



Brantly Womack
Yufan Hao

editors

RETHINKING THE TRIANGLE

Washington-Beijing-Taipei

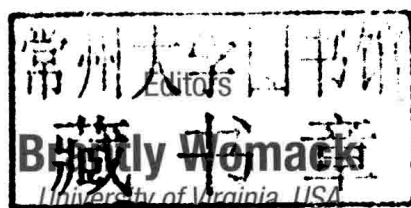


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 **World Scientific**

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Yufan Hao

University of Macau, China



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RETHINKING THE TRIANGLE

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Foreword

The idea for this book originated in a conversation at the University of Virginia's Miller Center between Admiral Joseph Prueher, Harry Harding, and Brantly Womack concerning the way forward in U.S.-China relations. Taiwan was of course an important part of the discussion, but it seemed to be a problem — and not a problem — at the same time. On one hand, Taiwan as a problem was the most visible symbol of the distance and suspicions between the United States and China. If the relationship became hostile, Taiwan would most likely be in the middle. On the other hand, Taiwan was not a problem now, and was becoming less of a problem. There was no crisis, and a crisis did not seem likely. As Admiral Prueher pointed out, even the continuing sales of American military equipment to Taiwan were driven by politics rather than by military considerations. Cross-Strait trade was booming, and both China and the United States were happier with President Ma Ying-jeou than they had been with his predecessor Chen Shui-bian. If we put on dark strategic glasses, then Taiwan was at the center of the Pacific “ring of fire” between China and the United States, but if we took the glasses off and looked at what was actually going on, things seemed much brighter.

This “problem-no problem” anomaly led to a new idea. Taiwan could be part of the solution rather than the problem. Peace and prosperity on Taiwan were not only to Taiwan’s interest, but to the interests of China and the United States as well. If we viewed the triangular relationship as an inclusive, opportunity-driven one, then all three sides would benefit. Moreover, this was actually happening, driven by market forces and the prudent diplomacy of all three sides. Strategic thinking was lagging behind empirical reality. The Washington–Beijing–Taipei (W–B–T) triangle needed to be rethought.

In an inclusive triangle, better relations between any two sides would be beneficial to the third. This was certainly the case in economic interactions, but it could be true in security as well. Less cross-Strait tension means less chance of crisis intervention by the United States. Better U.S.-China relations mean less negative pressure on cross-Strait relations. Better U.S.-Taiwan relations — if we look beyond weapons sales — strengthen Taiwan’s ability to contribute to cross-Strait relations. Moreover, these effects are not hypothetical. If we contrast triangular relations in 2000–2008, the presidency of Chen Shui-bian, with relations in 2008–2012, Ma Ying-jeou’s time in office, there is clear evidence of the positive effects of inclusive interaction. Since 2008 tensions between China and neighbors north and south of Taiwan have increased, but cross-Strait relations have improved.

So rethinking the W–B–T triangle was a good idea. However, old ways of thinking die hard, and for 70 years the United States, China and Taiwan were used to thinking of their relationship in exclusive security terms. More than a bright idea was needed. Each partner in the relationship had to rethink its perspective. One side could not change the relationship alone — the other two would be suspicious. Moreover, the regional neighbors, especially Japan, would have to adjust to a new triangle close by.

Thus Miller Center hosted an international workshop in March 2013 featuring a well-known expert from each side of the triangle and

also from Japan and Macau. The revised papers from the workshop provide the substance of this book. For the convenience of readers, we added to the papers, a comprehensive timeline of the triangular relationship as well as some of the key diplomatic documents.

The workshop was a success, and the participants decided to organize a series of international conferences on the general theme of rethinking the triangle. Each conference would include participants from each side of the triangle and from the region. The conferences would be held in the United States, Taiwan, China and Macau, but the focus of each would be on understanding the perspectives of the others. The American conference was held at the Miller Center in November 2013 and focused on Taiwan. The Taiwan conference was held on the island of Jinmen (Quemoy) in October 2014 and focused on China. The China conference was held in Shanghai in June 2015 and focused on the United States. The regional conference will be held in Macau in 2016 and will focus on the future of the triangle after the 2016 election in Taiwan. We hope that the research and participation involved in these conferences, together with this book, will make a significant contribution to a future-oriented understanding of the W-B-T potential.

Acknowledgments

Among the many people who have helped the project, Governor Gerald Baliles, the former Director of the Miller Center, deserves special mention. Governor Baliles was enthusiastic from the beginning, and under his leadership the Miller Center provided the venue and support for the workshop and the first conference. Admiral Prueher and Harry Harding provided distinguished and insightful commentary at the workshop. The workshop was funded by the Miller Center and University of Virginia's East Asia Center, Center for International Studies, School of Arts and Sciences and Politics Department.

