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SPECIAL COMMENTARY: TAIWAN CONGRESSIONAL NOTIFICATIONS RELEASED

October 3, 2008

While there has been a delay of over 10 months for 8 separate Congressional Notifications (CNs) for arms sales to Taiwan, **on October 3 the U.S. Department of State released six items for notification:** Javelin, Harpoon, spare aircraft parts, PAC-III, E-2T retrofit, and Apache. The total DSCA estimated cost is US\$6.463 billion (see attached).

Two of the programs in the original request were omitted - the submarine Phase I design program and the Black Hawk program - while the PAC-III program was reduced. [The original request included the Harpoon anti-ship missiles; Apache helicopters (x30 units); PAC-III (x7 units, 6 operational batteries + 1 training battery); diesel-electric submarine design - Phase I; airplane spare parts (mostly for fighters); E-2T retrofit; UH-60 Black Hawk utility helicopters (x60 units); and Javelin anti-vehicle missiles.]

It seems as if the Bush Administration's intention today was to create an overall package based on a dollar figure. They viewed the Black Hawks as a large but not controversial program, and therefore it was one they could punt into 2009 with a degree of confidence that the incoming U.S. administration would not view it as controversial and would likely send it to the Hill. Omitting the submarines was not controversial within decision-making circles, and in the case of PAC-III it pared back the buy to reduce its overall cost.

The impasse over arms sales has done immeasurable damage to the U.S.-Taiwan relationship over the past several years, and these Congressional Notifications - while very late and incomplete - are an important and positive step forward in US-Taiwan relations. However, it has taken over 10 months for the notifications to accumulate - an unprecedented action irrespective of Bush Administration claims that this was part of a normal inter-agency process. There is simply no existing example of notifications being stacked in such a manner. We face a similar situation in the Bush Administration's refusal to accept an LOR for F-16s - itself unprecedented in a security relationship between the U.S. and a non-NATO ally.

President Bush released the items for sale in April 2001, based on counsel from all parties in the inter-agency process - as well as Taiwan's own assessment of its defense needs - advising that these systems were critical to Taiwan's force modernization, and could therefore play an important part in U.S. obligations to provide for Taiwan's self defense under the Taiwan Relations Act (TRA). The money for these systems was budgeted for in Taiwan in June and December 2007, with the CNs starting to roll into the Department of State from the Department of Defense at the end of 2007.

The US-Taiwan Business Council has always rejected the notion that the Ma Administration isn't a forceful advocate for strong U.S. - Taiwan security ties, particularly as Ma has supported the CNs and a follow-on F-16 buy. President Ma is well aware that these defense programs will underscore Taiwan's credibility during his nascent attempts to engage the Chinese, thereby assisting him in reaching out for further reconciliation with China - which is in the U.S. interest if it promotes easing of tensions in the Taiwan Strait. It will also make the job of the incoming U.S. administration next January that much easier to have the bulk of these programs underway. The new administration can then focus on new initiatives in US-Taiwan relations.

Conclusion

It always bears repeating - as policy makers continue to make the wrong assumptions about arms sales - that U.S. policy is supposed to be guided by the Taiwan Relations Act (TRA). The TRA specifically states that



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"The President and the Congress shall determine the nature and quantity of ... defense articles and services [sold to Taiwan] based solely upon their judgment of the needs of Taiwan."

The approach of the past 10 months, the stacking of the notifications at State, and the cuts made in the final CNs lead the US-Taiwan Business Council to believe that the driving force in determining which programs went ahead and which didn't was their overall dollar value and how that might be construed by China, rather than Taiwan's legitimate defense needs as established in 2001.

China opposes all arms sales to Taiwan without exception. As we have witnessed these past 10 months, attempts to game the system only result in the U.S. negotiating with itself. We extract nothing in return for attempting to "soften the blow" on China. The TRA is specific on this issue, as noted above, and U.S. security interests in Asia are undermined when the system is so blatantly gamed.

If America is to manage its long-term equities and interests with Taiwan and China, it must stick to its established framework for dealing with Taiwan. When it deviates from legacy policy or the TRA as has been the case these past several years, we end up undermining our interests as well as the interests of the sitting government in Taiwan.

Again, the Council welcomes today's notifications but regrets the manner in which this issue was handled and the damage done to U.S.-Taiwan relations as a consequence.

Rupert Hammond-Chambers
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