

**Taiwan's Vibrant Democracy and Its Impact on Asia and the U.S.**

Stimson Center Panel Discussion

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## TRANSCRIPT

*Panelists:*

Derek Mitchell

Shirley Lin

Harry Harding

Yun Sun (Moderator)

**Yun Sun:** Hi, good afternoon. Thank you very much for coming today for our Taiwan event and my name is Yun Sun. I'm the co-director of East Asia Program and director of China Program here at Stimson. Today's event is focused on Taiwan's domestic development and the impact for the region and for the United States' policy. So, as everyone here must know that the discussion or the discourse about Taiwan in the policy community for very long time, however, has been focused on the cross-strait relations or the cross-strait aspect or the U.S.-China relations context of Taiwan's development, but we would like to advocate the position that Taiwan is not just a security dilemma. It is also, which people often time forget, it is also a vibrant democracy of 23 million people with the outsized economic and political impact in Southeast Asia, South Asia, and elsewhere in the world. To understand Taiwan's objective and how they impact other countries and other regions, including the U.S. policy towards Taiwan, the policy community must also take into consideration Taiwan's social changes and progress since its democratic transition in 1987. The development of Taiwan's multiparty democracy and the conviction and aspirations of the Taiwanese people, especially the younger generation are factors as important as the security challenges in building a comprehensive understanding of Taiwan's role in the international community. So from the influence of Taiwan's democratic and economic development in the region, the policy community can also see the direct and indirect impact of Taiwan's system on the democratization of other countries, especially those included in the New Southbound Policy. So joining us today for a panel discussion – we cannot ask for a stronger, a better, better informed panel than what we have here. We have Ambassador Derek Mitchell, who is now the president of National Democratic Institute, and we have Professor Harry Harding, professor of public policy at the University of Virginia, and Professor Shirley Lin, adjunct professor of political economy at the Chinese University of Hong Kong. So, Professor Harding and Professor Lin this semester are teaching at the National Chengchi University in Taipei and from the ground that they will bring us the most direct and firsthand impression of how the youth in Taiwan are shifting their political views, and their social prospect are shifting and evolving. Ambassador Mitchell will speak from his decades of experience working on Taiwan and the region as well – and I think recently you visited Taiwan in the summer?

**Derek Mitchell:** Mm-hmm, yup, in July.

**Sun:** In July. So from these experiences, the three experts will share their observations on the influence of Taiwan's democracy on the region, the connection between democracy and security and the impact of Taiwan's social changes on its democratic processes. You have the bios of our

speakers, so I will not read through them. So for the format today, we're going to ask the three speakers to speak for about 15 to 20 minutes each in the order of Ambassador Mitchell, then Professor Lin followed by Professor Harding, and then we'll open the floor for questions and answers. Thank you very much again. Ambassador Mitchell, please.

**Mitchell:** Thank you, Yun Sun. Thank you very much. Can folks hear with this – I can't tell if there's – okay, it's hard to hear up here if you can hear down there. But thank you for the invitation particularly for a session like this one, which is something very, very close to my heart. The themes that Yun Sun just outlined are very much in keeping with my own view and I'll talk about them in a moment. It's also a great honor to be sitting alongside Dr. Harding and Dr. Lin. Harry is someone I've learned from afar for many, many years and so I'm really honored to get to know him as a friend and partner over many years as well, so I look forward to hearing what they have to say. I am not going to provide a history of Taiwan democracy. I'm going to provide a little bit more broad context for Taiwan democracy, and I don't like to think of Taiwan simply as a function of China as suggested here. It is suggested that we should not be thinking that way, as you say, but obviously the China factor is hard to ignore, its effects, and I think it's very instructive by way of contrast when you look at Taiwan versus the mainland in several ways, and I'll talk about that in a moment. But this issue of Taiwan as a democracy issue versus a security dilemma or a problem – I have a very personal connection to that. And just briefly, my history with Taiwan goes back thirty years when I worked for Ted Kennedy on Capitol Hill, from 1986 to 1988, my first job in Washington. In those days, Taiwan was not a security issue, that's not what we were focused on. It was a democracy issue, it was a human rights issue. I worked and got to know the so-called Tangwai who ended up being as proto-DPP, became DPP. Then I myself went to Taiwan for the first time, worked at the China Post English-language newspaper from 1988 to '89, and saw firsthand the evolution, the very rapid evolution, of change that was occurring almost every day, certainly every week, every month in Taiwan towards democratic change right up through to '92 and then '96 presidential election, that really great – that important moment. I also, by the way, found myself in Tiananmen Square in May of 1989, traveling there with my brother and thinking we were going to see Gorbachev visit, and then the demonstrations were gone and we couldn't get into anything in Beijing because it was closed down with a million people in the streets. I saw different developments of democracy in the region, for better or for worse as it turned out, during that very pregnant period, and of course then we were talking about, as many of you remember from then, Asian values versus Western values. Lee Kuan Yew's Asian values versus Kim Dae-jung of South Korea, the Republic of Korea, and his alternative view that it's not Asian values, it's universal values, in the sense that, well, Asia is not equipped culturally or otherwise to be democratic. Taiwan, South Korea, and many others subsequently belied that kind of – that notion that was obviously always a convenient foil, convenient narrative for the autocrat to say that this is not part of our culture. In fact, it's not just Asia that said that, many other parts of the world were saying it as well, but Taiwan was at the cutting edge of this in the '80s and the '90s. If there's been struggles in democracy which we see in almost every country, struggles with democracy, it's not because necessarily a problem of democracy, it's more a function of autocratic resilience, not necessarily the instincts or the desire of populations. Every population wants a voice, every population wants to hold its leaders accountable in some fashion, even if democracy and democratic processes can be quite difficult, and in fact that is the case. Democracies are messy, they're difficult. They put all the dirty laundry in public because it's about being open and talking about your problems

while those more autocratic systems seem to be stable, but it's a false stability because they suppress any differences. So it looks like things are stable and secure, but they're not. Democracies allow countries to let off steam. They allow countries to out their problems and discuss them and find ways forward, and again, that can look messy. It can be very difficult, but it is the best and most nonviolent and stable way of bringing change. When you see protests or open argument, it's not a factor of – it's not a measure of instability. In fact, that is a measure of stability, that is a measure of health for any society, even as difficult a process as it can be. So I make a very direct connection between that stability that comes with democracy, a very practical away of affirming stability, and security. When you have stability and you have that kind of ability to express yourself in a firm human dignity, if you're affirmed certain liberal values, justice, rule of law, free speech, if you affirm those things, you typically have ability to deal with things. If you don't, you tend to have more corruption. You know, when there's lack of accountability, there's abuse of power. I don't care if it's in a country or if it's in an organization. If there is no accountability, you will have abuse of power and we see that over and over. Those countries that seemed stable will have abuses of power, they will have corruption, they all have economic corruption or political corruption, breakdown of law and order over time, at least of law. Order can be suppressed and we'll talk about that in a moment. You'll have environmental degradation because there's no oversight necessarily, and it's prone to civil conflict. If you have no way of peacefully dealing with differences, you will have conflicts. You also have potential refugee flows as we see around the world. You have trafficking, drugs, human, otherwise. You have networks of terrorism and inability oftentimes to deal with domestic problems of health and otherwise, and these things can cross borders. As an instability internally breaks out, it crosses borders. No country is an island and it tends to cross these porous borders and affect others. So that is how internal stability can affect security, and we see that in Middle East crossing into Europe. You see it in Africa, northern Africa, you see it throughout Africa in places. You've seen it now in Latin America and in South America where there is lack of democracy, where there's autocracy, when there are problems of that sort. You see instability crossing borders and more delicate security situations. This to me is in fact a defining issue of our time. The issue of what are the norms, what are the standards, what are the rules, what are the values of the international system with a rise of new great powers, new major powers. Certainly you can't stay strictly the way we've done things before, because it was for a particular moment. Now, we don't cast it all aside, but when there are new powers rising, they want a voice. Again that's democracy of a kind as well. International voices matter. Other countries should have their say, but the question then is as they rise, what kind of effect will they have on international systems, international standards, and how do we define those? Who will define them and how will they be defined? That to me matters enormously. What are the governance standards, what are the assistance, aid standards? When assistance is provided, what are the standards by which assistance is provided? Will it affirm human dignity or affirm true stability and internal development, counter corruption, et cetera? Or not. In my view, it is not respectful of sovereignty to say we are not going to be involved in having some standards around our assistance. That's not respectful of sovereignty but actually disrespectful of the public good and it does not create stability, but I think in fact is irresponsible to a stable country, a stable society. Now Tsai Ing-wen, if many of you follow closely Taiwan, she just gave a New Year speech that talks about Taiwan as a beacon, and in fact, they do show how democracy can work in Asia. How it does work. How it is sustained, as difficult as a democracy is, and as many problems as Taiwan may have internally, they are a stable democracy that have done something ordinary. Under