The first international conference, "Taiwan Inclusive," was held at the Miller Center and was funded by the Chiang Ching Kuo (CCK) Foundation, the Taiwan Economic and Cultural Representative Office (TECRO), and University of Virginia's East Asia Center, School of Arts and Sciences, and Politics Department. Harry Harding and Chas Freeman provided distinguished commentary.

The second international conference, "The Rise of China and the Tangled Developments in East Asia," was held at Quemoy (Jinmen) University and was co-sponsored by National Chengchi University of Taipei. Professor Wang Jenn-hwan played a key role in organizing the conference, and Quemoy University was a gracious host.

The third international conference, "U.S. Rebalancing to Asia and Beyond," was hosted in Shanghai by the China Energy Fund Committee. Our special thanks goes to Jiang Chunyu, Director of China Energy Fund Committee International Center, and to Zhuang Jianzhong, the Center's Deputy Director.

Our heartfelt thanks to all those who participated in these conferences as presenters, chairs, discussants, and audiences. We hope that it was a stimulating experience for all.

Last and most importantly, our thanks to the University of Macau, the University of Macau Press, and World Scientific Publishing of Singapore for making this book possible. At the University of Macau we are especially grateful to Rui Paolo Da Silva Martins, Vice Rector for Research, the Publication Committee, and Dr. Wong Kwok Keung (Raymond), Director, and Clara Chung of UM Publications Centre. At World Scientific, the book has been in the capable hands of Dong Lixi, the Senior Editor for Social Sciences, and Ms. Raghavarshini managed its production. Carl Huang of the University of Virginia prepared the chronology for the book.

About the Authors

- ☯ **Professor Yufan HAO**, Dean of the Faculty of Social Science and Humanities and Chair Professor of Political Science, University of Macau. Professor Hao's publications include: *Sino-American Relations: Challenges Ahead* (2011), *Multiple Development of the Macau Economy* (2009), *Power of the Moment: America and the World after 9/11* (2002).
- ☯ **Professor Tse-Kang LENG**, Deputy Director and Research Fellow, Institute of Political Science Academia Sinica and Professor of Political Science National Chengchi University, Taiwan. Professor Leng's publications include *Dynamics of Local Governance of China during the Reform Era* (2010), *Globalizing Taipei* (2003) and *The Taiwan-China Connection* (1996).
- ☯ **Professor REN Xiao**, Director, Center for the Study of Chinese Foreign Policy and Professor of International Politics, Institute of International Studies, Fudan University, Shanghai. Professor Ren's publications include *New Frontiers of Chinese Foreign Policy* (2011), *U.S.-China-Japan Triangular Relationship* (2002) and *New Perspectives on International Relations Theory* (2001).

- ☯ **Takashi SEKIYAMA**, Director, Sasakawa Japan-China Friendship Fund, and Lecturer of International Political Economy, Department of International Studies, The University of Tokyo. Dr. Sekiyama's publications include *Cordination & Compromise* (2014), *The End of Japanese Yen Loan to China* (2011), *A History of Japan's ODA to China* (2008).
- ☯ **Professor Brantly Womack**, C. K. Yen Chair, the Miller Center and Professor of Foreign Affairs, Department of Politics, University of Virginia. Professor Womack's publications include *China Among Unequals* (2010), *China's Rise in Historical Perspective* (2010) and *China and Vietnam: The Politics of Asymmetry* (2006).

Introduction

Taiwan's future is with China, not against China. While this might seem to be a bold statement, for the past five years the diplomacy of Washington, Beijing, and Taipei has been based on this unstated premise. If you doubt the statement, consider the alternative. For an island one-third the size of Cuba and one hundred miles from the world's largest army and its largest trading partner, hostility would be a situation of permanent and increasing crisis. And indeed Taiwan was in a situation of martial law from 1949 to 1987, 38 years. While the mentioning of Cuba suggests that prolonged hostility with a very strong neighbor is possible, the Cuban example would hardly suggest that it is desirable.

But if the politics of the three governments most involved assume that Taiwan's future is with China, then why is the statement startling? Why does the premise remain implicit rather than explicit? Common sense is usually not a surprise.

The basic problem with the triangular relationship of Washington, Beijing, and Taipei is that while the reality of the relationship dictates cooperation, the history of the relationship has been one of entrenched suspicion. Richard Nixon's historic visit to China in 1972 began the process of backing off from hostility, and since 1979

China's policy of peaceful reunification with Taiwan has played an important role. Especially since 2008 all three governments have actively pursued better relations. But the practical and incremental adjustments in the relationship have not led to a fundamental rethinking of the triangle. Post-Cold War cooperation has occurred within an increasingly ill-fitting Cold War strategic triangle.

