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**SPECIAL COMMENTARY:**  
**Inconsistent U.S. Defense Priorities Undermine Taiwan Force Modernization**  
**February 25, 2008**

In the early part of 2007, the Bush Administration tacked a new course on Taiwan's counter-strike missile program. The new heading was triggered by Ministry of National Defense testimony in the Legislative Yuan (LY) on the fiscal demands for further research, development, and limited deployment of the indigenous HF-2E counter-strike missile – over US\$1 billion between 2008 and 2012.

The Bush Administration's new direction vis-à-vis Taiwan's counter-strike effort is driven by their increasingly negative view of Taiwan and of its role as a reliable partner in Asia. Rather than consider the tactical and strategic nature of such a capability, the Bush Administration has chosen to focus on the behavior of outgoing Taiwan President Chen Shui-bian as the principal driver for its cross-Strait threat assessment. It has become about politics, not about the balance of power across the Strait. Regrettably, this short term view is impacting programs that should play a critical role in Taiwan's ability to counter a PRC attack well after President Chen has retired. The denial of a second batch of F-16s to replace aging Vietnam era platforms, and the turnaround on support for Taiwan's counter-strike missile programs are at the forefront.

***How did we get here?***

Over the past 10 years, the U.S. executive branch and other government agencies have been aware of the counter-strike programs being developed, and have approved export licenses that have allowed Taiwan to continue to make progress through the research and development phases. Taiwan's Ministry of National Defense (MND) has discussed counter-strike operations with the U.S. Department of Defense (DoD) and Department of State on numerous occasions over the past decade, at which time they agreed to a number of general principles - including only using conventionally-armed weapons against military targets in response to a PRC first strike, and to only do so after proper authorization.

For example, in 2000, MND General Huoh Shou-yeh visited the U.S. In a meeting with Frank Kramer - then Assistant Secretary of Defense, International Security Affairs - the two discussed counter-strike operations against the mainland. The ASD/ISA stated that DOD does not oppose Taiwan maintaining a limited ability to hold targets on the mainland at risk. He did ask explicitly that Taiwan, as a friend, notify the U.S. in advance of its intentions should a contingency arise. Strike operations continued to be a topic of discussion during operational dialogues between Taiwan and U.S. war fighters, and a defense telephone link connecting the two policy establishments was installed in October 2002 for this purpose. In addition, Taiwan's counterstrike strategy was a key topic of discussion during the 2003 visit to the U.S. of Deputy Minister of Defense Lin Chong-pin. U.S. government support had been consistent and ongoing for a number of years.

Taiwan's continued development of counter-strike weapons does not appear to be a deviation from previous policies. The objective has been to develop counter-strike weapons for tactical (not strategic) application. Taiwan's current operational concepts do not envisage attacks against civilian targets or against political leadership assets. Neither is it likely that Taiwan would ever possess the resources to deploy the necessary assets in sufficient quantity to make effective attacks against such target sets in a country as vast and populous as China. Rather, Taiwan sees it as part of a broader capability (together with airpower – F-16s) to attempt to strike missile launchers and military ports of embarkation in response to a PRC attack.

The Bush Administration's decision to personalize the F-16 sale – centering its opposition to the sale around the person of Chen Shui-bian - has broad and troubling ramifications for Taiwan's defense modernization efforts, as well as for the ability of the U.S. to influence that process in a manner that promotes U.S.



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interests in the region. There is no doubt that Taiwan needs additional F-16s. The manner in which the denial has been handled and the implications for Taiwan's leadership over the reliability of America as a supplier will only further encourage Taiwan to seek domestically developed solutions. The poor handling of the F-16 matter will be further exacerbated by the soon-to-be heavy hand wringing over how to proceed with the submarine program. Therefore, the F-16 issue potentially acts as a catalyst for political support for domestic programs, missile programs generally and counter-strike missile programs specifically – programs the Bush Administration now opposes.

