

TAIWAN: ASIA'S ORPHAN?

By Steven M. Goldstein



NBR Board of Directors

Charles W. Brady
(Chairman)
Chairman Emeritus
Invesco LLC

John V. Rindlaub
(Vice Chairman and Treasurer)
President, Asia Pacific
Wells Fargo

George F. Russell Jr.
(Chairman Emeritus)
Chairman Emeritus
Russell Investments

Dennis Blair
Chairman
Sasakawa Peace Foundation USA
U.S. Navy (Ret.)

Maria Livanos Cattau
Secretary General (Ret.)
International Chamber of Commerce

William M. Colton
Vice President
Corporate Strategic Planning
Exxon Mobil Corporation

George Davidson
Vice Chairman, M&A, Asia-Pacific
HSBC Holdings plc (Ret.)

Norman D. Dicks
Senior Policy Advisor
Van Ness Feldman LLP

Richard J. Ellings
President
NBR

Ryo Kubota
Chairman, President, and CEO
Acucela Inc.

Quentin W. Kuhrau
Chief Executive Officer
Unico Properties LLC

Melody Meyer
President
Melody Meyer Energy LLC

Joseph M. Naylor
Vice President of Policy, Government
and Public Affairs
Chevron Corporation

C. Michael Petters
President and Chief Executive Officer
Huntington Ingalls Industries, Inc.

Kenneth B. Pyle
Professor; Founding President
University of Washington; NBR

Jonathan Roberts
Founder and Partner
Ignition Partners

Tom Robertson
Vice President and
Deputy General Counsel
Microsoft Corporation

Gordon Smith
Chief Operating Officer
Exact Staff, Inc.

Scott Stoll
Partner
Ernst & Young LLP

David K.Y. Tang
Managing Partner, Asia
K&L Gates LLP

Honorary Directors

Lawrence W. Clarkson
Senior Vice President
The Boeing Company (Ret.)

Thomas E. Fisher
Senior Vice President
Unocal Corporation (Ret.)

Joachim Kempin
Senior Vice President
Microsoft Corporation (Ret.)

Clark S. Kinlin
President and Chief Executive Officer
Corning Cable Systems
Corning Incorporated

NBR Counselors

Norman D. Dicks
U.S. House of Representatives (Ret.)

Thomas B. Fargo
U.S. Navy (Ret.)

Slade Gorton
U.S. Senate (Ret.)

Joseph Lieberman
U.S. Senate (Ret.)

NBR Chairman's Council and Board of Advisors

Michael Armacost
Stanford University

Richard Cody
L-3 Communications, Inc.

Nicholas Eberstadt
American Enterprise Institute

Karl Eikenberry
Stanford University

Donald Emmerson
Stanford University

Rebecca Fraser
Qualcomm, Inc.

Aaron Friedberg
Princeton University

Robert Gilpin
Princeton University

Lee Hamilton
Indiana University

Stephen Hanson
College of William and Mary

Harry Harding
University of Virginia

Donald Hellmann
University of Washington

Robert J. Herbold
The Herbold Group, LLC

Carla A. Hills
Hills & Company

Robert D. Hormats
Kissinger Associates, Inc.

Shinichiro Kawazoe
Mitsubishi Corporation

David Lampton
Johns Hopkins University

Nicholas Lardy
Peterson Institute for International
Economics

Richard Lawless
New Magellan Ventures

Chae-Jin Lee
Claremont McKenna College

Kenneth Lieberthal
Brookings Institution

William J. Lynn, III
DRS Technologies, Inc.

Rajan Menon
City College of New York

Mary Minnick
Lion Capital

Sam Nunn
Nuclear Threat Initiative

Joseph S. Nye Jr.
Harvard University

Stanley Palmer
Marvin & Palmer Associates, Inc.

Dwight Perkins
Harvard University

Thomas Pickering
The Boeing Company (Ret.)

Clarine Nardi Riddle
Kasowitz, Benson, Torres
& Friedman LLP

Stanley Roth
The Boeing Company

Sheldon Simon
Arizona State University

Ashley Tellis
Carnegie Endowment for
International Peace

John White
Harvard University

THE NATIONAL BUREAU *of* ASIAN RESEARCH
NBR SPECIAL REPORT #62 | DECEMBER 2016

TAIWAN: ASIA'S ORPHAN?

Steven M. Goldstein

A report from

THE STRATEGIC ASIA PROGRAM

THE NATIONAL BUREAU *of* ASIAN RESEARCH

The NBR *Special Report* provides access to current research on special topics conducted by the world's leading experts in Asian affairs. The views expressed in these reports are those of the authors and do not necessarily reflect the views of other NBR research associates or institutions that support NBR.

The National Bureau of Asian Research is a nonprofit, nonpartisan research institution dedicated to informing and strengthening policy. NBR conducts advanced independent research on strategic, political, economic, globalization, health, and energy issues affecting U.S. relations with Asia. Drawing upon an extensive network of the world's leading specialists and leveraging the latest technology, NBR bridges the academic, business, and policy arenas. The institution disseminates its research through briefings, publications, conferences, Congressional testimony, and email forums, and by collaborating with leading institutions worldwide. NBR also provides exceptional internship opportunities to graduate and undergraduate students for the purpose of attracting and training the next generation of Asia specialists. NBR was started in 1989 with a major grant from the Henry M. Jackson Foundation.

Funding for NBR's research and publications comes from foundations, corporations, individuals, the U.S. government, and from NBR itself. NBR does not conduct proprietary or classified research. The organization undertakes contract work for government and private-sector organizations only when NBR can maintain the right to publish findings from such work.

To download issues of the NBR *Special Report*, please visit the NBR website <http://www.nbr.org>.

This report may be reproduced for personal use. Otherwise, the NBR *Special Report* may not be reproduced in full without the written permission of NBR. When information from NBR publications is cited or quoted, please cite the author and The National Bureau of Asian Research.

This is the sixty-second NBR *Special Report*.

NBR is a tax-exempt, nonprofit corporation under I.R.C. Sec. 501(c)(3), qualified to receive tax-exempt contributions.

© 2016 by The National Bureau of Asian Research.

Front cover image: Lighthouse © RichieChan/istockphoto.com.

For further information about NBR, contact:

The National Bureau of Asian Research
1414 NE 42nd Street, Suite 300
Seattle, Washington 98105

206-632-7370 Phone
206-632-7487 Fax
nbr@nbr.org E-mail
<http://www.nbr.org>

— FOREWORD —

The 2016–17 edition in the National Bureau of Asian Research’s *Strategic Asia* series, *Understanding Strategic Cultures in the Asia-Pacific*, is the second in a three-volume project to assess the nature of geopolitical competition in the Asia-Pacific. Last year’s volume examined the resources available to a range of major powers in the region and the ability of each country’s political system to convert those resources into military and diplomatic power. The 2016–17 volume builds on the first, examining the same seven states in order to better understand how each country’s distinctive strategic culture affects its pursuit of strategic objectives and national power.

In this NBR Special Report, which supplements this year’s *Strategic Asia* volume, Steven M. Goldstein examines the strategic culture of Taiwan and its implications for U.S. policy. He argues that U.S. recognition of the People’s Republic of China (PRC) in 1979 created a sense of abandonment that spurred the formation of a new Taiwan-centric identity. Goldstein outlines how this new identity informs Taiwan’s interests in expanding its international space and ability to act as a sovereign nation-state, while also analyzing the tension this causes with both the United States and mainland China.

This Taiwan-centric identity has strengthened over the last three decades. President Tsai Ing-wen, elected in January 2016, has pledged to maintain the status quo with regard to Taiwan’s relations with the PRC, but has stated that she will not accept the 1992 Consensus, which had allowed for cross-strait dialogue under the previous administration. Understanding the cultural factors and ideational context shaping Taiwan’s policies and politics will be necessary for U.S. policymakers as Washington recalibrates its relationships with U.S. allies, partners, and competitors in East Asia.

Alison Szalwinski and Michael Wills
The National Bureau of Asian Research

Taiwan: Asia's Orphan?

