

Occasional Paper 44

“China’s Sacred Territory, Taiwan Island:” Some Thoughts on American Policy¹

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INTRODUCTION

With the advent of President George W. Bush’s Administration in January 2001, many questions were raised about the overall course of US relations with China and specifically about American policy toward Taiwan. In the campaign, at least in part to distinguish himself from Clinton Administration policies, Mr. Bush had not only assigned China a lower priority on his foreign policy agenda—and added a more confrontational tone—but he had implied a more forthcoming attitude toward “unofficial” relations with Taiwan, including with regard to support for the island’s defense as well with respect to treating Taiwan’s leaders with “dignity.”

Candidate—and then President—Bush was clear that he did not wish China to become America’s enemy, and he endorsed the long-standing “one China” policy as defined by the three US-PRC joint communiqués and the Taiwan Relations Act.² But his decisions once in office seemed to bear out the intention to “adjust” China policy in ways that raised serious questions in Chinese (and other) minds about whether the United States did not, in fact, now assume China would eventually become America’s adversary, and whether we would clash over Taiwan.

The April 2001 EP-3 incident and its aftermath heightened these concerns. So did the substantial arms package for Taiwan approved later that month, Mr. Bush’s statement the next day about doing “whatever it took” to help Taiwan defend itself, Taiwan President Chen Shui-bian’s “head of state” treatment (as Chen himself termed it) when transiting the United States in May, and a multiple-entry visa for the former president, Lee Teng-hui, who paid a visit to Cornell University in June reprising his problematic visit there in 1995, and continuing advocacy of a “robust” National Missile Defense system. The Defense Department’s Quadrennial Defense Review, previewed at various points earlier in the year though only issued in late September,³ was pointed in its reference to “the possibility...that a military competitor with a formidable resource base will emerge” *in Asia* and spoke of adjustments necessary in

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² Including, one should note, his special emphasis on peaceful resolution of cross-Strait issues.

³ Department of Defense, *Quadrennial Defense Review Report*, September 30, 2001.

the US force structure to cope with that possibility. Some of these concerns were allayed as the year went on with the improvement in overall US-PRC relations—especially at the Bush-Jiang Shanghai summit meeting in October—and some recognition of the restraint that Mr. Bush had shown in Taiwan policy, including in selecting arms transfers for the island (i.e. that he did *not* include Aegis-equipped destroyers that could be upgraded to handle upper-tier theater missile defense (TMD) and that he did *not* pre-approve PAC-3 lower-tier TMD missiles for such time as they are available.) The concerns did not disappear, however.

This paper is not about George W. Bush's Taiwan policy. But the fact that his statements and actions raised so many questions provides an opportune backdrop for examining the bases of the American approach to Taiwan, its interests there, and the likely future course of events—and of policy. Since the American entanglement with Taiwan is rooted in events going back over fifty years, we will review some of those events, at least as seen from one American's perspective.

IN THE BEGINNING...

American involvement with Taiwan, of course, began before the World War II, but for the purposes of understanding US policy toward the island today, and how it fits into US-PRC relations, let us start with President Franklin D. Roosevelt's insistence at Cairo in November 1943—reaffirmed at Potsdam in July 1945—that Taiwan, along with other former Chinese territories seized by Japan, should be returned to China at the end of the war.

The story continued with the acceptance of the terms of Potsdam by Japan in September 1945 and the subsequent surrender of Japanese forces on Taiwan to Chinese Nationalist General Chen Yi in October. At that point, General Chen claimed to be reestablishing Chinese sovereignty over the island, a position reiterated over the years by both the Nationalist and Communist governments but never accepted by the other Allies, including the United States. Washington, and others, viewed General Chen as accepting the surrender “on behalf of” the Allies, and determined that another act needed to take place in order to transfer sovereignty. It was this position that dominated American relations with China periodically over the next quarter century.

