/emmanuel-macron-impose-un-front-commun-europeen-a-xi-jinping\_5441269\_3210.html></a>>

possibility that features prominently in China's diplomacy toward the EU.<sup>8</sup> As EU member states weigh the risks and advantages of pursuing closer ties with China, their decision making will be aided by a comprehensive understanding of China's political interests. The Taiwan Question is only one facet of those interests, but an important one.

The PRC's sensitivity about Taiwan can manifest itself in subtle and surprising ways. To an outside observer, there may not be an obvious reason why Taiwan should be related to One Belt One Road; but this issue did arise at the conclusion of the recent MOU between Italy and China. In a joint communiqué, the two countries indicated that they 'intend to develop their global strategic partnership on the basis of mutual respect for their respective sovereignty and territorial integrity.' As evidence of this intention, the communiqué states that 'Italy confirms its adherence to the policy of only one China' ('L'Italia conferma la sua adesione alla politica di una sola Cina'). This seemingly cryptic reference to one China is in fact a reference to Taiwan policy. Italy stated its adherence to the *policy* of only one China ('la politica di una sola Cina') rather than the *principle* of only one China (which would be 'il principio di una sola Cina'). The former does not entail recognition of Chinese sovereignty over Taiwan, while the latter does. A single word can make a crucial difference.

In light of the sensitivity surrounding the Taiwan Question, as well as the precise and technical vocabulary used to describe Taiwan policy, this author believes it worthwhile to outline the interests and the stakes involved. As a US scholar with an interest in East Asia, I have sought to condense the academic research on Taiwan in history and political science in a way that will be useful for European officials. The focus will be on the United States' Taiwan policy – not to imply that the European Union should always follow the United States' direction, but to provide a point of reference for European policy as the EU seeks to respond to the challenges of a rising China.

The stakes for Europe are high. As China's power continues to grow and Taiwan becomes increasingly vulnerable, the Taiwan Question will be of continuing importance for European interests and the stability of East Asia. If diplomacy fails and military conflict erupts in the Strait of Taiwan, the Chinese navy might attempt to impose a blockade on Taiwan: freighters entering the South China Sea would be subject to search and seizure, or even exposed to bombardment; commercial shipping would come to a halt; global production chains would be severed; and if the United States entered the conflict on the side of Taiwan, there would be an international crisis of the first order.

Diplomacy is essential, and Europe's prestige is great. It may have a limited capacity to project military power in East Asia, but its institutions and its values lend an incalculable weight to its position on world affairs. The Taiwan press regularly reports on the statements of European officials concerning Taiwan as well as the statements of officials from Taiwan concerning ties with the European Union. <sup>10</sup> That the PRC is also attentive to Europe's position on Taiwan was demonstrated in the reference to the 'One-China policy' in the recent communiqué between Italy and China. European opinion is an indispensable element of world opinion; and the climate of world opinion is essential for keeping the

<sup>&</sup>lt;sup>8</sup> Bezat, Jean-Michel. 26 Mar. 2019. 'Pékin emploie la diplomatie des gros contrats avec les Occidentaux.' *Le Monde*. Accessed 3 May 2019 <a href="https://www.lemonde.fr/international/article/2019/03/26/pekin-emploie-la-diplomatie-des-gros-contrats-avec-les-occidentaux\_5441353\_3210.html">https://www.lemonde.fr/international/article/2019/03/26/pekin-emploie-la-diplomatie-des-gros-contrats-avec-les-occidentaux\_5441353\_3210.html</a>

<sup>9</sup> Translation by the author. For the original text of the communiqué in Italian, see 'Comunicato congiunto tra la Repubblica Italiana e la Repubblica Popolare Cinese sul rafforzamento del partenariato strategico globale.' 23 Mar. 2019. *Ministry of Economic Development, Italian Government*. Accessed 3 May 2019

<a href="http://www.governo.it/sites/governo.it/files/documenti/documenti/Notizie-allegati/Italia-Cina\_20190323/ComunicatoCongiunto\_Italia-Cina\_20190323.pdf">http://www.governo.it/sites/governo.it/files/documenti/documenti/Notizie-allegati/Italia-Cina\_20190323/ComunicatoCongiunto\_Italia-Cina\_20190323.pdf</a>>. Newspapers in Taiwan have quoted a press release from Taiwan's Ministry of Foreign Affairs as stating that China had deliberately changed the word 'policy' to 'principle' in a translation on China Central Television in order to create the false impression that Italy had recognized Taiwan as part of China. See Hsu, Stacy. 25 Mar. 2019. 'MOFA slams China on Italian statement.' *Taipei Times*. Accessed 3 May 2019 <a href="http://www.taipeitimes.com/News/front/archives/2019/03/25/2003712132">http://www.taipeitimes.com/News/front/archives/2019/03/25/2003712132</a>; Lü, Jiarong. '外交部: 「一帶一路」計畫具有政治目的」' 24 Mar. 2019. *China Times*. Accessed 3 May 2019. <a href="https://www.chinatimes.com/realtimenews/20190324002160-260409?chdtv">https://www.chinatimes.com/realtimenews/20190324002160-260409?chdtv</a>

<sup>10 &#</sup>x27;Ko speaks at European Parliament.' 2 Feb. 2018. *Taipei Times*. Accessed 3 May 2019 <a href="http://www.taipeitimes.com/News/taiwan/archives/2018/02/2003686885">http://www.taipeitimes.com/News/taiwan/archives/2018/02/2003686885</a>; Lu, Hsin-hui and Low, Y.F. 13 Sep. 2018. *Focus Taiwan News Channel*. Accessed 3 May 2019 <a href="http://focustaiwan.tw/news/aipl/201809130008.aspx">http://focustaiwan.tw/news/aipl/201809130008.aspx</a>

peace in the Strait of Taiwan. How a third party can affirm its support for Taipei without sparking a strong reaction from Beijing is a challenging and delicate task. But it is a task that has precedent, for the United States has invested forty years of diplomacy in crafting statements and policies to achieve precisely that objective.