Steven M. Goldstein

STEVEN M. GOLDSTEIN is Director of the Taiwan Studies Workshop and an Associate at the Fairbank Center for Chinese Studies at Harvard University. He was a member of the Department of Government at Smith College from 1968 to 2016 and also has been a visiting faculty member at the Fletcher School of Law and Diplomacy, Columbia University, and the Naval War College. Dr. Goldstein's research is focused on issues of Chinese domestic and foreign policy as well as cross-strait relations. His most recent publication is *China and Taiwan* (2015). He can be reached at <sgoldst@g.harvard.edu>.

EXECUTIVE SUMMARY

This report analyzes Taiwan's strategic culture and argues that the island's perception of its own orphan status is central to how Taiwan defines its place in the international system.

MAIN ARGUMENT

Taiwan's sense of abandonment in the international system is at the center of its contemporary strategic culture and shapes the strategies intended to secure the island's interests. The origins of this orphan status can be traced to the U.S. recognition of the People's Republic of China in 1979, which undermined the domestic and international identity that had prevailed in Taiwan since 1949 and stimulated a democratic movement that contributed to the emergence of a new Taiwan-centric identity. The conditions for the normalization of Sino-U.S. relations are also the principal obstacle to international acceptance of Taiwan's new identity as the basis for a sovereign nation-state—hence, its orphan status. Paradoxically, even as the terms of Sino-U.S. normalization fostered Taiwan's sense of abandonment, they also partly ameliorated it by providing areas where the island can secure U.S. support in order to resist Chinese efforts to increase its international isolation (and leave Taiwan no choice but to unify). Thus, for the near future, Taiwan's orphan status will likely persist.

POLICY IMPLICATIONS

- A fundamental change in the postures of either Taiwan or China on the issue of sovereignty is unlikely in the near future. Thus, Taiwan will face continuing, and possibly intensified, efforts by Beijing to isolate it internationally.
- Taiwan's leaders will continue to pursue a strategy of avoiding provocations of either the U.S. or China, even as they resist mainland pressures and look to Washington to support their effort to at least maintain Taiwan's orphan status.
- For its part, the U.S. will be challenged to respond to these expectations in the narrow policy space bounded by its normalization commitments to China and its post-normalization pledges to Taiwan.

The Republic of China (ROC), also known as Taiwan, is a major participant in the international economy and a center of technological innovation. However, only 22 states and a small number of international governmental organizations recognize it politically. Despite numerous nonofficial ties with states around the world and membership in many nongovernmental organizations, the ROC remains an outsider in a world of sovereign nation-states.

Taiwan's status today evokes Zhouliu Wu's novel of Taiwan in the 1940s (when it was a Japanese colony) that describes the inability of its tragic hero, Hu Taiming, to find his own identity. In his Asian travels, he is an outsider in Taiwan, the Chinese mainland, and Japan. Eventually, he goes mad. Hu is, in the words of the book's title, an "orphan of Asia."¹ As one commentator has noted, "the notion of orphan, of being abandoned, of not belonging has become a powerful metaphor in thinking about and defining the modern history of Taiwan."² In the discussion that follows, this report argues that the perception of abandonment and orphan status is a central element in the ideational cluster that lies at the center of the ROC's contemporary strategic culture. For its leaders, this self-perception defines Taiwan's place in the broader international system and shapes the strategies intended to secure the island's interests.

This defining element is rooted in the historical experience of Taiwan.³ History is especially important for understanding the case of Taiwan because there is no religious or strategic tract that occupies such an important place in its strategic culture. Moreover, a fundamental premise of the argument that follows is that the most immediate and powerful influence on Taiwan's strategic culture has been the historical experience of the years since the defeat of the nationalist Kuomintang (KMT) in the Chinese civil war and the party's relocation to Taiwan in 1949. During these decades, the government experienced two events that together created the perception of contemporary Taiwan as an abandoned orphan.⁴ In 1979 the United States recognized the People's Republic of China (PRC) as the legitimate government of the mainland and by so doing fatally undermined the identity that had previously sustained Taiwan's place in the international system. In response, the ROC initiated reforms that set in motion a process of democratization resulting in the emergence of a new, Taiwan-centric identity. Paradoxically, this new identity intensified, rather than ameliorated, the sense of abandonment that resulted from the shock of U.S. policy, forcing Taiwan's leaders to manage policy on the basis of a strategic culture profoundly influenced by the island's isolation in the international system.

The discussion that follows begins with an examination of the identity imposed on Taiwan by the KMT when it established the capital of the ROC on the island in 1949. The next section focuses on the developments in the international environment that isolated Taiwan and consequently prompted the domestic reforms that resulted in the redefinition of its national identity. The third section discusses how the reaction to this redefinition by the two international actors of greatest importance to Taiwan—the United States and China—resulted in a reshaping of its strategic culture that was dominated by a sense of being an international orphan. The fourth section analyzes the strategies that Taiwan developed to cope with the environment created by these

¹ Zhouliu Wu, *Orphan of Asia*, trans. Ioannis Mentzas (New York: Columbia University Press, 2006).

² Leo T.S. Ching, *Becoming "Japanese": Colonial Taiwan and the Politics of Identity Formation* (Berkeley: University of California Press, 2001), 179. Taiwan has also been called an "outcast." See Damon Bristow, "Taiwan's Defense Modernization," in *Defending Taiwan: The Future Vision of Taiwan's Defence Policy and Military Strategy*, ed. Martin Edwards and Michael M. Tsai (New York: Routledge, 2003), 75.

³ For a vigorous argument for the importance of history in shaping strategic culture, see Colin S. Gray, "Out of the Wilderness: Prime Time for Strategic Culture," *Comparative Strategy* 26, no. 1 (2007): 9.

⁴ Ching, *Becoming "Japanese"*, 179–80.

two powers. The report ends with a conclusion that assesses the impact of these strategies and speculates on the future.

Taiwan Becomes China

The Strategic Culture of the KMT Government

Taiwan is a recent addition to China. Until the end of the sixteenth century, the island was considered by Chinese officialdom to be a “wilderness...populated by savages.”⁵ Its incorporation into the Chinese administrative structure came in 1603. However, after China’s defeat in the Sino-Japanese War of 1895, this island, with an ethnic Chinese population representing approximately 85%–90% of its inhabitants, was ceded to Japan. It would remain a colony until Tokyo’s surrender after World War II.

In 1945, Taiwan’s Chinese were thrust into a mainland political and cultural environment from which they had been separated for half a century. In that year, forces of the ROC commanded by the KMT came to Taiwan to accept the Japanese surrender. The communiqué of the Cairo Conference in 1943 had called for the return of Taiwan to China, and military occupation was the first step in its return.

The island was *terra incognita* to the occupying forces. After eight years of anti-Japanese war on the mainland, these forces suddenly encountered islanders who appeared more Japanese than Chinese: they spoke Japanese, dressed like Japanese, and some even had Japanese names. Few could communicate in the national language of China. The chief of the first ROC military mission dismissed the island’s inhabitants as a “degraded people.”⁶ The islanders’ impression of the mainlanders was little better; they reciprocated the occupiers’ disdain after encountering corruption and exploitation. The ROC authorities rejected these complaints and demands for greater political participation. In 1947, tensions between the two populations erupted into an island-wide rebellion known as the February 28 Incident, which resulted in the deaths of thousands of local leaders and a military crackdown that became a full-fledged KMT dictatorship.

The ruling government/military apparatus was dominated by the *waisheng ren* (Chinese from outside the province) who had arrived with the KMT after the war and viewed the resident *bensheng ren* (Chinese from inside the province) as having a slave mentality and lacking all knowledge of “the [Chinese] motherland” due to Japanese colonial rule.⁷ The *waisheng ren* brought with them a new identity for the former colony. Taiwan became the home of the national capital of the legitimate government of China, fighting a civil war as part of a broader international confrontation (the Cold War).

However, the KMT needed to address two issues when imposing this mainland identity: the relationship of the government to the island of Taiwan and to the people of Taiwan. In regard to the former issue, the island was never formally ceded to the ROC from the perspective of the United States. When the Korean War broke out in June 1950, President Harry Truman declared

⁵ Emma Jinhua Teng, *Taiwan’s Imagined Geography: Chinese Colonial Travel Writing and Pictures, 1683–1895* (Cambridge: Harvard University Asia Center, 2004), chap. 1.