In late 1949/early 1950, Washington was on the verge of yielding on the substance, if not the technical legalities—“lawyer's quibbles,” as Secretary of State Dean Acheson put it—of Chinese sovereignty, as the Communist victory on the Mainland was an accomplished fact and preventing a takeover of Taiwan would have required American military intervention. But that was all turned on its head with the onset of the Korean War and President Harry S. Truman's announcement that “[t]he 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.”⁴

⁴ Truman's statement of June 27, 1950.

Between 1945 and 1949, the United States went through various phases in considering its policy toward Taiwan, phases affected by factors including the “rapacious and oppressive”⁵ administration of the island by the Nationalists after 1945, a desire not to become enmeshed in military action over the island given other, higher priorities in the world but only limited American military resources, and a hope to avoid diluting the effects of what seemed to be an inevitable Sino-Soviet clash over Moscow’s predatory policies in China’s Northeast by creating our own irredentist dispute with Beijing.

In the end, however, it was the judgment that Kim Il-Sung’s June 25, 1950, attack on South Korea was a prelude to a carefully orchestrated pattern of Sino-Soviet Bloc expansionist aggression that formed the predicate for much of what has followed, not only with respect to overall US-PRC relations, but specifically with regard to American Taiwan policy. The US-ROC Mutual Defense Treaty, the infusion of significant American economic assistance, and providing the “space” (and encouragement) for Taiwan’s own economic and political development were all a function of the complete turnaround of US policy in the wake of the North Korean invasion across the 38th parallel.

...AND THEN THERE WAS A STROKE OF REALISM

It had been American policy since the mid-1940s to oppose a Communist takeover of Taiwan. Washington put pressure on the Nationalists to shape up their rule of the island and not assume the US would pull their chestnuts out of the fire, including by suggesting that the island was not an “essential link” of “sufficient strategic importance” for the United States in the post-war period to commit forces to protect it.⁶ There was no doubt in official Washington’s mind that it would, in fact, be harmful to the American national interest for Taiwan to fall. Still, if the Nationalists could not end the corruption and repression that was so badly disaffecting the Taiwanese who had initially welcomed the ROC’s return in 1945, the United States could not justify military involvement to fend off the inevitable invasion from the Mainland.

While this strategic perspective, and the unwillingness to commit to direct American military involvement, changed with the Korean War, it was not many years before pressures began to grow in the United States to face up to the fact that Chiang Kai-shek did not then, and would not in the future, govern or represent the Mainland, and that the United States needed to adjust to that reality.⁷ This conclusion was not easy or unopposed. It had to cope with the very strong KMT lobby in the United States. And it

⁵ As described in a “A Possible Course of Action with Respect to Formosa and the Pescadores,” a draft policy planning paper of June 23, 1949, cited in Department of State, *Foreign Relations of the United States, 1949, Volume IX, US Policy Toward Formosa*, page 362.

⁶ Message from Acheson of April 15, 1949 to be conveyed to T.V. Soong, as cited in *Ibid.*, page 315.

⁷ NSC staff member Jim Thompson colorfully described the situation created in US-ROC diplomacy by this reality. In an April 15, 1965 report to National Security Adviser McGeorge Bundy on his March trip to Taipei, Thompson wrote: “On the face of it, the situation is rather eerie; the GRC [Government of the Republic of China] knows that we don’t believe it [retaking the Mainland]; and we know that they know we don’t believe it; and we suspect that some of them don’t believe it; but no one says it. The result is that our every relationship is affected by the unmentionable dead cat on the floor.” Cited in *Foreign Relations of the United States, 1964-68, China*, page 163, brought to this writer’s attention by Richard C. Bush.

came against the background of the McCarthy era and the destruction of much of the China expertise in the US government and the besmirching of the reputations of many outside it that is all too well known. Nonetheless, along with a recognition that the Sino-Soviet split was real and deep, a tendency toward “realism” did grow, so much so that even by 1961, outgoing President Dwight D. Eisenhower felt constrained to warn incoming President John F. Kennedy that Ike would openly oppose JFK if he made any gestures toward allowing China to enter the UN.⁸