extraordinarily difficult circumstances, they have done something extraordinary and they are truly a pillar of stability, and proving that this is not a Western value, but a human value and a model for the region going forward. Now, Xi Jinping in the 19th Party Congress affirms a different model. He says that our model is a potential model for others to follow, which is new. In the past China had said we leave others to have their own models, we're not trying to export our model, but Xi Jinping has put forward a much more assertive, aggressive stance saying that what we have done, how we have done it even more so, is transferable to others and you should look about how we have done things. Wang Yi, I think, has affirmed that, talking about global governance standards and such. So we have differing models, different standards that are in somewhat competition with each other, and I think you can look at what each side and what China has achieved, looking at very micro level, not just the macro level, versus Taiwan and others, which model is more stabilizing. If I may say, I put my finger on the scales, it seems to me that Taiwan's version of stability which allows for openness, which affirms human personality, which allows for free expression – there's no problem with an open internet, second freest country in Asia, according to Freedom House. You can match that up with China and China's version of stability. I mean, I wonder what type of stability you have when essentially you have to rely on a kind of all-pervasive – I hate to use the term Orwellian but it truly is – Orwellian surveillance system that watches everything, every action, every activity, every movement in order to feel secure or stable. If that's the model, I mean, if you have to succeed to prevent access to the internet, written access to facts, you have to use your economic coercion, even by foreign countries, to ensure that your version of events, your narrative succeeds, you have to coerce others. What kind of security is that? How secure are you? How stable truly are you with a system you have to play that kind of model? Because that truly is not just the outcome, but look at that model, and of course you look at the micro level of environmental and social division inside – disruption inside the country. Those versions of success, I think, will let people decide, but I would like to put that all on the table and decide what is truly stable, what is truly sustainable, and what is truly affirming of the human condition. Of course, Taiwan, for its part, what do they export? They export health services, some of the best health services in the region. They have a model for agricultural development, clean energy, smart cities, bubble tea. My wife is very bitter, she didn't get out in front of that bubble tea, which is very bad. Every time she goes out and gets bubble tea in town, she's like, "Dammit, we had that idea." Free markets – a lot to offer and all very constructive, all very stabilizing. They seek to be in the World Health Organization, World Health Assembly. They want to be involved in all kinds of international agencies that try to affirm international stability, but they're prevented from doing so, which seems to me outrageous and absurd, and they're the only place in Asia that has a foundation dedicated to democracy. It's really the difference, fundamentally it's the difference between valuing the glory of the state versus the dignity of the individual. I mean, at the foundation, that is what the competition is about. Do you value the glory of all, the glory of the party or the state, or the dignity of human individuals as Martin Luther King talked about, just law and unjust law? Just law is one that affirms human personality. An unjust law is one that degrades human personality. You have your choice if you truly wanted to compete. Well, let's compete on even terms which one would you rather. In competitive terms, in normative competitive terms, you have Taiwan on one side and China on the other. It's no surprise that China is threatened by Taiwan's democracy. It's no surprise that China is threatened by democracy period, and therefore by Taiwan's success and by the success of democracies, it is finding reason to attack both. I'm not talking – I don't want to sound like I'm anti-China. In fact,

this is not anti-China. What I'm talking about is an affirmative, positive vision. Well, I'm just calling what I see as what each side represents. Taiwan is called a success story and for good reason, and it's those who consider it an irritant, I think, lose the narrative of what is important when it comes to security and our values, but I think success and integrity of Taiwan is very important for all the reasons I mentioned. Not for being anti-anything, but for what it represents, the values of dignity, values of freedom, of openness, and ultimately security and stability in the region. I think we should never, ever take that for granted. Oftentimes we forget about Taiwan and it does get caught up because of the way the mainland pushes this idea that Taiwan is a problem. We will pick up on that thinking about short term, big thinking, big power competition, but it shouldn't be about big power competition. It should be about what's good for them, what they represent, what they have done for themselves under extraordinary circumstances is something that we should cherish and we should protect so I'll finish there.

**Sun:** Thank you so much, Ambassador, for the very insightful comments. I really appreciate the comparative terms that you put the mainland China and Taiwan under the spotlight for a comparison, not only in terms of their economic capability, but more in the political terms, at the political systems, and that there are indeed different competing narratives on the international level, on the regional level, and the cross-Strait level, but if we look at a macro level of the domestic politics in Taiwan and the politics in mainland China, there are certainly a lot of interesting conclusions to be drawn. So moving on to the domestic politics in Taiwan, we'll listen to Professor Lin about her research and her firsthand experience in Taiwan. Professor Lin, please.

**Shirley Lin:** This is the mic, right?

**Sun:** Yes.

**Lin:** Yeah, okay. Thank you for the opportunity. You know, it's very dangerous to talk about young people. How the hell does one talk about young people? And I just came from a speech where somebody was talking about young people in China. So I went up to the speaker and said, "You are so courageous. Hundreds and millions of young people in mainland China and you could give a 45-minute speech," and it was a very good speech. I aspire to some standard, and maybe I'll set out my own standard: why should you even care about it? First is, why should we care about what's happening on the island of Taiwan? Well, we should care about it because Beijing cares very deeply. As Mario Cuomo of course famously noted, politicians campaign in poetry, but they govern in prose. After winning the presidency, Taiwanese presidents will find that having a position on the age of consensus is a necessity on the campaign trail, but that it doesn't help her reform the pension system. It doesn't help her find an acceptable energy policy, or gain approval from young people. So why is young people important if the island is an aging population? Well, because 500,000 first-time voters will vote in 2020 presidential election, and 300,000 older generation will be gone, so that is an immediate importance to Beijing, to the U.S., to Taiwanese, to the world. Now, what gives me any credential to give this talk, well, I've taught at four different universities in the last 12 months: University of Virginia in Charlottesville, Chinese University of Hong Kong in Hong Kong, Tsinghua in Beijing, and also now at National Chengchi University in Taipei. So I have a little personal experience in dealing with young people and I have two college-age daughters, and I'm professionally researching on younger

