

# Taiwanese Perspectives on United States-Taiwan Relations and the People's Republic of China during the Ma Ying-jeou and Tsai Ing-wen Administrations

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On October 16, 2019, Taiwan President Tsai Ing-wen gave a speech commemorating the 40<sup>th</sup> anniversary of the Taiwan Relations Act, the act of Congress that established the foundation on which the United States has carried out relations with Taiwan since normalizing diplomatic ties with the People's Republic of China (PRC). In her [speech](#), President Tsai characterized relations between the United States and Taiwan as “at their best in decades.” President Tsai’s assessment of the relationship, which she also [repeated](#) at a reception hosted by this Committee in July 2019 and [reiterated](#) in July of this year, is widely shared.

The evidence for this view can be found in the many initiatives the United States and Taiwan have taken together since President Tsai took office in May of 2020. Those initiatives include [arms sales](#), [transits](#) of the Taiwan Strait by US military vessels, [visits](#) and [expressions](#) of support by high-level officials and the passage of several Taiwan-related bills. In November, the two sides launched the Taiwan-U.S. Economic Prosperity Partnership [Dialogue](#), which is aimed at strengthening their economic cooperation and helping Taiwan remain a vital contributor to the global economy.

## *The Ma Ying-jeou Era (May 2008- May 2016)*

Changes in U.S. policy help to explain the improvement in U.S.-Taiwan relations, but the trend is not one-sided: Taipei has played a role, too. President Tsai’s predecessor, President Ma Ying-jeou, valued Taiwan’s ties with the U.S., but his policy toward the U.S. was relatively conservative. The primary accomplishment of U.S.-Taiwan relations in the Ma era came in 2015 when Taipei and Washington launched the Global Cooperation and Training Forum (GCTF). Principal Deputy Assistant Secretary of State Kurt Tong [described](#) the GCTF as “a vehicle for the United States to help showcase Taiwan’s strengths and expertise by addressing global and regional concerns.” The GCTF allows Taiwan and the United States to share expertise and knowledge on pressing issues such as public health, democracy promotion, and environmental

challenges with partners around the world. Like other bilateral initiatives, the GCTF is aimed at countering Beijing's efforts to isolate Taiwan internationally.

The GCTF and other initiatives notwithstanding, the Ma Administration's overall foreign policy concept placed less emphasis on relations with the U.S. than that of his successor, President Tsai Ing-wen. The Ma Administration and his party, the Kuomintang (KMT), prioritized constructive ties with the People's Republic of China (PRC), even if that meant downplaying interactions with the U.S. that might irritate Beijing. Ma's position was that the best way to ensure Taiwan's security was to minimize friction with the PRC, while protecting Taiwan's autonomy and democracy.<sup>1</sup>

During the Ma presidency, relations between the two sides of the Taiwan Strait made a number of breakthroughs. Taipei and Beijing opened direct flights and other transit links in 2008. Between 2008 and 2014 Taipei and Beijing adopted 23 economic agreements, including an Economic Cooperation Framework Agreement (ECFA) signed in 2010. The pinnacle of cross-strait cooperation occurred in 2015 while President Ma met with PRC leader Xi Jinping in Singapore.

The Ma-Xi meeting was a historic event – the first meeting of leaders from the two sides of the Taiwan Strait since before the Chinese Civil War – but it failed to generate momentum for further gains. In fact, even though Ma was reelected in 2012, his engagement approach already was losing popular support. The growing public backlash to engagement was evident across a range of issues. Taiwan saw a series of protests in 2012, '13, and '14, which culminated in the 2014 [Sunflower Movement](#). The Sunflower Movement, which included a month-long occupation of Taiwan's legislative chamber by demonstrators, scuttled what was to have been the two sides' 24<sup>th</sup> economic agreement, the Cross-Strait Services Trade Agreement. No new agreements have been negotiated or ratified since 2014.