Just as the United States had considered various options in the 1940s that would have resulted in Taiwan either coming under UN trusteeship or becoming fully independent, the variants explored in the 1960s generally fell under the rubric of “one China, one Taiwan” or “two Chinas.” For China experts, this was generally a matter of “taking account” of the reality of the PRC; for the government, it also reflected concern over a deterioration of Taiwan’s support in the United Nations. For both groups, however, while they considered dealing with—some even advocated recognizing—the PRC, they did not include any notion that the United States should consign Taiwan to Beijing’s tender mercies. For the most part, they focused on the practicalities of dealing with the Mainland and argued for finessing the legal complexities of Taiwan’s status under some sort of “dual representation” or “dual recognition” approach. But it was precisely that status, and American involvement in “ensuring” that Taiwan remained separate from the Mainland, that was Beijing’s principal concern.

Despite Beijing’s charge, it is important to understand that, as contrasted with the earlier goal of keeping the Mainland and Taiwan separate, the US government’s goal was no longer to ensure separate status for the island, but to ensure that any resolution to the “Taiwan question” was peaceful. By inference, this meant it had to be arrived at voluntarily.⁹

“DETERMINING” TAIWAN’S STATUS

With the Nixon opening in 1971-72, and especially with the establishment of US-PRC relations in 1979, the US position with respect to Taiwan’s status being “undetermined” evolved. The United States has not, to this day, affirmatively taken the position that the island’s status has been resolved, but a) it has ceased saying it is “undetermined,” b) it has said that it “acknowledges” the Chinese position that there is “one China” of which Taiwan is a part,¹⁰ and c) it has “reaffirmed” its interest in “the peaceful

⁸ See Arthur M. Schlesinger, Jr., *A Thousand Days: John F. Kennedy in the White House*, Houghton-Mifflin, 1965, page 480.

⁹ At that time, it did not really mean “democratically,” since Taiwan was not a democracy. By the time President Bill Clinton referred in the late 1990s to the need for any settlement to be in accord with the “will” of the people of Taiwan, however, democracy was fully established and there was no question of imposing a settlement on them. So, while this requirement for a “voluntary” or “acceptable” solution appeared to some as a “new” condition, it really was not.

¹⁰ And in the Shanghai Communiqué of February 27, 1972, it said it “did not challenge” that position. In correspondence or other informal or unscripted statements, several Presidents and senior Administration officials over the years have suggested that the United States “accepts” “one China,” but the Chinese seem well aware that these are not reliable as enduring commitments and have pegged their position regarding US policy to the commitments and positions in the three joint US-PRC communiqués.

settlement of the Taiwan question by the Chinese themselves.”¹¹ It has not backed either unification or independence, noting that the substance of any resolution is something for the two sides to work out.

At the time of normalization of US-PRC relations in 1979, Beijing expressed great satisfaction that the “crucial issue” that had obstructed normalization of relations “has now been resolved.”¹² Even then, of course, continuing US arms sales to Taiwan were identified as an on-going issue in dispute—something, as then-PRC Chairman Hua Guofeng put it, “we absolutely would not agree to”¹³—and over the intervening years it has come to symbolize what many Chinese believe is US intervention in the Taiwan issue to ensure unification is blocked.