# **Historical Background**

# From the 19th Century to the Chinese Civil War

China's modern history was scarred by its first encounter with European nations. Its ancient pride, founded on centuries of distinction in the arts and letters of East Asia, was shaken by the imperial powers. After a war that lasted from 1839-1842, Britain forced China to accept the importation of opium, initiating a period of political decline that is known in China as the 'Century of Humiliation.' Seizing upon the weakness and malaise that afflicted the later years of the Qing Dynasty, European nations annexed Chinese territory, carved out spheres of influence, and secured legal privileges for their citizens in China under the principle of extraterritoriality.<sup>11</sup>

Japan also took part in this exploitation. After the Meiji Restoration, Japan experienced a tremendous growth in military and industrial power, and applied it with devastating effect. The First Sino-Japanese War was fought from 1894-1895 and ended in the defeat of China. Among the terms of the Treaty of Shimonoseki, China ceded Taiwan and the Penghu Islands. Taiwan became a Japanese colony and, for the next fifty years, was separated from the orbit of China's cultural and political influence.

The harrowing experience of these deprivations, humiliations, and defeats produced contrary reactions in China. One was to look to the greatness of China's past as a sign of the promise of China's future; another was to look to China's backwardness as a warning of China's peril. The opposing sentiments of superiority and inferiority, of conservatism and reform, came to the fore in vigorous debates among Chinese leaders and intellectuals. Their cumulative effect was the growth of nationalism.<sup>13</sup>

Seeking to sweep away the imperial and feudal traditions that upheld the rule of the Manchus, Chinese revolutionaries overthrew the Qing Dynasty (1911) and soon declared the founding of the Republic of China under the presidency of Sun Yat-sen (1912). <sup>14</sup> China was to be a modern and democratic nation, its people united and strong. That was the dream and the vision; it was not the reality or the truth.

Hampered by corruption and division, the Chinese state could not exert effective control over many of the territories that it claimed as its own. Warlords ruled in northern China as a power unto themselves, a rebuke to the government of the Republic of China based in the southern capital of Nanjing. It was only in 1926, a year after the death of Sun Yat-sen, that the Republic of China attempted to assert itself as the master of its own house. Under the leadership of Chiang Kai-shek, the armed forces of the Nationalist Party (Kuomintang or KMT) launched a military campaign against the warlords. They succeeded in extending the influence of Nanjing into northern China; but the control of the central state was still tenuous, and China was fractured by division when Japanese invasion became a dire threat. 15

Believing that China could not afford to confront Japan while it was internally divided, Chiang Kai-shek attempted to first neutralise the Communist forces of Mao Zedong, which, at that time, were operating as a rural insurgency. But the designs of Japan on the territory of China were becoming increasingly clear, and the belief that Chiang intended to place factional rivalries above the national

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<sup>&</sup>lt;sup>11</sup> Garver, John W. 1993. Foreign Relations of the People's Republic of China. Englewood Cliffs, NJ: Prentice-Hall, Inc., 4-8.

<sup>&</sup>lt;sup>12</sup> Spence, Jonathan D. 1990. *The Search for Modern China*. New York: W.W. Norton. 222-224

<sup>&</sup>lt;sup>13</sup> See Garver, Foreign Relations of the People's Republic of China, 2-30 and Spence, The Search for Modern China, 216-144

<sup>&</sup>lt;sup>14</sup> Spence, The Search for Modern China, 266-267

<sup>&</sup>lt;sup>15</sup> Spence, *The Search for Modern China*, 344-346, 364-370.

interest sparked a public outcry. After the Xi'an Incident of 1936, Chiang reluctantly agreed to suspend his campaign against the Chinese Communists in order to confront the forces of Imperial Japan, which were mustering in the newly-created puppet state of Manchukuo.<sup>16</sup>

Open war erupted in 1937, and China passed into the darkest period of its history. Its civilians were subjected to unspeakable atrocities at the hands of Japanese soldiers, and its armed forces to devastating losses. The government of the Republic of China retreated to Chongqing, a city deep in the hinterland, and there it fought a desperate war to hold the interior of China. There seemed to be little chance that it could survive the long siege; but after war erupted in Europe and the United States threw its weight into the balance, Japan was caught in a vice between a naval war in the Pacific and a land war in China. The pacific and a land war in China.

Japan surrendered in 1945, and China emerged triumphant out of bleak despair. It had chosen the side of the Allies, and it shared in their victory. But it did not enjoy peace for long. With the defeat of Japan as a common enemy, the Nationalist Party and the Communist party resumed their deadly rivalry. In spite of the United States' efforts at mediation, civil war erupted across China. The issue was quickly decided. The Nationalist forces – exhausted, corrupt, and inept – collapsed in the face of the discipline of the Chinese Communist Party and the People's Liberation Army. Chiang Kai-shek ordered a retreat to Taiwan, which had recently been freed from Japanese colonial rule; and in 1949, months after Mao Zedong declared the founding of the People's Republic of China, the government of the Republic of China was relocated to a provisional capital in Taipei. 18

