

CHALLENGES AND OPPORTUNITIES IN THE TAIWAN STRAIT: DEFINING AMERICA'S ROLE

Conference Report by
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PREFACE

Anticipating that Taiwan was soon likely to fall to the Communists, President Truman announced in January 1950 that “the United States has no desire to obtain special rights or to establish military bases in Formosa at this time. Nor does it have any intention of utilizing its armed forces to interfere in the present situation. The United States Government will not pursue a course which will lead to involvement in the civil conflict in China. Similarly, the United States Government will not provide military aid or advice to Formosa.”¹

This assessment of U.S. interests vis-à-vis Taiwan was made in spite of a dispute in the foreign policy community about the strategic value to the U.S. of keeping Taiwan from falling into Communist hands. North Korea's attack on South Korea on June 25, 1950 effectively ended this debate. On July 3 President Truman declared:

“The occupation of Formosa by Communist forces would be a direct threat to the security of the Pacific area and to United States forces performing their lawful and necessary functions in that area. Accordingly, I have ordered the Seventh Fleet to prevent any attack on Formosa. As a corollary of this action, I am calling upon the Chinese Government on Formosa to cease all air and sea operations against the mainland. The Seventh Fleet will see that this is done. The

¹ Department of State Bulletin, Jan. 16, 1950, quoted in Ralph Clough, Island China (Cambridge: Harvard University Press, 1978), p. 7.

determination of the future status of Formosa must await the restoration of security in the Pacific, a peace settlement with Japan, or consideration by the United Nations.”²

Half a century later the “future status” of Taiwan remains in question, and the American Seventh Fleet still plays a role in preventing hostilities between the mainland and Taiwan. But so much else has changed. The United States, which fought China in both Korea and Vietnam, now has official relations with Beijing and unofficial relations with Taipei. China has embraced economic reform that has yielded growth far beyond initial expectations. Taiwan businesses have invested over \$45 billion on the mainland and official cross-Strait trade now is running at over \$30 billion per year. Sovereignty over Hong Kong and Macau has been transferred peacefully to Beijing, and Taiwan has elected its first non-Kuomintang president.

Plus ça change, plus c'est la même chose. The Taiwan issue is still the “ticking time bomb in U.S.-China policy,” as John King Fairbank once called it. This bomb has at times seemed either inaudible or set to go off in an inconsequential future timeframe. Today, unfortunately, there are many signs that underscore the possibility that the bomb may detonate sometime uncomfortably close to the present -- talks between Beijing and Taipei are still suspended, Taiwan’s newly elected president represents the pro-independence Democratic Progressive Party, China is building up its military capabilities with Taiwan in mind, Beijing has stated for the first time that indefinite deferral of reunification is a *casus belli*, and the United States is considering selling significantly more advanced military equipment to Taiwan.

With these and other factors in mind, it seemed that an expert analysis of the current status of cross-Strait relations and a thoughtful, non-partisan re-examination of American interests in cross-Strait issues were in order. The National Committee on U.S.-China Relations therefore set about to organize a meeting of Americans whose diversity of expertise and policy perspectives would lend itself to such an exercise. This report, the seventeenth in the Committee’s China Policy Series, is a summary of their deliberations.

Written by Dr. Alan M. Wachman, Assistant Professor of International Politics at Tufts University’s Fletcher School of Law and Diplomacy, the report consists of an introduction and three main parts. The first is Dr. Wachman’s synopsis of cross-Strait relations since 1972, which will be particularly useful for readers who would like a historical mirror in which to view the present. The second is a summary of the conference discussion about the nature of cross-Strait relations. The final part discusses the policy recommendations that were made.

The conference was designed to encourage open discussion and exchange of ideas, not to construct consensus recommendations. All discussion was “not for attribution.” As you will see, this report duly notes where there was disagreement and where there was a general convergence of views. It does not, in any way, represent the views of any individual participant, nor does it represent the views of the National Committee on U.S.-China Relations. Instead, as will be apparent to its readers, this report is a distillation of two days of discussion by 32 experts about a very subtle and complex set of issues of great importance to the United States.

I would like to thank the Rockefeller Brothers Fund, which made available the superb facilities of its Pocantico Conference Center at Tarrytown, New York. It is no exaggeration to say that the Pocantico venue did much to create the productive and relaxed atmosphere that characterized the meetings. I would also like to thank the Ford Foundation for their financial support, without which the conference would not have happened.

² Department of State Bulletin, July 3, 1950, quoted in Clough, op. cit., p. 8.

Thanks are due, of course, to each of the participants, for their intelligence, good humor, collegiality and time. Thanks are also owed the presenters, panelists and discussion leaders for their valuable contributions. My colleague Anne Phelan has been indispensable at every stage of the conference preparations, proceedings and follow-up; she did a superb job as *rapporteur*. Richard Bush, Winston Lord, Nancy Bernkopf Tucker and Alan M. Wachman deserve praise for the very useful assistance they provided at various stages of this project, as does Jan Berris, for her help and encouragement.

Notes to the Preface

¹ *Department of State Bulletin*, Jan. 16, 1950, quoted in Ralph Clough, *Island China* (Cambridge: Harvard University Press, 1978), p. 7.

² *Department of State Bulletin*, July 3, 1950, quoted in Clough, *op. cit.*, p. 8.

I. Introduction

The election of Chen Shui-bian as president of Taiwan¹ on March 18, 2000 triggered intense efforts to assess how this unexpected outcome would affect cross-Strait relations, security in East Asia and America's policy toward the People's Republic of China (P.R.C.) and Taiwan. While Chen had adopted a moderate, centrist approach to relations with the mainland during his campaign, he was, nonetheless, elected as the candidate of the Democratic Progressive Party (DPP), which has long advocated formal, *de jure* independence for Taiwan. Were Chen to declare that Taiwan is an independent state – something he pledged not to do as long as the P.R.C. does not have the intention of using force against Taiwan² – Beijing would be pressed to make a forbidding choice. It would either have to forsake the opposition to Taiwan's independence that has been the core of its policy toward the island since 1949, or make good on threats to use force to prevent Taiwan from “splitting” from the motherland.³

Since 1971, when the United States and the P.R.C. began to explore the normalization of diplomatic relations, Washington has calibrated its public policy statements to avoid overtly challenging Beijing's claim to Taiwan. At the same time, despite the P.R.C.'s steadfast disapproval, the United States has continued to support Taiwan's security in ways that have effectively deterred Beijing from using force to assert control over the island. Sustaining this balance has demanded scrupulous attention to official language and public posture by American policy-makers.

Three communiqués signed jointly by the United States and the P.R.C. in 1972, 1979 and 1982, and the Taiwan Relations Act (TRA) that Congress made law in 1979, guide American interaction with the P.R.C. and Taiwan. However, each of these documents was intended to serve a purpose specific to the moment it was written. The three communiqués emerged from negotiations with Beijing in which the principal American objective was to ensure productive relations with the P.R.C. The Taiwan Relations Act, by contrast, was primarily intended by Congress to enable the United States to continue – unofficially and indefinitely – wide-ranging relations with Taiwan and, most significantly, provide for its security. Thus, these documents do not yield a seamless, unequivocal expression of American policy toward the P.R.C. and Taiwan.

The American determination to maintain diplomatic relations with the P.R.C. and unofficial relations with Taiwan is not, in and of itself, objectionable to Beijing. The biggest and most intractable problem in Sino-American relations is that the United States continues to arm Taiwan and that the TRA authorizes the President and Congress “to determine . . . appropriate action by the United States” in the event of “any threat to the security or the social or economic system of the people on Taiwan.” This implies that the United States is prepared to defend Taiwan from assault.⁴ Although Americans wish to cultivate

cooperative and profitable relations with the P.R.C., they are not prepared to stand aside should the P.R.C. use military might to resolve its conflict with Taiwan. Yet Beijing has made clear its view that by arming Taiwan or rising to its defense, the United States is interfering in what Beijing deems to be the internal affairs of the Chinese people.

The United States cannot avoid the dilemma posed by the conflicting objectives of having amicable relations with the P.R.C. while ensuring that the cross-Taiwan Strait controversy be resolved without force. However, to maximize its political maneuverability, the United States has labored to remain noncommittal about the unification of the P.R.C. and Taiwan. It maintains what it calls a “one China” policy, but means by that something rather different than Beijing does. Beijing’s view of “one China” is normative and declarative: there is only one China in the world and Taiwan is an inalienable part of it.⁵ The United States has adopted a procedural approach to “one China” by recognizing the government of the P.R.C. as the sole legal government of China, acknowledging the Chinese view that there is only one China of which Taiwan is a part, and establishing that the United States has a very strong interest in ensuring that the Taiwan problem be resolved peacefully. It remains noncommittal about whether Taiwan is now or should become subject to the jurisdiction of the government of the P.R.C. Meanwhile, despite an explicit commitment to reduce arms sales to Taiwan, the United States continues to increase them, although not to the level that Taiwan wishes.

While the United States has, to a significant degree, enjoyed productive relations with both Beijing and Taipei on the basis of this precarious tangle of commitments, the effort to preserve a flexible posture has become increasingly difficult to sustain. During the 1990s, a combination of factors, including the end of the Cold War, the rapid economic growth of the P.R.C., increasing competition between Beijing and Taipei for international legitimacy and the transformation of Taiwan from an authoritarian regime to a fully vested democracy, exposed and exacerbated the underlying tensions in Washington’s relations with Beijing and Taipei. Further constraints on American flexibility come from domestic public opinion, which expresses sympathy for democratic Taiwan and concern about the potential of the P.R.C. to become a competitor or, even, an adversary.

