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**FOR IMMEDIATE RELEASE**

**April 1, 2011**  
Arlington, Virginia, U.S.A.

**US-TAIWAN BUSINESS COUNCIL SUPPORTS SENATOR RICHARD LUGAR'S CONCERNS OVER TAIWAN'S DETERIORATING AIRPOWER SITUATION**

In a letter dated April 1, 2011, Ranking Member of the U.S. Senate Committee on Foreign Relations Senator Richard Lugar (R-IN) wrote to Secretary of State Hillary Clinton on the issue of U.S. defense equipment sales to Taiwan. The US-Taiwan Business Council shares Senator Lugar's expressed concerns over Taiwan's deteriorating airpower situation, and supports his contention that replacement of Taiwan's tactical aircraft – such as with U.S.-made F-16C/Ds - is both necessary, justified, and not provocative.

In the letter, Senator Lugar wrote "Given the decrepit state of Taiwan's F-5s, the service life issues associated with its IDF [Indigenous Defense Fighter], and a growing problem ... obtaining affordable and sustainable access to spare parts for Mirages, I am very concerned that if the Administration does not act favorably on Taiwan's outstanding Letter of Request (LOR) for sales of F-16C/D aircraft, Taiwan will be forced to retire all of its existing F-16A/B aircraft in the next decade, leaving it with no credible air-to-air capability."

The Council also shares Senator Lugar's concern over the tenuous nature of Taiwan's present fighter fleet and its urgent requirement to retire obsolete F-5 and Mirage airframes, to upgrade F-16A/Bs and IDFs, and to procure new F-16C/Ds to replace retiring aircraft. Taiwan has a legitimate requirement to maintain a credible air deterrent in the face of a growing military threat from China - a threat that, to-date, has not been adequately discussed nor responded to by the Obama Administration.

Council President Rupert Hammond-Chambers noted that "The Administration remains unwilling to respond to China's growing military threat in regards to Taiwan. By providing Taiwan with necessary military hardware, America has underpinned the recent cross-Strait détente - a policy the Council supports. To deny Taiwan a credible defense force at this critical time means a weaker Taiwan in the face of an increasingly emboldened China. This is not in the interests of the United States."

Mr. Hammond-Chambers also said that "The current U.S. policy towards Taiwan appears to consist entirely of periodic rhetorical support for Taiwan-China economic engagement, along with continued reiteration of past policy positions such as support for the Taiwan Relations Act (TRA) - albeit absent any actual action that supports this contention. Cross-Strait economic engagement has clearly reaped benefits in the short term as tensions have been reduced, yet the Taiwan populace still overwhelmingly rejects China's expressed goal of unification."

He added "In the coming several years, the pressure on Taiwan to engage with China - not only on economic issues but with political and military talks as well - will quickly rise. If Taiwan lacks a credible defense, and China calculates that the U.S. lacks resolve, the possibilities for miscalculations soar and tensions in the Strait will rise dramatically. While arms sales may cause short-term difficulties in bilateral relations with China, they have always returned again to a solid baseline. If America succumbs to the short-term expediency of not providing Taiwan with much needed and meaningful capabilities, the chance of Chinese adventurism rises."

**About the US-Taiwan Business Council:**

The US-Taiwan Business Council ([www.us-taiwan.org](http://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.

**Press Contact:**

Lotta Danielsson-Murphy

[LottaDM@us-taiwan.org](mailto:LottaDM@us-taiwan.org)

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