generation and putting it into my book about the high income trap in East Asia. So let me address what I see personally and academically. There's a generational change happening in Taiwan that is rocking the scene. As in Hong Kong, where I live half of the year, they grow up facing a very strong and assertive Beijing and they want to assert their distinctive social, economic, and political identities, that differ not only from Beijing but from their older generation parents and elders. Economically, they question the need to grow, to prioritize growth over equality and fairness. Politically, they want to reform existing institutions, political parties, and leaders, and they reject the parties that have failed to make their societies more equitable and more sustainable. Young people especially after 2014, the Sunflower Movement, are running for office, leading civic organizations to monitor political parties and leaders. A little brief overview for those that are less familiar with what's happened in the last 30 years in terms of Taiwanese identity as well as its relationship to democratization; this is quite important to understand the younger generation, how they fit in relative to other Taiwanese on the island. So, quickly, in 1989, 52% of the residents say they are only Chinese and exclusively nothing but Chinese. In June 2018, only 3.5% say they are Chinese. According to the most recent National Chengchi University Election Study Center poll, 93% of Taiwanese today say there are either Taiwanese or both Taiwanese and Chinese. The exclusive Taiwanese category has increased more dramatically than the dual identity, rising from 17% in 1982 to 56% today. So in two decades, a primarily Taiwanese identity has been accepted by the majority. Moreover, despite greater economic integration and interdependence with China, the Taiwanese continue to move away from a full or partial Chinese identity. Support for immediate unification has dwindled to under 2% for a decade until 2017, and I'll address what happened in recent years. Support for autonomy which Beijing views as unacceptable as independence has been over 80% since 2008. There are several age specific surveys which are important to understand young people relative to the statistics I just gave you, which is for the average. Duke University's program has been tracking self-identification by five age groups since 2002. The 2017 survey showed that the youngest cohort has the highest percentage of respondents identifying themselves as only Taiwanese, 71%, the lowest percentage identifying as only Chinese, 2.5%. Furthermore, Taiwan Foundation for Democracy has been tracking political attitude by age since 2011. The most recent survey shows the youngest generation still has the highest level of support for independence, 26%, and the lowest level of support for immediate unification, single-digit, relative to other age groups. More importantly, Taiwanese under 40 years old have been much more optimistic about Taiwan's democratic future. They believe that they're entitled to a democratic governance system. The younger generations have also been more keen, however, on cross-Strait economic exchanges. In other words, they are the most Taiwanese in terms of self-identification, but they are the most practical in survey after survey, and this kind of survey you can find every month – would you like to go to China to work? The youngest generation shows the highest number of people who would like to go to China to do different things. They are the most Taiwanese, but it does not mean they will vote for a pro-independence candidate. It's quite complicated for a politician today to run for office. Young people are victims because of the high income trap which is what I'm writing about. This is similar to Hong Kong, Singapore, South Korea, and Japan. After decades of impressive growth, Taiwan reached high income status by relying on exporting highly – high-value exports, but it is now experiencing slower growth, stagnating wage, by all account. Fifty percent of the lowest wage group are young people under 30 years old and young people in Taiwan. You ask, "This number, is this highly unusual for the lowest wage group to have so many young people?" Well, Taiwan has more young people in the lowest wage group than other

high-income countries. In addition, young people stay in that bracket for much longer than other countries. Increasing inequality, aging population, unsustainable welfare entitlements, inflated housing costs where a young person in Taiwan has to save money for 15 years to buy a medium price housing – apartment if you buy all with cash. Overregulated market means that job opportunities are limited. Taiwan's manufacturing industries can no longer compete with countries like China. And it is extremely difficult to promote innovation to remain competitive. So these economic problems have changed a younger generation to focus on, some call it, post-industrial values, post-materialistic values. I wouldn't give it a name, but I would say values are quite different than a generation that saves money to get married, buy a car, buy an apartment, and have children. Taiwan has one of the lowest fertility in the world and very high divorce rates. So in Taipei, wages have not increased for non-skilled and young people whereas housing costs have increased. There are many popular songs in Taiwan about the 22K group. You ask, "What is the 22K?" Well, there are now – the starting salary in Taiwan is 22,000 NT, and the government has basically subsidized starting salaries so that it could stay at 22,000, but the problem is it remains so for many years. Executive Yuan released a report that I just cited where young people stay in the bracket for a very long time, and this leads to a different way of thinking about politics and most importantly about China. China under President Xi Jinping is determined to bridge the gap. The identity gap between the one that Taiwanese subscribe to and the one that the Chinese national identity that encourages support for unification Xi Jinping believes, and most young people in China believe, it is integral to the realization of the Chinese dream. Beijing has always insisted on Taipei's acceptance of the One China principle, but more importantly a democratic Taiwan with freedom of speech stands in contrast to the governance of the People's Republic of China. China is threatened by the existence of Taiwan as a democratic nation with ethnic Chinese citizens, which invalidates Beijing's rhetoric that democracy may be unsuitable for Chinese people. To achieve this goal, Beijing has decided to make the stick bigger by marginalizing Taiwan internationally and the carrot much sweeter, especially for young people. The united front strategy which has been a mainstay of the CCP has become more evident over the past few years in both Hong Kong and Taiwan, and I feel it very much so. I would contend that it is actually successful to a certain extent, because it seeks to resolve Taiwan's high income problem which young people face every day. The strategy is reflected by the number of students I meet in Taiwan, as well as in Beijing, who are visiting China on all-sponsored trips and have very positive impressions of China. They ask the question, "Why can't I be Taiwanese and work and live and practice my trade in China?" In other words, have the cake and eat it too. Japanese, Americans, Koreans, they all learn Chinese and they go to China, why can't I? In a globalized world with Chinese technology companies growing in lightning speed, is China not where young people can have a competitive advantage, especially because Xi Jinping is welcoming Taiwanese students with open arms, with things like the 31 preferential treatment? The identity and unification versus independence polls in the last three years show something slightly different which you may question. It's alarming to the deep green and encouraging to the deep blue and somewhat puzzling to the CCP about what's going on, but I would say it's like the stock market. You can say, "Is the slight uptick of support for unification a real change in fundamental valuation, or is it just a correction that will go back?" In other words, is there two steps forward, one step – two steps backward, one step forward, or the other way around? First of all, support for immediate unification is 3%. You say, well, not a big deal, but it is because it's been going down for years and it's up 1.7 percentage point since in 2014. In self-identification, those who say they are exclusively Chinese remain under 4% for many years. However, those

who identify as exclusively Taiwanese has declined from 60% in 2014 to now 55.8%. These are very nuanced numbers, but if you ask me, well, a lot of people like myself are looking at it very carefully. In reviewing the data, the best analysis of the change in self-identification, I think, is by my friend who's sitting here, Chen Fang-Yu, in his Who Governs blog in Chinese. He rightfully points out that the most dramatic change, and it's actually quite dramatic, is in the group who say they are both Chinese and Taiwanese that has increased dramatically for certain age groups for those 30 and over. You can look at those numbers which are actually quite amazing, but for young people under 30, Taiwanese identity remains not only the primary group of identification, but it has gone up 3%. Young people see China not as an enemy and are open-minded about their relationship. They are non-Chinese, they're not anti-Chinese, and yet they want to have all the opportunities in the world. Their identity is very much focused on democratic values, which can mean the rule of law, freedom, corruption-free governance, but actually in polls after polls in Taiwan, the number one value they care about is sustainability. A consolidated identity creates social cohesion and allows for an efficient and effective democratic government. There's a high degree of consensus on national identity and the values that they hold dear for young people in Taiwan, and they would like to formulate policy toward China going forward, but there is polarization between them and their parents and old people like myself. Older generation are more ideological and the younger generation say, "Ideology doesn't mean anything, I'm going to vote for the best candidate." Well, what does that mean? It means that they have the lowest loyalty to political parties and they are most interested in finding a third way forward. One example that I will give you for this generational shift is there is high level of support, 56%, for Mayor Ko in Taipei, and age group of over 40, many of them revile Mayor Ko, think he's the mortal enemy whether you're blue or green. What is the reason for that? Very simply, many people say – young people say he is solving the problems, even if he doesn't have core values, and more importantly they say Mayor Ko seems to have a new way of thinking about cross-strait relations. Maybe one day if he runs for president, he will find a third way forward. Now the gap between the identity Beijing aspires to and the reality in Taiwan is still growing, despite the small changes that have been happening since 2014. Observers may feel some false hope based on current trajectory, but a common identity cannot be created based solely on material interest or on ethnicity. Whether a consolidated identity can contribute to better governance and enduring democracy will be important to Beijing, as Beijing steps up the pressure to marginalize Taiwan internationally and economically, and important to Taiwan of course, and to the world. My students have taught me that whatever we say about these different measurements, they care deeply about being happy, and they say happiness is important, so I say to them, "Taiwan is the happiest country by the U.N. survey this March. So do you feel very happy?" The first student to reply to me is my student from Finland in Taiwan this term. He says, "I'm from the happiest country in the world and I can tell you I'm very unhappy." He says, "Those happy people are the older people, not me." So I asked for us to think about what is the way forward. The way forward for unification independence or however it is to create peace is to look at our young people and to find what they are thinking. One hope I have for Taiwanese students – and this term teaching there is really just so wonderful. It is the most diverse group of students I have ever taught in all the places I've taught – and I think that in polls after polls, I try to match reality with those data, and there's something I found that is very coherent is polls after polls show the young people's attitude in Singapore, Shanghai, Taipei, and Hong Kong – this is a poll that was just recently sponsored by the Global View Monthly – Taiwanese students have the highest percentage of people who think having a dream is very important, and I can say that I