In addition, the continued denial of Taiwan's request for Joint Direct Attack Munition (JDAM) and AGM-88 high-speed antiradiation missile (HARM) is also acting as a catalyst in Taiwan's drive for greater self-reliance. As China's formidable force modernization continues unchecked, Taiwan's ability to respond to an attack with manned platforms becomes increasingly problematic without modern fighters and munitions. The Bush Administration is denying Taiwan F-16s and the munitions capable of responding to a PRC attack, while also actively seeking to deny Taiwan a counterstrike missile capability. It is therefore unclear how the Bush Administration expects Taiwan to respond. Surely in battle contingencies where Taiwan is the victim of an unprovoked attack, the U.S. would look to Taiwan to respond effectively by reducing the threat of attack – not just to itself but also to U.S. forces rushing to the region. Bundled together, these decisions – F-16, JDAM, HARM & HF-2E - are striking at a core capability that fundamentally weakens Taiwan. A weak Taiwan encourages PRC adventurism, and the cross-Strait threat is increased – the exact opposite of stated U.S. goals.

### ***How effective is this capability?***

Taiwan military leaders would agree that in the long run a relatively small number of long-range, precision-strike weapons (e.g. Land Attack Cruise Missiles/LACM) would have only a limited effect on China's overall ability to prosecute a war with Taiwan. However, they do believe that following the hypothetical onset of hostilities, having even a limited capability for effectively neutralizing key military targets within the Nanjing Military Region/NMR (the Nanjing Theater of Operations/NTO in times of war) is highly valuable and desirable. Such attacks could disrupt the PLA's operational tempo, thereby delaying China's achievement of its military and political objectives. This would buy much needed time, allowing Taiwan to both recover from the initial Chinese first strike, and giving potential allies (i.e. the U.S.) time to evaluate and implement intervention options.

Taiwan's defense establishment sees conventional-strike capabilities like the HF-2E as a deterrent to Chinese military adventurism, as it increases the uncertainty of success for a PRC offensive by raising the cost of such a venture. The vast majority of military officers also believe that Taiwan's acquisition of a counter-strike, counter-force capability such as the HF-2E is necessary and justified, especially since Taiwan has no formal military alliances and faces a powerful adversary with a full range of capabilities, including a large and growing force of ballistic and cruise missiles.

There is a strong argument to be made that Taiwan's self-defense requires an ability to strike military targets on the mainland, including command and control centers, logistics depots, staging areas, key air bases, etc. Because it is a capability required for self-defense, any weapon system supporting this mission is inherently defensive in character.

### ***Taiwan Domestic Support for a Counter-Strike Capability***

In contrast to military leaders, Taiwan politicians tend to possess a much less sophisticated and certainly far less subtle view. Some - particularly members of the current Chen Shui-bian government and within the ruling Democratic Progressive Party (DPP) - view a missile like the HF-2E as a means to deter China by threatening counter-value strikes against Chinese cities. Some - although they remain a small minority,



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particularly after the DPP's drubbing on January 12 - even tend to characterize a counter-strike capability as a weapon of retaliation and as a means to somehow intimidate China. Some of the statements by these politicians (including by various lawmakers and by a former Premier and DPP Chairman) may seem irresponsible, or even radical, to the policy community in Washington.

However, they have been no more provocative or inflammatory than some of the remarks made by certain senior Chinese military and political leaders - underscoring further the perceived imbalance in Washington attitudes toward Taiwan and China. Many Taiwan politicians (both from the Pan-Blue and from the Pan-Green camps), therefore feel that the U.S. has a double-standard on the matter. While the U.S. has done little to stem the growth of China's missile threat, or indeed to try to reign in Beijing's constant political and military pressure against the island, these Taiwan politicians see the U.S. as unfairly pressuring Taiwan to discourage it from developing its own counter-deterrent capability that would fit into a comprehensive military response if attacked. It's neither balanced policy nor sound strategy.

On the Pan-Blue side, politicians have generally been less vocal in public about Taiwan developing capabilities for attacking targets on the Chinese mainland. A small group of so-called "Deep Blue" (ultra pro-unification) political figures do oppose programs such as HF-2E on grounds that not only are attacks against Taiwan's compatriots on the Mainland immoral, but also that the modest number of missiles Taiwan could deploy would not be effective against a country the size of China. Clearly, the implication here is that these politicians conceive of the HF-2E as a counter-value proposition. Nevertheless, most senior Kuomintang (KMT) figures privately acknowledge the need for and cost-effectiveness of a limited counter-strike capability.

