

REINFORCING THE U.S.-TAIWAN RELATIONSHIP

HEARING
BEFORE THE
SUBCOMMITTEE ON ASIA AND THE PACIFIC
OF THE
COMMITTEE ON FOREIGN AFFAIRS
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REINFORCING THE U.S.-TAIWAN RELATIONSHIP

TUESDAY, APRIL 17, 2018

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ASIA AND THE PACIFIC,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2 o'clock p.m., in room 2172 Rayburn House Office Building, Hon. Ted Yoho (chairman of the subcommittee) presiding.

Mr. YOHO. The hearing will come to order and good afternoon and thank you for being here today. It is a great pleasure to convene the subcommittee to discuss U.S.-Taiwan relations, a partnership that enjoys broad bipartisan support. As the State Department has said, Taiwan is a force for good in the world, a beacon of democracy. Indeed, Taiwan is a critical security partner and an exemplar of democracy and human rights in a region short on both. It is the United States' tenth largest trading partner, and I might add it is our sixth largest agricultural export market. And it is so vital to the trade that we have in this country.

Taiwan's success is a potent rebuttal to authoritarian, revisionist powers that are attempting to undermine the primacy of democracy and upend the global order that has given us peace and prosperity since the days of World War II. Taiwan's example is all the more important as China recommits to one totalitarianism under Xi Jinping.

In recent months, Xi has justified taking lifelong power by arguing that he is the only figure who can accomplish China's so-called rejuvenation. Reunifying Taiwan peacefully or otherwise would be a key part of this accomplishment and it seems likely Xi will force this issue within his lifetime. In the South China Sea last week he conducted the largest show of maritime force in China's history and this week he will double down on his intimidation with live-fire exercises in the Taiwan Strait. Xi Jinping wants Taiwan to be subjugated under his rule and is making concerted efforts to accomplish this result. As he pressures the U.S.-Taiwan partnership, we will have to reinforce our ties. Congress has always led on Taiwan affairs and it will be incumbent on Congress to continue our leadership.

Chairman Chabot's Taiwan Travel Act, who incidentally used to chair this committee, became law last month and is a shining example of how Congress can do this. This bill helps break down self-imposed restrictions on contact with Taiwan that are not required

by our policy and have hindered our bilateral relations. The House has also passed my own legislation, H.R. 3320, to promote Taiwan's participation at the WHA or the World Health Assembly.

Taiwan's exclusion from the summit despite being a model contributor to world health shows that Beijing is willing to put the world at risk to satisfy its own pettiness and insecurities. I hope the Senate will act on this legislation quickly as the World Health Assembly will meet again next month. Taiwan has made major contributions in the field of global health including making significant breakthroughs during the SARS epidemic and providing critical support during the 2014 Ebola crisis.

In this Congress, I have also introduced measures to support a U.S.-Taiwan Free Trade Agreement and support the normalization of arms sales to Taiwan, but there is still much more work to do. Congressman Chabot's Travel Act touches on a creeping problem within U.S.-Taiwan policies. In many areas beyond travel and diplomatic contact, the United States observes self-imposed restrictions on our conduct, self-censor, or allows the ambiguities of U.S.-Taiwan policies to constrain our relationships instead of expanding it. This rot has set in over decades since the foundations of the One-China Policy when they were laid down.

I am concerned that over the years the executive branch has institutionalized a norm of avoiding displeasing Beijing and that our diplomats make decisions about Taiwan that are based on fear instead of the merits of the U.S.-Taiwan relationship itself. It is seen clearly when the State Department delays arms sales to avoid angering Beijing or removes the Taiwan's flag from its Web site after the PRC diplomats complained.

I believe that Congress can help to stop this rot and reinforce the United States' relationship with Taiwan and I am grateful that we have such an expert panel with us today to make recommendations on how to accomplish this.