concur with that observation. I think Taiwanese students are the most idealistic students I have taught in my 10 years of teaching. They are idealistic and they believe in democracy. They think that it works and they want to have all the other opportunities that young people have all around the world. They also want to have a say in how Taiwan can achieve that in a world increasingly dominated by China without sacrificing Taiwan's democratic values. Thank you.

**Sun:** Thank you. Oh, isn't that fascinating. I don't think we have ever heard a discussion about the changes and the sinking of the Taiwanese younger generation as clearly as what Professor Lin just told us, and it does illustrating a lot of seemingly conflicting aspect of their aspirations. You mentioned that they – they do not care about ideology, but on the other hand that they do care deeply about – about democracy. On one hand, they seem to be very supportive of the Taiwan's identity and the autonomy of Taiwan, but on the other hand that they are also very inclined to getting the pragmatic opportunities from mainland. So how they will juggle between these seemingly very conflicting positions will be interesting to – to watch. Last but not least, Professor Harding, please enlighten us on what does this all mean for the security and for the U.S. policy.

**Harry Harding:** Well, thank you, Yun. It's a great pleasure for me to be here to see my old friend Derek Mitchell again. But you're wondering why we share the iPad, it's because we share most things. Shirley and I are married, to remove any doubt.

**Lin:** We don't share our views.

**Harding:** We don't share our views and that means because we are married, we may really start yelling at each other during the Q and A; we sometimes do. Anyway, it's an enormous pleasure also to be at the Stimson Center. Before I start, I want to pay tribute to Simpson's former President, Ellen Laipson, with whom I've worked on a number of things, number of projects, in particular a study that we did for the Asia Foundation on how Asians looked at the role of the United States and Asia on the eve of the election of President Donald Trump, and of course the late Alan Romberg, from whom we all learned so much about Taiwan, cross-Strait relations, and U.S.-Taiwan relations. I feel Alan, who had the most precise understanding of American policy towards Taiwan, leaning over my shoulder and I just fear I'm going to hear his voice saying, "Harry, you didn't quite get that right," but I'm going to do my very best. I want to build on what Derek has said about the importance of Taiwan's democratization and also on what Shirley has said about the views of people especially young people in Taiwan about their democracy and what it means for their views of their relationship with the mainland. My own experience is even a little bit longer than Derek's. This year is the 50th anniversary of my first visit to Taiwan, so I remember very much how Derek began by saying that at that point the question of whether Taiwan would democratize was really front-of-mind too many Americans, both in government and in non-governmental organizations. It was not a democratic system in those days. It was still under martial law. There were all kinds of restrictions on organization, on freedom of speech. I remember a television series called "*Gongmin shenghuo*," "The Life of the Citizen," which was all about proper behavior. Stand in line while waiting for the bus, don't spit on the street, don't gamble – quite similar to any Leninist systems' propaganda. And there was increasing unease in the United States with the idea that we would be so closely aligned with an authoritarian government simply because its leader was anti-communist. I want to say that I, in a way, start at

the same starting point that Derek did and thus have been very gratified to see that Taiwan has democratized. That fact has two sets of implications for the United States, I will argue. The first set is gratifying; the second set is more challenging, and let me develop each of those points in turn before I talk about what I regard are the implications for American policy. The most positive implications of Taiwan's democratization is just as Derek has said. It is a prime example of the democratization of a country that was previously authoritarian. That democratization did become a major American goal in the 1970s and 1980s, and the pressure from the U.S. government and encouragement from a variety of American individuals and non-governmental organizations reinforced the pressure from Taiwanese who wanted a more democratic political system. If you want to start an argument between Shirley and me, ask what was the driving force for democratization in Taiwan. See if anybody wants to follow-up on that. It's a matter of degree, but we do differ, I think, somewhat on that. Moreover, as what Linda Chao and the late Ramon Myers has called the first Chinese democracy, Taiwan, as Derek has said, is the refutation of the Chinese assertions that pluralistic democracy is a Western concept that is not suited to Chinese or other non-Western cultural traditions. As the competition between China and the U.S. develops more ideational components and aspects, that fact is a very important counterargument for the United States to make. So Taiwan's democratization is very gratifying to those who care about Taiwan, who know what it was before, and those of us who are still believe that democracy, and American sponsorship of democracy, is a very important set of values and policies for the United States. However, as welcome as it is, Taiwan's democratization does pose challenges for the United States as well. First, as in our relations with other democracies, it makes managing some bilateral issues, especially trade issues, more complicated, as more domestic stakeholders will have a voice. We've seen this recently with Canada, we've seen it with Taiwan, we see it with Japan. Democracies are difficult for governments to negotiate with because the leaders of those democracies are subject to all of these counter-pressures. It seems superficially easier to deal with despots, but as Derek has very eloquently argued, that is a kind of a false stability, whereas democracies present a false image of instability in some ways, because they are at the end much more stable. I think that we do see some problems in managing trade relations with Taiwan, investment relations, and potentially too democracies could adopt more provocative policies to advance their external interests, but as Shirley has indicated, I don't see a pragmatic Taiwan posing this particular risk. It may have in the past during the course of democratization when Taiwan was with some reason often described as a troublemaker by American leaders. I see that as much less a problem today, but it is of course hypothetically still possible. The more important challenge, other than these which I think are either normal or unlikely to occur, is that as Taiwanese have redefined their identity, debated their relationship with the mainland, and have adopted and internalized democratic values, their interest in reunification as Shirley has said has declined. As they see the contrast between their own democratic system on Taiwan with all its imperfections and the non-democratic system on the mainland, that, at least for the moment, is moving further away from fundamental political reform. The growing restrictions on autonomy in Hong Kong where Shirley and I spend actually much if not most of our time, most of our time for the last several years at least, the restrictions on autonomy in Hong Kong after its return to Chinese sovereignty 20 years ago are another factor reducing interest and unification on Taiwan. Where Hong Kong's return to Chinese sovereignty was supposed to be a positive model for Taiwan, it is becoming a negative example for those in Hong Kong and Taiwan who uphold democratic values. These developments make it increasingly difficult for a democratically elected government on Taiwan to reaffirm the '92