Having lost credibility following its withdrawal from Vietnam, the United States has gone out of its way to demonstrate its resolve to live up to both explicit and implicit security and economic guarantees in East Asia. The consequences of this posture in East Asia have been stellar – three decades of peace and rapid economic growth. One keystone of the region’s stability is a U.S. commitment to deter military hostilities in the Western Pacific generally, and in the Taiwan Strait especially. A war in the Taiwan Strait would likely affect the continued growth and prosperity from which so many states – the United States, P.R.C. and Taiwan included – have benefited. It would threaten American commercial and other interests in Taiwan, the Chinese mainland, Hong Kong and Japan, to say nothing of the interests of U.S. allies in the region. Moreover, the outbreak of hostilities between Beijing and Taipei would swiftly draw in Washington. If the United States failed to intervene with military force, the security guarantees on which it has premised its forward presence in the region might be undermined.

Given the vital importance to the United States of maintaining peace in the Taiwan Strait and the developments noted above that now threaten to undermine American interests, the National Committee on United States-China Relations assembled a group of leading American authorities on the P.R.C. and Taiwan at a conference entitled, “Challenges and Opportunities in the Taiwan Strait: Defining America’s Role.” Conference participants were drawn from academic, government, business and media communities, representing wide-ranging professional and political perspectives. These analysts and practitioners met July 14-16, 2000, at the Pocantico Conference Center in Tarrytown, N.Y. to scrutinize the assumptions underlying U.S. policy toward the P.R.C. and Taiwan.

This report offers a summation of that conference. It presents a fresh view of what is at stake for the United States in the cross-Strait controversy and how best to safeguard vital American interests. The report emphasizes highlights of the intensive discussions and indicates conclusions on which participants agreed as well as points on which no consensus was reached.

II. Historical Background

Opening the Door to U.S.-P.R.C. Relations

In 1972, President Richard Nixon visited the P.R.C. to discuss with its leadership the establishment of diplomatic relations. His primary motives were strategic. He hoped that better relations with the P.R.C. would pave the way for a negotiated settlement with North Vietnam that would enable the United States to withdraw its troops from Southeast Asia. More broadly, he expected that by opening relations with Beijing, the United States would benefit from the added geopolitical weight of the Chinese in opposition to the Soviet Union and thus shift the global balance of power.

Consequently, he advocated that the United States and the P.R.C. abandon the enmity that had divided them since 1949 and establish more normal, eventually diplomatic, relations. The principal impediment to normalized relations was the P.R.C. position that Taiwan is part of China and that official U.S. relations with Taiwan constitute an infringement on P.R.C. sovereignty. Privately, President Nixon gave Premier Zhou Enlai assurance that the United States accepted that Taiwan is a part of China and that the United States would not support Taiwan's independence.⁶

The public position of the United States, however, was embodied in the "Joint Communiqué Between the People's Republic of China and the United States of America," a document known as the Shanghai Communiqué. That document states that the United States "acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position." In 1972, that was technically correct: the United States was elliptically acknowledging a fundamental point on which the governments of the P.R.C. and Taiwan agreed, i.e., that Taiwan is part of China. Of course, Beijing and Taipei each claimed sovereignty over the Chinese state.

American statesmen negotiated with their Chinese counterparts about precisely what words used in the Shanghai Communiqué would assert the U.S. position so that Beijing would view the statement as an adequate, even if not entirely satisfactory, basis for agreement. They were careful to avoid acquiescing to Beijing's view. Indeed, in the communiqué, the U.S. does not *accept* Beijing's position on the matter of Taiwan, it only *acknowledges* it.

This was the first of many linguistic refinements employed by the United States to maintain the appearance of impartiality, maximize its diplomatic flexibility and avoid stating a preference about the outcome of competition between Taipei and Beijing over the issue of sovereignty. Such diplomatic finesse is often viewed as emblematic of a U.S. policy of "ambiguity" on cross-Strait matters. Concerning sovereignty over Taiwan, the American position is not ambiguous, it is subtle. Regarding the manner in which the cross-Strait dispute ought to be resolved, though, the United States has been neither subtle nor ambiguous, stating quite firmly its "interest in a peaceful settlement of the Taiwan question by the Chinese themselves."

Setting the Basis for Normalized Relations

In 1978, National Security Adviser Zbigniew Brzezinski reiterated to Chinese leaders, privately, the American position on Taiwan first articulated, also privately, by President Nixon. However, in the 1979

“Communiqué on the Establishment of Diplomatic Relations between the United States of America and the People’s Republic of China,” the United States went beyond the position it took in 1972 and stated that it “recognizes the Government of the People’s Republic of China as the sole legal Government of China. Within this context, the people of the United States will maintain cultural, commercial, and other unofficial relations with the people of Taiwan.” It also “acknowledges the Chinese position that there is but one China and Taiwan is a part of China.”

The communiqué of 1979 emerged in the context of Cold War competition and the expectation that playing the “China card” would improve America’s hand. While the common aim in Washington and Beijing of undermining Moscow may have been the prime motive for normalization, political considerations in the Carter White House may have affected the pace and posture of U.S. negotiators. President Carter was eager to avoid a prolonged battle in Congress about the American relationship with Taiwan, which he feared might scuttle efforts to secure an agreement with Beijing. So, he held his negotiating cards quite close to his vest and pressed to conclude an agreement expeditiously. Critics of the 1979 agreement observe that the United States “gave up” to the P.R.C. more than it should have, precisely because President Carter, hoping to be credited with a dramatic triumph in foreign affairs, directed that the negotiations be made with excessive haste and insufficient Congressional involvement.

In any event, Beijing — and perhaps President Carter himself — did not anticipate how extensively Congress would want to be involved in setting the terms for American relations with Taiwan. Legislation was necessary to enable the United States to continue unofficially the wide range of interactions it expected to sustain with Taiwan, and the administration submitted a draft bill to Congress in early 1979. However, Congress resented President Carter for failing to engage in “prior consultations...on any proposed policy changes affecting the continuation in force of the Mutual Defense Treaty of 1954” with Taiwan, one of Beijing’s precondition for normalization. Congress was displeased that, although the administration made clear its interest in a peaceful resolution of the Taiwan issue, the United States did not persuade the P.R.C. to renounce the use of force. Nor did the draft bill submitted by the Carter administration to Congress include specific measures to ensure Taiwan’s security, though the administration had made sure that the leadership in Beijing understood that the United States intended to sell arms to Taiwan after 1979.⁷ These sentiments informed Congressional efforts to strengthen provisions in what ultimately became the Taiwan Relations Act of April 1979.⁸

Congress was not averse to normalizing relations with the P.R.C. It recognized that American strategic and commercial interests were certainly advanced by stable relations with Beijing. However, Beijing’s expectation that the United States essentially turn its back on a long-time ally was, for Congress, too high a price. Accordingly, the TRA states that the United States will make available to Taiwan “arms of a defensive character” and reserves the right of the United States to determine “appropriate action” in the event of “any threat to the security or the social or economic system of the people on Taiwan.”

To the P.R.C., this was unacceptable. In Beijing’s view, these clauses in the TRA violated the spirit of the two joint communiqués. After all, in 1972 the United States first refrained from challenging the P.R.C. position regarding Taiwan and in 1979 actually recognized the government of the P.R.C. as the “sole legal government of China,” which Beijing understands to include Taiwan. By expressing a determination to arm Taiwan and consider defending it from threats to its welfare or security, the United States appeared in Beijing’s eyes to be impeding unification. The security-related provisions in the TRA were a blow to Beijing’s sense of how cross-Strait relations would unfold after normalization. Beijing may have expected that the United States would withdraw recognition from Taiwan and terminate the Mutual Defense Treaty, then stand aside while Taiwan became isolated, malleable and eventually absorbed by the P.R.C. This could not happen if the United States supplied Taiwan with arms, even those designated as “of a defensive character.”

Tension over U.S. arms sales to Taiwan, as well as other irritants in Sino-American relations, led P.R.C. leaders to issue an ultimatum in 1982: either the United States would end its arms sales to Taiwan or Beijing would reassess the future of its relations with the United States. The Reagan administration took this threat seriously and entered into negotiations, which resulted in the 1982 “Joint Communiqué on U.S. Arms Sales to Taiwan.” In this document, Washington tried to reassure Beijing by stating that it had “no intention of infringing on Chinese sovereignty and territorial integrity, or interfering in China’s internal affairs, or pursuing a policy of ‘two Chinas’ or ‘one China, one Taiwan.’” The United States also stated that it

does not seek to carry out a long-term policy of arms sales to Taiwan, that its arms sales to Taiwan will not exceed, either in qualitative or quantitative terms the level of those supplied in recent years...and that it intends to reduce gradually its sales of arms to Taiwan, leading over a period of time to a final resolution.

Many observers see this commitment and the TRA as contradictory. In practice, however, the TRA has taken precedence. The United States has continued to provide arms to Taiwan and these sales have exceeded in quantitative and qualitative terms the levels of the early 1980s. Washington has defended its sales by reference to inflation and a determination – unilaterally asserted by President Reagan – that the United States would help Taiwan maintain the balance of power across the Taiwan Strait as the P.R.C. itself enhances its military capabilities.

The United States also points out that its 1982 agreement to reduce arms sales was part of a *quid pro quo* arrangement with Beijing in which the P.R.C. pledged to “strive for a peaceful resolution of the Taiwan issue.” From Washington’s vantage, the P.R.C. has not always shown evidence of striving for a peaceful resolution. Not only has Beijing refused to renounce the use of force, the United States charges, but it continues to build up its military capabilities vis-à-vis Taiwan and has threatened Taiwan and any foreign power that may interfere in what the P.R.C. regards as an “internal” matter.

The “One China” Policy

The United States asserted in the 1982 Communiqué that it has “no intention of pursuing a policy of ‘two Chinas’ or ‘one China, one Taiwan.’” Although Beijing appears suspicious of Washington’s motives, American officials have stated that the United States does not have a preference about the substance of a resolution that may emerge from dialogue between Beijing and Taipei. As long as the process leading to the resolution does not involve the use of force, the United States has said that it is “willing to support any outcome voluntarily agreed to by both sides of the Taiwan Strait.”⁹

Such a settlement was easier to imagine when Taipei also was unequivocally committed to reunification. When the United States signed the communiqués in 1972, 1979 and 1982, the Kuomintang (KMT) government on Taiwan was still determined to unify China under its rule. By 1991, however, the KMT had been transformed. Natives of Taiwan, long excluded from exercising influence in the highest echelons of party power, were on the ascent in the KMT. Consequently, the determination to “recover” sovereignty over the mainland – a posture associated with the KMT stalwarts who had, themselves, come to Taiwan from the mainland after the civil war – had waned. President Lee Teng-hui, himself a native of Taiwan, had established a National Unification Council that devised a set of new Guidelines for National Unification. Those Guidelines made clear that China was a divided state with two governments, each sovereign over the territory it actually controlled. This was tantamount to a renunciation of the myth that the government of Taiwan was the legitimate government of all China.