...COMPLICATIONS FROM DEVELOPMENTS IN TAIWAN

Ironically, one of the greatest successes of US policy toward Taiwan has contributed to some of its greatest complications. As authoritarianism has given way to democracy on the island since the late 1980s, alongside striking economic achievements, the long-standing sentiments of separate Taiwanese identity have moved out of the closet and into the political mainstream. Thus, even though Beijing expressed great pleasure at the progress made in connection with the breakthrough meeting of senior “unofficial” personages Wang Daohan and Koo Chenfu in April 1993, in a “white paper” issued that fall the PRC voiced great concern at the growing “Taiwan independence” activity:

In recent years the clamors for "Taiwan independence" on the island have become shriller, casting a shadow over the course of relations across the Straits and the prospect of peaceful reunification of the country. The...Taiwan authorities have, in effect, abetted this fallacy by its own policy of rejecting peace negotiations, restricting interchanges across the Straits and lobbying for "dual recognition" or "two Chinas" in the international arena.¹⁴

Moreover, even the understandings on “one China” that led to the Wang-Koo meeting were not based on a similar assumption, as we have seen in recent times in the dispute over the content and even existence of the so-called “1992 consensus” that allowed the Wang-Koo meeting to take place. For the PRC’s part, Beijing never acknowledged the fact that, *during* the course of the negotiations, Taiwan had abandoned a position advanced at one point in the October 1992 negotiations that only vaguely referred to

¹¹ From the Shanghai Communiqué. The continued American insistence on “peaceful resolution” of issues between the two sides has usually been expressed as a reiteration of the “abiding US interest.” But the Taiwan Relations Act of 1979 also stated that it was “the policy of the United States” that the decision to establish diplomatic relations with the PRC “rests upon the expectation that the future of Taiwan will be determined by peaceful means.” (PL 96-8 of April 10, 1979, SEC. 2(b)(3)).

¹² *Statement of the Government of the People’s Republic of China in Connection with the Establishment of China-US Diplomatic Relations*, December 15, 1978.

¹³ From Hua’s press conference of December 16, 1978.

¹⁴ *The Taiwan Question and Reunification of China, Part IV. Relations Across Taiwan Straits: Evolution and Stumbling Blocks*, Taiwan Affairs Office & Information Office, State Council, August 1993, available at [http://english.peopledaily.com.cn/whitepaper/7\(4\).html](http://english.peopledaily.com.cn/whitepaper/7(4).html).

differences over the definition of “one China” and moved, instead, to a far more explicit highlighting of the differences and what they were.

The Taiwan position, which focused on the differences, eventually came to be known in shorthand fashion as “one China, respective interpretations.” Beijing had rejected this view of the “1992 consensus” for some time, since Taiwan’s president, Lee Teng-hui, first began to stress the separate existence of a sovereign, independent “Republic of China on Taiwan” in the early and mid-1990s. It became an even sharper point of contention, however, after July 1999, when Lee articulated what became known as the “two states theory,” i.e. that relations between the two sides of the Strait should be conducted as “state-to-state relations, or at least special state-to-state relations.”

There is a connection to the United States in all of this, though not the conspiracy that Beijing appears to believe exists with the US urging continued separatism. The connection comes in at least two respects. First—to the outspoken displeasure of several senior American officials, it should be noted—Lee Teng-hui used his June 1995 visit to Cornell to stress several times the existence of “the Republic of China on Taiwan.”¹⁵ And second, it can be argued that in his 1999 “two states theory” statement, Lee may have been responding in part to pressures he felt from President Clinton’s articulation of the so-called “three no’s” in Shanghai in June 1998,¹⁶ and by what he felt would be PRC pressure to accept the PRC’s “one country, two systems” definition of “one China” during a scheduled (but subsequently canceled) visit by Wang Daohan to Taiwan. Whatever Lee’s motivation, the upshot was that a) President Clinton joined PRC President Jiang Zemin in labeling Lee as a “troublemaker,” and b) the PRC has more firmly than ever rejected acceptance of “one China, respective interpretations.”¹⁷

In the meantime, Lee Teng-hui has been succeeded by Chen Shui-bian, who comes from the Democratic Progressive Party (DPP), which has long advocated Taiwan independence. In part, no doubt, because the sobering prospect of actual responsibility for Taiwan’s security introduced a greater element of caution into his thinking, and in part, as well, because he had been cautioned by US officials since at least 1998 that pressing for Taiwan independence would lead to difficulties in relations with Washington, Chen moderated his line. In the campaign and since his election in March 2000, both Chen and the DPP have moved away from the idea of declaring independence.¹⁸ Chen did so formally in his inaugural address in May 2000, and the DPP has adopted positions that they say supersede earlier “independence”