The purpose of this book is to begin the rethinking of the triangle. The old triangle was rooted in the hostility of the Chinese Communist Party (CCP) and the *Guomindang* (*Kuomintang*, Nationalist Party, KMT) since 1927 and enmeshed in Cold War confrontation since the Korean War began in 1950. From the founding of the People's Republic of China (PRC) in 1949 there was a profound enmity between Beijing and the remnant KMT forces on Taiwan, and the United States shared Taiwan's anti-communist hostility. Taiwan felt betrayed when the U.S. normalized relations with the PRC in the 1970s, but it still depended on the U.S. as its security patron. Meanwhile, the PRC felt cheated when the U.S. continued to sell weapons to Taiwan after it agreed that Taiwan was a part of China. Each side feared the collusion of the other two sides. It was a bad partnership, one driven by anxieties about security.

But the facts of the relationship have been gradually transformed, and while the exclusivist security triangle forged by hostility can be explained by history it fits neither the present nor the future. Backing off and working around an inappropriate diplomatic framework is good, rethinking the framework would be better. Increasingly, all sides of the triangle benefit from the better relations between the other two sides. American companies such as Apple and Motorola contract with Taiwanese companies to produce products in China. American presidents are relieved when cross-strait crises are avoided. The United States is still the primary final destination of Taiwanese exports, but two-thirds of those exports consist of parts sent to China for final assembly. Thus, if the U.S. were to restrict Chinese imports it would hurt Taiwanese exports as well. Meanwhile Taiwan is China's largest investor, and its

expertise in high-tech production contributes to China's economic growth.

So the actual Washington–Beijing–Taipei relationship is *already* an inclusive, opportunity-driven relationship. The rethinking that we propose is not of an idealistic future world even though it is future-oriented. At the present time, progress is made through the pursuit of opportunities, and success benefits all three sides. It is win–win–win. There are ups and downs, but it would take very bad luck and very bad leadership to cause the situation to reverse irretrievably. However unwise and unlikely a return to hostile exclusivism might be, the lingering shadow of the old security triangle exaggerates the danger and thereby increases the possibility.

But an inclusive triangle is not all smiles and happiness. It provides a better framework for managing problems, but it does not remove or solve them. The core problem is the ambiguous status of Taiwan. Each of the three copes with the ambiguity in its own way. The PRC appears most adamant, but since 1991 its unification offer to Taiwan has included Taiwan keeping its own government, economic system, and even its own army. This was further clarified in 1995 with the promise that no PRC troops would be stationed there. And the “one China” appears to be an entity that both the PRC and Taiwan could be a part of. On the other side of the strait, Ma Ying-jeou, President since 2008, has pledged both no unification and no independence, leaving Taiwan's *status quo* somewhere in the middle. The American stance has been termed “strategic ambiguity”: Taiwan is recognized to be part of China in principle, but we sell arms and are (ambiguously) committed to the defense of Taiwan against forcible unification.

Even though there is room to negotiate in the diplomatic positions on Taiwan's status, domestic politics and public opinion in each corner of the triangle make a settlement difficult. Older Taiwanese were taught by the KMT to hate and fear the communists; younger ones have grown up with a democratic system that they consider superior to that of the PRC. Increasing cross-strait

contact has increased familiarity but also a sense of difference. On the Mainland, Taiwan is seen as unfinished business of the civil war, postponed by American imperialist interference. To accept Taiwanese independence would be the last act of the Century of Humiliation that began with the Opium War. To regain Taiwan is an essential part of redressing humiliation. There is little consciousness across the strait of how internationally diverse Taiwan has become since 1895, and of how important this diversity is to Taiwan's identity and sense of security. The Taiwan issue is not so central to American consciousness. Taiwan is viewed more as a problem than a place, and the United States wants above all to avoid a cross-strait crisis. But the U.S. is not eager to see the problem solved. The American political culture of anti-communism and anxieties about rivalry with China make it difficult for the government to encourage cross-strait amity.

From these different vantage points spring a multitude of misperceptions and doubts. Many Taiwanese dismiss PRC offers of autonomy because "you can't trust Communists." Meanwhile greater contact with the Mainland (and one in 23 Taiwanese is now living there) both increases a Taiwanese sense of a different identity and convinces them that convergence is inevitable. Meanwhile, many in the PRC think that the only way to eliminate Taiwanese separatism is to break Taiwan's link with the U.S., symbolized by continuing arms sales. In fact, however, Taiwan must be reassured that unification will enhance its international status, and especially with the U.S. Lastly, unless the American attitude toward Taiwan evolves beyond the "Taiwan problem," American interest and involvement in Taiwan will decline as the cross-strait relationship improves and the likelihood of crisis diminishes.

Even a smoothly running inclusive triangle will have frictions. While all might be convinced that the triangle is in their general interest, they will each have specific interests that require negotiation. The differences will be enhanced by the asymmetry between Taiwan and its partners, while the rivalry between the U.S. and

China will be sharpened as China approaches and then passes the United States as the world's largest economy. While the prospect of a superpower conflict is exaggerated, the relationship of a rising power to an established power is fraught with tension, and the tension is magnified by cultural and political differences.