### The Cold War

During the first half of the Cold War, the United States continued to recognise only the Republic of China as the legitimate government of all of China. Yet the ROC only exercised effective control over only a fraction of China's territory: the island of Taiwan (though the United States did not officially recognise Chinese sovereignty over the island), the islands of Penghu, and the islets of Quemoy (Jinmen or Kinmen) and Matsu (Mazu) near the south-eastern coast of mainland China. Quemoy and Matsu were subjected to artillery bombardment by the Chinese Communists during the First and Second Taiwan Straits Crises of 1954-1955 and 1958. Since the Soviet Union was arrayed on the side of the Chinese Communists and the United States was arrayed on the side of the Chinese Nationalists, those crises had the potential to erupt into nuclear war. But the danger was averted, and after 1958, relations across the Strait of Taiwan settled into a nervous peace. 20

The PRC was soon engulfed in turmoil. The radical economic program of the Great Leap Forward led to a famine that caused death and suffering on an immense scale, and the Cultural Revolution marked a period of chaos and violence as Mao's belief in continual revolution manifested itself in a program of continual terror. Taiwan was stable, but under severe repression. Theoretically seeking to suppress Communist activity, but effectually seeking to suppress any organized opposition to their rule, the Nationalists ran a police state under martial law. They had already imposed a bloody crackdown during the 228 Incident (named after the fact that it had taken place on February 28, 1947),

<sup>&</sup>lt;sup>16</sup> Taylor, Jay. 2009. *The Generalissimo: Chiang Kai-shek and the Struggle for Modern China*. Cambridge, MA: Belknap Press. 124-137.

<sup>&</sup>lt;sup>17</sup> Spence, The Search for Modern China, 443-483

<sup>&</sup>lt;sup>18</sup> Taylor, *The Generalissimo*, 378-408

<sup>&</sup>lt;sup>19</sup> On the historical context for the United States' position that the status of Taiwan is undetermined, see Bush, Richard. 2004. *At Cross Purposes: U.S.-Taiwan Relations since 1942*. Armonk, New York: M.E. Sharpe, Inc., 88-92.

Since Quemoy and Matsu had been part of Fujian Province, the ROC continued to govern them as part of Fujian, and so it was able to maintain the claim that it technically governed two Chinese provinces instead of Taiwan alone. See Christensen, Thomas J. 1996. *Useful Adversaries: Grand Strategy, Domestic Mobilization, and Sino-American Conflict, 1947-1958*. Princeton, NJ: Princeton University Press, 194-241; Christensen, Thomas J. 2011. *Worse than a Monolith: Alliance Politics and Problems of Coercive Diplomacy in Asia*. Princeton, NJ: Princeton University Press, 109-145; and He, Di. 1990. 'The Evolution of the People's Republic of China's Policy toward the Offshore Islands' in *The Great Powers in East Asia, 1953-1960* by Cohen, Warren I. and Iriye, Akira (eds.). New York: Columbia University Press, 239-240

in which Chiang Kai-shek had dispatched military forces to suppress anti-government protests on Taiwan. Now, with the police state in full control of the island, the Nationalists continued to arrest and execute suspected Communists and supporters of Taiwan's independence.<sup>21</sup>

Throughout this period, the United States was locked in rivalry with Communist China. Washington and Beijing both deployed forces to Korea in 1950, which fought each other in a winter of peril; Washington concluded a treaty of alliance with Taipei and helped the Nationalists to retain control of Quemoy and Matsu; and Washington and Beijing found themselves supporting opposite sides in the Vietnam War. But in one of the most surprising re-alignments of the Cold War, Washington and Beijing saw their interests converge toward the end of the 1960s. Relations between Beijing and Moscow had deteriorated rapidly since the late 1950s, leading the Chinese Communists to fear that the Soviets would attempt an invasion of China; and Washington saw a priceless opportunity to gain the confidence of Beijing at the expense of Moscow.<sup>22</sup> After a secret mission by National Security Advisor Henry Kissinger in 1971, US President Richard Nixon visited Beijing in 1972 to begin a process of *rapprochement* between the United States and the PRC, which culminated in the normalisation of relations by 1979.<sup>23</sup>

#### Democratic Taiwan

Chiang Kai-shek died in 1975, and his son Chiang Ching-kuo ruled from 1978 until his own death in 1988. Toward the end of his life, Chiang Ching-kuo began to relax the repressive measures of the authoritarian era and eventually abolished martial law altogether.<sup>24</sup> Meanwhile, Taiwan was experiencing an economic miracle: although it had been a recipient of US aid up until 1965, it had achieved remarkable success under a state-led model of capitalism and was eventually counted as one of the 'Asian Tigers.'<sup>25</sup> Though it lacked international recognition, Taiwan was riding on a wave of political and economic progress that carried it through the end of the Cold War.

Ethnic issues, which had been suppressed during the authoritarian era, came to influence Taiwan's democratic politics and its relations with mainland China. Lee Teng-hui, the appointed successor of Chiang Ching-kuo, became the first 'local' (本省人) president. This term (which should not be conflated with the term for the aboriginal people of Taiwan (原住民)), was used to distinguish the Han Chinese who had been on Taiwan before 1949 from the 'mainlander' Han Chinese (外省人) who had come with the Nationalists after the Chinese Civil War. Though seemingly innocuous, these distinctions became socially and politically divisive in Taiwan's democratic politics in the 2000s.<sup>26</sup>

The PRC observed these developments with grave concern. Although Lee Teng-hui was a member of the Nationalist Party, his 'local' background already distinguished him in that he could not be expected to hold the same sentimental and emotional ties to China that Chiang Kai-shek and Chiang Ching-kuo had held. He also issued statements that seemed to imply that he intended to pursue an independent future for Taiwan. The Chinese Communists realised that, for the first time, there was a leader on Taiwan whose commitment to the reunification of China was in question. During the Third Taiwan Straits Crisis of 1995-1996, they shelled the waters near Taiwan in order to put pressure on

<sup>&</sup>lt;sup>21</sup> Taylor, *The Generalissimo*, 370-371, 411-412, 423. For an extended study of the 228 Incident, see Lai, Tse-han, Myers, Ramon H., and Wei, Wou. 1991. *A Tragic Beginning: The Taiwan Uprising of February 28, 1947*. Stanford, CA: Stanford University Press. For a discussion of US policy during the 228 Incident, see Bush, Richard, *At Cross Purposes*, 40-84.