consensus, which implied that both governments retained unification as their eventual goal. That to me is the most important aspect of the '92 consensus. You could argue, you could say, as they did, that they both believed in one China with different interpretations precisely because each government was committed to eventual reunification. That is more and more difficult if not impossible for an elected government on Taiwan to do. It also makes it difficult for Taipei to come up with an alternative formula to replace the '92 consensus as some in Beijing have suggested that they try to do, but those voices that Shirley and I have heard who work on the Taiwan issue on mainland China go on to say that the key requirement for any replacement for the consensus would still be a reassertion of the goal of unification. That is Beijing's bottom line, and until that bottom line changes or until Taiwanese public opinion changes, that is a gap that is going to be very, very difficult to bridge. Now all of this challenges one of the key assumptions of U.S. policy really since 1950 – that, as the Shanghai communique put it in 1982, Chinese on both sides of the Taiwan Strait maintained that there is one China and Taiwan is part of China, and that the United States does not challenge that position. Indeed, as further iterations of American policy towards Taiwan put it, the United States would accept unification if it were genuinely and voluntarily acceptable to the people of Taiwan and was carried out – achieved by peaceful means without coercion. So that premise which if Jim Mann were here, he might – I mean, I don't think, I didn't see him yet – but he might call one of the soothing scenarios that Americans have eased their thought process with over the years about China that they're going to unify eventually someday because both sides want it. That soothing scenario is no – soothing premise is no longer true except in the tautological sense that there indeed remain on Taiwan some people who regard themselves as Chinese and who maintain that Taiwan as part of China. It's just that there are fewer and fewer and fewer of those Chinese as defined that way on the island of Taiwan. But unification remains an important goal for Beijing. Beijing describes it as one of China's core interests and as Shirley has said, it's using a varying mix of carrots and sticks to persuade Taiwanese that unification or at least a commitment to eventual unification is Taiwan's only feasible option and the most effective solution to Taiwan's high income trap. At this point, it's developed a package of material incentives aimed primarily at the young people, as Shirley has described, at small and medium enterprises and farmers. So far, however, these kinds of material incentives have been unable to overcome the gap in political and civic values across the Straits, and if that new package does not succeed where previous packages have already failed, Beijing may decide to rely more heavily on coercion to achieve its goals. Now in that case, were that to happen, the Taiwan Relations Act provides that the U.S. will regard that use of coercion as being of grave concern, not necessarily triggering an automatic response, but still something that would be a challenge to what might be described as an American core interest as well. The doctrine of strategic ambiguity, which was developed of course after the Taiwan Relations Act, implied that the U.S. response to that kind of use of coercion would depend, among other things, on whether Taiwan had in some way provoked that use of coercion and that certainly the specific American response would not be telegraphed or defined in advance. But the rise of Chinese military power, much of which is designed to deter or counter any American response, increases the costs and risks of an American military intervention. So those are the ways in which things have changed and therefore American policy, as it always has to be, needs to be reconsidered and reassessed. Now somewhat to my own surprise, actually, as I started writing this talk, I don't think the Taiwan's democratization requires any major change in America's version of its One China policy. We always emphasize, thanks to Alan Romberg and others, that there's a big difference between the Chinese One China principle and the American

One China policy. Even though both contain the words “One China” and are followed by a noun that begins with the letter P, One China policy and One China principle are quite different things. Now as I understand, that policy ought to be set out in the Taiwan Relations Act, the three joint communiqués between China and the United States, as well as the further explanations known as the Six Assurances and the Three Nos issued by the Reagan administration and the Clinton administrations in the early 1980s and the late 1990s respectively, these I think I would summarize as follows. No support for independence. The – no change in the American position on sovereignty over Taiwan, which is basically that that remains an open question. We acknowledge that the Chinese claims sovereignty. We don’t challenge that, but we don’t explicitly endorse it or support it either. No mediation rule or pressure on Taiwan to enter negotiations. No diplomatic relations between the United States and Taiwan. And no support for membership for Taiwan in an international organization that restricts membership to sovereign states. Now, I acknowledge that this complex framework, as I’ve tried to summarize it, known as America’s One China policy may not be ideal for any party, not for Taiwan, not for the United States, not for mainland China, but as it is as I have also argued everyone’s second choice and therefore should be acceptable to everyone and should continue to be workable as it has been for the last 20 years. I don’t think that significant unilateral accommodations to China on the Taiwan issue, such as expressing an American preference for unification as opposed to a preference for a peaceful solution, are warranted. Nor do I support the idea of bargains that would exchange these and other concessions, for example on arms sales, for a more cooperative Chinese position on other issues. On the other hand, I also do not support any upgrading in U.S. relations with Taiwan that we would not be able to defend and explain as remaining within this flexible One China framework, such as working towards formal diplomatic relations as some have proposed or formal membership in organizations like the United Nations. To depart from the One China policy in these ways would create serious and to me unnecessary risks to our relationship with China, as well as to the stability of cross-Strait relations. Having said that, I do favor the continuation of current policies that within the One China framework maintain a robust relationship with Taiwan. These include, of course, continued arms sales to Taiwan, exchanges among defense officials, continued dialogue on bilateral and multilateral issues between Taiwanese and American officials, and continued but limited transit rights for Taiwan officials including sometimes the president, on route to other countries, whether on official or on private visits. All of this is entirely in keeping what American policy has been over the last many years. Moreover, given the changes we have been discussing, I also think that some modifications of policy within that framework are appropriate and desirable. First, more support for Taiwan’s participation whether as a member or as an observer in multinational organizations for which its participation is important for the organization’s functions. The most obvious of these and most in the headlines, because of the problems in maintaining Taiwan’s observer status, are organizations like the World Health Assembly and the International – what does C stand for on aviation? Oh, the International Civil Aviation Organization. These acronyms *cum* signs and initials sometimes confuse me. There’s ample precedent for this, as in the cases of China’s membership in the ADB and APEC and its participation in the Olympics and its previous observer status in the WHA and the ICAO. We should encourage other countries especially perhaps the other democratic members of the Indo-Pacific region to support this policy. Taiwan’s status as what some call an unrecognized state should not be taken to imply that Taiwan does not exist and should not be taken to imply that Taiwan is irrelevant to the management of international issues. Let’s say, for example, god forbid, that there was a major pandemic that

either started in Taiwan or spread through Taiwan. Would the international community really argue that as an unrecognized state Taiwan should not be part of the management or the solution of that problem through the World Health Organization? As a major airline hub including with two major airlines of its own, can anyone really argue the Taiwan's involvement as an observer in the International Civil Aviation Organization is not necessary and important? I think it's very difficult to make that case. As I've argued, to say that Taiwan is an unrecognized state is not to say that it does not exist and that its participation in management or solution of major issues is unimportant. Second, I think we should be urging countries that do not have diplomatic relations with Taiwan to exchange trade or other representative offices with the island, including most notably those who break diplomatic relations and transfer those relations to Beijing. The example of the United States, of Japan, and many other countries shows that a lot can be done. In fact, just about anything can be done through these technically non-official channels, and that, I think, countries that do not have or have terminated diplomatic relations with Taiwan should be able to transition very smoothly to establish or continue unofficial relations with Taiwan by whatever name. Again, this is in recognition of Taiwan's major role in international society and the international economy. Next recommendation: assistance to Taiwan in developing a defense policy that recognizes the growing strength of the People's Liberation Army. Without going into details, I would describe this policy, or label it, not only as asymmetrical defense but asymmetrical deterrence to basically increase the costs and risks to Beijing of using coercion and especially military force to try to resolve the Taiwan issue. At the same time, encouragement of restraint on both sides urging that both avoid unilateral actions that could provoke conflict, and that they continue to work towards a stable, mutually beneficial relationship pending an eventual resolution on whatever terms and at whatever point in the future. Now this is, as one of you here has asked me privately, whether expressing it this way is a procedural interest rather than a substantive interest. And there is often a sense that substantive interest should trump procedural ones. We have this debate with regard to the American engagement policy with China. When we say that basically is, the Trump administration is that we want results-oriented dialogue, not just dialogue for the sake of dialogue, but results-oriented dialogue. The question is, is our procedural statement of interest a peaceful resolution by the two parties involved on terms genuinely acceptable to the people of Taiwan, is this sufficient? And I would argue that it is sufficient in some ways but that we also do have a substantive interest, and that is, and both Derek and I have already alluded to it, the preservation of a vibrant democratic system on Taiwan and the ability of that democratic system to define its preferences about its future, understanding that just like any other society or entity in today's world, it may not be possible for it to achieve those preferences unilaterally, but it certainly should have to work out its vision of its future. Finally, both officially and unofficially, we need to impress upon China that the United States is not the reason why Taiwanese show a declining interest in reunification. Instead, that responsibility is on Beijing's shoulder. It is the glacial pace of political reform on the mainland, and the worrying signs that the process of democratization in Hong Kong has been slowed if not halted, and the evidence that the high degree of autonomy promised to Hong Kong in the basic law, and by extension to Taiwan after reunification, under "one country, two systems" is being eroded. The best way for China to achieve its goals with regard to Taiwan is not to offer more material benefits. That's helpful, but so far it has not been decisive. But rather to narrow the gap in values and institutions that have actually been widening over the last several years. China and Taiwan cannot become the "one family" that one of Taiwan's leading officials has recently talked about.