Ultimately, the U.S. policy on Taiwan is transitory. Taiwan's status has been left undefined and must come to a resolution eventually. In the Shanghai Communiqué, the United States simply acknowledged that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is part of China. I doubt that such agreement exists today. Xi Jinping has his answer. He wants Taiwan to be a province of the PRC and is working to make that happen. The United States must find its own answer and I look forward to searching for it today and get clarification.

And with that, members present will be permitted to submit written statements to be included in the official hearing record and, without objection, the hearing record will remain open for 5 calendar days to allow statements, questions, and extraneous material subject to the rule length. And the witnesses' written statements will be entered into the hearing record. I thank the witnesses for being here today and I turn to the ranking member for any remarks he may have.

[The prepared statement of Mr. Yoho follows:]

Reinforcing the U.S.-Taiwan Relationship
 Subcommittee on Asia and the Pacific
 House Committee on Foreign Affairs
 Tuesday, April 17, 2018
Opening Statement of Chairman Ted Yoho

Good afternoon...

It's a great pleasure to convene the Subcommittee to discuss U.S.-Taiwan relations, a partnership that enjoys broad, bipartisan support. As the State Department has said, Taiwan is "a force for good in the world," a "beacon of democracy."

Indeed, Taiwan is a critical security partner, an exemplar of democracy and human rights in a region short on both. It is the United States' tenth largest trading partner, and a key agriculture market. Taiwan's success is a potent rebuttal to authoritarian revisionist powers that are attempting to undermine the primacy of democracy and upend the global order that has given us peace and prosperity since the days of World War II.

Taiwan's example is all the more important as China recommits to one-man totalitarianism under Xi Jinping. In recent months, Xi has justified taking lifelong power by arguing that he is the only figure who can accomplish China's so-called "rejuvenation." Reunifying Taiwan, peacefully or otherwise, would be a key part of this accomplishment, and it seems likely Xi will force the issue within his lifetime.

In the South China Sea last week, he conducted the largest show of maritime force in China's history, and this week he will double down on his intimidation with live fire exercises in the Taiwan Strait.

Xi Jinping wants Taiwan to be subjugated under his rule, and is making concerted efforts to accomplish this result. As he pressures the U.S.-Taiwan partnership, we will have to reinforce our ties. Congress has always led on Taiwan affairs, and it will be incumbent on Congress to continue our leadership.

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of global health, including making significant breakthroughs during the SARS epidemic, and providing critical support during the 2014 Ebola crisis.

In this Congress, I've also introduced measures to support a U.S.-Taiwan free trade agreement, and support the normalization of arms sales to Taiwan. But there is still much more work to do. Congressman Chabot's Travel Act touches on a creeping problem within U.S.-Taiwan policy. In many areas beyond travel and diplomatic contact, the United States observes self-imposed restrictions on our conduct, self-censors, or allows the ambiguities of U.S.-Taiwan policy to constrain our relationship instead of expanding it.

This rot has set in over the decades since the foundations of the One China policy were laid down. I'm concerned that over the years, the executive branch has institutionalized a norm of avoiding displeasing Beijing, and that our diplomats make decisions about Taiwan that are based on this fear instead of the merits of the U.S.-Taiwan relationship itself. It is seen clearly when the State Department delays arms sales to avoid angering Beijing, or removes Taiwan's flag from its website after PRC diplomats complain.

I believe that Congress can help to stop this rot and reinforce the United States' relationship with Taiwan, and I'm grateful that we have such an expert panel with us today to make recommendations on how to accomplish this.

Ultimately, U.S. policy on Taiwan is transitory; Taiwan's status has been left undefined, and must come to a resolution eventually. In the Shanghai Communiqué, the United States simply acknowledged that "all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China." I doubt that such agreement exists today.

Xi Jinping has his answer; he wants Taiwan to be a province of the PRC, and is working to make that happen. The United States must find its own answer, and I look forward to searching for it today.