<sup>&</sup>lt;sup>22</sup> On the deterioration of relations between Beijing and Moscow, see Barnett, Doak. 1977. *China and the Major Powers in East Asia*. Washington, DC: The Brookings Institution, 32-52.

<sup>&</sup>lt;sup>23</sup> For the history of US-PRC rapprochement, see Taylor, *The Generalissimo*, 248-287 and Harding, Harry. 1992. *A Fragile Relationship: The United States and China since 1972*. Washington, DC: Brookings Institution, 23-66.

<sup>&</sup>lt;sup>24</sup> See Taylor, Jay. 2000. The Generalissimo's Son: Chiang Ching-kuo and the Revolutions in China and Taiwan. Cambridge, MA: Belknap Press.

<sup>&</sup>lt;sup>25</sup> See Wade, Robert. 2003. Governing the Market: Economic Theory and the Role of Government in East Asian Industrialization (Revised Edition). Princeton, NJ: Princeton University Press.

<sup>&</sup>lt;sup>26</sup> Copper, John F. 2013. *Taiwan: Nation-State or Province?* Philadelphia, PA: Westview Press. 12-15, 60-61

voters not to elect Lee. They failed: US President Bill Clinton dispatched the American navy to the Strait of Taiwan, and Taiwan's voters were not deterred by Beijing's attempt at intimidation. Lee Teng-hui became president in 1996 as Taiwan's first democratically elected leader.<sup>27</sup>

Lee's successor to the presidency was Chen Shui-bian of the Democratic Progressive Party (DPP), a party that supported independence. In spite of early signs that Chen intended to adopt a conciliatory approach toward Beijing, he undertook actions that were deemed by the PRC to be provocative, such as referring to Taiwan and China as distinct countries, proposing a referendum on a new constitution, and proposing a referendum on Taiwan joining the United Nations as 'Taiwan' rather than 'Republic of China.'28 War was averted, but the period of Chen's presidency was marked by heightened antagonism and mistrust on both sides of the Strait, as well as strained relations between Taiwan and the United States.<sup>29</sup>

Chen's successor to the presidency was Ma Ying-jeou of the Nationalist Party. Favouring a more conciliatory approach toward cross-strait relations, Ma sought to reduce tensions and to pursue greater economic cooperation between Taiwan and mainland China. These measures proved to be controversial, with critics alleging that it would give Beijing leverage over Taipei. Interestingly, academic and policy debates about economic cooperation referred to the history of European economic integration. Analysts on Taiwan are naturally wary of economic integration leading to political integration, while the PRC is wary of the premise that economic integration occurs between sovereign states.30

This historical overview leads up to the election of Tsai Ing-wen of the DPP to the presidency in 2016. The following section draws on this history to outline current issues in cross-strait relations and Taiwan's foreign relations, with a focus on the jargon and terminology that actors have used to define their position on Taiwan's relationship with mainland China.

# **Current Issues in Cross-strait Relations and Taiwan's Foreign Relations**

## The One-China Policy

In changing recognition from Taipei to Beijing in 1979, the United States did not abandon most of the substantive features of its relations with Taipei. There was no longer an American Embassy, but a nominally private 'American Institute in Taiwan,' which essentially served the same function. US forces were withdrawn from Taiwan, and the Mutual Defence Treaty was terminated; but, as we shall see, Taiwan eventually obtained a form of a security commitment through the provisions of the Taiwan Relations Act.<sup>31</sup> Though the character of US relations with Taiwan changed significantly at a formal level, the effects of that change were muted at a substantive and practical level. Nevertheless, it would not be accurate to say that the changes were purely semantic. Given the unofficial character of US relations with Taiwan and Taiwan's continuing insecurity, the United States' Taiwan policy became much more complex.

The US position on Taiwan bears the unmistakable imprint of the historical period in which Washington and Beijing pursued rapprochement. During the Cold War, neither the Nationalists in Taipei nor the Communists in Beijing would have accepted a permanent division between Taiwan and mainland China; the notion of an independent Taiwan and the notion of 'two Chinas' were both anathema to the rival Chinese regimes. Nor would it have been politically feasible for the United States to allow Taiwan to come under the control of the Chinese Communists; the Nationalists exercised

<sup>&</sup>lt;sup>27</sup> Copper, *Taiwan*, 56-57

<sup>&</sup>lt;sup>28</sup> Bush, Richard, 2013. *Uncharted Strait: The Future of China-Taiwan Relations*. Washington, DC: Brookings Institution

<sup>&</sup>lt;sup>29</sup> Romberg, Alan D. 2003, Rein In at the Brink of the Precipice: American Policy Toward Taiwan and U.S.-PRC Relations. Washington, D.C.: The Henry L. Stimson Center, 207-209.

<sup>&</sup>lt;sup>30</sup> Bush. *Uncharted Strait*, 64-67.

<sup>&</sup>lt;sup>31</sup> Romberg, Alan D. 2003. Rein In at the Brink of the Precipice: American Policy Toward Taiwan and U.S.-PRC Relations. Washington, D.C.: The Henry L. Stimson Center. 105

considerable influence on US foreign policy through a network of supporters who were collectively known as the 'China Lobby.' The objective of US policy was to change recognition from Taipei to Beijing without creating the pretext for the Chinese Communists to seize control of Taiwan.