In addition, the pluralism and democratization that have evolved in Taiwan have emboldened many of Taiwan’s residents to advocate the position that Taiwan itself, not China, is their state. Officially, Taipei

has not renounced the quest for unification, though it has made statements that it considers reunification to be only one option for resolution of cross-Strait differences and, in any case, reunification must be seen as a long-term goal. Despite the election of DPP candidate Chen Shui-bian, Taipei has not changed its constitution nor has it revised the Guidelines for National Unification. In the meantime, Taipei views China as a divided state and considers the sovereignty exercised by the government of Taiwan over Taiwan and associated islands as equal to the sovereignty of the government of the P.R.C. over the greater part of China. Thus, the underlying premise of the 1972 Shanghai Communiqué that “Chinese on either side of the Taiwan Strait maintain there is but one China and that it is a part of China,” may no longer be valid.

Beijing has been struggling to adjust its approach to a democratized Taiwan in which unification no longer appears to be Taipei’s paramount aim. The P.R.C. leadership is determined to fit Taiwan into a unified China. However, the “one country, two systems” model that Beijing used to reassert sovereignty over Hong Kong and Macao is viewed in Taiwan as demanding too great a sacrifice. Even though the P.R.C. would be willing to allow Taiwan to keep its military and have greater autonomy than Hong Kong or Macau, it is clear that Beijing would retain final authority under this formulation. Neither Beijing nor Taipei has yet to identify an alternative satisfactory to the other side.

These developments have, naturally, complicated American policy toward Beijing and Taipei. In response to changes in Taiwan, the P.R.C. has intensified pressure on the United States to toe the “one China” line.¹⁰ Increasingly, the United States has found itself torn between a principled defense of Taiwan’s democratic expression of self-determination and Beijing’s ever-more insistent demands that the United States honor the agreements it signed with the P.R.C. to maintain no more than an unofficial relationship with Taiwan and to end arms sales. Having encouraged democratization on Taiwan, it is difficult for the United States to ignore pleas for autonomy or resistance to unification when they amount to expressions of popular will. It is equally difficult for the United States to ignore Beijing’s sensitivities about Taiwan and Washington’s extensive, though unofficial, relations with Taipei.

For instance, when Beijing reacted to President Lee Teng-hui’s 1995 private visit to the United States by launching fiery rhetoric and missiles into the sea lanes near Taiwan, the Clinton administration tried to assure the P.R.C. that it was not upgrading its relations with Taiwan, encouraging Taiwan’s independence, or violating its commitment to deal with Beijing as the sole legal government of China. Secretary of State Warren Christopher reportedly delivered to President Jiang Zemin a letter signed by President Clinton in August 1995. The text of the letter, yet to be released, is said to have reiterated America’s “one China” policy. If the report of this letter is accurate, President Clinton wrote that the United States does not support Taiwan independence nor its admission to the United Nations.¹¹

In the weeks leading up to the October 1997 Clinton-Jiang summit in Washington, Beijing had pressured the United States to agree that the substance of President Clinton’s 1995 letter would be enshrined in a public statement during President Jiang’s visit. The Chinese were unsuccessful in persuading the Clinton administration, but on October 31, the day following President Jiang’s departure from Washington, State Department spokesman James P. Rubin expressed a much less ambiguous stance toward cross-Strait relations than had theretofore been stated publicly. Rubin said, “We don’t support a two-China policy, we don’t support Taiwan independence, and we don’t support membership in organizations that require you to be a member state.” That was the first public expression of private American assurances made to P.R.C. leaders by previous administrations.

In preparation for President Clinton’s trip to the P.R.C. the following year, Secretary of State Madeleine Albright visited Beijing and on April 30, 1998 remarked at a press conference that “...we have a one-China policy – not a ‘two China,’ not a ‘one China and one Taiwan’ policy – and we do not support Taiwan independence or their membership in international organizations that are based on statehood.”

Despite her effort to portray the comment as a simple restatement of standing policy, she was then the highest-ranking American official to commit the United States publicly to such a restrictive policy toward Taiwan.

Neither the secretary's comments nor those of the Department's spokesperson six months earlier attracted much attention in the press. However, when President Clinton visited the P.R.C. later that year, he reiterated the points that Rubin and Albright had made, using nearly the same words. In Shanghai on June 30, 1998, the president stated, "...we don't support independence for Taiwan, or 'two Chinas' or 'one China, one Taiwan.' And we don't believe that Taiwan should be a member in any organization for which statehood is a requirement."

President Clinton's statement became known as the "three noes," and marked the first time that a sitting president had publicly made these assurances. What gave the statement greater weight was the fact that it had been made on Chinese soil and was clearly intended to reassure the P.R.C. that despite changes in Taipei's posture and the dynamics of cross-strait relations, U.S. policy had not changed.

Ambiguity and Flexibility

Since 1972, America's responses to developments in cross-strait relations have somewhat eroded its flexibility. In an effort to promote cooperative and productive Sino-American relations, official statements by the U.S. government have given the impression that the United States has edged incrementally closer to Beijing's position that Taiwan is part of China. During the same period, though, the United States has acted in various ways to deter the use of force by Beijing to affect the cross-strait relationship. It is clear that the United States has struggled to promote vital interests that depend on constructive relations with Beijing while remaining true to underlying values that prompt many Americans to have an affinity for Taiwan. What is less clear, however, is whether this struggle reveals an untenable contradiction underlying Sino-American relations and whether U.S. policies warrant adjustment.

The United States has tried to maintain ambiguity in its cross-strait policy by never stating precisely what it would do if coercive force were used in the Taiwan Strait, an approach embodied in the language of the TRA. However, it has always been clear about the ends it desires: the maintenance of peace in the Western Pacific. The United States has also worked to remain noncommittal about what outcome it prefers as a resolution to the cross-strait controversy.

Whether it was intended or not, President Clinton's announcement of the "three noes" was regarded by many as offering unnecessary clarity that may have reduced U.S. flexibility, while foreclosing on options that appeal to the people of Taiwan. This erosion of flexibility did not end with the president's 1998 remarks in Shanghai. In 1999, he made several additional statements, each of them extending the commitments of the United States, apparently to Beijing's advantage. For instance, following Lee Teng-hui's July 1999 comments about a "special state-to-state" relationship between Taiwan and the P.R.C., President Clinton used a joint press conference with President Jiang Zemin prior to the start of the September 1999 APEC meeting to state that "We favor one China." Four days later, the United States took the unprecedented action of actively opposing an effort by states friendly to Taiwan to have the United Nations reconsider the question of Taiwan's membership. (Every year since 1993, the issue had been brought before the agenda-setting body at the United Nations known as the General Committee, but the American statement in 1999 opposing the effort was the first time that the United States expressed itself on the matter.)

A few months later, during a press conference at the State Department on December 8, President Clinton said, "...our policy on China is crystal clear. We believe there is one China." By introducing the notion

that the United States has a “one China” policy, subsequently stating that the United States “favors one China” and finally, by declaring that “We believe there is one China,” the president incrementally transformed the way in which U.S. policy about Taiwan’s status is expressed and perceived.

U.S. Support for Taiwan

Despite its public enunciation of a one China policy, U.S. support for Taiwan has not diminished appreciably during Clinton’s administration. It was on Clinton’s watch that Lee Teng-hui was granted permission to visit the United States in 1995. Then, in 1996, a powerful American naval armada was positioned near the Taiwan Strait to convey the message that Washington is prepared to act if Beijing engages in hostilities aimed at Taiwan. In addition, the United States has continued to sell armaments to Taiwan and effectively blocked Israel’s sale of a sophisticated airborne radar system to the P.R.C. that could have significantly bolstered Beijing’s strategic advantage vis-à-vis Taiwan. So, in operational terms, the United States continues to support Taiwan in accordance with the TRA.

Throughout the 1990s, Taiwan’s champions – and the P.R.C.’s detractors – reacted with vigilance to any hint that the United States was softening its resolve to defend Taiwan from absorption by the P.R.C. For instance, members of Congress have spoken forcefully in support of Taiwan, non-binding resolutions sympathetic to Taiwan have been introduced, and Congress has considered potentially significant changes in the U.S. posture toward Taiwan, most notably the Taiwan Security Enhancement Act (TSEA).

Finally, in the lead-up to Taiwan’s presidential election of March 2000, President Clinton made clear in a March 8 speech at Johns Hopkins University’s School of Advanced International Studies that any resolution of the cross-Strait controversy must have “the assent of the people of Taiwan.” He reiterated this point several days after Chen Shui-bian was elected. This was a significant new twist in U.S. policy that underscored the importance of considering the popular will in Taiwan and corrected the impression that the United States would concur with a coercive — albeit peaceful — imposition of terms on Taiwan by Beijing.

Where U.S. Policy Stands

Maintaining support for Taiwan while preserving amicable relations with the P.R.C. has been a difficult process for the United States to manage. The vagaries of official pronouncements have led to friction between Washington and Beijing that is troubling and potentially dangerous. However, the broader context into which the Sino-American relationship fits has for nearly three decades driven the United States and the P.R.C. together despite the unresolved conflicts that flow from what American officials have stated (or refrained from stating) about Taiwan or from weapons sales to Taiwan.