Mr. SHERMAN. Thank you, Mr. Chairman, for holding these hearings during my now almost 22 years in Congress. I have been a strong supporter of the Taiwan-U.S. relationship. I have introduced legislation to supply naval frigates to Taiwan, to support Taiwan's entry into the International Police Organization, and I joined with Congressman Chabot and our chairman Mr. Royce and others in introducing the Taiwan Travel Act that is now law.

Taiwan has 23 million people and \$80 billion of trade with the United States; the Taiwan Travel Act would encourage diplomatic exchanges at the highest levels consistent with this Act. We should no longer hesitate to send our Secretary of Defense, or Secretary of State, or National Security Advisor to Taiwan for better communications in our bilateral relationship. And Congress should welcome Taiwan's President or Foreign Minister in delivering an address particularly at the Presidential level to a joint session of Congress.

I should point out that that comment relates to the President of Taiwan, not the President for life of Taiwan. Taiwan does not have a President for life. That is the situation in another nearby country. I should also point out that I am probably the only Member of Congress that benefits from the current craziness that the President of Taiwan visits the United States on a refueling stop on the way to a state visit to Central America.

The reason for that is that traditionally the President of Taiwan stops for refueling in Los Angeles and comes to the Sheraton Universal Hotel in my district, thereby allowing me to welcome the President of Taiwan to my district on more occasions than would be likely the case under any other circumstances. That being said, the Taiwan Travel Act is perhaps the only piece of legislation disadvantageous to the 30th congressional district that I am proud to say is law.

I am very concerned that China has tried to keep Taiwan out of international organizations. We should be helping Taiwan gain membership to the World Health Organization, the International Civil Aviation Organization, the U.N. Climate Change Convention, and INTERPOL. Taiwan's vital contributions to the work of these organizations would make the world a healthier and safer place.

In support of such efforts, I joined as an original co-sponsor to the chairman's bill seeking to give Taiwan observer status to the World Health Assembly. Criminals and diseases benefit by excluding Taiwan from organizations designed to combat crime and disease. And it is hard to think that Beijing would work tirelessly to try to support disease and crime, yet that is what they are doing by preventing Taiwan from being an efficient member of these international organizations.

I support the Global Cooperation and Training Initiative through which Taiwanese expertise helps developing countries in areas such as health, the digital divide, gender development and humanitarian assistance. As to defense and economics, in accordance with the Taiwan Relations Act and the Six Assurances we should maintain our arms sales that support Taiwan's legitimate defense needs. Such sales also do create jobs here in the United States and help maintain our defense industry. And we need to seek an increase in Taiwanese investment of the United States and U.S. exports to

Taiwan of goods and services. Currently, we export \$26 billion in goods and \$12 billion in services.

What is at stake here is our dedication to democracy. Taiwan tied several other Asian countries for the highest democracy score in an international rating from Freedom House and I would say Taiwan does pose a threat to China. That threat is one of example. When the people of mainland China see that a country sharing the same language can benefit from democracy, can benefit from the rule of law and a truly free and vibrant economy, then that is a threat not only to China but to all of the oppressive regimes around the world.

So I look forward to deepening our relationship with Taiwan and dismissing the silliness that prevents Taiwan from participating with the United States and with the rest of the world. I yield back.

Mr. YOHO. I appreciate your comments.

Next, we will go to Mr. Dana Rohrabacher from California.

Mr. ROHRABACHER. Thank you very much, Mr. Chairman. Let me just note that countries, major countries, smaller countries, only have one legitimate government. And there is only one legitimate government in terms of the Chinese people and it is the government in Taiwan.

The fact is, the government by American standards is only a legitimate government if it operates with the consent of the governed.

Mainland China is run by a clique of gangsters who make no pretense about democratic rule and permitting opposition parties or stamping out anybody who provides any type of disagreement with the policy being advocated and performed by the clique that runs that country.