On a wider scale, however, the views outlined above are those of small minorities in the body-politic, and it is evident that a counter-strike missile capability has significant bi-partisan support in Taiwan. Despite political differences, and the corresponding tendency to emphasize different primary roles for such a capability, the great majority within Taiwan's two major political coalitions both recognize the requirement for such a military capability as legitimate and desirable. As such, missile programs such as the HF-2E can be expected to continue to be supported under either a DPP government or a new KMT regime.

### ***Presidential Campaign Platforms***

Ma Ying-jeou's national defense policy white paper, released in September 2007, carefully avoided mentioning the issue of counter-strike capabilities, and Mr. Ma has never discussed his personal views on the matter. However, Su Chi - Ma's advisor and the principal author of his defense policy white paper - had in early 2006 advocated a "purely defensive" strategy for Taiwan, whereby a KMT government would forego such programs as submarines and LACMs in favor of more munitions and hardening to bolster readiness. The concept was widely criticized by academics and by other politicians, as well as in the media, and Ma Ying-jeou (then still KMT Chairman) had to distance himself from that proposal. Therefore, Mr. Ma's precise position on counter-strike capabilities remains unclear, and may not be material at this point. However, as a cornerstone of a KMT/Ma administration's national security policy would be tied to improving cross-strait relations, a capability such as the HF-2E that provides military credibility would add to Taiwan's negotiating weight.

As of this writing, DPP presidential candidate Frank Hsieh has not yet published his national defense policy white paper - and he has rarely spoken about national defense issues, despite having previously served as Premier (2005-2006) - so no formal DPP campaign platform on national defense is available. Still, Mr. Hsieh's national defense platform is unlikely to be significantly different from that of the current DPP administration under President Chen Shui-bian, and all indications are that his government would continue to support counter-strike programs such as HF-2E.



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### ***The Legislative Yuan Defense Committee***

Support for counter-strike programs has been robust in the LY National Defense Committee (NDC). Not only has the NDC endorsed funding for the HF-2E LACM research, development, testing and evaluations (RDT&E) efforts over the past several years, it has also supported other “counter-strike” system programs, such as the F-CK-1A/B MLU fighter upgrade work, Wan Chien stand-off munitions dispenser (JSOW-equivalent), TC-2A anti-radiation missile (HARM-equivalent), as well as RD&T funding for sounding-rockets (with potential TBM application) and graphite bombs. The strong showing of the KMT in the January 12, 2008 legislative elections ensures a smooth ride for KMT priority defense items – once intra-party consensus has been reached. It is therefore unlikely that there will be a significant departure from the Committee’s recent track record, given the overall consensus already discussed above.

The same phenomenon applies to support for the continued development of deep-strike capabilities. Passage of US\$117 million (NT\$3.8 billion) in funding for the HF-2E production program start under the FY2008 defense budget was indicative of this emerging consensus. A couple of KMT lawmakers had sought to eliminate the budget on grounds that President Chen Shui-bian may be too irresponsible to be trusted with a weapon that could provoke China – a highly irresponsible approach to discussing Taiwan’s legitimate security requirements and sadly an approach echoed in the U.S. as well. But in the end, the overwhelming majority of the LY supported a solution that basically kept the budget intact but froze two-thirds of the funding until after the presidential elections in March of 2008. As with the Bush Administration’s own objections to certain weapons platforms, directing national security decisions at Chen Shui-bian and not at the long term security of Taiwan is ultimately counter-productive for both Taiwan and for the U.S.

Over the past 4 years, and linked with an increase in the power wielded by the LY, we have seen a steady rise in the pressure for greater domestic self reliance in defense programs and for improved industrial cooperation with vendors (read with the U.S.). The end product of this effort - a new “Armaments Strategy Planning and Development Process” - puts a premium on the creation of new defense companies centered on large procurement programs. While this effort has initially met fierce KMT resistance, the statements of criticism are coming in the context of the final stages of a presidential election. The present proposal may ultimately fail to satisfy the KMT, but it does not remove the considerable pressure to increase the domestic economic impact of defense procurement. The LY is increasingly demanding more independence from foreign suppliers – partially as a function of unreliable U.S. defense sales policy, e.g. F-16s, and partially because of the desire to develop cheaper alternatives. This latter point makes LY defense committee support for domestic defense systems strong, as the deployed platforms are viewed as a cost-effective response in the absence of a U.S. solution. In some cases it is questionable whether Taiwan domestic defense programs realize either a quality platform or a cost savings, but the political calculation is that support represents a net gain for Taiwan and its legislative and executive branch leadership.