¹⁵ It is at least worth noting in passing that the issuance of a visa to Lee only came in the wake of a concerted lobbying campaign in Congress financed out of Taipei. Agreement to issue the visa was in part an Administration effort at damage control. But it also reflected President Clinton’s apparent belief that this was indeed a “personal” visit, as opposed to Taipei and Beijing’s understanding of its political nature.

¹⁶ No support for “one China, one Taiwan” or “two China’s,” no support for Taiwan independence, and no support for Taiwan’s membership in any international organization comprised of sovereign states.

¹⁷ Some KMT hopefuls believed that, if they won a majority in the legislature in the December 2001 elections, they might be able to control formation of the Cabinet and win PRC approval for “one China, respective interpretations.” Many believed they had a tacit agreement with Beijing on this point. Given the KMT’s dismal electoral showing, however, that is, for now at least, a moot argument.

¹⁸ Chen, the DPP, and all other major political leaders in Taiwan assert that the Republic of China is already a sovereign, independent country.

positions. But the refusal of both Chen and the party to endorse the “1992 consensus” on “one China” (with or without “respective interpretations”) before resuming cross-Strait dialogue, or to embrace the existence of even a conceptual “one China” today—but only to talk of a “future one China”—has led to some heightened level of posturing on Beijing’s part. And this, in turn, has elicited a US reaction.

First, the February 2000 “Taiwan White Paper,” issued on the eve of the Taiwan presidential election, contained the infamous “three ‘if’s,”” including an expansion of the first “if” on Taiwan independence¹⁹ as well as the new “third ‘if”” on use of force if Taiwan *did not negotiate reunification* within a reasonable period of time. Moreover, giving teeth to this more assertive policy, Beijing continued to build up its deployment of short- and medium-range missiles and other weapons systems opposite Taiwan as it had been doing since the military maneuvering in the Taiwan area by the PRC—and, in reaction, by the US—in March 1996.

As a result of these developments, and what the Republicans charged was a pro-PRC tilt in Clinton’s China policy, overall US-PRC relations—and Taiwan policy, specifically—were introduced into the 2000 US presidential campaign. At one point, candidate George W. Bush referred to China as a “strategic competitor.” This terminology appeared to have not only a long-term competitive dimension to it but also, when taken in a context of statements directly referring to Taiwan, seemed to reflect a level of concern about Taiwan’s safety and a likely robust Bush Administration response to any PRC use of force against the island.²⁰ Though Bush quickly backed away from that phrase to simply use “competitor,” the impression left was of something more—and more military—than that.

Sino-American tension over the EP-3 incident in early April 2001 was certainly a factor, as well, not only in the brief reemergence of “strategic competitor” in Administration rhetoric at that time but in President Bush’s statement that he would do “whatever it took” to help Taiwan defend itself. This

¹⁹ The PRC has long held to the position that a “declaration of independence” by Taiwan would lead to use of force. As stated in the August 1993 “white paper” (*Ibid.*), “Peaceful reunification is a set policy of the Chinese Government. However, any sovereign state is entitled to use any means it deems necessary, including military ones, to uphold its sovereignty and territorial integrity.” But in the February 2000 Taiwan “white paper,” as it became clear there would likely not be any “declaration of independence,” this was broadened. It said: “[I]f a grave turn of events occurs leading to the separation of Taiwan from China *in any name*...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.” (Emphasis added) (*The One-China Principle and the Taiwan Issue*, released by the Taiwan Affairs Office and the Information Office of the State Council, February 21, 2000, available at <http://english.peopledaily.com.cn/features/taiwanpaper/taiwan.html>),