In some respects, the U.S.-P.R.C. relationship is hardy. It continues to grow in a wide array of official and unofficial interactions that make it a far more complex and reciprocal relationship than it was when diplomatic relations were established in 1979. Despite persistent friction over the issue of Taiwan’s sovereignty, commercial, cultural, scholarly and other links have proliferated and have entailed significant commitments by American institutions to continued interaction with the P.R.C. As the P.R.C. pursues economic and social reform, it also has become involved in a host of international and non-governmental arenas in which it and the United States have common objectives. Washington and Beijing, though often at odds, have found ways to cooperate in the handling of such sensitive matters as North Korea, terrorism, international crime prevention, environmental preservation, and drug trafficking, to name just a few.

It is the Taiwan problem, though, that most often threatens to push the U.S.-P.R.C. relationship to the brink of open conflict. To avoid armed confrontation with the P.R.C. or between the P.R.C. and Taiwan,

some analysts argue that the United States should recalibrate its policies to add definition to both the ends and means. Some argue that the election of Chen Shui-bian and the defeat of the KMT mean that the U.S. posture is now anachronistic. The Clinton administration, however, continues to believe that it is unwise to telegraph further its intentions because to do so would embolden either Beijing or Taipei to act more rashly than they otherwise would. The central question undertaken by the conference participants was what, if any, changes ought the United States make in its policy or posture toward cross-Strait relations?

III. The Cross-Strait Relationship

In their assessment of the cross-Strait relationship, conference participants considered from different professional and personal perspectives pressing issues that have a bearing on the policy of the United States. What follows is a summary of the discussion of questions underlying current tensions in cross-Strait relations.

What is the root of the problem in cross-Strait relations?

Although the history of U.S. interaction with the P.R.C. and Taiwan is relatively well understood, some participants were troubled by the possibility that the *nature* of the conflict between the P.R.C. and Taiwan is not as well defined. While some of the questions raised may, at first, appear too conceptual or academic to have practical consequence, one can easily understand that unless the nature of an illness is properly diagnosed, it is terribly difficult to prescribe an appropriate remedy.

For instance, there is a tendency to assume that the dispute is solely about sovereignty. To unify China and extend its sovereignty over Taiwan, Beijing is prepared to grant Taiwan a high degree of autonomy under the “one country, two systems” formula. In exchange, Taipei would have to acknowledge that there is, in fact, only one Chinese state and that Taiwan is only a part of that state, not a separate state. In the past, Taiwan agreed with those notions, but did not view the government of the P.R.C. as the legal government of that state. However, as authoritarianism in Taiwan was supplanted by democracy, the influence of popular opinion has expanded and the view of Taiwan as part of a larger Chinese state has lost currency on Taiwan. Most of Taiwan’s citizens apparently prefer to remain autonomous of the P.R.C., even if that means sacrificing a degree of “international personality” for the state in which they live. Thus, the “one country, two systems” model does not have much appeal in Taiwan. People are evidently prepared to exchange autonomy for legitimacy to preserve the uneasy status quo in which they live. Conference participants wished to understand, however, whether the contest concerning sovereignty masks other, unarticulated issues.

One such issue might be as basic as the role of personalities. There is a long history of “bad blood” between the leadership of the Chinese Communist Party (CCP) and KMT, as would be expected in a civil conflict. Over the years, P.R.C. leaders became especially suspicious of Lee Teng-hui and his “pragmatic diplomacy,” which they believed was intended to generate support for Taiwan independence and impede unification. In the last few years of his presidency, Lee’s thinly veiled efforts to expand Taiwan’s “international space” aroused such a high degree of distrust in Beijing that it became hard to imagine P.R.C. leaders could find common ground with him. Not surprisingly, given his background, Beijing has been highly suspicious, too, of Chen Shui-bian and expresses deep antipathy for Vice President Lu Hsiu-lien.

Another issue raised is whether Beijing is more concerned about Taiwan or about the presence of the United States as a constraining force on P.R.C. ambitions. That is, if the United States were not supplying arms to Taiwan or acting in Taiwan’s defense, would the “Taiwan issue” be easier to resolve? Given the long-standing P.R.C. determination to eradicate the legacies of imperialism and to restore the

dignity of China, is it possible that the more the United States involves itself, the worse the problem becomes?

More troubling was the suggestion that the real problem is not a question of sovereignty, but the very nature of China. The concept of nationhood has developed in China only with considerable difficulty, and questions about national identity continue to plague the Chinese state. Yet the P.R.C. leadership has encouraged the embrace of nationalism, using it as the basis for its own legitimacy, and has linked the legitimacy of the regime with the recovery of lost territories.

During a phase of development when China has undertaken exceptionally difficult transitions affecting domestic economic and social values, arousing national pride may help the leadership to dampen unrest and quell discontent associated with the dislocations engendered by reform. The reassertion of sovereignty by Beijing over Hong Kong in 1997 and Macao in 1999 was widely celebrated in the P.R.C. as major milestones in China's determined struggle to recover lost territories. In contrast, the recovery of Taiwan remains an unfulfilled promise to the Chinese people that P.R.C. leaders feel compelled to keep. In this context, the leadership may also worry that too much flexibility in accommodating the interests of Taiwan may threaten Beijing's troubled hold in other regions, such as Tibet and Xinjiang.

A secondary concern about the nature of China is the style of its decision-making. One participant observed that the P.R.C. system is one in which good analysis and creative options are often filtered out of the policy debate before they get to the level of the actual decision-makers. Those individuals who are in a position to establish or alter government policy, then, may never be apprised of the pragmatic suggestions of subordinates and may forge a consensus around ideas that have emotional potency, but limited utility, as a means of breaking the cross-Strait stalemate.

Nevertheless, after all the speculation among conference participants about the importance of these aspects of the problem, the consensus was that sovereignty is still the key issue. Indeed, other sources of tension in the cross-Strait relationship notwithstanding, the core problem throughout the 1990s seems to have been a question of how to conceive of China in such a way as to accommodate both Beijing's determination to exercise sovereignty over the entire state and Taipei's reluctance to sacrifice its autonomy.

How significant is the "Taiwan issue" on Beijing's list of objectives? Is it as vital a concern as public rhetoric would suggest?

Several participants questioned whether the "Taiwan issue" was genuinely as pressing a concern as Beijing portrays it to be. Considering the many complex social and economic problems that the P.R.C. confronts in the domestic arena, is this issue truly at the top of the leaders' priority list? It may be, one participant suggested, that the Taiwan issue is only conditionally important. That is, if Taiwan were to declare independence, the issue would instantly rise to a level of critical importance to the leadership in Beijing. However, as long as Taiwan does not provoke the P.R.C., it is likely that other concerns will dominate the policy priority list that determines how Beijing apportion its time and energies.

Some sensed from their interactions with Chinese officials that the emphasis on force and intimidation is merely a calculated use of bombast intended to impel compliance by Taiwan, rather than a genuine determination to use any and all means to resolve the conflict. P.R.C. leaders certainly are aware that war would incur significant costs, costs that would seriously affect Beijing's international standing as well as its domestic economic agenda. Moreover, several participants reported distinctly less bellicose and more accommodating voices emanating from Shanghai.

Participants also questioned whether the desire for unification with Taiwan was confined to Chinese of a specific generation or whether it crosses generational bounds in the P.R.C. The older elite in the P.R.C. feel keenly the need to recover Taiwan, by force if necessary, in order to complete the nation-building for which they have sacrificed and now sense such great responsibility. Younger people may be less motivated by this agenda and, therefore, less willing to risk a war to recover Taiwan. In the absence of sound public surveys, it is impossible to gauge support for the leadership's Taiwan policy. A few conference participants offered anecdotes that indicate the possibility that there may be less popular support for Beijing's policy toward Taiwan than the leaders would hope.

While there may be a wider array of views in the P.R.C. about Taiwan than the top leaders would appear to countenance, there is little expectation abroad that these thoughts will be expressed publicly. Indeed, for any leader to suggest openly that the Taiwan issue is badly managed and entails a misplacement of national resources would be tantamount to betrayal of the motherland. What concerned several participants is that the leadership in Beijing has invested so much political capital in this issue and has so often threatened to employ force that it may at some point be compelled politically to use it.

Does time work in Beijing's favor or Taipei's?

From the normalization of U.S.-P.R.C. relations in 1979 until the 1990s, there was a pervasive sense that both Beijing and Taipei were content to allow their dispute to remain unresolved, so long as the parameters of the relationship did not change much. The status quo was perceived as a condition that, in the absence of an agreement, preserved peace but allowed for the eventual reunification of China. It rested on the idea that the P.R.C. would be the sole representative of China in the international arena and most states would recognize it as such. In exchange, Beijing would tolerate Taiwan's existence as a *de facto* state, so long as it pledged to work toward eventual unification.

However, once Taiwan's domestic political environment became more hospitable to expressions of a determination to remain permanently independent of the P.R.C., the status quo began to lose its moorings. As a result, the P.R.C. began to express anxiety that the status quo not become a basis for permanent separation. Beijing fears that the longer Taiwan is allowed to act as if it is a state, the more young people are taught to see themselves as "new Taiwanese" or citizens of a state other than China, the less likely it is that unification will occur as Beijing hopes. For Taiwan's part, its "international space" is already greatly constricted because of the P.R.C.'s efforts to isolate the island community and Taipei is keenly aware that Beijing, at some point in the future, may force the issue of Taiwan's status in a manner that will compromise the autonomy it now enjoys.

Much of the calculus about whose side time is on rests on an assessment of the military balance across the Taiwan Strait. Several participants offered reasons to see that a "window of opportunity" is closing, as the P.R.C. becomes economically stronger and invests more in modernizing its military. In solely military terms, one analyst said, time is on Beijing's side: even with the good will and support of the United States as added security, many in Taiwan feel that the P.R.C. will eventually have the power to overcome Taiwan's defenses and raise the cost to the United States of entering a conflict. Predictions varied as to when exactly the window would close, but the prevailing sense was that Taiwan's current advantage would be eroded over the next five to ten years.