So, yes. If we are looking at what countries have a legitimate government, Taiwan is a legitimate government and it is occupied, yes, by many Chinese people. But let us note that there are Taiwanese people there and that now you have Chinese and Taiwanese people on that island of Taiwan operating in democratic government.

So if the United States has to side with anybody, if there is a conflict between the gangsters and the clique that are pretending to be a government and the real government that exists on Taiwan, let us note that that didn't always happen. President Lee was a great reformer in Taiwan and he brought what was just an anti-Communist group in Taiwan that were allied with us in the Cold War, he brought the reforms that have made the Government of Taiwan legitimate in our eyes.

Now as we move in with President Trump's fair trade, that is an issue that we have to work with the Taiwanese on and I hope that we will be doing that with the spirit of goodwill. And while we are doing that let's recognize that the Chinese clique in Beijing is engaged in policies and actual practices that threaten the peace of the world especially in terms of their expansionist policies in building those islands that threaten commerce in the Pacific region.

So with that said, thank you for the hearing, Mr. Chairman, I will be looking forward to hearing from the witnesses.

Mr. YOHO. No, and I really appreciate your comments. And before we go to the next statement I want to remind people that we

are up against a competing committee hearing on Syria and I know members will be leaving. I want to let you guys know I am going to continue. I am not going to that. I am staying here. And feel free to come back or feel free to stay.

Next, we will go to Mr. Gerry Connolly from Virginia.

Mr. CONNOLLY. Thank you, Mr. Chairman, and I also thank you for this hearing.

I am proud to serve as one of the co-chairs of the Taiwan Caucus. I have gone to Taiwan almost two dozen times in my lifetime, starting as an Eisenhower Fellow back in 1988. Three points I would make, one, no one should mistake congressional interest in protecting and fostering relations with Taiwan. It stems from the Taiwan Relations Act which was a congressional foreign policy initiative that came from the legislative branch in response to an executive branch action with respect to normalization with the mainland. So from day one, Congress had a particularized interest in Taiwan.

Secondly, the Chinese Government in the mainland has often talked about One China, Two Systems when it came to Hong Kong. We now see how hollow some of those promises prove out to be. And so if Beijing thinks that sending a signal of confidence—you can trust in us; see, it works—the opposite is happening. And it is having an effect not only in Taiwan with a democratic elected government, but also here in the United States. So erosion of confidence and assurances with respect to two systems, we will respect the democratic one.

And, finally, the whole issue of the United States relations with China, we don't want to go to war with China. We don't want to have a hostile relationship with China. We want to have a good workman-like relationship. We are competitors, but it ought to be within the, you know, normal bounds. Having said that, Taiwan could change that and it is very important Beijing not miscalculate United States interest and intents because that is how trouble starts. That is how conflict happens.

The United States certainly through the expression of its legislative branch is not going to be intimidated or threatened or manipulated into a relationship or non-relationship with Taiwan that is not in our interest. We are going to foster that relationship. We are going to grow it. We are going to protect it. And I do often fear, Mr. Chairman, that other powers in the region could maybe misunderstand that and as a result miscalculate. I think both on the Republican and Democratic side we wish to reaffirm our strong support for both the relationship with Beijing, but also our special relationship with Taiwan as codified in the Taiwan Relations Act. I yield back.

Mr. YOHO. Thank you for your comments.

Next, we will go to Ms. Ann Wagner from Missouri.

Mrs. WAGNER. Thank you, Mr. Chairman, for organizing this hearing.

Taiwan, once an authoritarian country is now one of Asia's freest and most democratic, yet Chinese leadership on the mainland is keen to demonstrate its power over Taiwan. We have seen this time and time again. Tomorrow, the People's Liberation Army will conduct the first live-fire drills in the Taiwan Strait since 2015.

Without active resistance and response from Taiwan, the U.S., and allies of democracy across the world, China will continue to aggressively undermine Taiwan's sovereignty.