### ***The Future***

As demonstrated during past Taiwan Strait crises (including both the 1958 and 1996 events), neutralization of a number of mainland-based targets would have been necessary in the event of a high-intensity military conflict. From the viewpoint of controlling escalation in a future Taiwan Strait conflict, it would be far more desirable if these targets could be attacked by Taiwan directly rather than by U.S. assets. Washington had long believed that Taiwan needs some capability to conduct an active air and missile defense, which would have to include the suppression of missile launchers and the targeting of other military capabilities used by China in successive waves of attack. Therefore, it may well serve American national interests for the U.S. to at least allow and quietly assist, if not openly and actively supporting, Taiwan’s development of a limited counter-strike capability for counter-force operations - as was the case through 2006.



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The degree of success of further development of the HF-2E (or, for that matter, any Taiwan counter-strike capability) will depend to a considerable extent on U.S. support, both technological and political. The HF-2E project team continues to struggle with challenges in such areas as advanced materials, a more fuel-efficient power plant, and guidance systems, and Taiwan continues to seek active U.S. technical assistance on this program.

The implications of the change in the U.S. position are not being discussed in a substantive and systematic way among military experts in the U.S. and Taiwan. It is possible that this Taiwan effort is now viewed as "offensive" in nature, contrary to the "defensive" focus of the Taiwan Relations Act (TRA) and is therefore to be opposed. However, on the modern battlefield it is near impossible to distinguish between a "defensive" and an "offensive" system; we develop solutions that can handle multiple contingencies. This fact makes objections on this account specious. In Taiwan, the U.S. is viewed as hypocritical at best and pro-China at worst, both of which are clearly undermining our interests.

In the absence of any current political costs for China's missile-driven disruption of the "Status Quo", how can Taiwan raise the cost of aggression? To many, both in Taiwan and the U.S., a counter-strike missile capability seems a logical and cost effective way forward when coupled with Taiwan's other capabilities. Although American objections have been conveyed particularly loudly the past 6 months, the U.S. is unlikely to gain major traction on this issue in Taiwan in the absence of a political price extracted for China's massive research, development, and deployment of a missile capability on the other side of the Taiwan Strait.

Taiwan's incoming leadership can promote stronger support for its counterstrike programs within the Bush Administration by toning down the identity politics rhetoric that is adding tension to the triangular relationship between America, Taiwan and China. That said, increased support supposes that the Bush Administration will substantively change its approach toward Taiwan after May 2008 and the inauguration of a new president. I do not believe this to be the case. We can expect soothing words from mid-ranking officials, but material opposition to Taiwan related initiatives will remain. American efforts to secure an arms control accord with the NKPD, and the role of China in that process; President Bush's trip to Beijing in early August; and a somewhat cynical effort to run out the clock will all combine to leave important decisions unaddressed. In all but one of the above reasons, America's desire to work "constructively" with China will come at the expense of substantive support for counterstrike programs, among other areas of US-Taiwan defense relations.

As the U.S. Director of National Intelligence - Vice Admiral Michael McConnell - noted recently, "*China continues to develop and field conventional theater range ballistic and cruise missile capabilities that will put U.S. forces and regional bases throughout the Western Pacific and Asia at greater risk.*" This statement compels us to ask why the Bush Administration would pursue a new policy of undermining or denying Taiwan counterstrike capabilities, capabilities that would improve both the Taiwan and U.S. security situations by reducing the threat cited by Vice Admiral McConnell.

The changes being advocated by the Bush Administration, leading to active opposition to Taiwan's counter-strike capabilities, represent a shift in longstanding policy toward Taiwan driven not by a methodical tactical and strategic assessment but by short-term political expediency. As with the Bush Administration's handling of the F-16 matter, the change in tact on the counterstrike missile program is further evidence of the personalization and politicization of the arms sales process. It is a deeply troubling development for our community.

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