An important factor in the waning enthusiasm for Ma's pro-engagement policies was the growing presence of PRC individuals and companies in Taiwan. Taipei lifted the ban on travel to the mainland in 1987, and Taiwanese soon became comfortable with islanders investing and working in the PRC. However, prior to 2008, the waters to the west of Taiwan were a one-way strait. That changed when the Ma Administration opened Taiwan to PRC investors and tourists during his first term. In 2007, Taiwan's tourist authority recorded zero visitors from the mainland; in 2008 there were 315,000. By 2010 the number had quintupled to 1.6 million, and in 2015, there were more than 4 million PRC tourist visits to [Taiwan](#), as well as thousands of students.

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<sup>1</sup> Dean P. Chen, "The Strategic Implications of Ma Ying-jeou's 'One ROC, Two Areas' Policy on Cross-Strait Relations," *American Journal of Chinese Studies* 20:1 (April 2013): 23-41; Yasuhiro Matsuda, "Cross-Strait Relations under the Ma Ying-jeou administration: from economic to political dependence?" *Journal of Contemporary East Asian Studies* 4:2 (March 2017):3-35.

The mainland tourist trade was lucrative for some Taiwanese businesses, but the presence of so many mainlanders on the island was disconcerting; it highlighted Taiwan's economic dependence on the mainland. During the same period, Taiwanese businesses on the mainland were struggling with rising costs, declining profit margins, and increasing political hassles, all of which made them less inclined to agitate for pro-engagement policies.

By the time Ma met with Xi in November of 2015 it was clear that his party was trailing Tsai's Democratic Progressive Party (DPP) in popularity, and the January 2016 elections confirmed that trend: the DPP captured both the presidency and a legislative majority. The election results reflected a shift in Taiwanese public opinion away from support for the KMT's engagement-oriented approach to cross-Strait relations toward the DPP's more cautious strategy.

### *The Tsai Ing-wen Era (2016-present)*

She was elected on a promise to recalibrate Taiwan's cross-Strait policy, but President Tsai has never sought confrontation with the PRC. Her 2016 inaugural address [avoided](#) language that might have inflamed Beijing, and she has maintained her prudent approach throughout her presidency. But it was what she left unsaid that proved more important to Beijing. President Tsai refuses to acknowledge the 1992 Consensus, a formula Beijing and Taipei relied on during the Ma Administration to smooth over the two sides' fundamental disagreement about Taiwan's status. To Beijing, the 1992 Consensus was a useful compromise that allowed the two sides to skate over their differences, but Tsai was unwilling to accede to Beijing's demand that she adopt its preferred language, leaving the two sides at an impasse.<sup>2</sup>

Although Tsai was elected in 2016 by a comfortable margin, her post-election honeymoon was brief. For much of her first term she struggled to overcome popular doubts about her ability to keep cross-Strait relations on an even keel, while her domestic policy agenda attracted strong criticism. In 2018 her party suffered a serious setback in local elections. Like midterm elections in the United States, Taiwan's local elections reflect the public's assessment of the president's performance, and the news was not good for the DPP. The KMT's headliner, a political outsider named Han Kuo-yu, brushed aside establishment figures like Ma Ying-jeou. Han led his party to victory on a promise to boost Taiwan's economic growth by reinvigorating business ties with mainland China.

Just twelve months before her reelection, President Tsai's bid for a second term was in serious trouble. In January 2019 a group of elders in her own political camp called on her to surrender the DPP nomination. Yet twelve months later she defeated Han, who had secured the KMT's presidential nomination, with 57 percent of the vote. She also led her party to another legislative majority. While Han's weaknesses contributed to the result, Tsai's resounding success had much to do with a sea change in Taiwanese voters' perceptions of the PRC.

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<sup>2</sup> They might well have been at an impasse even if Tsai *had* accepted the 1992 Consensus, as there is deep [distrust](#) for Tsai in Beijing.