China's behavior toward Taiwan threatens regional stability and global democratic values, and I appreciate this committee's attention to the challenges that Taiwan faces. Mr. Chairman, I have a number of excellent questions that I hope to be able to return to ask after the Syria discussion. If not, I shall submit them to the record. So I thank you very, very much for being here and for your time, Mr. Chairman.

Mr. YOHO. Thank you for your comments.

Next, we will go to Mr. Scott Perry from Pennsylvania.

Mr. PERRY. Thanks, Mr. Chairman. I don't often make or usually make these opening statements because I like to hear from you folks, but some of the things that were said I feel like they deserve a response and a clarification.

Nobody on this dais and nobody in this country that I know of wants to be in a world with China, but if it means that we must then kowtow and continue to kowtow to China to support a free and democratic Taiwan, then we have to do, we are going to have to change course somewhere. We can't just simply do what China says for fear of some kind of aggressive action. They are aggressive. They are a strategic adversary. They are not allies. We can do business with them, but let's be really clear here, folks.

China, and the government in China, they are not the friends of the United States of America, and in many respects, in this man's opinion, they are not the friends of Taiwan. We should be supporting those who are most like us, those who are more supportive of us, and that is Taiwan. It is not China.

Mr. YOHO. Thank you for your comments.

Next, we will go to our panelists. We are thankful to be joined today by Mr. Mark Stokes who is executive director at the Project 2049 Institute and 20-year United States Air Force veteran. We thank you for your service.

Next, Mr. Julian Ku who is the Senior Associate Dean for the Academic Affairs, Faculty Director of International Programs, and the Maurice A. Deane Distinguished Professor of Constitutional Law at the Maurice A. Deane School of Law at Hofstra University; and, Ms. Tiffany Ma who is the Senior Director at BowerGroupAsia and a Nonresident Fellow at the National Bureau of Asia Research.

I think you all have been here before, you know how it works. There is a button here that says talk. I just hit mine. That was a demonstration. And the light will turn green, then it will go down to, when you have 1 minute, yellow, and then red, and we try to ask you to stay within 5 minutes so that we can get on, okay, with the questions.

Mr. Stokes, if you would start, thank you.

**STATEMENT OF MR. MARK STOKES, EXECUTIVE DIRECTOR,
THE PROJECT 2049 INSTITUTE**

Mr. STOKES. Thank you, Mr. Chairman. Esteemed members of the subcommittee, it is an honor and pleasure to be here to testify before you today alongside my distinguished colleagues.

I will keep my remarks brief. I would like to start off with a statement and that statement is, Taiwan, under its current Republic of China Constitution, exists as an independent and sovereign state. This is objective reality. It is controversial, this language, but this is objective reality and complicated for more than one reason. Simply the use of that term, Republic of China, ROC in short, is controversial not just here in Washington, but certainly in Beijing and certainly in some parts, significant parts of Taiwan.

Just one last point on this. The real dilemma, this objective reality is different from our policy. It is a separate issue than recognition. Objective reality in the existence of a state is separate from the recognition issue. And it is a complex policy challenge for the United States to somehow bring our policy in line with this objective reality in a way that is incremental and preferably does not get anybody killed in the process.

In my written testimony I outline four schools of thought that have informed U.S. Cross-Strait policy over the decades and presumably could inform U.S. policy going forward; I also outline three rationales for why a fundamental examination of U.S. policy is warranted; and, finally, outline five sets of recommendations.

In terms of four schools of thought, the first school of thought is a combination. This has become more prominent over the last decade or so, but accommodation effectively calls for bringing U.S. policy in line with Beijing's One-China principle, basically that there is one China. There is one China, Taiwan is part of China, and the PRC, People's Republic of China, is the sole representative of China in the international community. And there are different forms as accommodation. In its purest form there are calls, or have been in the calls, particularly in the 2009 time frame, to at least amend the Taiwan Relations Act, specifically the security-related portions of that and there appeared to be a concerted effort to do that.