The solution was to adopt a neutral position on the question of Taiwan's status and how it would be resolved. The United States neither supported Taiwan's independence nor recognised Taiwan as part of China. The United States affirmed its interest in a peaceful resolution of the Taiwan Question, but it only stated a position on the process, not on the outcome.<sup>33</sup> Over time, a patchwork of communiqués and legislation came to collectively define the 'One-China policy,' which is the basic US position on the Taiwan Question. Richard Bush, who previously served as the managing director of the American Institute in Taiwan, lists the elements of the One-China policy as follows: <sup>34</sup>

When American officials say that "we have a One-China policy," they usually elaborate by listing several defining elements: adherence to the three U.S.-PRC communiqués of 1972, 1978, and 1982; implementation of the Taiwan Relations Act enacted in April 1979; an abiding interest in the peaceful resolution of the differences between the two sides; opposition to either side unilaterally changing the status quo and non-support for *de jure* independence of Taiwan; the "six assurances" conveyed to Taiwan in August 1982; and a preference for continuing dialogue and cooperation between Beijing and Taipei, among others.<sup>35</sup>

The One-China policy is distinct from the 'One-China principle' in that it does not entail recognition of Chinese sovereignty over Taiwan; ever since the Korean War, the United States has consistently (though quietly) maintained the position that the status of Taiwan is undetermined.<sup>36</sup> It is essentially a neutral position on the issue of sovereignty. But neutrality does not mean US indifference on the issue of Taiwan's security. As the PRC has never renounced the option of using military force against Taiwan, so the United States has never renounced the option of intervening in Taiwan's defence.

The nature of the US commitment to Taiwan's security was defined more clearly in the Taiwan Relations Act (TRA) of 1979. Under the terms of the TRA, one of the elements of US policy is to 'maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan.'<sup>37</sup> The United States is not required to defend Taiwan in the event of a PRC attack, but it is required to maintain the conditions that would make defending Taiwan a realistic possibility. This forms part of the posture of 'strategic ambiguity,' in which the United States has been deliberately vague about whether or not it would intervene in Taiwan's defence.<sup>38</sup> The logic behind this posture is that an unconditional commitment to Taiwan's security might be interpreted by Beijing as a sign of eventual US support for Taiwan's independence, and, according to some Chinese analysts, an unconditional commitment might encourage Taipei to undertake destabilising actions; while no commitment at all might encourage Beijing to use military force against Taipei.<sup>39</sup>

<sup>&</sup>lt;sup>32</sup> Taylor, The Generalissimo, 547-587

<sup>33</sup> Bush, Uncharted Strait, 214

<sup>&</sup>lt;sup>34</sup> Bush, Richard C. Mar. 2017. 'A One-China policy primer.' *Brookings Institution*. Accessed 3 May 2019 <a href="https://www.brookings.edu/research/a-one-china-policy-primer/">https://www.brookings.edu/research/a-one-china-policy-primer/</a>

<sup>&</sup>lt;sup>35</sup> Bush, Richard C. Mar. 2017. 'A One-China policy primer.' *Brookings Institution*. Accessed 3 May 2019 <a href="https://www.brookings.edu/research/a-one-china-policy-primer/">https://www.brookings.edu/research/a-one-china-policy-primer/</a>, p.3

<sup>&</sup>lt;sup>36</sup> Bush, *At Cross Purposes*, 88-90. For more on the differences between the One-China policy and the One-China principle, see Romberg, *Rein In*, 225-227.

<sup>&</sup>lt;sup>37</sup> Romberg, Rein In, 240

<sup>&</sup>lt;sup>38</sup> Romberg, *Rein In*, 173. For more on the debate about whether or not the United States should maintain its policy of strategic ambiguity, see Tucker, Nancy Bernkopf. 2005. 'Strategic Ambiguity or Strategic Clarity" in *Dangerous Strait: The U.S.-Taiwan-China Crisis* by Tucker, Nancy Bernkopf (ed.). New York, NY: Columbia University Press, 186-212

<sup>&</sup>lt;sup>39</sup> For a discussion and review of these arguments, see Christensen, Thomas J., 2002, 'The contemporary security dilemma: Deterring a Taiwan Conflict,' *The Washington Quarterly*, 25(4): 14, 18. For a recent debate about whether or not the United States should declare an unconditional commitment to Taiwan's security, see Bosco, Joseph and Hickey, Dennis V. 12 Mar. 2019. 'PacNet #21R – Response to PacNet #21, "What the Latest Opinion Polls Say About Taiwan." *Pacific* 

The TRA also states that US policy is 'to provide Taiwan with arms of a defensive character' and that 'the President and the Congress shall determine the nature and quantity of such defense articles and services based solely upon their judgment of the needs of Taiwan, in accordance with procedures established by law.'<sup>40</sup> These arms sales to Taiwan have been a source of recurring tension between Washington and Beijing. Although the 1982 Joint Communiqué between the United States and the PRC seemed to imply that these arms sales would be gradually reduced, President Reagan stated to Deng Xiaoping that 'the U.S. willingness to reduce its arms sales to Taiwan is conditioned absolutely upon the continual commitment of China to the peaceful resolution of the Taiwan-PRC differences.'<sup>41</sup> As Beijing has not renounced the use of force, so the United States has not ceased the sale of arms.

An insightful example of how social-scientific theory has been applied to the US approach to the Taiwan Question is a 2002 article in the Washington Quarterly by Thomas Christensen. Drawing on Thomas Schelling's concept of coercive diplomacy, Christensen writes that 'successful deterrence is a form of coercive bargaining that requires a mix of credible threats and credible assurances.' He argues that deterring Beijing from using military force against Taipei is a question not only of demonstrating US support for Taiwan's security, but also of reassuring Beijing that refraining from force will not lead to the independence of Taiwan. Christensen concludes that 'a commitment to Taiwan's freedom and democracy, but not its sovereignty, will allow the United States to strengthen Taiwan's military security, improve military contacts with Taiwan, and enhance protection of U.S. forward-deployed forces where necessary and possible, without triggering conflict in the process.' The objective of deterrence in the Strait of Taiwan should be to ensure that Beijing prefers the terms of peace to the cost of war.