²⁰ There is an assumption that, when the PRC has greater military capabilities, it will be more willing to use those capabilities to achieve political goals. Even now, however, although it is generally agreed Beijing lacks the ability to either “take” Taiwan or defeat a US-backed Taiwan, there is a general recognition that the PRC would be forced to act in some fashion if Taiwan overstepped “red lines.” In any event, the US position has consistently been to deter such action by, in part, leaving open the possibility of our direct involvement. Mr. Bush’s statements are in line with that long-standing position.

statement was later walked back to comport with long-standing “strategic ambiguity,”²¹ but it revealed the depth of concern over possible PRC resort to force over the island.

WHERE THE “TAIWAN ISSUE” IS HEADING...

No one wants war over Taiwan, least of all the people or authorities on either side of the Taiwan Strait. But that does not mean war is impossible or that incidents short of war are unlikely. We have not only the example of the “touch-and-go” atmosphere in the early days of the EP-3 incident, but also the fact that the even higher sensitivity prevailing between the two sides of the Strait contains within it the potential for rapid, unintended escalation.

In Taiwan itself, while Chen Shui-bian will not likely take formal steps toward independence, there is every reason to believe he will continue to push the envelope in a variety of ways as long as he thinks he is staying within PRC “red lines” and has American support. Participation in international organizations such as the World Health Organization remains a primary target, one that has recently received support from the US Congress. The US Government has long said it would support Taiwan’s participation in the work of the WHO. Taiwan’s goal is “observer status,” but without the acquiescence of Beijing, this is a mission impossible. And until the two sides of the Strait come to terms at least on a framework for future relations, such acquiescence will not be forthcoming. Still, Chen will push and Bush may take a more forward-leaning stance, creating tensions with Beijing.

The actual structure of the Legislative Yuan (LY) in the wake of December’s elections remains to be determined by the jockeying within Taiwan’s political world. But one predictable outcome is that it will *not* lead to placating Beijing’s desires on “one China.”²² At the same time, given Taiwan’s priority on economic reinvigoration and the growing importance of Taiwan’s trade and investment to the Mainland, we may see some flexibility—on both sides—on issues specifically related to those links.

Recent signs that the Taiwan military may be rethinking its purchase of a number of expensive, sophisticated items—if reflective of something more than temporarily “banking” funds in order to make these same purchases later—has both encouraging and warning elements in it from an American perspective. On the plus side, it could reduce pressure for the United States to sell Taiwan some of the more sensitive systems such as Aegis-equipped destroyers or PAC-3 missiles. On the negative side, if it reflects a turn in Taiwan’s military thinking toward more “active” defense—acquiring the capability to “take out” PRC military targets rather than merely fending off attacks, this will raise the stakes in any cross-Strait confrontation and possibly heighten the prospects for early escalation. How deeply the

²¹ “Strategic ambiguity” is meant to convey to the PRC that it should not assume the US would stay out of any Taiwan contingency, and to Taiwan that it should not assume we would get involved in any Taiwan contingency, so both sides should avoid unilateral steps to alter the status quo.

²² There never was an issue of compromising on substance, e.g. “one country/two systems,” even if the “pan-Blue” forces had won. But they would apparently have been willing to press for public endorsement of the “1992 consensus” and “one China, respective interpretations.”

United States might get involved in assisting the implementation of such a strategy would remain to be seen, but it would be a challenge to maintain the policy on providing Taiwan only defensive equipment.