It cannot become one family if those political and value gaps remain unbridged. Thank you very much.

**Sun:** Thank you, Professor Harding, for your adult supervision on the U.S. policy on Taiwan. I'm sure Alan is listening and Alan is applauding. Well, in the interest of time, we have about 30 minutes for Q and A, and if you could state your name and be as concise with your comments and questions as possible, and also please tell us to whom your question is addressed. So, the gentleman in the second row, please.

**Peter Humphrey:** I'm a Peter Humphrey, intel analyst and a former diplomat. I see absolutely nothing stopping China from grabbing Kinmen and Matsu tomorrow morning, and I'm wondering how – and that the U.S. would not come to the defense of Taiwan and risk global war. So, given that situation, how would the Taiwan deal with that and, I guess, how would the young people deal with it? You know, they'll say hard cheese, we just lost these islands, carry on. How would they deal with it? In other words, how would the society as a whole deal with it and how would the young people deal with that loss?

**Sun:** And the question is for Shirley?

**Humphrey:** Yeah. I mean, others may have opinions as well.

**Sun:** Well, I think it would be questionable – if mainland does make such a decision, the motivation and the consequence will be highly uncertain for the mainland, and why the mainland wants to go there is a different question, but I will leave the – our panelists to share with us.

**Humphrey:** No, the president is successfully conquering everything above sea level in the South China Sea, so that's what's on the mind of Xi Jinping right now. So, you know, slice the salami one more time.

**Sun:** What if they slice it again?

**Lin:** I have the shortest answer and the least insight, so I'm going to let them take over on whether this scenario makes sense, because so much of we call "conditional poll" in Taiwan has to do with the condition. First, I'm going to leave that to the real scholars of the geopolitics. I will tell you that the April poll that Taiwan Foundation for Democracy shows that Taiwanese young people are willing to serve their country. Now it's just a caveat – it's a poll. What does a poll mean? We don't know because the poll could be – could have all different – just as an example, some polls have asked young people if they support independence. A different way of questioning yields a result that is 70%, others show 25%, so these polls are highly uncertain and loaded. But I would say that young people do care and there is a vibrant debate on island right now. And I know several young people who decided to quit what they're doing to actually go back to Taiwan and serve in think tanks to discuss the military options, whether Taiwan can defend itself, and how much more has to do to defend itself, and I think that there's also a big difference between what the government currently is thinking and what the society is hoping for. I think more engagement on a societal level is necessary to bring out consensus, but the polls show that young people say they will.

**Harding:** I would just also question the premise as Yun has just done. There is precedent for this in 1958, which was the last time there was a serious crisis in the Taiwan Straits. Mao Zedong apparently in the middle of the process realized what would happen if we actually got Quemoy and Matsu back. It would mean the further separation geographically of Taiwan with the rest of the mainland and he realized that he was actually going to be a victim of his own success if in fact he succeeded. So I think that this would just cut another tie between Taiwan and the mainland, which is not what the mainland would want to do. Secondly, I'm reassured by Shirley's conclusion that Taiwanese young people are willing to fight, and let's be frank, fight and die for their society's autonomy. If as I've argued Taiwan needs to develop asymmetrical deterrence, asymmetrical defense, that is have – going to have to be part of the equation because the goal of such a strategy should be to make the use of force or coercion against Taiwan to be as costly and risky both in terms of material and reputational risks as possible. The idea should be to make it very clear that it is not in the interests of China or of the so-called People's Liberation Army to add another set of battle ribbons to the Tiananmen crisis of 1989.

**Humphrey:** Quemoy and Matsu. Just Quemoy and Matsu.

**Harding:** Just – I've already answered that. I don't think it's likely for the reasons I get.

**Sun:** We understand that, yes.

**Harding:** I'm commenting on what Shirley said about young people's willingness to defend because you asked what young people would think about such a crisis.

**Mitchell:** Just add to that too is a question of not just what – it's hard to know how Taiwan will specifically react, or people and the government, but it also matters how the region reacts, how the United States reacts. I mean, what would China get for that, what benefit versus the cost of demonstrating that they would take some aggression against Taiwan, that would lead to more arms sales, lead to maybe breaking of some of the assumptions in the U.S.-Taiwan relationship. There could be a whole host of moves by Japan and others to see this as an aggressive move by China. It's not just what Taiwan does, but what the region does and the United States does and others do in response that can have Taiwan's back and to send signals to China, "You continue on, there is a cost to this." It's very difficult in the hypothetical to know exactly how the response would go, but I don't know why China would take a half step in such a circumstance because it would signal something about their dealing with all kinds of issues that would create I think a major wave against them.

**Sun:** Absolutely. The lady in the front.

**Audience Member:** Hi, I'm a doctoral student from –

**Sun:** Oh, we have a microphone.

**Audience Member:** I'm a doctoral student from George Mason University. I'm from Taiwan and 31 years old.

**Mitchell:** Are you happy?

**Audience Member:** I mean, you talked about young people, so I don't know whether I'm young or not.

**Harding:** You are. These are my standards. My age and below. It's a flow.

**Audience Member:** First is I think – about the – we spend a lot of time talking about identity, but I think many times when talking about this, there is a big problem, big assumption that seems people think a Chinese identity might be bad. My people identity, they are Chinese – might prefer, like, Beijing regime, they refer unification, maybe also refer to, like, authoritarian, but actually that is not. My parents – my grandparents are from mainland China due to 1949 civil war. Many people, like, as my background do identify they are Chinese, but not necessary they like Beijing regime. Like, I identify I'm a Chinese because I like Chinese culture, not because I like the Communist Party. And also I know there is there are people who do recognize the Beijing regime, but we do not talk about their case. I find that the real reason is they do not have a clear understanding about the value of democracy and, like, human right or those kinds of things, because they just want to, for example, maybe this, like, a person who prefer the independence, so they want to use some, like, state violence to treat them. I think the problem is not because the Chinese identity. And also another problem we're talking about Taiwan's democracy is we tended to exclude a lot Chinese influence into Taiwan's democracy. I mean, we didn't talk about what things happen before 1949 and like 100 years ago. Actually the milestone of Taiwan's democratization is the constitution of Republic of China, completely implemented in Taiwan, and that constitution is passed in 1946 at mainland China by the Congress of Republic of China who is also Taiwanese representative, participated of voting. There is a long debate whether Chinese culture is good or bad for democracy.

**Lin:** Okay, let me answer the question very briefly. The polls are the polls. And increasingly I would say that there's something very important, there's no use to debate what identity means because we all think about it differently. So you have to think about the context. The context is the NCCU polls are done by telephone. They call you up and they ask you this question. And Academia Sinica has a better poll that is done in person which is very expensive but very accurate, which I also use in my study. The most important thing to know is that polls change over time. So, because of Chinese – because of Beijing's aggression, more and more people responding to the polls, now take the poll as a political identity. This is not something the questioner actually puts in, there's no need to put it in. The listener starts thinking about different things. I think in many – when I give talks in Southeast Asia, for example, a Singapore student would say, “Well, Chinese identity is just that, we are multiracial and I'm Chinese,” but in these polls, that is not how the respondent listens to it. Over time as Beijing becomes more aggressive, more and more people answer the polls thinking that it actually corresponds to their political identity, so saying Chinese means that you would like to be part of the PRC, not cultural identity. And therefore, we have to take the identity with an understanding of how people understand it. You are right, overtime it's not that people feel less and less culturally Chinese, but they feel more and more that the question is implying, “Do you want to be part of the PRC?”