In brief, the United States has defined its policy on Taiwan as one of neutrality on the question of sovereignty, stating an interest in the process alone, and not the outcome, of the resolution of the Taiwan Question. US relations with Taiwan are of a strictly unofficial character, but the United States has sold weapons to Taiwan and maintained an ambiguous commitment to Taiwan's security, which opens up the possibility for the United States to intervene in Taiwan's defence. These elements are collectively known as the 'One-China policy' and, with the exception of arms sales, are similar to the official EU position on the Taiwan Question. The One-China policy is distinct from the One-China principle, and the two terms should not be used interchangeably.

# The One-China Principle

After the deaths of Mao Zedong on the mainland (1976) and Chiang Kai-shek on Taiwan (1975), their successors Deng Xiaoping and Chiang Ching-kuo sought to relax tensions between 'Communist China' and 'Nationalist China.' The younger Chiang distanced himself from his father's bellicose rhetoric about liberating mainland China through a Nationalist counteroffensive. Instead of threatening to launch a war, Chiang Ching-kuo emphasised a 'peaceful counteroffensive,' to be fought primarily on ideological grounds by using Taiwan's rapid economic development as an alternative model to Chinese Communism.<sup>44</sup>

Beijing was proactive about finding a formula for the reunification of China, while Taipei was far more reserved. As he began implementing his 'reform and opening' program of economic liberalisation in mainland China, Deng Xiaoping proposed the concept of 'One Country, Two Systems.' The idea was that Taiwan would enjoy considerable autonomy under a reunified China, free to manage its own economic and social system and even to keep its armed forces; but Taiwan would have to renounce the name of the Republic of China, and Beijing would reserve the right to represent China

Forum. Accessed 3 May 2019 <a href="https://www.pacforum.org/analysis/pacnet-21r-%E2%80%93-response-pacnet-21-what-latest-opinion-polls-say-about-taiwan">https://www.pacforum.org/analysis/pacnet-21r-%E2%80%93-response-pacnet-21-what-latest-opinion-polls-say-about-taiwan</a>.

<sup>&</sup>lt;sup>40</sup> Romberg, Rein In, 240

<sup>&</sup>lt;sup>41</sup> Romberg, Rein In, 140

<sup>&</sup>lt;sup>42</sup> Christensen, 'The contemporary security dilemma,' 10

<sup>&</sup>lt;sup>43</sup> Christensen, 'The contemporary security dilemma,' 20

<sup>&</sup>lt;sup>44</sup> See Taylor, *The Generalissimo's Son*.

internationally. <sup>45</sup> The PRC later applied the 'One Country, Two Systems' model to Hong Kong when it was restored to Chinese sovereignty in 1997, and the troubled relations between Beijing and Hong Kong in recent years have demonstrated the challenges of implementing this model. <sup>46</sup>

For our purposes, what is most important about the history of these negotiations is that 'One Country, Two Systems' (which has continued to be Beijing's official proposal for the resolution of the Taiwan Question) was a distinct concept from the 'One-China principle.' The One-China principle is vague and non-committal: it is simply the abstract notion that Taiwan is somehow part of China. Both the Chinese Communists and the Chinese Nationalists agree on this principle, but they differ mightily on the details. The Communists maintain that the Republic of China has ceased to exist since its decisive defeat in 1949 and that Taiwan is a province of the People's Republic of China; and 'One Country, Two Systems' is their proposal for how to end the de facto division between the two sides. The Nationalists maintain that the Republic of China has continued to exist since 1949, and although they have been open to dialogue with the Communists, they have refused to accept a subordinate position for Taiwan in its relations with mainland China. 47

Where this often leads to confusion is how it relates to the controversial concept of the '1992 Consensus.' This concept refers to a putative agreement between Taipei and Beijing in 1992 on the One-China principle as the common ground between the two sides. The Nationalists have claimed that, in 1992, the Communists agreed to disagree on the specific meaning of the One-China principle ('One Country, Different Interpretations'). The Chinese Communists also maintain that both sides agreed to the One-China principle, but Beijing has opposed the use of the expression 'One Country, Different Interpretations.' Mainland China has interpreted the One-China principle to mean 'One Country, Two Systems.'

Parties on Taiwan that have traditionally supported independence, such as the Democratic Progressive Party (DPP), have not accepted either the 1992 Consensus or the One-China Principle. In their view, Taiwan was never returned to China: after the Second World War, Taiwan ceased to be under Japanese sovereignty, but it did not come under Chinese sovereignty. Under the current President Tsai Ing-wen, the DPP has moderated its stance on independence, but it has resisted pressure from Beijing to accept the One-China principle and the 1992 Consensus. During her inaugural address in 2016, Tsai stated that she 'respected the historical fact' (尊重這個歷史事實) of the achievements of the cross-strait talks in 1992, including the 'political thought/concept' (政治思維) of 'pursuing commonalities while preserving differences' (求同存異); but she did not state her adherence to the political premise of those talks – namely the mutual agreement that both sides of the Strait belonged to one China. In response to recent cross-strait tensions, she has stated that 'we have never accepted the "1992"

<sup>&</sup>lt;sup>45</sup> Bush, Richard. 2005. 'Lee Teng-hui and "Separatism" in *Dangerous Strait: The U.S.-Taiwan-China Crisis* by Tucker, Nancy Bernkopf (ed.). New York, NY: Columbia University Press, 71-72.

