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SPECIAL COMMENTARY:
Taiwan Votes, What Next?
March 20, 2008

On Saturday, March 22, the citizens of Taiwan will return to the polls for the second time in 2008. They elected a parliament in January, and this time they will elect a new president as well as participate in two referendums on Taiwan's application to the United Nations.

The very election itself is testament to the fact that countries with authoritarian pasts can find a path to both enduring democracy and economic prosperity. But this presidential election is also providing an excellent platform from which to view the many conflicting visions for Taiwan's future - leaving only the all important response from Washington and Beijing unknown.

The two presidential candidates - Ma Ying-jeou of the Kuomintang and Frank Hsieh of the Democratic Progressive Party - have both recognized that Taiwan has a responsibility to improve its bilateral relationships with its two most important interlocutors, the U.S. and China.

Both candidates have advocated strong national security platforms and a commitment to invest in defense, a consensus missing for much of incumbent President Chen Shui-bian's tenure. Meanwhile, they have distanced themselves, albeit to different degrees, from Chen's overly confrontational style. These two changes alone will do much to improve relations with the U.S.

The candidates have also expressed their intent, again with some differences, to further liberalize Taiwan's economic relationship with China. While such a move is important for Taiwan businesses, and for their global partners such as Apple and Dell, it is not without controversy on the island. Much as Americans are anxious about China's economic rise, so are the people of Taiwan.

Given these similarities in the candidates' positions, we know a great deal about what Taiwan is likely to do over the next 4 years to improve its standing with China and with the United States. However, neither Washington nor Beijing has given any indication of how they might respond to these expected Taiwan initiatives, or what they intend to do to address the unique challenges that Taiwan represents to their global interests.

It is essential that Washington drop the counterproductive barriers to high-level communication with Taiwan and begin actively encouraging dialogue between each party. America's lines of communication with Beijing are excellent and start at the top. But with Taiwan, our top policy decision makers are not allowed to meet with their Taipei counterparts, and therefore lack direct insight into their thinking. This leaves them with first-hand exposure only to China's one-sided position on the state of affairs in the Taiwan Strait.

As for China, it refuses to make a feasible arrangement for direct talks with Taiwan. Washington must make it clear that China will pay a real price in its relationship with America if it continues to insist on unacceptable terms and conditions for dialogue. China's continuing to thrust the "One-China Principle" at Taiwan as the precondition for negotiation is both disingenuous and counterproductive.

Irrespective of the ultimate victor in Taiwan's upcoming election, it is unlikely that Washington and Beijing can place their respective relationships with Taiwan on a sustainable footing if they continue to refuse to effectively communicate with Taipei.



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As ably laid out in the Defense Department's latest report on China's military, the threat to peace and stability in the Taiwan Strait continues to grow. Taiwan now needs a second batch of F-16s, but the Bush Administration has denied them even the courtesy of considering the request. While President Bush made a historic defense commitment to Taiwan in 2001, the current personalization of America's security commitment to Taiwan - focused on the Administrations' dislike of President Chen - needs to end. We have the Taiwan Relations Act to guide us in this matter, and we should use it.

Finally, American pressure on Taiwan to embark on unencumbered commerce with China is fine as long as it is balanced with an American commitment to ensuring that Taiwan can engage with its other global trading partners. In the absence of U.S. leadership, Taiwan's trading partners refuse to engage in bilateral or multilateral trade agreements with Taiwan over fear of Chinese reprisals and further compounding its isolation.

Only the U.S. can create the framework and leadership on this matter to ensure that Taiwan isn't thrust into China's embrace without any recourse to balance its global economic equities. It is not either China or the globe, but both, that can provide Taiwan with a stable economic future and the U.S. with an economically secure global partner. This is why a US-Taiwan Free Trade Agreement would not be just a bilateral agreement with improved market access, but the door to Taiwan's inclusion in global trade liberalization. The stakes for our major economic partner are that high.

So, as Taiwan votes on Saturday, look not to Taipei for a future glimpse of what we can expect from this complex trilateral relationship - look to Washington and Beijing. In the absence of flexibility and substantive changes, we are destined for further instability in the Taiwan Strait.

Rupert Hammond-Chambers
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