**Sun:** That's a great point. If you look at the case of Singapore, the original Chinese population, they still regard them as Chinese but they definitely don't see themselves as a part of the People's Republic of China. Oh, great moving on. The gentleman in the front row, please.

**Arnold Zeitlin:** Thank you very much. My name is Arnold Zeitlin and I teach in Guangzhou in China and report information for quite some time. I'd like to follow up on the initial question. You talk about – your concluding remarks is, we should protect – your last words in your presentation, Ambassador Mitchell. Is the United States willing to support Taiwan in the face of increasing Chinese capability, politically, economically, and militarily, to isolate Taiwan?

**Mitchell:** It's a good question in the face of increasing Chinese capabilities and power.

**Zeitlin:** This is not 1958.

**Mitchell:** Yeah, it's not 1996 either. I mean, things have evolved and changed in that regard, and it's harder American power, not just American power vis-a-vis China, but American power writ large, and of course Chinese influence globally as well, have had an impact on the ability to encourage other allies or partners to do things in the interest of Taiwan's international space and such. So it is becoming harder and harder. I think though, as Harry suggested in his recommendations, we should try. We should continue to press. We should continue to make the effort to protect what Taiwan represents, Taiwan's space as much as possible in the international community in ways, I think Harry makes very precise lines, I think very wise lines, as to where it runs into biggest sovereignty questions versus Taiwan having a voice, having a play. I think another thing I would even add to Harry's list, in fact, and it gets to Tsai Ing-wen's New Southbound Policy now, which is not about necessarily some of these biggest sovereignty stuff, but about being involved culturally, socially, economically, of course, integrated, there the contributions of Taiwan in movies and film and in education, as I mentioned, health and technology. These are ways that Taiwan can contribute and have a role to play in the international community. There are ways to give Taiwan that would make sure people don't forget that Taiwan exists, not just don't ignore, not you don't ignore it, but they affirmatively exist and has something to offer, and that to me protects Taiwan's democracy. I think those things – if it is economically strong, if it can have more interaction beneath maybe a certain provocative line, though China keeps pushing that line, but I think we should keep trying to push that line back up – to enable Taiwan to have space and a place. That also is protection for Taiwan and people say they are offering something. You do something to them, you're affecting our security, you're affecting our ability to get public goods from these 23 million people. All of that I think is protection as well. I think the United States, I would add to that, we should be helping them on their New Southbound, on their social and economic and cultural engagement of the world, their education, partnering with them, with other countries, to ensure Taiwan is not forgotten, that what they have to offer is welcomed. It's a broad definition of protect. On the military side, people can judge whether we can protect or not. I think we can do things to make the cost too prohibitively high for China to take action that they might otherwise feel that they want to take and at least get inside their decision chain to make them doubt whether they can or should take that kind of action. Yes, I think we can continue to do things along that line.

**Sun:** If I may just add to that, Ambassador Moriarty earlier last month gave a public talk at the Global Taiwan Institute and during his speech, from what we can read, the commitment and the resolute to protect Taiwan's legitimate voice and space internationally is non-negotiable, is absolute. I can send you the link to that event later. The second row, the gentleman.

**David Brown:** David Brown from SAIS. Three excellent presentations. My comment or my question is going to follow on what we just discussed about how to respond to PLA pressure on Taiwan and that is to say that Shirley's comments on the very complicated attitudes that young people have towards democracy, towards their sense of identity, towards pragmatic dealings with economic ties with the mainland are all interesting, and I think influencing this question that you raised about how to interpret a slight decline in the sense of just Taiwanese identity and a slight increase in the very minority view about unification. What is going on here? I'm not sure I have the answer to that, but I think one other factor and this is what I'd like to ask you about, that we look at is young people's confidence in the United States. Because if we get into a position where not war is taking place, but serious coercion of a military nature is being applied on Taiwan with more robust PLA forces 10 years from now, operating in the western Pacific – how much confidence will people in Taiwan have in the United States' ability to come to their assistance? But I've seen in polling particularly of Emerson Niu's security surveys is that overtime general confidence in the United States has been declining, and certainly under the Trump administration and all the confusion about our policies, how we're dealing with China, what our real attitude towards Taiwan is, that has further eroded to the point where the majority now believes we will not come to there. What are the attitudes of young people on this, because I think that's going to be another very important factor in how they assess the options for them.

**Lin:** Oh, thank you. Of course David would throw me a hard one. Thank you for that. I don't have a direct – I memorize all these polls and I cannot pull up one right now that could answer your question, but I'll give you three different data point to give you a sense. You're absolutely right. Under Trump the last few years, U.S. has not been ranked as the most favorable country, so that's not young people, that's average. Japan has come up and I think U.S. is losing ground in terms of favorability for Taiwanese. The other data point is number of students going to the U.S. to study is declining, but I believe that is because of the high income trap. Taiwanese students are poor. They cannot incur the cost and that's also why Taiwan draws a huge number of international students. It is cheap to study in Taiwan and it is one of the few democratic governments where you could study. Because I teach in China and I teach in Hong Kong, I can tell you students from the Philippines are not coming to Hong Kong to study how to govern in a democratic system. They come to the business school. But Taiwan can draw people to the faculty of social science. It's a very interesting sort of relay in international positioning, but the first thing was the favorability of the U.S., and the second is Taiwanese young people are more optimistic about democracy – this is in an Emerson Niu study – than all the other generations, so they care deeply and they're more optimistic. Whether it's naive or not is a separate issue. Most of these students, we call under 30, so some have worked but they're working in very low income jobs, as I said before. The third thing that is important is also they are the most pessimistic among the four cities I cited: Singapore, Shanghai, Hong Kong, and Taiwan. They are the most pessimistic about their economy. What does that mean? That means for me when I extrapolate this is the Chinese have an unusual ability to help young people solve some problems, and in that way can they translate that and create political spillover to create support

for unification? That is a question mark. A question mark that I often tell people when I go to China if you cannot translate that, giving them a doctor's license in Beijing and giving them *hukou* is just a waste of investment, because it's not changing the way they vote, not changing the way – their preference in terms of government and so far, I've seen no sign that it is spilling over to create it. The gap that Beijing wants to – the hurdle is so huge, but the weakness of Taiwanese young people are quite clear in terms of the U.S. not being there and the China being so clearly there and how to manage it. As I said in my conclusion, it is very tough but they do want to find a way to remain, to maintain their identity and their values without giving up on their only solution to the future.

**Harding:** Could I just add a couple of points? One is that I think that you were raising an important problem for the U.S. I have a very complicated view and assessment of Donald Trump. I don't take either extreme that he's all black or all white. There are good and there are bad successes and failures and we don't know the final, of course, scorecard, but I do think that one of the things that he has done that I worry about is the erosion of trust in the United States because of his unpredictability, and because of the way in which he has aggressively criticized our allies, even if you could argue there is some justice in the complaint of not fulfilling their share of the burden. I think that this and how quickly you can get past that, I'm not sure. Let's just say it's much easier to destroy trust than it is to recreate it, so I'm concerned about this too. The other thing we've been talking about is, can the United States basically afford any more to stand up to the use of coercion by China? I think that – we have been in the quest for dominance so – for so long and achieved it for so long that we have to start thinking like a weak country. As the Chinese strategic culture teaches us, the great challenge is not how a dominant power dominates, but rather how a weak country can defeat the strong country by strategy, so that's why I emphasized again and again in my talk that it has to be an asymmetrical strategy and we better start thinking in those terms. If you've read "The Romance of the Three Kingdoms," which was the first major piece of Chinese literature I've ever read in graduate school, that just jumped out at it at me that it's all about asymmetrical strategies. We've had that tradition, especially against the British in our revolutionary civil war. We've kind of forgotten about that in some ways, but certainly given new technologies, there are plenty of opportunities to think about asymmetrical approaches to dealing even with a powerful country like China.