Beyond the three participants themselves, the old security triangle has been a key element of regional and even global security architecture. The rest of the world — and especially the neighbors — will be interested spectators as the triangle develops. As Takashi Sekiyama's chapter argues, Japan will be the most concerned not because it favors hostility in the triangle, but because it will be anxious that its special relationship with the United States might be weakened while united action with Taiwan makes China stronger. The concerns of South East Asia would be similar though not as acute.

A final concern on the part of the United States is a subtle but serious one. While the U.S. would be relieved to see a peaceful cross-strait relationship institutionalized, its special role in the triangle has been an important part of its global leadership. If instead of an inclusive triangle a special bilateral relationship develops in which the U.S. is merely a passive and distant observer then it will have accomplished a peaceful withdrawal from part of its leadership role. A peaceful withdrawal is better than a losing fight, but better still would be the active promotion of a collaborative arrangement to the interest of all.

Preview

Since we are exploring the possibility of an inclusive triangle, the core of the book is a chapter from the perspectives of each of the three main actors, the United States, People's Republic of China and Taiwan. These are not chapters about the three different perspectives, they are analyses from each of the three sides, although of course there is a range of outlook and opinion at each angle.

Together they provide evidence both of the possibilities for an inclusive triangle and of the difficulties that remain to be bridged.

The titles of the chapters already show important differences in perspective. What from an American vantage point is a “Washington–Beijing–Taipei triangle” looks like a “Beijing–Taipei–Washington” triangle from China and a “Taipei–Beijing–Washington” triangle from Taiwan. Each chapter differs in its approach as well as its perspective. In addition to the three core chapters, we have chapters presenting the perspectives of Japan and of South East Asia because of the regional significance of the triangle. Lastly a timeline for the triangle as well as some of the most important documents are included for reference.

The first chapter combines an American perspective with a general review of the history of the triangle and its asymmetric structure. It argues that the stability of the Cold War security triangle was premised on the overwhelming military capacity of the United States and the presumption of hostility. Both of these factors have changed. Since 2008 China’s military capacity in its near waters has increased and at the same time all sides of the relationship have improved. If we persist in viewing the triangle in exclusive security terms it becomes more and more threatening, but in fact a serious cross-Strait crisis is increasingly unlikely. Thus our assumptions about the triangle must be reconsidered, and a new American position developed.

While some analysts have suggested that the U.S. abandon Taiwan because it is a risky distraction from the bilateral relationship with China, others have said that Taiwan should abandon the U.S. and negotiate cross-Strait relations simply on a bilateral basis. Both of these suggestions have serious drawbacks. What is suggested here is that the United States explore the possibilities of advancing an inclusive triangle that is stable, conducive to our economic interests, and furthers global leadership. Triangles are not easy to change because no one wants to risk taking the first step. However, the practical diplomacy of all sides is aligned with an

inclusive triangle, and informal diplomacy and confidence-building can bridge the gap to a win-win-win triangle.

In the second paper, Ren Xiao of Fudan University details the progress that has been made in the last ten years of the cross-Strait relationship. But he begins by pointing out the deep concerns Beijing had in 2000–2001 with the combination of the election of Chen Shui-bian, whose party had advocated Taiwan independence, and the harsh tone of the early George W. Bush administration, which considered China a “strategic competitor.” Nevertheless China made important adjustments in its terminology of unification, from unity under the PRC to unity of both as part of China, and the general direction of its foreign policy was formulated as “peaceful rise,” which evolved by 2005 into the even milder term, “peaceful development.”

The problematic reelection of Chen in 2004 began a period of crisis. Beijing’s immediate policy goal shifted from unification to preventing separatism, and the 2005 Anti-Secession Law was the embodiment of the shift. But peaceful initiatives also increased. The leaders of three opposition parties (including the KMT) were invited for discussions in Beijing and new economic policies were tied to these visits. Although Chen continued provocative moves PRC policies became more differentiated. Meanwhile the PRC appreciated the U.S. moves to rein in Chen’s brinksmanship and to encourage cross-Strait stability. Finally the “high danger period” of 2006–2007 yielded to optimism with the election of Ma Ying-jeou in 2008.

With Ma in power in Taiwan a flood of economic initiatives could be launched, with the Economic Cooperation Framework Agreement (ECFA) of 2010 as the capstone. At the same time the global financial crisis and China’s continued growth during the crisis raised the significance of the China-U.S. relationship to new heights. Since 2008, all sides wanted stability. China wanted progress but dropped its timetable, Ma wanted economic progress but had to be cautious about political contact, and the U.S. was happy