



PRESS RELEASE

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New Report Examines the History and Implications of Chinese Reactions to Taiwan Arms Sales

On April 17, 2012, the US-Taiwan Business Council and the Project 2049 Institute will release a joint report entitled "***Chinese Reactions to Taiwan Arms Sales.***" This report takes an in-depth look into the history of major U.S. arms sales to Taiwan, and examines the correlation between such arms sales and the reactions and subsequent retaliatory responses - if any - by the People's Republic of China.

The report questions the extent to which China is prepared to jeopardize its overall relationship with America, and concludes that while the PRC has loudly protested past arms sales, tangible retaliatory responses have not had substantial long-term effects. China is unlikely to challenge any fundamental U.S. interests in response to future releases of significant military articles or services to Taiwan, and the U.S. therefore retains considerable freedom of action in abiding by the Taiwan Relations Act. Barring a substantive reduction in the Chinese military posture opposite Taiwan, the U.S. will likely continue to provide Taiwan with weapons of a defensive character for the foreseeable future.

The report also asserts that U.S. arms sales provide Taiwan's government with the confidence needed to engage with their counterparts in Beijing from a position of strength, suggests that these sales are in the U.S. national interest, and that they serve as a visible reminder of U.S. commitments to peace and security in the Asia Pacific.

Randall Schriver, President & CEO of Project 2049, said that "*given the tyranny of the calendar with constant regular and annualized China-U.S. bilateral exchanges, there is never a good time to notify Congress of Taiwan arms sales. This has been exacerbated by the stacking of notifications since 2008. Large packages of systems with high dollar values have focused Chinese attention in a manner that would not happen if the same systems were to be notified individually.*"

Rupert Hammond-Chambers, President of the US-Taiwan Business Council, remarked that "*the TRA mandates a sufficient self-defense capability for Taiwan, and yet the bulk of recently notified systems were originally released in 2001. Chinese forces opposite Taiwan continue to grow, while considerable political and bureaucratic inertia – driven by unsupported concerns over Chinese retaliatory responses - stand in the way of adequate U.S. support for Taiwan.*"

For copies of the "***Chinese Reactions to Taiwan Arms Sales***" report, see www.us-taiwan.org and www.project2049.net.

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.

About the Project 2049 Institute

The Project 2049 Institute (www.project2049.net) seeks to guide decision makers toward a more secure Asia by the century's mid-point, and focuses exclusively on future-oriented studies of the Asia Pacific.

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