**Lin:** I'll just add to that in terms of an example of – David asked such a good question, I have all these things going through my mind. But if you're a young engineer and you go to the best university in Taiwan, there is very little chance you'll be hired to go to Silicon Valley. Because you don't get a PhD and you don't get the visa under Trump, these are all very difficult things. Because I teach in the U.S. and in Asia, I see it every day. Students come to me to ask what to do. Students are increasingly asking me how do I get a job in China and stay and even if they don't want to, it is there. If you are an engineer, you can easily go to several cities in China and get *hukou* and get preferential treatment, whereas Silicon Valley is just a very, very long shot now.

**Sun:** The preferential policy for these Taiwan young people is because of their origin.

**Lin:** Of course.

**Sun:** It's not because they are engineers.

**Lin:** It's for Taiwanese and Hong Kong, yes, students.

**Sun:** It's for Taiwanese and Hong Kong.

**Lin:** Yeah, so there's a string of policy. In August the latest is that you can get national treatment as a Taiwanese and Hong Kong person in very favorable ways. Things are changing every week and I would not underestimate how important these policies are.

**Sun:** Ambassador, do you have anything to add to the question?

**Mitchell:** Well, since you've turned to me, I will be asymmetrical.

**Sun:** It's asymmetrical.

**Mitchell:** Because I completely agree. I don't think we even have to be thinking of ourselves as a weak power. I think simply any power you should be thinking about playing to your strengths, what are our strengths, what are the things that make us strong and where we have advantage, and that we can shape things according not just to ourselves – because frankly our interest has always been the broader interest. That's why we have the institutions after World War II and all the rest, and to me, I'll come back to it, which is the theme of this whole thing, is our values. I mean, the thing that we – that we are really about the greater good is to ensure that there are corporate social responsibility standards, anti-corruption standards, there are governance standards. All these values, standards, and norms are the things that I think are our strength, but they also incidentally create a much more stable world which is also to our interest, into our broader interest. If we play to that, I think we can get – we won't win the autocrats, but we'll win the billions of other people who see us interested in their well-being and that works well for U.S. interest as well. That's where I think we have to think – not that – you don't have to be weak, but you do need partners, you do need networks, you do you need allies, you do need others of like – who are like-minded to work with, which gets to this issue, as Harry said, that concern about the current administration or at least the president who seems to dismiss partnerships or alliances as somehow encumbrances rather than power enhancers or value-added to our interests. So asymmetrical means we don't just respond to what the other side is doing, but play to our own strengths according to our own interests.

**Sun:** According to our strengths. In the interest of time, we'll take two questions in this round. The lady in the front row, please.

**Cassy Bolt:** Hi, my name is Cassy. I'm a program associate at the Osgood Center for International Studies. I think that Taiwan – the Taiwan-U.S. relationship is very fascinating because in a sense, it can be seen as, like, the history that is repeating itself, with – in a much more broader context – with Israel and U.S. in the past. I think we had, like, an arm's-length approach and this could be seen with the Taiwan and U.S. relationship today. So, based on what you guys know about the U.S.-Israel relationship and how it's evolved, what would you think as some lessons we can learn from that when it comes to U.S. and Taiwan?

**Sun:** Okay, we'll take another question before it goes to the panel. The gentleman over here.

**Audience Member:** Thank you. I am with UNESCO. Two questions, what impact has the national rejuvenation China's dream on the young generation in Taiwan? Second, who feels regarding cultural heritage and identity more Chinese, the Taiwanese or the mainland China?

**Sun:** That's a good question.

**Mitchell:** It's a question for them.

**Harding:** Who feels more culturally Chinese, the Chinese on the mainland or Chinese on Taiwan?

**Sun:** Who has the true Chinese-ness?

[Crosstalk]

**Harding:** Let's start with Israel.

**Sun:** Professor Harding, for your wisdom first.

**Harding:** Either of the questions. Well, there's an interesting comparison of United States and Israel versus – or compared to the United States and Taiwan. I think there's obvious fundamental difference. There is nothing comparable to the Palestinian issue, the Palestinian question, which greatly complicates U.S.-Israel relations, and, as you know, especially if we say the West's relationship with Israel more broadly to include many countries in Western Europe, there is then huge debate over whether Israel's policy towards Palestine or the Palestinians is justified, and that complicates the U.S.-Israel relationship as well. There's nothing comparable with regard to U.S.-Taiwan. Taiwan is not occupying anybody else's territory by any stretch of the imagination. I think that you could say that the similarity is, can the United States afford to support, especially militarily, traditional allies as – Derek corrects me, the United States is not weak, but I'll still say it's weaker in relative terms – can the United States be counted upon to uphold its past commitments as the balance of power shifts. That's the same, but otherwise the position of Taiwan in its region in the world is very different than the position of Israel in its region and world, whether or not you sympathize with Israel. I think you would have to acknowledge that Israel policy towards the Palestinian question is highly fraught, now increasingly in Europe as well as in the United States.

**Lin:** The interesting thing is we have visited Israel for an extended period of time to try to understand this comparison, but it's very interesting, actually, if you think about Taiwan, it's more like the Palestinians, it's not Israel, okay. Then I ask the Palestinian government. I said, "Do you support the Taiwan position in international organizations?" They say, "No, we don't because Chinese are very good to us," so it's very complicated and there's no end to this discussion. Maybe for another time.

**Harding:** No, I have nothing more.

**Lin:** It's at least a two-hour discussion on who is like whom, but on the UNESCO representative's question, I think it's a wonderful question, but that will also take a whole afternoon. Who is really Chinese? I would just say that from a pure academic point of view, I would say that the Chinese are expending enormous resources to dominate the narrative on who is Chinese. This is creating a huge problem and backlash, and I would say that I want to add to my talk – in that I didn't talk about it – but the trajectory for cross-Strait relations really depends largely on Beijing. If they push too hard, the backlash will be even worse than it is now, all around the world, not just in Taiwan, and I think that the Chinese way of defining Chinese culture is creating huge problems for people everywhere who believe they're Chinese, but increasingly they're starting not to believe they are Chinese because they realize that is not what Beijing has decided it will include in the definition. This includes all the minorities in China, the Uyghurs, the Tibetans, and never mind that the ethnically Han Chinese, predominantly Han Chinese like the Taiwanese. They thought there were Chinese, but if it weren't for the Chinese, they would still think they're Chinese, but because of the Chinese, they say, "Oh, maybe we're not," and that's a very interesting question. So if you go to, like – I just actually came back from Dharamsala, and if you go to museums, in terms of saying what is really the narrative on Chinese culture and what Chinese believes is part of their culture, the definition now is very much dominant, and so the Taiwanese don't have a role in defining that internationally, and therefore that creates a dilemma that will push young people, I believe, to look more towards creating a Taiwanese identity, whereas 30 years ago this was not a discussion.

**Harding:** I'd like to just add one anecdote. Shirley as, I will say, a young Taiwanese woman has much closer relation –

**Lin:** Young?

**Harding:** Yes, yeah. I said my age and below. Much closer relations and contacts with young Chinese and Taiwanese than I as an older white American do, but I can share one anecdote and that is that one of my students, originally from the mainland, visited Taiwan. I always ask my friend, what did you think, what surprised you, what was your main conclusion? And her answer was precisely that the Taiwanese are in some ways more Chinese than we are, but she went on to say that by that I mean that is the best of Chinese culture. Indeed, her final line is: that's what we could have become.

**Audience:** Appropriate [inaudible].

**Mitchell:** Yes, and that would terrify the mainlanders, I think.

**Sun:** They probably will. Well, with that, please join me in thanking our wonderful panelists. It was a great discussion. The event today will be made available online, the video, and we will also transcribe the event and have the transcription online as well. Thank you very much for coming.

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