<sup>&</sup>lt;sup>46</sup> Bush, *Uncharted Strait*, 97

<sup>&</sup>lt;sup>47</sup> On the disagreement between Beijing and Taipei on the existence of the ROC, see Bush, *Uncharted Strait*, 94.

<sup>&</sup>lt;sup>48</sup> Bush, Uncharted Strait, 12

<sup>&</sup>lt;sup>49</sup> Bush, Uncharted Strait, 94

<sup>50 &#</sup>x27;總統發表就職演說' 20 May 2016. Office of the President, Republic of China (Taiwan). Accessed 3 May 2019 <a href="https://www.president.gov.tw/NEWS/20444">https://www.president.gov.tw/NEWS/20444</a>. Translation by the author. The official English translation, which can be found at https://english.president.gov.tw/NEWS/4893, is as follows: 'it was done in a spirit of mutual understanding and a political attitude of seeking common ground while setting aside differences. I respect this historical fact.' This translation does not seem to be very literal, especially the reference to 'setting aside differences'; in the view of this author, a more accurate translation would be 'preserving differences.'

Consensus" (我們始終未接受「九二共識」)."<sup>51</sup> But note that she has not positively rejected the 1992 Consensus; she has only declined to accept it.<sup>52</sup>

This profusion of phrases and slogans is bewildering, but it can be summarised as follows: the 'One-China policy' is the policy of the United States of maintaining neutrality on the question of Taiwan's sovereignty, supporting neither independence nor reunification and insisting that a solution, if it is found, be found peacefully; the 'One-China principle' is the position that Taiwan is part of China and does not necessarily imply a specific formula for how Taiwan should relate to the Chinese mainland; the '1992 Consensus' is the putative acceptance of the One-China principle by both Taiwan and mainland China in 1992; 'One Country, Different Interpretations' is the Nationalists' claim for what the two sides agreed to in 1992; and 'One Country, Two Systems' is Beijing's proposal for a political settlement that assigns Taiwan a relatively autonomous but subordinate role as part of the PRC. For the EU, the most important point to note is that stating acceptance of the 'One-China policy' does not mean accepting Chinese sovereignty over Taiwan, but stating acceptance of the 'One-China principle' does.

# Taiwan's International Isolation

While the United States and the PRC were pursuing *rapprochement* in the 1970s, Taiwan became increasingly isolated on the world stage. The signs of improving relations between the United States and the Chinese Communists prompted many other countries to switch their recognition to Communist China, and Taiwan's membership in international organisations became increasingly tenuous. Seeing that the weight of international opinion was shifting decisively toward the seating of the PRC in the United Nations, Chiang Kai-shek's government withdrew from the UN in 1971 to avoid creating the appearance of 'two Chinas.' <sup>53</sup>

By now, Taiwan is a member of only a handful of international organisations. The authorities on Taiwan no longer exhibit an aversion to the dual representation of China, but the PRC authorities have exercised considerable influence to prevent the appearance of Taiwan having statehood, either as an independent Taiwanese republic or as a second China. Even in those organisations in which it is a full member, Taiwan uses non-political titles, such as 'Chinese Taipei' and 'the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu.' Taiwan competes in the Olympics as 'Chinese Taipei' rather than 'Taiwan,' and it is required to compete under an alternative flag and an alternative anthem. Taiwan,

Taiwan regularly applies to participate in the World Health Assembly (WHA) as an observer, but the success of its application is highly dependent on the state of cross-strait relations. Taiwan first applied to be an observer at the WHA in 1997; but because it had successive presidents (Lee Teng-hui and Chen Shui-bian) who were considered by Beijing to be 'separatists' intent on pursuing independence, Taiwan's application was denied. It was only in 2009, after the election of Ma Ying-jeou (the candidate for the China-friendly Nationalist Party) to the presidency, that Taiwan was able to secure an invitation, though not without controversy. <sup>56</sup> This period of warming ties ended in 2016, when Tsai

<sup>51 &#</sup>x27;總統針對中國國家主席習近平發表《告臺灣同胞書》40週年紀念談話說明我政府立場.' 2 Jan. 2019. Office of the President, Republic of China (Taiwan). Accessed 3 May 2019 <a href="https://www.president.gov.tw/NEWS/24002">https://www.president.gov.tw/NEWS/24002</a>. The official English translation can be found at https://english.president.gov.tw/NEWS/5621.

<sup>&</sup>lt;sup>52</sup> For more on the recent controversy surrounding the 1992 Consensus, see Chen, Dean P. 2017. *US-China Rivalry and Taiwan's Mainland Policy: Security, Nationalism, and the 1992 Consensus*. New York: Palgrave Macmillan.

<sup>&</sup>lt;sup>53</sup> Taylor, Generalissimo, 571-572

<sup>&</sup>lt;sup>54</sup> 'Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei) and the WTO.' World Trade Organization. Accessed 3 May 2019 <a href="https://www.wto.org/english/thewto\_e/countries\_e/chinese\_taipei\_e.htm">https://www.wto.org/english/thewto\_e/countries\_e/chinese\_taipei\_e.htm</a>>.

