



Statement before the House Committee on Foreign Affairs
Subcommittee on Asia and the Pacific
On Renewing Assurances: Strengthening U.S.-Taiwan Ties

Taiwan as Partner, not Problem

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Mr. Chairman (Rep. Ted Yoho) Ranking member (Rep. Brad Sherman)

Thank you for inviting me to testify before you today alongside my two distinguished colleagues. Though China's aggressive activities in the South China Sea, rivalry with Japan, and the persistent crisis on the Korean Peninsula loom as large and dangerous matters, relations across the Strait are still arguably the biggest issue of contention between the US and the People's Republic of China (PRC).

Allow me to boil the problem down to its essence: Taiwan is a thriving democracy, wishing nothing more than to continue to peacefully develop into an innovative technology powerhouse. It makes no claims on Chinese territory and poses no threat to the Chinese people. To the contrary, Taiwan has played a major role in the China economic boom. However, the PRC makes an imperial claim to the island based on the fact that its last great empire conquered Taiwan hundreds of years ago. It gives Taiwan no quarter, as we just witnessed with Beijing's pressure on Panama to de-recognize Taiwan.

To be sure, there are other reasons why the People's Republic of China claims Taiwan – the legacy of the Chinese civil war and geostrategic considerations associated with China's attempted naval break-out into what we call the “first island chain.”

But the bottom line is this: when we acknowledged in our first joint Communiqué with the PRC in 1972 “that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is part of China,” we acquiesced in the Chinese project of putting back together its lost empire. With Xinjiang and Tibet firmly under the Chinese Communist Party's control, and Hong Kong losing its political autonomy, China is on its way to “re-unifying” its empire.

This is an oddity in contemporary international relations. Surely other countries are trying to re-establish their imperial borders – but China has already gained begrudging acceptance from much of the free world in its imperial ambitions, and Taiwan alone stands in the way.

To Congress' great credit, Taiwan was not swallowed up. Passage of the Taiwan Relations Act saved an ally from being destroyed.

China gained much back then– the breaking of our diplomatic ties and treaty with Taiwan, relief from Soviet pressure on their borders, and the freedom of action to attack Vietnam in 1979. What we gained is still open to academic debate. But here is a timely question: has this pattern of China getting the better end of deals with us really changed?

When new ideas, such as negotiating a 4th communiqué, are floated in high government circles, the first question should be: did the first three really benefit us? Are we better off without

diplomatic recognition of Taiwan –without an arrangement where we recognize both Taiwan and China like we did with the two Germanys? Deterrence is best served with clarity, and China may yet take advantage of our uneven commitment to Taiwan.

The Communiqués attempted to serve the geopolitical momentum, but that period is long-gone. Today, China is our most vexing strategic rival.

With this in mind, the geopolitical question of the moment should be: how can Taiwan advantage us in our rivalry with China? This is a much different way of framing our Taiwan relationship. Our default position is to think about how to manage the Taiwan “problem” so that it doesn’t get in the way of our China relations.

I would humbly urge Congress to frame its legislative agenda in those terms – what more could we do with Taiwan that would help it thrive in ways that advantage our strategic competition with China?

We lost our chance at dual recognition because of a rushed and messy process of normalizing relations with China. However, we still have some options to help maintain Taiwan’s autonomy and serve our interests:

- 1) **Defense** – While it is true that Taiwan does not always demonstrate an adequate urgency about the threats it faces, we don’t always provide them with the opportunity to do so. The Taiwan defense budget would skyrocket if we put on offer the submarines, or the manned or unmanned aircrafts that Taiwan asks for.
 - a. But we should go further. We need only consult a map to see that Taiwan can play an integral part in a strategy of defending the “first island chain,” which would make it harder for China to break out into the Pacific Ocean with impunity.
- 2) **Trade** – The agenda of trade liberalization has seriously lost momentum. Finalizing trade agreements with advanced countries like Taiwan would rebuild new momentum. Taiwan would go far in opening its markets and ridding itself of tariffs. As the Trump Administration goes forward with bilateral FTAs, Taiwan could quickly become part of a free trade area of East Asia.
 - a. Either we will set the rules and standards on tariffs, SOEs, IP, standards, and investment, or China will. Taiwan is a great place to begin (as is Japan).
- 3) **Integration into a still nascent Asian regional order** – It is the height of fantasy to think that a durable order favorable to our values and interests can form without Taiwan.

It is a claimant in the South China Sea dispute as well as a key player in global high-tech supply chains. And it is living proof, during a time of democratic backsliding, that liberal democracy can take root in any society.

To conclude, with some ingenuity and creativity in Taipei and DC, Taiwan could be a partner in a robust US defense posture in the Asia-Pacific, in the creation of a “gold standard” free trade area in Asia, and in shaping a favorable regional order.

Thank you very much.