However, others argued that in the broader geopolitical context time may be on Taiwan's side. It will be harder for Beijing to justify the use of force against a democratic state that has expressed a determination to preserve its autonomy. The "crunch" period is during the next several years, while the senior generation of P.R.C. leaders is still in power. Some participants expressed the expectation that the successors to the current leaders will view the Taiwan issue with less passion and the problem will not remain at its current level of volatility. Moreover, there are many observers who feel that the influence of

globalization on the P.R.C. may ultimately erode Beijing's capacity to restrain its population from demanding greater social and political reform. This may lead to a less repressive system of governance in the P.R.C. and greater latitude for Taiwan.

As to Beijing's growing military capabilities, it was noted that the P.R.C. is building its military for reasons beyond its interest in recovering Taiwan. The global context in which the P.R.C. finds itself is one that it views as troublesome. One aim of the P.R.C. is to develop sufficient coercive force that its interests cannot be undermined by other powers, to wit, the United States, Russia, Japan or India.

How does Chen Shui-bian's election alter the equation and what posture should he adopt?

In considering this question, conference participants reviewed in detail the events surrounding Chen's election. In the run-up to the Taiwan presidential election in March 2000, the P.R.C. leadership left no doubt that it was Chen Shui-bian's candidacy that they most viscerally opposed. The full measure of Beijing's public rhetoric was directed against Chen in newspaper editorials, public denunciations by the president and premier, and a host of other expressions, making it clear that Beijing would view his election with grave disfavor. On February 21, only weeks before the election in Taiwan, Beijing issued a White Paper that articulated a troubling new condition that would prompt the P.R.C. to use force against Taiwan. Among other things, the White Paper stated,

if the Taiwan authorities refuse, *sine die*, the peaceful settlement of cross-Straits reunification through negotiations, then the Chinese government will only be forced to adopt all drastic measures possible, including the use of force, to safeguard China's sovereignty and territorial integrity and fulfill the great cause of reunification.¹²

With Chen's victory, Beijing was compelled to confront a reality it had hoped fervently to avoid. In the immediate aftermath of the election, the P.R.C. adopted a "wait and see" attitude toward his performance, saying that it would "listen to his words and watch his actions." The words to which Beijing attached great significance were those that Chen spoke in his May 20 inauguration address. Prior to the speech, Beijing made evident its expectation that Chen not endorse independence or the "state-to-state" formula of his predecessor; rather, it looked to him for some confirmation that he would endorse the "one China" concept. However, the speech, while artfully encouraging to some, was insufficiently precise to satisfy Beijing.

Chen's roots in the Taiwan independence movement and the DPP may be insurmountable barriers that the leadership in Beijing cannot overcome, at least not in the short term. P.R.C. opinion seems to be divided about whether Chen is better or worse than Lee Teng-hui and whether he will ultimately defect to an "independence" stance or not. Conference participants sense there is disagreement within the P.R.C. elite about how to deal with Chen Shui-bian and what should be an appropriate policy toward him.

To many Americans, Chen appears to have taken prudent and moderate measures to reassure Beijing. Initially, the new president offered a flurry of overtures to Beijing to indicate his eagerness to defuse the cross-strait tensions that had arisen prior to the election. He departed from the DPP's position on declaring independence, and in his inaugural address said

. . . the leaders on both sides (of the Taiwan Strait) possess enough wisdom and creativity to jointly deal with the question of a future "one China" . . . as long as the CCP regime has no intention to use military force against Taiwan, I pledge that during my term in office, I will not declare independence, I will not change the national title, I will not push forth the inclusion of the so-called "state-to-state" description in the Constitution, and I

will not promote a referendum to change the status quo in regard to the question of independence or unification.¹³

Chen also made clear his willingness to meet with Jiang Zemin and invited the P.R.C. chief negotiator, Wang Daohan, to attend the inauguration. On May 21, Chen visited the island of Jinmen (Quemoy) to express his willingness to consider opening direct trade, transportation, and postal links (the “three links”) to the P.R.C.. However, by mid-summer, when the conference was held, the P.R.C. had not responded in kind nor had it given signs of finding any of Chen’s efforts meritorious. One conference participant compared this situation to Chen setting a buffet table of dishes so succulent that the P.R.C. is paralyzed by indecision about what to taste. As a result, Beijing clings to well-worn positions without taking steps to meet Chen half way.

Concerning the question of how Chen should proceed, some participants felt that offering anything more before Beijing made a serious response to his initial offerings was inadvisable. Indeed, there was a strong sense that many in the DPP feel Chen has already offered too much to Beijing in return for too little. Participants generally agreed that Beijing may need to hear a consistent and strong message from Chen over a period of many months before it will view him as trustworthy. From this vantage, it is not so much a question of having Chen say or do something new as it is having him be consistent, repetitive and reassuring. The key piece of advice conference participants believe the United States should convey to Chen is “no backsliding.”

It was the hope of conference participants that at the Beidaihe conference in August 2000, the P.R.C.’s leaders would agree on an approach for responding to Chen’s conciliatory gestures. To date, there is little evidence of this having happened. Beijing has adopted what appears to be a “united front” policy by dealing with a range of influential figures in Taiwan outside the DPP in an effort to isolate Chen. Moreover, since the conference, Chen’s first premier, the former KMT Minister of Defense Tang Fei, has resigned and there was a shakeup of the cabinet. If the logic of the conference discussion prevails, this will cause the P.R.C. to view Chen and his cabinet as even less likely to embrace the “one China” concept. Chen’s initial effort to bring on a KMT premier as an olive branch to the erstwhile ruling party and a reassurance to Beijing has collapsed. This leaves Chen more firmly in control of his cabinet, even if it means more fractious relations with the KMT – as evidenced by the efforts afoot in late autumn, 2000 to unseat Chen.

How significant is the “one China” formulation as a basis for further discussions and negotiations between Beijing and Taipei?

In 1992, negotiators from the P.R.C. and Taiwan met in Hong Kong and, evidently, reached a consensus about “one China.” While it appears they did not agree to a precise definition, they agreed to disagree, with each side to express its own view of what “one China” means. This *modus operandi* enabled them to move forward in their dialogue. On that basis, chief negotiators of both sides, Wang Daohan and Koo Chen-fu, met in 1993 in Singapore. In 1998, Koo visited the P.R.C. and Wang was to visit Taiwan in the fall of 1999. However, Beijing viewed Lee Teng-hui’s July 1999 pronouncement on “special state-to-state” relations as a defection from the “one China” consensus of 1992 and suspended Wang’s trip.

To date, although Chen Shui-bian has jettisoned the “state-to-state” formulation, he has not expressed himself in a manner that satisfies Beijing that Taiwan has renounced the odious legacy of Lee Teng-hui or embraced the P.R.C.’s view of “one China” as the basis for negotiations. Beijing has made evident that once Taiwan accepts the “one China” formula, everything else can be negotiated – including the name of the state, the flag and so forth. Indeed, several high ranking P.R.C. officials have been quoted as having said that “one China” does not necessarily mean the P.R.C.

President Chen has said that he is willing to discuss the notion of “one China” once dialogue with the P.R.C. resumes, but will not accept “one China” as a precondition for dialogue. At a July 31 news conference, Chen remarked that both sides had wasted time with meaningless word games. He invited Beijing to “work together again, based on the existing foundation and spirit of the 1992 meeting, and create positive cross-strait interactions.” In his view, “the ‘1992 spirit’ corresponds with ‘dialogue, exchange, and shelving disputes.’”¹⁴ To Beijing, that is not enough.

Thus far, the P.R.C. has offered no model for “one China” other than the “one country, two systems” model that was the basis for the reabsorption of Hong Kong (1997) and Macao (1999). Most conference participants viewed this formula as a “nonstarter” in Taiwan, as it entails one central authority that will ultimately determine how to resolve differences or conflicts between the two systems. In several celebrated cases since 1997, it is clear that Hong Kong’s system operates at the tolerance of Beijing. That is why Jiang Zemin’s “Eight Points” of 1995, while offering Taiwan significantly more autonomy than Hong Kong or Macao have not led to a breakthrough.

Most participants concluded that to get negotiations going, it will be necessary for Taipei to find a way to persuade Beijing that it now endorses more than just the “spirit” of 1992, even if there is no more agreement now than in the past about the definition of “one China.” Yet, given that Taiwan is now a democracy in which public opinion plays a greater role in foreign policy than it has in the past, it is essential that the P.R.C. exercise greater creativity and flexibility in its approach to Taiwan. Rather than continue with its “marry me or die” approach, it needs to offer incentives that will appeal to the Taiwan public.

What role does cross-Strait economic cooperation play in relations between Beijing and Taipei?

While cross-Strait political dialogue has ebbed and flowed, economic ties between the mainland and Taiwan continue to grow at a strong and steady pace. Projected two-way trade of \$30 billion this year demonstrates the vitality of the economic bond. Despite the restrictions of indirect trade, China now imports more from Taiwan than any other economy except Japan. Taiwan’s export-driven economy relies to a great extent on products manufactured at its factories on the mainland; these facilities now generate 29 percent of Taiwan’s total manufacturing output. Taiwan business firms employ approximately 3 million mainland workers – a number equivalent to three percent of the P.R.C.’s urban workforce – helping Beijing to preserve social stability.

Taiwan’s business leaders have largely ignored the government’s advice to “go south” to Southeast Asia or “go slow” in investing on the mainland, which suggests just how attractive opportunities on the mainland are. At the same time, the P.R.C. has attempted to use business and economic channels to influence Taiwan’s domestic politics. Beijing has exerted pressure on Taiwanese businessmen with significant investments in the mainland, warning of repercussions if they continued to support the DPP.

These problems notwithstanding, there was general agreement among conference participants that, in contrast to issues of sovereignty and military power, economics is a positive sum game for both Beijing and Taipei. Certainly the prospect of accession to the World Trade Organization for the P.R.C. and Taiwan was seen as having the potential of increasing economic integration as well as direct interaction. This would, of course, be enhanced by the opening of the “three links.” The consensus was that the United States should urge both Beijing and Taipei to more aggressively exploit economic opportunities as a way of drawing the two disputants together.

How viable are proposals for a Chinese confederation (banglian) or federal commonwealth (lianbang)?