⁶ George H. Kerr, *Formosa Betrayed* (Boston: Houghton Mifflin, 1965), 79.

⁷ *Ibid.*, 278–90; and X. Wang, *Chen Yi yu er ba shijian* [Chen Yi and the 2/28 Incident] (Taipei: Haixiaxueshu, 2004), 6–8.

that Taiwan's status would be determined in the future.⁸ However, despite the island's unresolved status (which persists until today, according to U.S. policy), the ROC retained possession.

With respect to the second issue, the identity of the ROC as the embattled central government of China determined the nature of its governance. In the first place, the exigencies of the civil war (in which the people of Taiwan had never participated) were used to justify a repressive authoritarian government. Second, the identity of the government as the central government for all of China justified limited participation by the *bensheng ren*. For example, the legislative body elected on the mainland and representing areas lost to the Communists continued to sit in order to substantiate the government's identity as a national government, effectively disenfranchising the *bensheng ren*. The official justification was that holding new elections would be undemocratic until mainland Chinese could vote.

To further transform the identity of the island and its people to be consistent with its new status as the home of the Chinese central government, the KMT implemented campaigns of "de-Japanization and Sinification" to redress the assumed loss of Chinese identity. The educational system was structured to emphasize mainland culture and history.⁹ School curricula virtually omitted the study of local history, and the use of the "national language" rather than the local dialect was required. At the same time, the KMT suppressed expressions of Taiwan identity that would undermine the party, dealing harshly with political writings hinting at Taiwan nationalism, advocating independence from China, or questioning the policies of martial law.

These efforts by the KMT to create an identity as the mainland government were complemented by efforts to create a similar perception in the international system. Indeed, the two identities were mutually reinforcing, as each legitimized the claim of the other. Taiwan became "free China" allied with the international anti-Communist front in Asia. Most importantly, the ROC's assumed identity was validated by wide global recognition and membership in the United Nations thanks to the efforts of United States.

Opposition to KMT Rule

This section has argued that after 1949 the strategic culture of Taiwan drew from a constructed identity brought to the island from the mainland and based on the assumptions of the Chinese civil war and the international Cold War. However, strategic cultures are neither coherent nor unchanging, and viewing these years in retrospect, it is clear that there were developments that would challenge this identity and eventually drive change in the dominant culture.¹⁰

The distinctive history of Taiwan outlined earlier in this report contained much raw material from which to construct an alternative historical narrative sustaining a Taiwan-centric identity different from that imposed on the island by the KMT. This counterculture emerged after the party's suppression of the 1947 uprising and the subsequent dominance of the *waisheng ren*. Because of censorship, these writings, which emphasized themes such as the historical oppression of the Taiwanese and the island's unique and distinctive development apart from the mainland,

⁸ Richard R. Wertz, "The First Taiwan Crisis," Exploring Chinese History, <http://www.ibiblio.org/chinesehistory/contents/03pol/c04s06.html>.

⁹ This paragraph draws from A-chin Hsiau, *Contemporary Taiwanese Cultural Nationalism* (London: Routledge, 2000), chap. 6.

¹⁰ On the concept of drivers of change, see Christoph O. Meyer, "The Purpose and Pitfalls of Constructivist Forecasting: Insights from Strategic Culture Research for the European Union's Evolution as a Military Power," *International Studies Quarterly* 55, no. 3 (2011): 669–90.

were produced abroad.¹¹ Taiwan nationalists living abroad also became politically active, predominantly in the United States and Japan. These émigré organizations, however, were divided and had little influence in Taiwan. Still, their activities and publications provided a training ground for future activists on the island as well as intellectual fermentation for a future Taiwan-centered historical narrative that would come to counter the imposed mainland-centered narrative.

At the same time, international support for the mainland identity of Taiwan was eroding. The effort to admit China into the United Nations was gaining momentum. A more serious issue was the fact that the United States, the most important validator of Taiwan's mainland identity, was seeking ways to improve relations with the PRC. Henry Kissinger's secret visit to Beijing in July 1971 preceded the visit by President Richard Nixon in February 1972, although formal relations between the two countries would not be established until 1979.

The direction of U.S. policy weakened the ROC's claim to be the governing authority on the mainland, fighting a domestic rebellion and representing free China in the international system. The PRC's admission into the United Nations in 1971 was the most immediate sign that the ROC's international position was eroding. The trend in bilateral relations told a similar story. In 1970, 53 nations had recognized the PRC and 68 the ROC. By 1977, the figures were 111 and 23, respectively.¹² The final blow came in 1979 when the United States and the PRC established diplomatic relations. Although Washington did not recognize the mainland's claim to Taiwan, it did end diplomatic recognition of the ROC. This loss of U.S. recognition delivered a *coup de grâce* to the ROC's identity as the government of China with standing in the international system of sovereign states. In other words, by 1979 Taiwan had been orphaned.

The challenge to the international identity of Taiwan affected its domestic identity. This international humiliation, together with the KMT's aging leadership and corruption, was undermining the party's legitimacy at home. Society was becoming more demanding of change, and this produced a political opposition known as the *Dangwai* (Outside the Party) movement, which brought to Taiwan the oppositional themes developed abroad challenging both the authoritarian rule of the KMT and the mainland identity that sustained it. The *Dangwai* "attempted to mobilize the *bensheng ren* by remolding their collective memory...[and they] pioneered the advocacy of a pro-Taiwan view of history" at home that had been developing abroad.¹³

In response to this growing social unrest, Chiang Ching-kuo, who succeeded his father Chiang Kai-shek after the latter's death in 1975, saw the need for liberalization if the KMT was to maintain power. He promoted the recruitment of *bensheng ren* into the ruling party and in 1987 lifted the martial law decree that provided for military rule and limited public assembly and speech. In the fall of that year, elements of the *Dangwai* founded the opposition Democratic Progressive Party (DPP).

¹¹ The discussion in this paragraph and the next draws from Robert Edmondson, "The February 28 Incident and National Identity," in *Memories of the Future: National Identity Issues and a Search for a New Taiwan*, ed. Stéphane Corcuff (Armonk: M.E. Sharpe, 2002), 25–46; and Stephen Phillips, "Building a Taiwanese Republic: The Independence Movement, 1945–Present," in *Dangerous Strait: The U.S.-Taiwan-China Crisis*, ed. Nancy Bernkopf Tucker (New York: Columbia University Press, 2005), 43–69.

¹² Steven M. Goldstein, "The United States and the Republic of China, 1949–1978: Suspicious Allies," Stanford University, Walter H. Shorenstein Asia-Pacific Research Center, February 2000, 28.

¹³ Hsiao, *Contemporary Taiwanese Cultural Nationalism*, 158.

The Emergence of a Taiwan-Centric Identity

Chiang Ching-kuo died in 1988, having begun the process of democratization that, in turn, would stimulate the growth of a new Taiwan-centered identity.¹⁴ First, democracy required the termination of the emergency measures that had been put in place during the civil war and were the rationale for the authoritarian system. This implicitly represented Taiwan's withdrawal from the civil war with the mainland that had been the foundation of the island's identity since 1949. Second, all major elected offices on the island became subject to election by the people of Taiwan. This development effectively ended the myth that the ROC governed all of China. After all, how could a government that lays claim to all of China elect all of its leaders from one province? Finally, and most importantly, democracy widened the boundaries of political discourse and allowed the return from abroad of some of the most radical opponents of the authoritarian system. Political discourse was soon dominated by critical assessments of past rule by the mainlanders and the promotion of a distinctive Taiwan identity based on the previously suppressed history. Elected leaders responsive to these political currents would now exercise political power.