The second school of thought is status quo. The status quo has guided U.S. policy. It has been by far the dominant school of thought since the Taiwan Relations Act. It emphasizes the value of the Taiwan Relations Act. It has maintained peace and stability in the Asia-Pacific region and has been quite useful in serving as the legal basis for U.S. policy. Beijing is not happy with the status quo.

The third school of thought is normalization. The normalization school of thought has been around a long time and that has been able to separate ourselves from our One-China Policy and move toward full normalization of relationship with Taiwan. It is straightforward.

And the fourth school of thought is probably the least well-developed, but has a long history particularly in the 1960s and 1970s, in the early '70s in the context of dual representation within the United Nations. And that concept roughly is in a non-defined U.S. One-China Policy there is nothing that would contradict having normal relations with both sides as governments. And that has been, in the past that has been—bear in mind that we had normal relations, relatively normal relations with both sides of the Taiwan Strait between 1972 and 1979.

So those are four schools of thoughts. In terms of some broad outlines of recommendations, of sets of recommendations, I outline five. The first is that there needs to be a very fundamental policy

review and an interagency working group set up to ask the very, very tough questions. That question should be not if, but how the United States can align its policy with objective reality. To me that is a critical question, how can you best achieve a stable, normal, and constructive relationship. And whatever substantive changes are developed, I would recommend that they be incremental, coordinated with senior government officials on Taiwan, and scrupulously avoid getting entangled with domestic politics on Taiwan.

The second set of recommendations had to do with the legal foundations of the Taiwan Travel Act and the Taiwan Relations Act and that is that senior-level officials should be encouraged to regularly meet with counterparts from the Republic of China Government or Taiwan Government on an institutionalized basis. And there are all kinds of ways one can finesse this issue, other structural issues like, for example, considering taking the Office of Taiwan Coordination within the State Department and perhaps considering moving that to a different part, maybe it is a direct reporting agency under the Assistant Secretary of State.

And then there are others, people to people exchanges, formalized, using the one we have with Beijing and using that as an example at a very senior level to be able to institutionalize a full range of ongoing educational and cultural exchanges that we have. Things like supply chain security, I think, are worthwhile considering. And then in terms on the defense side there is a whole range of things, but one of them could be and I think is worthy of considering is a public statement that reasserts the Taiwan Strait as international waters. Thank you, sir.

[The prepared statement of Mr. Stokes follows:]

Reinforcing the U.S.-Taiwan Relationship

**Testimony before the House Committee on Foreign Affairs
Subcommittee on Asia and the Pacific
United States House of Representatives**

**Mark Stokes
Executive Director
The Project 2049 Institute**

Tuesday, April 17, 2018

Mr. Chairman and esteemed subcommittee members, thank you for the opportunity to testify today alongside my two distinguished colleagues. My remarks address the United States and future policy options in the Taiwan Strait.

With the inauguration of President Tsai Ing-wen and the administration of the Democratic Progressive Party (DPP) in May 2016, the Republic of China (Taiwan) completed its third peaceful transition of presidential power and the first transfer of power within its legislature in history. Since that time, the People's Republic of China (PRC) and its ruling Chinese Communist Party (CCP) have sought to further isolate Taiwan internationally and coerce its democratically-elected government militarily. Panama and Sao Tome and Principe's abrupt shifts in diplomatic relations from the ROC to PRC are recent examples. Authorities in Beijing also have leveraged their financial influence to shut Taiwan out of international organizations, such as the International Civil Aviation Organization (ICAO), and the International Criminal Police Organization (INTERPOL), among others. Tourists holding ROC passports are denied entry into the United Nations.

The Chinese Communist Party has long sought the political subordination of people on Taiwan under its formula for unification -- "One Country, Two Systems." Under this so-called "One China Principle," there is One China, Taiwan is part of China, and the PRC is the sole representative of China in the international community. From Beijing's perspective, the Republic of China ceased to exist in 1949. The PRC functions as the successor state and sole legal government of a China that includes Taiwan.