Provided Beijing and Taipei could be persuaded to talk, what might they discuss? Participants considered the potential attraction of confederation or commonwealth models for the P.R.C. and Taiwan.¹⁵ These models would let both sides say they are part of a single Chinese entity, so the P.R.C. could claim it has achieved its objective of reunification. At the same time, they could be constructed so that Taiwan would enjoy not only a high degree of autonomy, as it might under the “one country, two systems” formula, but also some measure of sovereignty. The degree of sovereignty Taiwan retains would, naturally, be the subject of negotiations with the P.R.C. Whatever it lost in sovereignty, though, would presumably be counterbalanced by a diminishment – perhaps elimination – of P.R.C. belligerence.

One merit of the commonwealth system is that it mirrors other moments in China’s history when there was, essentially, a multistate system. While this idea was never given full consideration when Lee Teng-hui was in office, there is some indication that the KMT is now considering a review of the commonwealth solution under a “one China” framework, as are scholars in the P.R.C. This may generate more discussion in Taiwan on the potential applicability of such a model. While there is little interest in Beijing in this formulation at the present, it is the sort of model that might prove viable in the long term with a younger, more open-minded generation of leaders at the helm.

Both models cause Beijing and Taipei to wrestle with the issue of sovereignty. In a commonwealth, there could be two sovereigns, which the P.R.C. would find objectionable, or one sovereign doling out authority, which Taiwan would deem unacceptable. If Beijing is not prepared to share sovereignty, then a commonwealth would in practice be little more than “one country, two systems” with Beijing in the driver’s seat. Many participants believed that Beijing also would reject the notion of a confederation, since it might increase pressure to allow more autonomy for Xinjiang, Tibet and other portions of the state. Yet this is the formulation that a few conference participants felt would hold out the greatest possibility of resolving the problem of sovereignty.

Whether or not Taipei and Beijing will find these models worth pursuing is difficult to say. Most conference participants agreed that these formulations do not offer immediate solutions to resolving the cross-Strait dispute, but suggested that think tanks on both sides of the Strait be encouraged to study these options and consider ways in which they might be adapted. Participants did not agree about whether it is appropriate for the United States to promote these systems as potential solutions to the cross-Strait dispute.

IV. U.S. Policy

The United States should view the cross-Strait issue in the context of its overarching concerns for security in the global context and its strategy in the Asia-Pacific region. The United States has clear and compelling security interests in East Asia, which it supports, in part, by maintaining a forward military presence and five alliances in the region. America’s long-term commitment to station troops in Korea and Japan, among other spots, is intended to enable it to deter local powers that might otherwise be tempted to disrupt the harmony that the region has enjoyed. The presence of American troops is welcome by almost every nation in the region because states tend to recognize that the United States has helped to maintain stability which has, in turn, contributed to general prosperity.

Washington has a clear interest in preventing either Beijing or Taipei from destabilizing the region and forcing the United States and its allies to make painful choices. While Taiwan has transformed itself into a democracy and the P.R.C. is an authoritarian state, the nature of their respective governments is not at issue for U.S. security policy. Any attack on Taiwan would be a threat to peace and stability in the Pacific region – and this is the main rationale for the United States to act in restraint of hostility.

Conference participants discussed the objectives of American policy in the Taiwan Strait and ways in which it could best promote peace and stability. Generally, they agreed the United States should maintain a strong forward military presence aimed at containing adventurism, even if this occasionally requires it to flex its muscles. They also agreed the United States should have a firm, but encouraging approach to the P.R.C. being neither apologetic or soft on the one hand, nor belligerent on the other. There is no reason to regard the P.R.C. as an enemy, though it may be a competitor. The United States should do more to engage its allies in Asia, Japan in particular, as well as China's other neighbors, in its approach to the P.R.C. The following specific points were considered as a means of fine-tuning American policy.

In U.S. policy toward cross-Strait relations, what is an appropriate role for ambiguity? Does it hurt or help? Should it persist or be supplanted by greater clarity?

In the past several years, many scholars, pundits and professional analysts have questioned the utility of the United States' continued use of ambiguity. Some who advocate warmer relations with the P.R.C. and are wary of the United States being drawn into a defense of Taiwan's independence have urged American policy-makers to consider a more explicit policy of encouraging unification. Others believe that the United States is bound by reasons of history and principle to defend Taiwan and have pressed policy-makers to abandon the "coy" approach to cross-Strait relations, recognize that Taiwan is an independent state, and establish official relations with it.

These two positions represent extremes in the range of American views on Taiwan policy. In between, there is plenty of debate about how to reinforce U.S. interests by helping the two sides find a *modus vivendi*, while making it clear to them that they should not seek to prejudice American action. Indeed, some would say that the United States has aimed at precisely that balance and that such moderation requires a degree of ambiguity.

While there is a potential for miscalculation with "dual ambiguity," a policy of "dual clarity" also comes with risk. For one thing, ambiguity preserves flexibility. If the United States specifies to Beijing where it "draws the line in the sand" and explains to Taipei precisely what it is prepared to defend, it creates greater constraints on its own action than does a policy that leaves both Beijing and Taipei with a degree of uncertainty about American intentions. A policy statement designed for clarity would, inevitably, fail to account for some contingency that might later be exploited by one disputant or the other.

Accordingly, there was a strong sense at the conference that the United States should maintain the three communiqués and the TRA and not draft a fourth communiqué or other public statements of policy on cross-Strait relations. As contradictory as those documents might appear to some, conference participants generally concluded that what one participant called "boring consistency" was of vital importance to the maintenance of American credibility. That is, even if U.S. words and actions do not line up precisely, less trouble will come from "staying the course" and tolerating the friction that it occasionally causes than from tinkering with policy statements now.

Only a few of the conference participants sided with the notion that the United States should do more to clarify its position. Among them were those who felt that U.S. policy has gradually eroded since 1972 to the point that it no longer expresses American interests and is stated in terms that reflect the problem as the P.R.C. has defined it. Others were disturbed that Taiwan may expect that it can depend on the United States to come to its aid, regardless of whether it precipitates conflict with the P.R.C. Conversely, one participant voiced the concern that the P.R.C. may not appreciate how deep the U.S. commitment to Taiwan really is.

There was, however, consensus about the need for the United States to act in its own self-interest and, therefore, be clear in identifying those interests, if not about the means to secure them. Following this

line of argument, participants agreed that the United States should continuously stress to both disputants that it expects the resolution process to be free of military hostility.

What is an appropriate U.S. policy regarding arms sales to Taiwan, TMD and TSEA?

One of the conundrums that the United States confronts is that Taipei, in the face of Beijing's belligerence, does not feel secure with the level of armaments it receives from the United States, while Beijing worries that U.S. escalation in the quality or quantity of arms it sells to Taipei encourages moves toward "independence." In addition, the ambiguous dimension of American policy toward cross-Strait relations leaves both sides uncertain about what the United States will do in the event that Beijing employs military or other coercive pressure against Taiwan. Beijing may be persuaded that the United States will respond militarily, but it does not make the people of Taiwan feel more secure when they read that the P.R.C. also believes that the United States will back off when losses of personnel or matériel become too high.

After consideration of a proposal that the United States should reduce or suspend arms to Taiwan as a way of encouraging negotiations between Beijing and Taipei,¹⁶ nearly all participants agreed that the risks associated with such an approach outweighed the benefits. Suspension of arms sales would likely demoralize the population of Taiwan and lead Taipei to lobby even more vigorously its supporters in Congress, bypassing the executive branch and causing the execution of policy to become even more complex. Suspending arms sales might also relieve Beijing of any incentive to moderate its demands of Taipei and would undermine the confidence of U.S. allies.

As to the type of arms sold to Taiwan, participants agreed that they should be "of a defensive character" but disagreed about the wisdom of selling specific weapons systems. For instance, is it wise to sell Aegis class vessels and, if so, should the United States include Tomahawk missiles in the sale? Taiwan's ability to integrate more sophisticated weapons systems into its military also was questioned. In any event, in keeping with one of the six assurances that President Reagan offered to Taiwan in 1982¹⁷, it was agreed that the United States should not consult the P.R.C. about potential weapons sales or offer it veto rights. If Taipei wants a system that the United States is not comfortable selling, the United States should be at liberty to refuse the request, but should "never say never." Decisions on arms sales must reflect the American objective of maintaining maximum flexibility, as well as balance, in cross-Strait capabilities.

One of the most divisive issues pertaining to Taiwan's security is the Taiwan Security Enhancement Act, which has become embroiled in the seemingly institutionalized contest between the American executive and legislative branches over policy toward the P.R.C. The TSEA was an expression of congressional frustration at the executive branch's perceived failure to live up to the defense-related provisions of the TRA. Most particularly, some members of Congress resented the Clinton administration for failing to consult with it on arms sales to Taiwan.

The TSEA may also stem from another development. It appears to some participants that the House of Representatives now manifests a reflexive urge to support whatever Taiwan wants. This has less to do with a strong commitment to Taiwan than with a rising antipathy by some for the government of the P.R.C. For instance, having granted Permanent Normal Trade Relations to the P.R.C., many in Congress feel they must act to counterbalance what they view as a concession to Beijing by promoting arms sales and defensive arrangements that benefit Taiwan.

The first draft of the TSEA was considered by many observers to be highly provocative. Over time, the bill was redrafted to excise or moderate much of the provocative language. What is left emphasizes the importance of enhancing the U.S.-Taiwan military relationship to overcome the difficulties in interoperability that were revealed when the United States responded to the 1996 missile "crisis" in the

Taiwan Strait. The TSEA, therefore, provides for such enhancements as training Taiwan military officers in the United States and exchanges of military counterparts – measures intended to make it easier for the two military organizations to coordinate operations, if they should be called on to do so.

Still, the TSEA is problematic. Most conference participants considered passage of the TSEA to be counterproductive, even in its watered-down form. Some felt it would be more constructive to implement certain provisions of the TSEA without final passage of the bill. Others endorsed the view that the TSEA was of greater value to the United States as a threat hanging over Beijing, like the sword of Damocles, than it would be if passed.