The first of these was Lee Teng-hui, who had been Chiang Ching-kuo's vice president and successor upon his death. Lee was a member of the KMT and a *bensheng ren*.¹⁵ In the twelve years of his presidency (1988–2000), he laid the foundation of a new identity with only tenuous, mostly historical links to mainland China. For example, a 1995 white paper dismissed the significance of the concept of “one China” as referring “only to China as a historical, geographical, cultural, and racial entity.” The document identified the ROC as an “independent, sovereign state since 1912” with “jurisdiction” over the island and proposed that Taiwan and the mainland “coexist as two legal entities in the international era.” By the end of his presidency, Lee described the link to the mainland as even more tenuous, depicting the KMT as a “foreign power” that had come “to rule” the Taiwanese, describing the island as a community of new Taiwanese, and characterizing cross-strait relations as a “special state-to-state relationship.”¹⁶

Lee pressed to end the “diplomatic isolation” of Taiwan and bemoaned the fact that despite its achievement of democracy the island did not “fit into the global order.”¹⁷ A trip to the United States and application to the United Nations were his most dramatic efforts to establish an international identity for “new” Taiwan. Along with promoting a new Taiwanese identity at home, Lee sought to legitimize the ROC internationally by traveling abroad and practicing “pragmatic diplomacy” and “vacation diplomacy.”

The presidency of Chen Shui-bian (2000–2008) extended the logic of Lee's reformulation of a Taiwan identity and his administration's unilateral approach to securing international standing based on it. Chen tried to end any suggestion of Taiwan's link with the mainland. His intention was to establish a national identity distinct from the mainland by changing the educational curriculum to emphasize Taiwan's separate history and renaming institutions with the word “China” in their title. He also suspended the guidelines drafted in the Lee administration that laid

¹⁴ For discussions of the relationship between democratization and a Taiwan-centric identity, see Alan M. Wachman, *Taiwan: National Identity and Democratization* (Armonk: M.E. Sharpe, 1994); and Christopher Hughes, *Taiwan and Chinese Nationalism: National Identity and Status in International Society* (London: Routledge, 2013). The following analysis of the interaction between identity, democracy, and international standing draws from these works.

¹⁵ The following analysis of the Lee Teng-hui, Chen Shui-bian, and Ma Ying-jeou administrations draws from Steven M. Goldstein, *China and Taiwan* (Cambridge: Polity Press, 2015), chap. 5–6.

¹⁶ *Ibid.*, 82, 95.

¹⁷ Lee Teng-hui, “Understanding Taiwan: Bridging the Perception Gap,” *Foreign Affairs*, November/December 1999.

out a path to unification, spoke of “one state on either side of the strait,” and threatened to amend the constitution to remove its connection with the mainland.

Like Lee, Chen spoke of expanding “an independent and autonomous diplomatic space to form more extensive and more reliable international cooperation.”¹⁸ He sought to transform the island’s international identity by putting Taiwan on the ROC passport and applying to the United Nations as “Taiwan.” Chen’s efforts yielded little success. The bid to join the United Nations was rebuffed, and the island’s diplomatic partners further shrank in number.¹⁹

Chen’s attempts to create international space for a Taiwan-centric identity alarmed the mainland and raised concerns in Washington regarding the dangers of cross-strait conflict. The KMT candidate in 2008, Ma Ying-jeou, sought to ease tensions in the strait with a platform of “no unification, no independence, and no use of force.” Ma held to the position that the ROC—which according to its constitution still included both Taiwan and China—was an independent sovereign state and called for the mainland to adhere to a policy of “mutual nonrecognition of sovereignty and mutual nondenial of jurisdiction.” Moreover, the KMT’s claim that both sides had agreed to a formula for talks based on “one China, different interpretations,” in the 1992 Consensus was not rejected by the mainland and provided the basis for negotiations that resulted in more than twenty agreements. Ma believed that improved cross-strait relations would encourage Beijing to lessen Taiwan’s international isolation, and he complemented his mainland policy with one of “flexible diplomacy” and observation of a “diplomatic truce.” The former term suggested that Ma would be more realistic than Chen in seeking to increase Taiwan’s international participation, while the latter term expressed the expectation that the mainland and Taiwan would cease competing to snatch each other’s diplomatic partners.²⁰

Yet based on the public reaction, Ma’s policies were the exception that proved the rule of growing Taiwan identity on the island. By his second term, public concern regarding the possible impact of his mainland policies on the island’s sovereignty and economy was progressively narrowing the negotiating agenda from the Taiwan side.²¹ For example, in a poll held a few months before the January 2016 election, the majority of those surveyed (69.3%) favored the depiction of the relationship with the mainland as “one state on either side [of the strait].” Only 16.2% supported the mainland position that “two sides of the strait both belong to one China,” and only 36.2% supported the policy of “one China, different interpretations,” which was the basis for talks during the Ma administration.²²

Meanwhile, the mainland, becoming impatient with the failure to move on to more substantive (i.e., political) topics, showed little inclination to allow Taiwan to increase its international profile. Beijing’s concerns that the Ma administration was stalling or that any concession regarding international participation might benefit a future DPP administration limited its acceptance of Taipei’s requests for “meaningful participation” in international organizations. During the eight

¹⁸ Liu Shih-chung, “Chen Shui-bian Unveils Detailed Foreign Policy Blueprint,” *Taipei Times*, December 1, 1999, <http://www.taipeitimes.com/News/insight/archives/1999/12/01/0000013179>.

¹⁹ John F. Copper, “Taiwan’s Failed President,” *Asian Affairs* 34, no. 4 (2008): 179–92.

²⁰ Adam Tyrsett Kuo, “Only Mutual Non-Denial Advances Cross-Strait Ties: Ma,” *China Post*, December 16, 2013, <http://www.chinapost.com.tw/taiwan/china-taiwan-relations/2013/12/26/396817/Only-mutual.htm>; and Kaocheng Wang, “Taiwan’s Diplomatic Policy under the Ma Ying-jeou Administration” (presentation at Stanford University, Stanford, March 3, 2010), <https://cddrl.fsi.stanford.edu/file/184933/download?token=26S27TZw>.

²¹ See Goldstein, *China and Taiwan*.

²² “‘Taiwan minxin dongtai diaocha, zongtong daxuan xin bian shu’ mindiao xinwengao” [Taiwan Mood Barometer Survey, Presidential Election Added Uncertainty], Taiwan Indicators Survey Research, October 15, 2015, <http://www.tisr.com.tw/?p=5983>.

years of the Ma administration, China only gave the nod to Taiwan's attendance as a "guest" at a meeting of the International Civil Aviation Authority and as an "observer" and at the World Health Congress.²³

In January 2016, Taiwan elected the DPP candidate Tsai Ing-wen as president. During her campaign, Tsai was critical of Ma's policies toward the mainland, and at the time of writing she has refused to accept the content of the 1992 Consensus that had made talks possible during the Ma administration, instead pledging only to sustain the status quo in the strait. The mainland has refused to reopen negotiations until she accepts the 1992 Consensus or another version of one China. Although avoiding the provocative policies of Chen Shui-bian, Tsai has persisted in supporting the Taiwan-centric identity promoted by the DPP. For example, during a June 2016 visit to the Panama Canal, she signed the guest book as "President of Taiwan (ROC)," reversing the usual order. In doing so, she reflected the public mood in Taiwan, which embraces a Taiwan-centric identity. Public opinion polls taken during summer 2016 revealed that since 1992 those surveyed who identified themselves as Taiwanese (*Taiwan ren*) had increased from 17.6% to 59.3% (if one includes those identifying as both Chinese and Taiwanese, the total is 92.9%), while those considering themselves to be only Chinese (*Zhongguo ren*) sunk from 25.5% to 3.0%.²⁴ In addition, a June 2016 survey on cross-strait relations reveals overwhelming support (86.6%) for the maintenance of the status quo (either indefinitely, with a decision later, with independence later, or with unification later) rather than either immediate independence or unification with the mainland.²⁵ Finally, a September 2016 poll found that more than twice as many respondents (45.5% vs. 21.6%) favored eventual independence over unification, with almost five times as many (59.1% vs. 11.9%) of those in the 20–29 age group taking this position.²⁶

The evidence presented above suggests that since the shocks of the 1970s, a domestic consensus regarding Taiwan's identity has emerged during the process of democratization.²⁷ The mainland identity imposed on the island during the Chinese civil war has been replaced by a Taiwan-centric identity that stresses the island's sovereignty and separateness from the mainland. However, as we have seen, the very same shocks that undermined Taiwan's civil war identity also undermined the Cold War environment to which the international standing of the island was tied after 1949, thereby casting the ROC into a state of "diplomatic purgatory" in an international system of sovereign states.²⁸ Because the domestic and international acceptance of Taiwan's identity are mutually supportive, the domestic legitimacy of the new identity is weakened by Taiwan's diminished status in the world. And so the awareness of the need to redress this orphan status has been a central theme of all the democratic administrations in Taiwan. What has resulted from this experience is an awareness that, paradoxically, the primary cause of the island's orphan status,

²³ Shih Hsiu-chuan, "Taiwan Only 'Guest' due to China," *Taipei Times*, September 26, 2013; and Gerrit van der Wees, "Taiwan and the World Health Assembly," *Diplomat*, May 10, 2016, <http://thediplomat.com/2016/05/taiwan-and-the-world-health-assembly>.