Tsai's reversal of fortune began with her [response](#) to Xi Jinping's 2019 New Year [address](#). Xi's speech reiterated the PRC's long-standing positions regarding Taiwan, including its determination to "unify" the island with the mainland under the One Country, Two Systems formula. Tsai's response was swift and direct. Briefing foreign reporters, Tsai summarized her reaction, [saying](#), "It is impossible for me or, in my view, any responsible politician in Taiwan to accept President Xi Jinping's recent remarks without betraying the trust and the will of the people of Taiwan ... We hope the international community will pay attention and combine efforts to speak out on our behalf." Her strong response [galvanized](#) her supporters and even won over some critics.

At the heart of the dueling New Year speeches was the question of whether Hong Kong should be the model for Taiwan's future. Tsai's unequivocal rejection of that idea struck a chord not only with her own party, but also with the KMT, which had never endorsed One Country, Two Systems as a model for Taiwan. Tsai went even farther, [arguing](#) that because Xi's speech had equated One Country, Two Systems with the 1992 Consensus, the latter was no longer a useful concept, either. That left the KMT in an especially difficult position.

Elevating the Hong Kong model did little to strengthen Beijing's position in Taiwan, but it did focus attention on the former British colony turned Special Administrative Region of the PRC. Thus, when protests against broke out in Hong Kong in March, Taiwan was watching. The crisis that unfolded in Hong Kong in the ensuing months – a crisis that continued through Taiwan's 2020 elections – undercut the KMT's case for engagement and validated Tsai's position that the One Country, Two Systems model would be disastrous for Taiwan.

### *U.S.-Taiwan Relations in the Tsai-Trump Era*

With cross-strait relations in the deep freeze, President Tsai recalibrated Taiwan's foreign policy to rely more on the United States. She accepted, and in many cases welcomed, opportunities to elevate relations to a higher level, but leaning on the U.S. brought risks as well as benefits to Taiwan. As Brookings's Ryan Hass pointed out [recently](#), "Taiwan bore the brunt of Beijing's anger of Washington's visible efforts to elevate ties."

The first sign that the Trump Administration might alter long-standing policy norms was the Trump transition team's decision to schedule and then publicize a phone call between President Tsai and President-elect Donald Trump in December 2016. The event encapsulates the dilemma for Taiwan: on the one hand, the phone call reassured Taiwanese looking for affirmation from the U.S. On the other hand, it exposed Tsai to criticism by the PRC, which blamed Taiwan and [said](#) the Trump team had fallen for Tsai's "petty trick." The president-elect confirmed Beijing's version of events in a tweet, [stating](#), "The President of Taiwan CALLED ME today to wish me congratulations on winning the Presidency. Thank you!"

During Tsai's presidency, the U.S. Congress and the Trump Administration have taken actions that both benefitted and challenged Taiwan. Congress has passed several pieces of supportive legislation – the Taiwan Allies International Protection and Enhancement Initiative Act (the

[TAIPEI Act](#)), the Taiwan Travel [Act](#), the Asia Reassurance Initiative [Act](#), and the Taiwan Assurance [Act](#) – all of which Taipei welcomes. Congress also put President Tsai in an awkward position by voting to [invite](#) her to address a joint session of Congress. The invitation had symbolic appeal, but accepting it would have produced a disproportionate backlash from Beijing.

For its part, the Trump Administration has made numerous statements and decisions that benefit Taiwan's security and political status, but it has missed opportunities to aid the Taipei economically. Administration officials including Vice President Mike Pence and Secretary of State Mike Pompeo have made strong statements in support of Taiwan. President Tsai was given a generous transit visit through the U.S. in March 2019, and the Trump Administration sent the highest-level officials in decades to visit Taiwan – Health and Human Services Secretary Alex Azar and U.S. Under Secretary of State Keith Krach – in 2020. On defense issues, too, the Trump Administration has shown strong support for Taiwan, including approving significant arms sales – one just this week.

