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US-TAIWAN BUSINESS COUNCIL URGES CONGRESS TO PASS THE TAIWAN AIRPOWER MODERNIZATION ACT (TAMA)

The Taiwan Airpower Modernization Act (TAMA) was submitted today for Congressional review and passage by Senators John Cornyn of Texas and Robert Menendez of New Jersey. The object of the Act is to assist the Obama Administration in meeting the obligations encompassed in the Taiwan Relations Act (TRA) - to provide Taiwan with weapons of a defensive nature to meet the growing threat from China. The TAMA would legislate selling 66 or more F-16 C/D fighter jets to Taiwan, and the US-Taiwan Business Council urges Congress to pass the Act.

The balance of power in the Taiwan Strait is an essential aspect of Americas' Asia Pacific foreign policy. As China continues to invest heavily in expanding and modernizing its military capabilities, passage of the Taiwan Airpower Modernization Act would provide Taiwan with badly needed replacement F-16 fighters, thereby bringing the U.S. government back into compliance with the TRA.

Council President Rupert Hammond-Chambers said that "TAMA will enjoy broad bipartisan support in both the Senate and the House of Representatives. Both chambers recently released letters in support of the F-16 C/D sale, with significant numbers of signatories from both parties. This strong Congressional support for the sale represents the foundation for TAMA, as well as a path to passage of the Act." Hammond-Chambers went on to note, "this Act and this sale is a win-win for the national security interests of both the United States and Taiwan, as the new fighters would address part of the airpower imbalance by modernizing Taiwan's fighter fleet. The sale also plays a vital role for the United States, in expanding forward-deployed capacity building with a key Asia Pacific security partner."

Since 2006, the United States has balked at providing Taiwan with replacement fighters, with the principal reason being that China opposes F-16s being sold to Taiwan. In giving China such direct sway over an important security relationship in Asia, the U.S. has created an alarming precedent. If America continues to deny Taiwan's legitimate request for replacement fighters due to Chinese objections, we can then expect China to broaden the list of such "red-line" arms sales, thereby continuing its incremental approach towards downgrading America's legacy defense commitment to Taiwan.

Hammond-Chambers went on to say, "The F-16 production line will soon start to close without new business. As the Perryman Group report recently noted, over 23,000 people are employed around the United States in the production of the F-16 fighter jet. Without new orders, the production line will gradually be closed, which will ultimately lead to a large number of highly skilled jobs being eliminated - adding further to the chronic unemployment gripping many American communities. This does not have to take place, however, if Congress is willing to champion American foreign policy and domestic economic interests despite Chinese objections."

"Taiwan is willing to purchase 66 F-16s that would help secure over 23,000 American jobs. In addition, the Perryman Group report estimates that the Taiwan sale will produce over US\$767 million in federal tax revenue and almost US\$600 million in additional revenue for state and local coffers through the term of the contract. The sale would thus also provide badly needed economic stimulus that the American people do not have to fund through increased borrowing. It is now up to Congress to show leadership on this issue by passing the Taiwan Airpower Modernization Act."

About the US-Taiwan Business Council:

The US-Taiwan Business Council (www.us-taiwan.org) is a membership-based non-profit association, founded in 1976 to foster trade and business relations between the United States and Taiwan. The Council provides its members with business intelligence, offers access to an extensive network of relationships, and serves as a vital and effective representative in dealing with business, trade, and investment matters.

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