A related subject taken up at the conference was Theater Missile Defense (TMD). This program has a direct bearing on security in the East Asian region and, perhaps, on Taiwan's security, specifically. As the P.R.C. develops ever more sophisticated missile technology, analysts conclude that its capacity to threaten Taiwan will continue to expand. Including Taiwan in a TMD system would very likely diminish this risk, even if it prompts greater anxiety in Beijing, because it thwarts the P.R.C.'s efforts to tip the cross-Strait military balance in its own favor.

Conference participants felt that the United States needs to consider carefully the implications of TMD. While some might rule it out, there was a consensus that more information is needed on its technological feasibility, costs (financial and diplomatic) and its impact on American allies and the key players in the region. There was also consensus to defer a decision to a new administration. (This in fact came to pass after the conference when, following the failure of a key test in July, President Clinton decided to leave the question of implementation to his successor.) Nevertheless, conference participants felt that in the meantime, the United States ought to be talking openly with the P.R.C. about the nature of TMD, to try to quell Beijing's anxiety about it as a mask for a defensive alliance or as a system aimed against the P.R.C.

From Taiwan's perspective, TMD is desirable because it may reduce the threat of assault from P.R.C. missiles and because it might be perceived in Beijing as an alliance of sorts between the American and Taiwan militaries. (It was noted that TMD could be provided in a way that minimizes the appearance of alliance and Taiwan might welcome the technology whether it implies an alliance or not.) Nevertheless, many believe that P.R.C. missiles could always overwhelm TMD for Taiwan and a costly TMD program would eat up resources that Taipei could allocate to more effective defensive measures.

Short of selling more arms, how can the United States help Taiwan to feel more secure?

Commitments to Taipei by the United States can help Taiwan withstand an attack or coercive pressure from Beijing aimed at forcing it to accept an unfavorable resolution of the cross-Strait dispute. Yet, participants noted that being secure and having a strong "sense of security" are not the same thing. How Taiwan's sense of security – or insecurity – affects its posture vis-à-vis the mainland and its willingness to negotiate with Beijing was a subject of much debate. Also discussed was whether enhancing Taiwan's sense of security would make it more or less likely to engage in meaningful negotiation with the P.R.C. and how the United States might increase this sense other than through arms sales.

To make Taiwan feel more secure, one participant suggested that the United States facilitate the development of Taiwan's indigenous defense capabilities. Another thought was that Taiwan's feeling of insecurity results in part from its sense of limited international space. Most participants believe that Beijing is far too restrictive on questions of Taiwan's participation in international activity, fueling resentment in Taiwan. Consequently, actions by the United States to increase opportunities for Taiwan to participate in international organizations for which statehood is not a requirement may prove to be a partial solution. It was also suggested by several people that Taiwan may feel more secure when the U.S.-P.R.C. relationship is healthy.

One participant commented that the real measure of Taiwan's security is not the military balance across the Taiwan Strait but Beijing's assessment of American determination to defend Taiwan. Most participants felt it is likely that Beijing presumes the United States will come to Taiwan's defense in the event of an attack. However, some asserted that Beijing believes the United States does not have the determination to remain involved in a conflict if the "pain" inflicted on it is too great. Thus, the P.R.C. may persuade itself that if it can impose a high enough cost on American involvement, the United States will pack up and pull out.

How do popular opinion and legislative branch/executive branch tensions figure in the dynamics of constructing a policy toward cross-Strait relations?

One hallmark of the post-Cold War era is the American effort to reconcile its power with its manifold and often conflicting political objectives. Some Americans have not fully accepted that the spectacular power they command does not obviate the need for compromise. The cross-Strait issue is especially frustrating in this regard. Advocates of a more forceful approach to the P.R.C. seek to defend American values and underscore their regard for Taiwan's autonomy. Proponents of a more moderate approach argue the consequences of affronting the P.R.C. must not be ignored and that dismissing Beijing's concerns about Taiwan has serious costs. They, too, seek ways of ensuring the protection of American interests and values, but hope to accomplish these aims without needlessly provoking confrontation with Beijing.

In the immediate aftermath of June 4, 1989, debates about China policy focused primarily on human rights. Over time, the discourse has widened to include worries that the P.R.C. is now, or will soon be, a threat to American national security. The cross-Strait issue falls at the nexus of these two central concerns of human rights and security. On the matter of human rights, Taiwan has overcome its checkered authoritarian history, has become a democracy, and provides a stark contrast to the P.R.C. On the matter of security, the PRC is engaged in a considerable effort to modernize and upgrade its military capacity. It purchases sophisticated arms, sells weapons to states that Americans consider irresponsible, and is developing missile technology that is seen as threatening by the United States and its allies. This has all given rise to the idea that the PRC is rapidly becoming a menace to American security interests.

Against this background, U.S. policy toward China has, once again, become highly politicized. However, Americans have limited interest in foreign affairs and tend to derive their impressions of international relations from the encapsulations offered in television news programs and the popular press. This does not provide a broad foundation of support for the subtler dimensions of foreign policy and may affect the tenor of debate in Congress about Sino-American relations and the Taiwan issue.

Conference participants expressed irritation about the apparent inability of Congress and the executive branch to coordinate policy concerning China. Many attributed this to weak presidential leadership on the China issue. They endorsed the value of a strong presidential hand guiding policy toward China coupled with frequent consultation between the executive and legislative branches. This would likely improve the chances of reaching a consensus on policy and would thus make American dealings with China and Taiwan more consistent and productive.

Too often, it appears that U.S. policy toward China is hostage to partisan political machinations. In an era in which there is both weak presidential leadership and a Congress that is disinclined to focus on foreign affairs, this has been doubly unfortunate. Participants therefore suggested that the incoming administration should consult with Congress early on regarding a strategic plan for dealing with the

P.R.C. and Taiwan and follow this up with regular consultations – an approach that Congress would likely welcome.

What should be an appropriate role for the United States? Mediator? Facilitator? What about the burdens of enforcement that would come from greater involvement? How actively should the United States push negotiations and what posture should it adopt regarding the negotiations? Should the United States accept whatever outcome the two sides might be able to negotiate?

There was general agreement that the United States should continue to encourage the resumption of dialogue between the P.R.C. and Taiwan and that the “spirit of 1992” consensus may be a useful starting point. Conference participants supported the idea that there be no preconditions on negotiations. It was pointed out that this might be seen as tacit endorsement of Taiwan’s position, as the “no preconditions” stance is Taiwan’s and the “preconditions” position (i.e., acceptance of “one China”) is the P.R.C.’s. Still, participants felt that the United States should determine what is in its own best interest and proceed from that point, even if that means “taking sides” on the issue of whether preconditions are appropriate or not.

There were considerable differences among participants about what role, if any, the United States should seek to play. Some participants sensed that there is an increasing desire to have the United States serve as a mediator – though neither Taiwan nor the P.R.C. genuinely seek an impartial mediator. Each side would prefer that the United States help get what it wants from the other. If the United States were to be a broker, this would very likely intensify the lobbying which both sides already undertake, as well as require that the United States accept the burden of helping to enforce an agreement. Finally, if the United States were to accept a role as mediator, it would violate one of President Reagan’s six assurances to Taipei.

Thus participants opposed the notion that the United States actually mediate or negotiate. Some, however, endorsed a role for the United States as a balancer. That is, the United States could facilitate negotiations, leaving open the question of how specific its suggestions to either side should be.

Track II initiatives have added another dimension to cross-Strait dialogue, providing a forum for the exchange of ideas outside formal government channels. These efforts have proceeded along several avenues: discussions between Americans and mainland and Taiwan officials; meetings involving both sides of the Strait and third parties, such as American non-governmental organizations and individuals; and direct discussions between mainland and Taiwan scholars and analysts.

Since Track II is not official dialogue, it allows for less doctrinaire discussions and explorations of ideas too difficult or sensitive for the official level. It often provides the means to channel new or out-of-the-box thinking and ideas into the senior levels of the policy-making process. And Track II has the benefit of continuity, as these efforts generally proceed even during times when official cross-Strait dialogue has been suspended. Yet some expressed caution, observing that the value of such initiatives depends on the authority with which the representatives speak and the degree to which they are able to channel impressions and ideas to senior policy-makers. On the whole, conference participants felt Track II initiatives have been useful and should continue.

One participant noted an interesting cultural aspect to the problem: Americans are predisposed to believe that if disputants sit at a table and talk, any problem can be resolved. For that reason, the United States expends a good deal of effort in confidence-building measures aimed at getting the two disputants to show up to negotiate. This preconception should not lead Americans to have unrealistic expectations about negotiations and their potential for swift or easy resolution to the cross-Strait dispute; the negotiations should be clearly seen as a means, not an end in themselves.

As it unfolded, the discussion boiled down to whether the United States should gently encourage the two parties to negotiate with each other or apply greater pressure on them to do so. The underlying assumption was that dialogue is good, even if resolution is elusive. There was no consensus about whether the United States should be floating ideas for interim agreements or whether the introduction of proposals should take place only in Track II discussions.

Participants recognized that the United States can do more to encourage functional and economic links between the two sides. It also can help Beijing understand how to deal with Taiwan as a democracy and how to reach out to Taiwan's citizens. Some participants advised that the United States consider whether the transformation of the P.R.C. into a democratic, market-based society is a more viable means of resolving the cross-Straits dispute than arming Taiwan, though they were not certain whether it is worth being explicit with Beijing about this scenario. Others argued that one cannot know what democracy in the P.R.C. might bring. It is conceivable that democracy would give voice to even more aggressive nationalism and expectations of unification than has been the case under the current regime.

There were varying views, too, about the utility of an American policy that expresses the willingness to accept whatever solution the P.R.C. and Taiwan arrive at, so long as it emerges peacefully and has the assent of the people on both sides of the Taiwan Strait. On the one hand, most advocated that this approach makes clear to the P.R.C. and Taiwan that the United States does not have any sinister ulterior motives. On the other hand, if it is American interests that are really at stake, several participants felt that the United States should reserve judgment about any resolution of the dispute and evaluate whatever may emerge from cross-Straits dialogue with American interests in mind.