²⁴ "Taiwanese/Chinese Identification Trend Distribution in Taiwan (1992/06~2016/06)," Election Study Center, National Chengchi University, August 24, 2016, <http://esc.nccu.edu.tw/app/news.php?Sn=166#>.

²⁵ "Taiwan Independence vs. Unification with the Mainland Trend Distribution in Taiwan (1992/06~2016/06)," Election Study Center, National Chengchi University, August 24, 2016, <http://esc.nccu.edu.tw/app/news.php?Sn=167#>. Specifically, this survey found that 32.7% of respondents favored maintaining the status quo, with a decision later; 26.9% favored maintaining the status quo indefinitely; 19.0% favored maintaining the status quo, with a move toward independence later; 8.0% favored maintaining the status quo, with a move toward unification later; 4.4% favored independence as soon as possible; and 1.5% favored unification as soon as possible.

²⁶ "Lianho xinwen gang" [UDN Internet], *United Daily News*, October 3, 2016, <http://udn.com/news/story/1/1998801>.

²⁷ For an excellent discussion of the development of Taiwanese identity and sources citing Taiwan public opinion polls, see Syaru Shirley Lin, *Taiwan's China Dilemma: Contested Identities and Multiple Interests in Taiwan's Cross-Strait Economic Policy* (Stanford: Stanford University Press, 2016).

²⁸ Michael Leifer, "Foreword" in Hughes, *Taiwan and Chinese Nationalism*. This is a central theme of the Hughes book.

as well as factors that can ameliorate it, can be found in the policies of Taiwan's sole adversary (China) and its sole international protector (the United States).

The Environment of an International Orphan

The mainland position on Taiwan has changed little in the past seven decades: based on history and wartime agreements, the island of Taiwan is a part of China. This is encapsulated in Beijing's one-China principle, which states that "there is only one China in the world; the mainland and Taiwan both belong to one China; and China's sovereignty and territorial integrity are indivisible." Indeed, the mainland, concerned that even bilateral contacts might be seen as international in nature, has only agreed to hold such talks on the condition that an acceptable form of this principle is acceded to (as was the case with the 1992 Consensus).

For Beijing, the ROC is a remnant of a defeated government occupying an island over which the PRC is sovereign. It seeks to frustrate any attempts by Taiwan to gain acceptance of its post-authoritarian identity abroad, isolating the island and leaving no choice but unification. While Beijing is willing to grant special status for Taiwan's government within a reunited China (a policy of "one country, two systems"), it expends considerable diplomatic energy to assure that no country or organization takes any action that would suggest the ROC's sovereign status in the international system. Beijing's position on this issue is nonnegotiable.

Yet, it is not only the mainland but also the United States that has frustrated Taiwan's efforts at winning international acceptance of its post-authoritarian identity. Although it broke relations with the ROC and recognized the PRC as the government of China in 1979, Washington has continued to depict the international status of Taiwan as "undetermined."²⁹ It acknowledged, but did not accept, the Chinese assertion that Taiwan is a part of China, implying that as far as the United States is concerned, the ROC is a nonexistent state on an island of undetermined status.

The implications of this for the U.S. position on Taiwan's status in a world of sovereign states were made explicit in 1998 when President Bill Clinton articulated the "three no's" of U.S. policy toward Taiwan: no support for Taiwan independence, no support for a policy of "two Chinas" or "one China and one Taiwan," and no support for Taiwan's membership in any international organization requiring statehood. Later, during the George W. Bush administration, when Chen Shui-bian edged toward establishing his government as a sovereign, independent entity known as Taiwan, there was a more explicit U.S. statement that "Taiwan, or the Republic of China, is not at this point a state in the international community...[It] is an issue undecided."³⁰ U.S. policy seemed to affirm the continuance of Taiwan's anomalous international position when President Bush declared in 2003 that the United States would "oppose any unilateral decision by either China or Taiwan to change the status quo" until such a time as both sides peacefully settle their differences.³¹ The effect of this policy was to make any change in the international status of Taiwan dependent on the mainland's agreement, thereby serving Beijing's interest in blocking such a change.³²

²⁹ Shirley A. Kan, "China/Taiwan: Evolution of the 'One China' Policy—Key Statements from Washington, Beijing and Taipei," Congressional Research Service, CRS Report for Congress, RL30341, 9, <https://www.fas.org/sgp/crs/row/RL30341.pdf>.

³⁰ See the statement by National Security Council senior director for Asian affairs Dennis Wilder on August 30, 2007, available from Taiwan Civil Society, "Taiwan's Legal Status: Key Statements by U.S. Executive Branch Officials," <http://www.civil-taiwan.org/key-stt.htm>.

³¹ Kan, "China/Taiwan," 76.

³² Of course, it also serves Taiwan's interest by opposing any mainland efforts to unilaterally achieve unification.

Thus, there appears to be a Sino-U.S. consensus on Taiwan's lack of standing as a sovereign state in the international system. However, the position of the United States does have greater flexibility, and this is due to the conditions that accompanied the very same act that created Taiwan's anomalous position—the normalization of relations between the United States and China in 1979. The United States accepted the PRC's demand that the two indicators of an official relationship with the ROC—diplomatic relations and a mutual defense treaty—be terminated. However, the Carter administration insisted that arms sales to Taiwan continue and that Washington maintain unofficial relations with Taiwan. These stipulations were legislated in the Taiwan Relations Act passed by Congress in 1979.

The Taiwan Relations Act begins by asserting that “peace and stability in the [Western Pacific] area are in the political, security and economic interests of the United States and are matters of international concern” and that normalization with China was based on the “expectation” of peaceful resolution of cross-strait differences.³³ Any attempts to “determine the future [of Taiwan] by other than peaceful means” would be considered “a threat to the peace and security of the Western Pacific area and of grave concern to the United States.” Further, the act mandated that the United States maintain the “capacity to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan” and “to provide Taiwan with arms of a defensive character.” It also mandated the president to inform Congress of the existence of “any threat to the security or the social or economic system of the people on Taiwan and any danger to the interests of the United States arising therefrom” and stipulated that both branches jointly “determine, in accordance with constitutional processes, appropriate action by the United States in response to any such danger.”

In short, the positions of the United States and China regarding Taiwan's orphan status have different objectives and thus have important policy consequences. For Chinese leaders, the maintenance and intensification of the ROC's international isolation are means toward the end of leaving Taipei no option but unification if it wishes to end abandonment. This commitment to Taiwan's isolation is uncompromising and a matter of principle. However, for the United States, leaving the island's status undetermined was a solution to the most difficult problem preventing Sino-U.S. normalization and was intended to satisfy the PRC while minimizing the domestic and international impact of the desertion of a long-time ally. Because of this context, the United States' Taiwan policy can be more flexible even as Washington carefully navigates a course between the Scylla of damaging relations, or even becoming entrapped in a conflict with China, and the Charybdis of the domestic and international political damage that might result from the apparent abandonment of an Asian democracy.

The U.S. and Chinese policies are clearly seen in Taipei as the principal cause of the island's orphan status. However, the behavior of Taiwan's post-authoritarian leaders suggests that they see the different motivations behind those policies as affording Taiwan the space for a policy that could meet the popular demand for greater international recognition of the island's new identity or at least maintain the status quo. For the past three decades, the essence of that policy has been, on the one hand, to resist China's efforts to achieve Taiwan's isolation and incorporation and, on the other hand, to secure support from the United States that does not endanger Sino-U.S. relations.