Clearly, part of Taiwan's diplomatic strategy with the United States will be to push the envelope on "officiality" as far as possible, both in terms of the nature of high-level "visits" and "transits" and in terms of interaction between the "unofficial" Taiwan representatives in the United States and US officials. This will both respond to domestic political pressure in Taiwan and be consistent with Taipei's view of itself as a sovereign, independent entity that deserves to participate in the international system. Be that as it may, it can have problematic aspects for the United States. For example, one issue sure to reappear on the agenda before long is the temporarily deflected invitation to Chen Shui-bian to speak at the National Press Club in Washington, D.C. If such a visit occurred, with the likely attendant activities on Capitol Hill if not elsewhere, it would do much to set back the current state of improved US-PRC relations.²³

...AND WHAT THE US MIGHT DO ABOUT IT

There are several potential approaches for the United States in fashioning future Taiwan policy. One, of course, is through shaping whatever direct linkages we have with the island—political, economic and security. But these are not insulated from broader relations with the PRC. This works in both directions: what we do with Taipei will affect broader PRC policies toward the United States,²⁴ and the overall state of US-PRC relations will affect our ability to manage the Taiwan issue with Beijing. The greater the overall sense of confidence and trust between Washington and Beijing, the more flexible and creative both of us can be in approaching Taiwan policy.

Perhaps, at the risk of stating the obvious, it should be noted at this point that there are differing views in the United States about Beijing's "bottom line" on the American relationship with Taiwan and how hard to test it. Many Bush Administration officials believe that Bill Clinton was too accommodating to the PRC, and that he could have gotten away with a lot more in terms of Taiwan policy without disrupting US-PRC relations. They cite as "proof" the fact that the Bush Administration has succeeded in doing just that.

Others believe that Beijing's tolerance has definite limits, and that while the PRC has swallowed hard as it has played a longer-term game with Washington (as it did—albeit in a different context—with Bush's father in 1992), there are genuine "red lines" that the Administration could inadvertently cross if it doesn't carefully assess the situation.

²³ The first known (if still "private") visit of a Taiwan Defense Minister to the United States since 1979—to a business conference on Taiwan security in March, 2002—and his meetings with two senior US national security officials there, sparked sharp protests from Beijing and warnings of damage to US-PRC relations.

²⁴ The reverse is also true, of course. How Beijing behaves toward Taiwan will affect the US view of overall ties between Washington and Beijing.

While the tone of Sino-American relations is better in early 2002 than it was when Mr. Bush took office in January 2001, not to mention after the EP-3 incident in the spring, it would be a mistake to exaggerate the improvement. The issues that divided us before still divide us, and Taiwan is still prominent among them. One might have hoped that Presidents Bush and Jiang would have used their meeting in Shanghai on the margins of the October 2001 APEC Leaders Meeting to frame the issue in more forward-looking ways. But while they did avoid contention, they merely restated long-standing positions.

There is no impending crisis. Moreover, the fact is that the fundamental issue of managing the Taiwan question is in the hands of Beijing and Taipei, not Washington. That said, the United States does have an important influence on developments. Hints—sometimes more than hints—that emerge from the Administration for time to time cautioning about overly close cross-Strait economic or political ties doubtless reflect the genuine concerns of those voicing them. But they have sometimes been taken, in Taiwan as well as the Mainland, as a reversion to the policy of a half century ago, when the United States saw itself as having an active role in determining *what* the cross-Strait relationship should be, rather than focusing on our strategic national interest in *how* that relationship is to be determined—peacefully or through use of intimidation and force. Any such reversion to an apparently pro-separatist stance would be contrary to the “one China” policy President Bush has reaffirmed—and a serious problem.

This is not to say that the United States does not have a strong interest in a free and vibrant society in Taiwan. It does. But there is no reason to doubt that such a society will continue to develop from its already impressive base, or to worry that Taiwan’s people will suddenly become unwilling or unable to express their free will or to argue that we have to provide special tutoring to ensure these things. Moreover, however emotionally satisfying it would be, and as uncomfortable as many Americans are with aspects of the “one China” policy, as all presidents since Richard Nixon have agreed, yielding to the deeply felt American preference for “self-determination” in this case would be fundamentally antithetical to the US national interest.