Nonetheless, the administration's affirmative political and security policies have fallen short when it comes to economic cooperation. President Trump's decision to withdraw the United States from the Transpacific Partnership (TPP) ended what was arguably Taiwan's best hope of avoiding economic isolation and marginalization. The trade war, too, damaged Taiwan's interests by targeting Taiwanese companies that manufacture or assemble products in the PRC and by subjecting Taiwan's aluminum and steel exports to tariffs. Taiwan's largest company – Taiwan Semiconductor Manufacturing Corp (TSMC) – stands to lose a major customer as a result of sanctions on suppliers to the Chinese tech firm Huawei. Moreover, talks on a Trade and Investment Framework Agreement (TIFA) have been on hold since 2016; the Trump Administration waited until just a month ago to engage Taiwan in economic talks.

### *Looking Forward*

Taiwan and the United States have a long-standing, friendly relationship based on shared values. Taiwan is an example of how the ideas Americans treasure are not ours alone; they can thrive in many lands. Taiwan proves that Chinese heritage is no barrier to democracy and that market economics in a free society can nurture prosperity and progress. Taiwan is a good friend to the U.S., and it deserves our support.

Taiwan also is a nation of 24 million people who have needs and interests of their own. It is important that Americans not mistake Taiwan for an instrument of U.S. policy or a weapon to be deployed to frustrate the PRC's rise. Treating Taiwan as an end in itself is one of the strengths of the legislation Congress has passed in recent years.

Too often, Americans conflate animosity toward the PRC with friendliness toward Taiwan. In fact, the "enemy of my enemy is my friend" does not describe the relationship among the U.S., Taiwan, and the PRC. The PRC is not Taiwan's enemy, although their relations are difficult. Taiwanese citizens and leaders do not want to be absorbed into the PRC, but they do not want

a hostile relationship with Beijing, either. It does not serve Taiwan's interests to be pulled into conflicts between Washington and Beijing. On the contrary, if we look at history, we can see that Taiwan has been most prosperous and secure when U.S.-China relations were stable and constructive. There are serious disagreements between the United States and the PRC, no doubt, but when Washington and Beijing manage their disagreements, the space for Taiwan expands. When they are at loggerheads, Taiwan gets squeezed.

Declaring support for Taiwan is not enough. Washington should work with Taipei to identify and secure the island's substantive needs and interests, by:

- Engaging Taiwan in meaningful economic discussions, including restarting the TIFA talks. These negotiations will not only improve Taiwan's economic outlook; they also will help Taiwan's leaders persuade their citizens to accept necessary economic reforms. And they will help the U.S. upgrade its economy.
- In accordance with the TAIPEI Act, advocating for and normalizing Taiwan's role in international organizations. Exiting the World Health Organization (WHO) surrendered one of Washington's most fruitful avenues in this regard, but this is should not be the end of the road for Taiwan's international participation. Taiwan's extraordinary performance in taming the COVID pandemic makes it especially urgent that it not be excluded from global conversations. A quick way to begin is by using the existing GCTF mechanism.
- Avoiding rhetorical solutions that sound good, but might have unintended consequences. For example, it has been [suggested](#) that Washington should abandon its policy of strategic ambiguity in favor of a clear promise of security assistance to Taiwan. A verbal promise would do little to deter the PRC, which is more interested in actions than words, and risks undermining President Tsai's efforts to persuade her people to invest more in their own defense.
- Working with Taiwan to create opportunities for Taiwanese and American officials to understand of one another's interests. On this front, I would draw the subcommittee's attention to the Taiwan Fellowship Act (H.R. 7414) which is currently pending before this body. That bill would enable long-term cooperation between the governments of the United States and Taiwan. The Taiwan Fellowship Act would not only strengthen the long-term bond between the two countries at the working level but would be a clear and tangible signal of this country's enduring commitment Taiwan and to democratic partners throughout the Indo-Pacific. It is a non-controversial and non-military means of strengthening U.S.-Taiwan cooperation. I am honored to serve as an unpaid advisor to the nonprofit organization developing this program and I urge the assembled members to see that the Taiwan Fellowship Act in its current form passes the House this year.
- Ensuring that Taiwan remains, as it has always been, a bipartisan issue in the United States.