³³ The text of the Taiwan Relations Act is available from the American Institute in Taiwan at <https://www.ait.org.tw/en/taiwan-relations-act.html>.

Seeking Greater International Space

Resisting China

As we have seen, China's ultimate and uncompromising objective is Taiwan's incorporation into the PRC. Beijing views any change in the ROC's international identity as unacceptable and seeks to frustrate any progress in that respect. It will not tolerate countries with which it has relations dealing officially with Taiwan, the admission of the ROC into international organizations requiring statehood, or international travel by Taiwan officials on an official basis. Beijing insists that Taiwan is a region of China and that it has the final word on the conditions for Taiwan's international activity.³⁴

Generally speaking, China's international campaign to isolate Taiwan diplomatically has been successful. The ROC is excluded from the most important intergovernmental organizations, has diminished standing in some, and is subject to formal or informal approval by China before admission to others. Even in international NGOs, the PRC has been sensitive to any indication of an identity for Taiwan apart from China.

For the most part, Taiwan's leaders have been able to do little to counter these efforts. Although, as will be discussed below, the United States has weighed in on occasion, when faced with the choice of either accepting a name change such as "Taipei, China," "Chinese Taipei," or "Taiwan, China," or remaining isolated, Taiwan has generally conceded. As the most recent effort by the Tsai administration to attend the meetings of the International Civil Aviation Organization suggests, the ROC's attempts to bypass China have failed.³⁵

In addition, China has carefully monitored the ROC's attempts to expand its economic ties in Asia through bilateral agreements (such as that with Singapore) or participation in regional economic organizations. China's efforts to restrict Taiwan's activities will likely become more consequential in the years ahead. Asia is in the process of creating a new economic architecture involving free trade agreements and multinational economic organizations, and Taiwan's participation in these initiatives will be essential for the survival of its economy.³⁶

A more immediate concern has been the mainland's use of cross-strait economic trade and investment to create dependence on the mainland. Two-way trade across the Taiwan Strait grew dramatically after it was sanctioned by Taipei in the late 1980s.³⁷ When Lee Teng-hui was elected president in 1996, trade was only \$3.7 billion, but by 2014 it had increased to \$130.2 billion. Cross-strait investment showed a similar pattern of growth. Estimates are that today more than 40% of Taiwan's exports go to the mainland, while investment in China represents more than 80% of Taiwan's outward investment. The mainland has been candid about the political purpose of this economic relationship. In 1990 a Chinese leader declared that the purpose of economic exchanges was *yi shang wei zheng* (exploit business to exploit politics) and *yen min bi guan* (utilize the public

³⁴ Ministry of Foreign Affairs of People's Republic of China (PRC), "How Does the Chinese Government Handle the Relations between International Organizations and Taiwan?" http://www.fmprc.gov.cn/mfa_eng/ljzg_665465/3568_665529/t17786.shtml.

³⁵ For a discussion of this issue, see Bonnie S. Glaser, *Taiwan's Quest for Greater Participation in the International Community* (Washington, D.C.: Center for Strategic and International Studies, 2013).

³⁶ For an excellent discussion of both the importance of Taiwan's membership in this emerging architecture and the obstacles posed by China, see William T. Wilson, "Market Solutions Should Be Central to U.S.'s Taiwan Policy," Heritage Foundation, Background, no. 2930, August 1, 2014, <http://www.heritage.org/research/reports/2014/08/market-solutions-should-be-central-to-uss-taiwan-policy>.

³⁷ Statistics provided by the mainland and Taiwan differ quite significantly. In the discussion that follows, I will use Taiwan customs data. The source for these various numbers is the Mainland Affairs Council, Republic of China (ROC), <http://www.mac.gov.tw>.

to urge the official).³⁸ Beijing has clearly attempted to use favorable trade and investment policies to attract Taiwan businesses and build goodwill on the island as part of a campaign to win the hearts and minds of the Taiwan people.

However, evidence suggests that while some Taiwan business leaders have complained about government restrictions, the broader public has been unimpressed by Beijing's efforts, criticizing the uneven distribution of the benefits of cross-strait trade as well as its impact on Taiwan's sovereignty. Successive ROC administrations have expressed concern over the economic costs of the diversion of investment funds, the migration of critical technology, and the hollowing out of industry on the island as well as over the possibility that the PRC might use economic sanctions or create a "fifth column" of pro-mainland business people.

The response of past governments to these concerns has been to regulate the level and pace of Taiwan's investment and trade with the mainland. Due to evasion by the island's industries, this policy generally has had little impact. In her May 2016 inaugural address, President Tsai unveiled her "go south" policy. She called for the island to "bid farewell to our past overreliance on a single market" and look to South and Southeast Asia (including India) for new opportunities for trade and investment. However, whether this strategy will serve the dual objectives of increasing Taiwan's international profile and lessening China's potential to apply economic pressure is unclear. This is not the first time an ROC government has tried to divert trade from the mainland. As noted above, such an effort must cope with not only possible Chinese pressure on Taiwan's trading partners but also competition from other economies already established in the area.

Of course, the most serious threat to Taiwan's autonomy is the possibility that the mainland will use force to achieve unification. Although the PRC has declared a preference for achieving that goal by peaceful means, the 2005 Anti-Secession Law threatens the use of force not only if independence is declared but also if there is an "exhaustion" of "possibilities for unification."³⁹ Preparation for either contingency has been a driver of China's dramatic military modernization that has transformed the military balance in the strait. At the turn of the 21st century, most analysts believed that Taiwan had a good chance of prevailing in a military confrontation with the mainland.⁴⁰ Today, the balance has shifted. China enjoys dominance in conventional forces as well as in ballistic and land-attack missiles and cyberwarfare capabilities.⁴¹

This imposing array of forces performs a number of functions in the mainland's management of cross-strait relations. The first is deterrence—the threat of the consequences that might follow from any actions considered unacceptable by the mainland. The second function is compellence—the use of force or the threat of force to compel the government on Taiwan to desist from unacceptable policies, the most serious of which would be seeking independence or possibly even prolonging the status quo. Finally, China must consider the possibility of U.S. assistance. This is not a certainty, as will be discussed in the next section. However, a prudent Chinese leadership must assume that U.S. aid might be forthcoming in the event of an attack. To meet this contingency, Chinese military planning has focused on developing anti-access/area-denial capabilities to slow the deployment of

³⁸ Chen-yuan Tung, "China's Economic Leverage and Taiwan's Security Concerns with Respect to Cross-Strait Economic Relations" (PhD diss., Johns Hopkins University, 2002).

³⁹ The full text of the Anti-Secession Law is available from the Embassy of the PRC in the United States of America at <http://www.china-embassy.org/eng/zt/999999999/t187406.htm>.

⁴⁰ David A. Shlapak et al., *A Question of Balance: Political Context and Military Aspects of the China-Taiwan Dispute* (Santa Monica: RAND Corporation, 2009).

⁴¹ See U.S. Department of Defense, *Annual Report to Congress: Military and Security Developments Involving the People's Republic of China 2016* (Washington, D.C., 2016), <http://www.defense.gov/Portals/1/Documents/pubs/2016%20China%20Military%20Power%20Report.pdf>.