Notes

¹ Throughout the report, "Taiwan" is used to refer to the island itself and to the government there, formally known as the government of the Republic of China.

² Chen Shui-bian articulated this position in his inaugural speech of May 20, 2000. See Chen Shui-bian. "Taiwan Stands Up: Advancing to an Uplifting Era," *Exchange* 51 (June 2000), pp. 18-21.

³ On March 15, just days before the election in Taiwan, P.R.C. Premier Zhu Rongji angrily reiterated the P.R.C. stance:

Some people are calculating how many aircraft, missiles and warships China possesses, and have concluded that China dare not and will not use force. . . According to such kind of calculation, Hitler would long have ruled the whole world. . . . People making such calculations don't know about the Chinese history. The Chinese people are ready to shed blood and sacrifice their lives to defend the unity of their motherland and the dignity of the Chinese nation.

"Chinese Premier Warns Against 'Taiwan Independence'" as reproduced at <http://www.china-embassy.org/taiwan/zhu001.htm>.

⁴ Public Law 96-8, April 10, 1979, 96th Congress.

⁵ The Taiwan Affairs Office and the Information Office of the State Council. *White Paper: The One-China Principle and the Taiwan Issue*, February 21, 2000 as reproduced at <http://www.china-embassy.org/papers/taiwan00.htm>.

⁶ Mann, James. *About Face: A History of America's Curious Relationship with China, From Nixon to Clinton*. New York: Alfred A. Knopf, 1999, p. 46.

⁷ In the negotiations leading up to normalization, Leonard Woodcock, head of the U.S. Liaison Office in Beijing, told Deng Xiaoping that while the United States would suspend arms sales to Taiwan during 1979, it would resume sales the following year. See Mann, p. 91.

⁸ Harry Harding. *A Fragile Relationship: The United States and China Since 1972*. Washington, DC: The Brookings Institution, 1992, p. 85.

⁹ Richard C. Bush, Chairman and Managing Director of the American Institute in Taiwan, expressed this view in a speech entitled "Electoral Change on Taiwan, Building Peace in the Taiwan Strait," which he delivered at the Center for Strategic and International Studies on March 29, 2000. The speech is reproduced at <http://usinfo.state.gov/regional/ea/uschina/ait0329.htm>.

¹⁰ The United States did not always refer to its policy as a "one China" policy, even though it had stated it would not pursue a policy of "two Chinas" or "one China, one Taiwan." George Bush was the first American president to publicly use the term "one China policy" in a September 1992 speech. (See Shirley Kan, *China/Taiwan: Evolution of the "One China" Policy — Key Statements from Washington, Beijing and Taipei*, Congressional Research Service, June 20, 2000, p. CRS-22.); Clinton administration officials subsequently popularized the use of the term. This is not to suggest that the United States' usage of "one China" is equivalent to the P.R.C.'s meaning.

¹¹ Garver, John. *Face Off: China, the United States and Taiwan's Democratization*. Seattle: University of Washington Press, 1997, pp. 79-80. Garver, p. 173 n. 11, cites an article on August 3, 1995, in Hong Kong's *Dagong Bao* as a source for the text of Clinton's letter.

¹² Taiwan Affairs Office and the Information Office of the State Council, *White Paper: The One-China Principle and the Taiwan Issue*. February 21, 2000. The Latin term *sine die* means indefinitely.

¹³ Chen Shui-bian. "Taiwan Stands Up."

¹⁴ The text of President Chen Shui-bian's news conference of July 31, 2000 is reproduced at http://www.gio.gov.tw/taiwan-website/4-oa/chen/chen2_fin.htm.

¹⁵ States associate in a variety of arrangements, retaining and relinquishing various degrees of sovereignty. A commonwealth is an association of states that each retain full sovereignty while offering allegiance to a common figure, whereas a confederation is a union of states that may retain political integrity and a high degree of autonomy while recognizing the sovereignty of a central or national authority over all of the individual units.

¹⁶ Linda Chao and Ramon H. Myers. *The Divided China Problem: Conflict, Avoidance and Resolution*. Essays In Public Policy, No. 101. Stanford: Hoover Institution Press, 2000, p. 51.

¹⁷ In July 1982, in response to Taiwan's concerns about U.S.-P.R.C. negotiations on a joint communiqué, Washington assured Taipei that it had not agreed to set a date for ending arms sales to Taiwan, hold prior consultations with the P.R.C. on arms sales to Taiwan, revisit the Taiwan Relations Act, alter its position regarding sovereignty over Taiwan, nor would it play any mediation role between Taipei and Beijing or exert pressure on Taiwan to enter into negotiations with the P.R.C. (In some accounts, the fourth and sixth points above are combined and point six is that the United States would not formally recognize China's sovereignty over Taiwan.) See Kan, pp. CRS-18-19.

**Challenges and Opportunities in the Taiwan Strait:
Defining America's Role
July 14-16, 2000
Pocantico Conference Center
Agenda**

Friday, July 14

Welcome

John L. Holden, President, National Committee

Session I: The Past as Prologue

Panel Chair: Jim Mann

Cross-Strait Relations 1972 - 2000 and the U.S. Role

Richard Bush and Robert Ross

Session II: New Elements in the Cross-Strait Equation

Panel Chair: Thomas Gold

Taiwan's Domestic Politics (Shelley Rigger)

Economic Dimensions (John Tkacik)
PRC Domestic Factors (David M. Lampton)
Taiwan & PRC Military Capabilities (June Teufel Dreyer)
TMD, NMD and Regional Security (Ralph Cossa)

Saturday, July 15

Session III: Prospects for a Solution of the Dilemma (Conference Center)

Panel Chair: Frank Ching

The PRC's Legal Claim to Taiwan (and Does It Matter?) (Jacques deLisle)

A Track II View (Donald Zagoria)

Is a Chinese Commonwealth the Solution? (Ramon Myers)

Facilitating a Solution: Practical Steps Now (Steve Yates)

Session IV: American Interests: Is Consensus Possible?

Panel Chair: Nat Bellocchi

Roundtable Panelists: Peter Brookes, Charles Freeman III, Frank Jannuzi and Peter Yeo

Session V: America's Role

Panel Chair: Alan Wachman

America's Role Viewed from Taipei and Beijing (Ying-mao Kau)

What America Should and Should Not Do (Nancy Bernkopf Tucker & Darryl Johnson)

After-Dinner Remarks

"American Public Opinion of Taiwan, the PRC and Cross-Strait Relations: Through a Glass, Darkly" –
William Watts

Sunday, July 16

Session VI: Lessons Learned & Steps to Take

Panel Chair: John L. Holden

Roundtable Panelists: Winston Lord, Jerome Cohen, Robert Parker

**Challenges and Opportunities in the Taiwan Strait:
Defining America's Role
July 14-16, 2000
Participants**

The Honorable Nat Bellocchi, President, Bellocchi & Co., Chevy Chase, MD

Ms. Jan Berris, Vice President, National Committee on U.S.-China Relations, New York, NY

Mr. Peter Brookes, Professional Staff Member, House International Relations Committee,
Washington, DC

Dr. Richard Bush, Chairman and Managing Director, American Institute in Taiwan, Arlington, VA

Mr. Frank Ching, *Far Eastern Economic Review*, Hong Kong

Dr. Thomas J. Christensen, Associate Professor of Political Science, Security Studies Program, Massachusetts Institute of Technology, Cambridge, MA

Mr. Jerome A. Cohen, Partner, Paul, Weiss, Rifkind, Wharton & Garrison, New York, NY

Mr. Ralph A. Cossa, Executive Director, Pacific Forum CSIS, Honolulu, HI

Dr. Jacques deLisle, University of Pennsylvania Law School, Philadelphia, PA

Professor June Teufel Dreyer, Political Science Department, University of Miami
Coral Gables FL

Mr. Charles W. Freeman III, Office of Senator Frank Murkowski, Washington, DC

Dr. Thomas B. Gold, Dept. of Sociology, University of California, Berkeley, Berkeley, CA

Mr. John L. Holden, President, National Committee on U.S.-China Relations, New York, NY

Mr. Frank Jannuzi, Professional Staff Member, Senate Foreign Relations Committee, Washington, DC

The Honorable Darryl N. Johnson, Deputy Assistant Secretary of State, Bureau of East Asian & Pacific Affairs, U.S. Department of State, Washington, DC

Dr. Michael Ying-mao Kau, Dept. of Political Science, Brown University, Providence, RI

Dr. David Keegan, Taiwan Coordination Office, U.S. Department of State, Washington, DC

Dr. David M. Lampton, Director, China Studies Program, Nitze School of Advanced International Studies, Johns Hopkins University, Washington, DC
The Honorable Winston Lord, New York, NY

Mr. James Mann*, Washington Correspondent, *The Los Angeles Times*, Washington, DC

Dr. Ramon H. Myers, Hoover Institution, Stanford University, Stanford, CA

Mr. Robert Parker, Allegro Capital Inc., San Francisco, CA

Ms. Anne Phelan, Program Associate, National Committee on U.S.-China Relations, New York, NY

Dr. Shelley Rigger, Brown Associate Professor of Political Science, Davidson College, Davidson, NC

Dr. Robert S. Ross, Fairbank Center for East Asian Research, Harvard University, Cambridge, MA

Mr. John Tkacik, President, China Business Intelligence, Alexandria, VA

Dr. Nancy Bernkopf Tucker, Professor of History, Georgetown University, Washington, DC

Dr. Alan Wachman, Assistant Professor of International Politics, Fletcher School of Law and Diplomacy
Tufts University, Medford, MA

Mr. William Watts, President, Potomac Associates, Washington, DC

Mr. Stephen Yates, Senior Policy Analyst, Heritage Foundation, Asian Studies Center, Washington, DC

Mr. Peter Yeo, Deputy Chief of Staff, House Committee on International Relations, Washington, DC

Prof. Donald Zagoria, Crugers, NY

*For professional reasons, Mr. Mann wishes not to be associated with this report.

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