Amdur, Neil. 27 Nov. 1979. 'A 2-China Plan for the Olympics.' New York Times. Accessed 3 May 2019 <a href="https://www.nytimes.com/1979/11/27/archives/a-2china-plan-for-the-olympics-olympic-group-votes-2china-plan-for.html">https://www.nytimes.com/1979/11/27/archives/a-2china-plan-for-the-olympics-olympic-group-votes-2china-plan-for.html</a>; Tang, Pei-chun and Hsu, Elizabeth. 31 July 2018. 'IOC clarifies basis for use of "Chinese Taipei" at Olympics.' Focus Taiwan News Channel. Accessed 3 May 2019 <a href="http://focustaiwan.tw/news/aipl/201807310007.aspx">http://focustaiwan.tw/news/aipl/201807310007.aspx</a>

<sup>&</sup>lt;sup>56</sup> Chang, Joanne Jaw-ling, 2011, 'Taiwan's Participation in the World Health Organization: The U.S. "Facilitator" Role' in *The Future of United States, China, and Taiwan Relations* by Cheng-Yi Lin and Denny Roy (eds.), New York: Palgrave Macmillan, 167-169. On the controversy, see DeLisle, Jacques. 13 May 2009. 'Taiwan in the World Health Assembly: A

Ing-wen was elected president. Beijing stated that Taiwan's participation was conditional on Taipei's acceptance of the 1992 Consensus and the One-China Principle (a condition that the Tsai administration has been unwilling to meet, as discussed earlier).<sup>57</sup> Taiwan enjoyed considerable support in the United States, however, with the House of Representatives unanimously passing legislation in favour of Taiwan's participation as an observer.<sup>58</sup>

# **Implications for the European Union**

Having reviewed the history of the Taiwan Question and the United States' Taiwan policy, this paper concludes with the implications for the EU's Taiwan policy. Partly owing to the EU's limited military presence in East Asia, Taiwan has at times been regarded as a distant concern for Europe. But the importance of Taiwan cannot be measured in military terms alone. It is a distinguished example of a democratic transition, and its importance in the world economy far outweighs its relatively small geographic size and population. Europe is also important for Taiwan, because European opinion is an essential element of world opinion; and the importance of world opinion will only grow as the authorities on Taiwan continue to address the challenges they face from the rise of China.

This paper does not seek to propose a radically different Taiwan policy for the European Union, but rather to emphasise that maintaining the EU's existing 'One China' policy will be a formidable task. <sup>60</sup> The rise of China has the potential to produce two opposing effects on the Taiwan policy of third parties. On the one hand, the PRC's growing economic and military power will provide Beijing with increasing leverage with which to pressure third parties to endorse the 'One-China principle,' which entails recognition of Chinese sovereignty over Taiwan. On the other hand, the PRC's growing economic and military power may lead third parties to underscore their support for Taiwan. Since the growth of economic and military power provides Beijing with an increasing ability to coerce Taipei, third parties may decide to affirm their support for Taiwan during periods of heightened tension in cross-strait relations. In so doing, they may intentionally or unintentionally use language that suggests recognition of Taiwan's statehood. Even the United States, with its decades of diplomacy invested in the Taiwan Question, has exhibited this tendency in recent years, as I have written about elsewhere. <sup>61</sup>

For third parties like the United States and the European Union, maintaining a neutral position on Taiwan's sovereignty will not be a matter of passive indifference but of active decision. It will require attention to specific words that have been invested with political significance, such as 'One-China policy' and 'One-China principle,' as well as the question of whether or not a premise of statehood or nationhood is associated with phrases like 'the Taiwanese government' and 'the Taiwanese people.' If these words and phrases are not used (or avoided) carefully, third parties may imply a position that they do not truly hold, promising Beijing or Taipei more support than they intend. That would produce misunderstanding, and misunderstanding would produce distrust; and distrust would produce many unfortunate and avoidable disputes.

Victory, Within Limits. *Brookings Institution*. Accessed 3 May 2019 <a href="https://www.brookings.edu/opinions/taiwan-in-the-world-health-assembly-a-victory-with-limits/">https://www.brookings.edu/opinions/taiwan-in-the-world-health-assembly-a-victory-with-limits/>.

<sup>&</sup>lt;sup>57</sup> Miao, Zong-han and Kao, Evelyn. 8 May 2018. 'MAC protests China's obstruction in keeping Taiwan out of WHA.' *Focus Taiwan News Channel*. Accessed 3 May 2019 <a href="http://focustaiwan.tw/news/aipl/201805080011.aspx">http://focustaiwan.tw/news/aipl/201805080011.aspx</a>.

<sup>&</sup>lt;sup>58</sup> Yeh, Su-ping, Ku, Chuan, Hou, Elaine, Su, Justin, Yu, Hsiang, Fan, Jheng-hsiang, Chiang, Chin-yeh, and Chung, Yu-Chen. 23 Jan. 2019. 'Taiwan thanks U.S. for supporting WHO bid.' *Focus Taiwan News Channel*. Accessed 3 May 2019 <a href="http://focustaiwan.tw/news/aipl/201901230016.aspx">http://focustaiwan.tw/news/aipl/201901230016.aspx</a>.

<sup>&</sup>lt;sup>59</sup> See Cabestan, Jeanne-Pierre. 2008. 'The Taiwan issue in Europe-China relations: An irritant more than leverage' in *China-Europe Relations: Perceptions, policies, and prospects* by Shambaugh, David, Sandschneider, Eberhard, and Zhou, Hong (eds.). New York: Routledge. 84-101.

<sup>&</sup>lt;sup>60</sup> Cabestan, 'The Taiwan issue in Europe-China relations,' 92-93; Taiwan and the EU.' 17 May 2016. European External Action Service. Accessed 3 May 2019
<a href="https://eeas.europa.eu/delegations/taiwan\_en/2000/Taiwan%20and%20the%20EU">https://eeas.europa.eu/delegations/taiwan\_en/2000/Taiwan%20and%20the%20EU</a>

<sup>&</sup>lt;sup>61</sup> Lee, James. 2019a. 'Did Thucydides Believe in Thucydides' Trap? The *History of the Peloponnesian War* and Its Relevance to U.S.-China Relations.' *Journal of Chinese Political Science*, 24(1): 67-86. DOI: https://doi.org/10.1007/s11366-019-09607-0.