U.S. forces into a combat area, compelling them to operate at a distance from the region, or, failing that, to disrupt their operations within the area.⁴²

The growth of China's military is a challenge for Taiwan. After establishing itself on the island, the ROC pursued an essentially defensive policy. The call to continue the civil war and to retake the mainland justified the establishment of KMT authoritarian rule, but the party's strategy was designed to protect Taiwan until preparations for a future counterattack were completed. When Lee Teng-hui declared the civil war over in 1991, the military doctrine became "strong defensive posture [and] effective deterrence." A strong defense was intended to prevent the mainland from launching an attack, and "effective deterrence" was to be achieved by the high cost of conflict.⁴³

The defense policy developed during the Chen Shui-bian administration was the first major reaction to the modernization of the Chinese military. Focusing on the growing number of Chinese missiles, Chen's administration elevated the threat from the mainland to "imminent" and warned that it was the "gravest challenge to Taiwan's continual survival." In response, a doctrine of "decisive campaign outside the territory" (attacking mainland forces before they reached the coast) was proposed.⁴⁴ Departing from Lee's defensive policy, Chen initially called for "pre-emptive measures to neutralize enemy military targets" if an attack seemed imminent and suggested the necessity of "deep strikes" at military targets on the mainland.⁴⁵ However, the doctrine eventually excluded preemptive attacks, stating that "as long as the enemy does not initiate a war against us, Taiwan will not launch the first attack."⁴⁶

Ma Ying-jeou believed that changes in the cross-strait military balance required a new response. He and his advisers were attracted to an approach suggested by William Murray at the U.S. Naval War College, who argued that Taiwan could no longer hope to achieve symmetry with China's military.⁴⁷ It had to accept the role of defender. To do so, he maintained that Taiwan should adopt a "porcupine strategy" that would allow the island to sustain an extended defense "for weeks or even months." This would require hardening and dispersing military installations, stockpiling defensive weapons, and creating asymmetric capabilities. Such a defense, Murray argued, would make the mainland think twice about attacking and, should it attack, would demonstrate to Washington the island's determination to resist, providing time for the United States to decide whether to come to Taiwan's aid.

The defense policy implemented by Ma's administration clearly reflected the influence of the porcupine strategy as embodied in its policy of "resolute defense, credible deterrence" (also known as a Hard ROC strategy in English—a pun on the initials of the government in Taiwan). This doctrine, as described in Taiwan's *Quadrennial Defense Review 2009*, signifies "a rock solid and impregnable defensive force that, by implication, could not be dislodged, shattered, or breached by a numerically superior force during an attempt to attack or invade ROC territory."⁴⁸

⁴² U.S. Department of Defense, "Air-Sea Battle," May 2013, <http://archive.defense.gov/pubs/ASB-ConceptImplementation-Summary-May-2013.pdf>.

⁴³ Ministry of National Defense (ROC), *1996 Defense Report*, trans. Tunhwa Ko (Taipei, 1996), 5–6, available at <https://michalthim.files.wordpress.com/2015/08/1996-national-defense-report2.pdf>. A later statement defined this doctrine as "a kind of defensive deterrence aimed at dissuading opponents from attacking by convincing them that the cost of using military force will outweigh the gains they might get from employing it."

⁴⁴ Michael D. Swaine, *Taiwan's National Security, Defense Policy, and Weapons Procurement Processes* (Santa Monica: RAND Corporation, 1999), 35

⁴⁵ Arthur S. Ding and Paul A. Huang, "Taiwan's Paradoxical Perceptions of the Chinese Military," *China Perspectives*, no. 2012/4 (2011): 47–48.

⁴⁶ Ministry of National Defense (ROC), *2004 National Defense Report* (Taipei, 2004), 65, available at <https://michalthim.files.wordpress.com/2015/08/2004-national-defense-report.pdf>.

⁴⁷ William S. Murray, "Revisiting Taiwan's Defense Strategy," *Naval War College Review* 61, no. 3 (2008): 13–38.

⁴⁸ Ministry of National Defense (ROC), *Quadrennial Defense Review 2009* (Taipei, 2009), 10, http://www.us-taiwan.org/reports/taiwan_2009_qdr.pdf.

The logic of this strategy was characterized as “resolute defense” that required a “fortified” capacity intended to “sustain the enemy’s first strike, avert decapitation, and maneuver forces to carry out counterattacks and sustainment.”⁴⁹

During the 2016 election, the DPP-affiliated think tank the New Frontier Foundation published a series of defense “blue papers.” Presenting a policy of “effective deterrence and defense,” the papers called for the addition of a fourth military service focused on cyberwarfare and “revitalizing the domestic defense industry...[as] a core axis” of DPP defense policy.⁵⁰ Tsai Ing-wen highlighted this strong emphasis on developing an indigenous weapons manufacturing capacity during a visit to an indigenously designed and manufactured warship early in her administration.⁵¹

Thus, rather than competing with the mainland in an arms race, Taiwan appears to be following Murray’s proposal for developing asymmetric capabilities and a defensive posture; it is the strategy of a weaker power.⁵² Moreover, Taiwan’s military procurement policy stressing indigenous development has come to reflect the island’s orphan status. Recent trends have clearly moved in the direction of dramatically expanding domestic research and production of military weaponry. Not only are foreign purchases expensive and difficult to procure, but the mainland’s vocal protests and strong retaliatory actions also have largely ended foreign sales to Taiwan and even put pressure on the island’s only international source of arms, the United States.

In sum, China’s policy of isolating Taiwan in order to leave it little choice but to unify has frustrated both Taiwan’s leaders and its people by undermining the international legitimacy of the island’s post-authoritarian identity. However, despite the dominant place that the mainland occupies in the supply chain of Taiwan’s export-oriented economy, China has not been able—or has been unwilling—to use coercive economic measures to bring about unification. Regarding the use of force as an alternative, although the Chinese military is clearly dominant in the strait area, absent any action by Taiwan that crosses a red line, this option constitutes a blunt instrument that would have unpredictable political, economic, and reputational effects for China.

Yet the most important factor in explaining the present state of mainland efforts is the role of the United States. U.S. policy has played a dual role with respect to Taiwan’s orphan condition. On the one hand, it has limited the impact of Chinese efforts at unification while supporting Taiwan’s resistance. On the other hand, much to the frustration of Taiwan’s post-authoritarian leaders, this policy has sustained the island’s orphan status and done little to advance the cause of its integration into the international sovereign-state system.

Securing U.S. Support

As noted earlier, the United States’ position on Taiwan’s participation in international organizations is similar to that of China: it does not support membership in those bodies for which statehood is a requirement.⁵³ However, beyond this, its support of Taiwan’s participation sharply

⁴⁹ Ministry of National Defense (ROC), *Quadrennial Defense Review 2013* (Taipei, 2013), 34, http://www.us-taiwan.org/reports/taiwan_2013_qdr.pdf.

⁵⁰ New Frontier Foundation, “Taiwan’s Military Capacities in 2025,” Defense Policy Blue Paper, no. 9, May 2015, 1, http://www.ustaiwandefense.com/tdnswp/wp-content/uploads/2014/12/20150526_DPP_Defense_Blue_Paper_9.pdf; and New Frontier Foundation, “Bolstering Taiwan’s Core Defense Industries,” Defense Policy Blue Paper, no. 7, October 2014, http://www.ustaiwandefense.com/tdnswp/wp-content/uploads/2014/08/20141005_DPP_Defense_Blue_Paper_7.pdf.

⁵¹ “Taiwan’s New President, on Naval Visit, Champions Local Defense Industry,” Reuters, January 4, 2016, <http://www.reuters.com/article/us-taiwan-defence-idUSKCN0YQ08O>.

⁵² For a more detailed discussion of the role of different services in this strategy, see Kyle Mizokami, “How Taiwan Would Defend against a Chinese Attack,” U.S. Naval Institute, March 26, 2014, <https://news.usni.org/2014/03/26/taiwan-defend-chinese-attack>.

⁵³ Much of the following paragraph draws from Glaser, *Taiwan’s Quest for Greater Participation*.

contrasts with that of China. For example, the United States favors “meaningful participation” (i.e., guest or observer status) in such organizations and has called on its allies to do similarly. Still, U.S. support has been unable to offset the veto power that China exercises on both Taiwan’s participation and the nomenclature used in identifying the island.