Reunification is not in the cards anytime soon, anyway, as realists on both sides agree. But, despite the low level of tensions currently, cross-Strait relations are inherently unstable and in need of some bounding of the problem in order to forestall unanticipated, and unwanted, incidents. A reliable framework for peace needs to provide the PRC with some assurance that Taiwan is not moving inexorably toward permanent (even if undeclared) separation from the Mainland. And it needs to provide Taiwan with assurances that it is not being forced into unification and that the Mainland will not continue to ratchet up military and other pressures on Taiwan, including blocking its appropriate participation in the international community. The impressive burgeoning of cross-Strait economic and social relations will create growing incentives on both sides to manage their relations well, but it will not substitute for at least a broad political understanding on the limits of the debate.

An important element in US Taiwan policy since well before the 1970s, but enshrined in our “one China” policy since then, has been that we would not force Taiwan into unification negotiations with

Beijing. The United States also does not support Taiwan independence. There is no reason to break with either aspect of that position now. But, when separatist rhetoric seemed to be growing in Taiwan in the late 1990s, and a more militant posture took hold on the Mainland, President Clinton urged that the two sides reengage in dialogue in an effort to arrive at a stable understanding—a framework—of how they will proceed to conduct their relations. And it was clear the United States stood ready to help in any way we could to move that process forward. An equally forward-leaning posture is warranted now, preferably in the form of quiet diplomacy. Not only should our own role probably remain behind-the-scenes to be effective, but so should the initial cross-Strait contacts. Competing public statements from Taipei and Beijing are unlikely to produce useful results. Here, Taipei seems more willing than Beijing.

And on the question of US security relations with Taiwan, even in the full recognition that arms sales cannot guarantee the island's security—which is at heart an issue of the political relationship across the Taiwan Strait—the United States will continue to sell arms to Taiwan. One hopes that Washington will adhere to the past practice of limiting such sales to carefully selected defensive arms. But this is not only a matter of judgment and will on the part of Washington and Taipei. Arms sales decisions will obviously be affected by what Beijing does about its continuing build-up of missiles and other weaponry opposite Taiwan. The PRC argument that the build-up is designed to deter separatism and not to fight a war will be unpersuasive in the absence of any effort to advance cross-Strait political dialogue.

September 11th may not have transformed the fundamentals of US-PRC relations, but it did, as already noted, provide a vehicle for a change in tone that both sides had already indicated they favored. Still, for either side to ignore the way Taiwan plays in the policies and politics of the other, and that it could overcome this new-found amity, would be folly.

For Beijing, as suggested, this means thinking more flexibly about dialogue and even, over time, about the definition of “one China.” And it means eschewing gratuitous muscle flexing. For Washington, it means not yielding to the temptation to keep upping the ante on permissible activities for Taiwan leaders in transiting or visiting the United States, or in dealings with officials. And it means avoiding unnecessarily provocative military relationships with Taiwan.

Whether one agrees or not with the view of some Americans that China is “the next enemy,” the Pentagon's Quadrennial Defense Review is not wrong to point to the need to have military capabilities in the region to deter use of force, including (inferentially) over Taiwan—and to give the President options should deterrence fail. But the language of the QDR suggests a high likelihood of China becoming an American adversary, a conceptual approach unnecessary to justify common-sense decisions on force deployments. Even if the syntax was problematic, George W. Bush got it right when he said in the campaign “If we make China an enemy, they'll end up being an enemy,”²⁵

²⁵ Phoenix GOP Debate, 12/7/99, at http://issues2000.org/Celeb/More_George_W_Bush_China.htm.

On the central issue of “one China,” the United States has not accepted Beijing’s definition, and it has no basis to argue Taiwan should accept it. But Mr. Bush again got it right when he said in the campaign: “I would hope Taiwan would also hear the call that a one-China policy is important for the peaceful resolution of the dispute between China and Taiwan...[and] has allowed...Taiwan to develop into a market-oriented economy and flourishing democracy.”²⁶

²⁶ GOP debate in Los Angeles, March 2, 2000 at http://issues2000.org/Celeb/George_W_Bush_China.htm.