With respect to offsetting efforts by China to use its economic ties to promote dependence, the role of the United States is much more important. Although its importance has diminished in the past decade, the economic relationship with the United States is still considered by Taipei to be an important factor not only in and of itself but also for its contribution to the elevation of Taiwan’s global profile. Foreign trade represents more than 70% of Taiwan’s GDP. Although the volume of trade between Taiwan and the United States has declined, Taipei sees this economic relationship and the benefits that it brings to the island as contributing in a major way to ameliorating Taiwan’s orphan status. Despite recent controversies over U.S. agricultural exports to the island, the robust trade relationship, important technological exchanges, and growing mutual direct investment with the United States are of great importance to Taiwan’s efforts to maintain a prominent international profile.⁵⁴

Still, U.S. assistance will be even more important as Taiwan looks to the future. Ma Ying-jeou and Tsai Ing-wen consider it essential that Taiwan not be left out of the multinational trade regimes and free trade agreements that are reshaping the topography of the Asian economy. Given that China will likely attempt to set the conditions for Taiwan’s participation, the ROC hopes that the United States will play the same role as it did during the World Trade Organization admission process by supporting Taiwan and encouraging U.S. allies to do the same.

However, it is in the realm of defense that U.S. assistance is most important in offsetting China’s pressures. Despite Ma’s statement that he did not expect U.S. soldiers to defend Taiwan, there is no question that the island’s defense strategy relies heavily on the expectation of the United States’ support.⁵⁵ As one commentator has noted, Taiwan’s present Hard ROC defense strategy is “in fact tactical, designed to delay and raise costs only. The only real defense strategy involves the United States. Publicly demonstrating a strong alliance for deterrence purposes, and ensuring good communication and discussion to prepare for contingencies, is Taiwan’s best strategic posture.”⁵⁶ Likewise, Kurt Campbell has argued that the security relationship is the “bedrock” of U.S.-Taiwan relations.⁵⁷ Like the economic link, it not only enhances the international standing of Taiwan but is also an essential element in the ROC’s resistance to a coerced resolution of the cross-strait relationship. In addition, the United States is the only foreign source for military hardware as well as training and advice. It is also the only country in the world whose strategic posture includes the possibility of coming to Taiwan’s aid in the event of a cross-strait conflict. The Taiwan Relations Act has made possible a strong and wide-ranging security relationship between the United States and Taiwan, and the most prominent aspect of this relationship is arms sales.⁵⁸ During the Obama

⁵⁴ For further discussion of the scope of U.S.-Taiwan relations, see Daniel R. Russel, “Evaluating U.S. Policy on Taiwan on the 35th Anniversary of the Taiwan Relations Act,” testimony before the U.S. Senate Committee on Foreign Relations Subcommittee on East Asian and Pacific Affairs, Washington, D.C., April 3, 2014, <http://www.state.gov/p/eap/rls/rm/2014/04/224350.htm>.

⁵⁵ Tom Evans, “Ma: Taiwan Won’t Ask U.S. to Fight China,” CNN, May 1, 2010, <http://www.cnn.com/2010/WORLD/asiapcf/04/30/taiwan.china.us/index.html>.

⁵⁶ Jennifer M. Turner, “The Cost of Credible Deterrence in Taiwan,” *War on the Rocks*, January 13, 2016, <http://warontherocks.com/2016/01/the-cost-of-credible-deterrence-in-taiwan>.

⁵⁷ William Lowther, “Taiwan Experts on List of Clinton Advisers: Report,” *Taipei Times*, March 23, 2016, <http://www.taipeitimes.com/News/taiwan/print/2016/03/23/2003642244>.

⁵⁸ The next two paragraphs are based on Shirley A. Kan, “Major U.S.-China Arms Sales since 1990,” Congressional Research Service, CRS Report for Congress, RL30957, July 3, 2013.

administration the United States has made available approximately \$14 billion worth of arms for purchase by Taiwan.

What is less noticed is the close defense cooperation that has developed. Yearly talks on military and strategic matters (the so-called Monterey talks) have taken place between Washington and Taipei since 1997. ROC officers attend educational institutions such as the U.S. Naval War College, receive flight training at U.S. airbases, and have access to meetings at the Pentagon as well as the headquarters of the Pacific Command. Officials in the Taiwan Ministry of National Defense (including the defense minister and the chief of the general staff) and intelligence officials have also traveled to the United States for meetings with U.S. officials and representatives of defense industries. Likewise, since 2002, the American Institute in Taiwan has had an active duty military officer in residence. In addition, there have been delegations of serving and retired U.S. officers at military exercises on Taiwan, while the U.S. Defense Department has conducted numerous assessments of various aspects of the island's military preparedness. Many of the recent reforms of the Taiwan military to strengthen its asymmetric warfare capability—including dispersal, hardening of military facilities, and a reduction of the usual preference given to the army—have reflected the United States' influence.

Of course, as in any relationship, the goals of the partners are asymmetric. In particular, when seen from the ROC's perspective, leaders since Chiang Kai-shek have had to balance Taiwan's strategic priorities and the concerns of the United States. Ever since the 1950s the most important of those concerns has been entrapment in a cross-strait conflict due to Taiwan's behavior. The island's leaders have been consistently cautioned that they cannot rely on U.S. aid in a conflict that they provoke. Taiwan's leaders today are thus aware that they must formulate an approach to China within the context of a U.S. cross-strait policy that Richard Bush has referred to as "dual deterrence." This policy combines threats regarding the consequences of certain actions with assurances of support for each side's position should it abstain from provoking the other side. Thus, Taiwan is assured that the United States will support it if it refrains from threatening the status quo in the area, while China is assured that the United States will not support Taiwan's independence if the mainland similarly refrains. "In effect," Bush argues, "Washington's message to both Beijing and Taipei is that it will defend Taipei under some circumstances and not others."⁵⁹

This posture reflects the underlying principle of U.S. policy toward cross-strait relations: to follow a careful course between damaging relations with China and seeming to abandon Taiwan. As the conclusion will argue, when Taiwan's leaders do not respect this principle, relations with the United States have suffered.

Conclusion

Maintenance of the status quo is not the objective of Taiwan's post-authoritarian elite. The international tremors from the United States' recognition of China undermined the ROC's Cold War identity, even as it contributed to the creation of a new domestic identity. While this new identity has been strengthened during the last three decades, achieving international standing has eluded Taiwan's post-authoritarian leaders due to the very same Sino-U.S. relationship that earlier undermined the island's international standing based on the Cold War.

⁵⁹ Richard C. Bush, *Untying the Knot: Making Peace in the Taiwan Strait* (Washington, D.C.: Brookings Institution, 2005), 258–65.

Since democratization, Taiwan's leaders have taken different approaches to redress this condition. Chen Shui-bian and Lee Teng-hui sought to internationalize the island's domestic identity without due consideration to the impact that their efforts were having on Sino-U.S. relations. The result was a deterioration of the relationship with Washington. Their experiences clearly influenced the attitude of Ma Ying-jeou, who pledged not to be a "troublemaker" or spring "surprises." With the encouragement of both China and the United States, he sought to initiate a process of reconciliation that would build some form of peaceful coexistence across the strait. However, concerns at home regarding the impact of his policies on Taiwan's sovereignty, as well as the mainland's impatience with the slow progress in moving beyond economic issues, limited Ma's efforts. Having been politically damaged in 2012 by U.S. suspicions, Tsai Ing-wen conducted her campaign and began her presidency by practicing transparency in her relationship with the United States. However, cross-strait relations have stalled as the mainland demands recognition of "one China" as a condition for the resumption of talks—a concession that would contradict the prevailing Taiwan-centric identity on the island.

It is possible to imagine numerous scenarios in which one of the actors involved makes a concession or decides to break the current deadlocked status quo. Specifically, there is always the danger that a politician in Taiwan may again make moves toward independence or that a Chinese leader will lose patience with the prevailing status quo. However, both sides are aware of the costs of such actions (including, of course, involvement by the United States). For the near future, it would thus seem that Taiwan's orphan status is unlikely to change. Its leaders will continue to adopt a strategy of provoking neither the United States nor China, even while they resist mainland pressures and look to Washington to support their efforts to at least maintain that status.



Seattle and Washington, D.C.

1414 NE 42ND STREET, SUITE 300
SEATTLE, WASHINGTON 98105 USA
PHONE 206-632-7370, FAX 206-632-7487

1819 L STREET NW, NINTH FLOOR
WASHINGTON, D.C. 20036 USA
PHONE 202-347-9767, FAX 202-347-9766

NBR@NBR.ORG, WWW.NBR.ORG