Viewing political legitimacy as a zero-sum game and applying its One China Principle internationally, the Chinese Communist Party seeks further political isolation of Taiwan and co-management of U.S.-Taiwan relations as means to coerce the island's

democratically elected leadership into a political settlement on terms favorable to Beijing. Overtly or covertly, authorities have long sought to influence an amendment to, if not outright repeal of, the U.S. Taiwan Relations Act (TRA), the legal basis for bilateral relations since the break in diplomatic relations with the ROC in 1979. More recently, Beijing has protested enactment of the Taiwan Travel Act.

The CCP has demanded that people on Taiwan concede to Beijing's One China Principle as a precondition for resumption of formal dialogue. Political preconditions in the Taiwan Strait have a long history. Former presidents Lee Teng-hui and Chen Shui-bian implicitly linked the Chinese People's Liberation Army (PLA) missile buildup in southeast China with Taiwan's willingness to enter political negotiations. In the early 1990s, Taiwan's readiness to enter into political talks was conditioned upon China's democratic transformation. During his first term in office, former President Ma Ying-jeou explicitly established PLA withdrawal of missiles opposite Taiwan as a precondition for initiating political negotiations. And rightly so. Negotiation under duress almost always ensures a bad outcome. The PLA has not reduced its force posture opposite Taiwan. Its activities in the Taiwan Strait and the skies around Taiwan have become increasingly provocative. With self-imposed limits on U.S. political support for Taiwan's position, the Ma administration dropped its precondition and placed any hope of political negotiations on indefinite hold.

In a break from past policies, the Tsai administration has expressed willingness to engage counterparts in cross-Strait political dialogue without preconditions. Since 2016, it is Beijing that now has a precondition, namely that Taiwan must concede to a One China principle often associated with the so-called 1992 Consensus. President Ma and the KMT administration viewed this consensus as each side acknowledging One China, but each interpreting its meaning differently. Accordingly, "One China" could mean the People's Republic of China to Beijing, and the Republic of China to Taipei, which it believes has "*de jure* sovereignty over all of China."

On the other hand, the DPP traditionally has regarded "One China" as an issue to be negotiated, rather than unilaterally conceded or inherited. However, during her inauguration speech in May 2016, President Tsai conceded that "the new government will conduct cross-Strait affairs in accordance with the Republic of China Constitution, the Act Governing Relations Between the People of Taiwan Area and the Mainland Area, and other relevant legislation." Such a statement implies intent to conduct relations within a One China framework.

In the absence of countervailing policies by the United States, political, economic, and military pressure against Taiwan is likely to intensify. Taking advantage of U.S. ambivalence regarding Taiwan's international political legitimacy, the Chinese Communist Party has been steadfast in imposing its One China Principle and opposes any solution that it claims could create "Two Chinas," or "One China, One Taiwan." Regardless of policies adopted by the Tsai administration, authorities in Beijing are expected to continue their campaign to subordinate Taiwan to the PRC.

Schools of Thought in U.S. Cross-Strait Policy

While Beijing's policy towards Taiwan is shaped by concerns over political legitimacy, national interests and principles guide U.S. relations with Taiwan. At least four schools of thought have influenced U.S. policy in the Taiwan Strait for decades and continue to serve as options for future U.S. policy.

The Accommodation School. The Accommodation School promotes the alignment of U.S. policy with CCP positions on sovereignty in the Taiwan Strait. Accommodation comes in multiple forms, implicitly advancing the CCP's goal of unification under a One Country, Two Systems formula. In its purest form, accommodation would be achieved through revoking or amending the Taiwan Relations Act through striking its two security-related provisions. Some have called for a halt to US arms sales to Taiwan. Others advocate accommodation of Beijing's interpretation of the 1982 Communiqué and recognizing the PRC's right to use force to resolve sovereignty disputes as an internal matter. The accommodation narrative holds that China's rise as a great power is inevitable; U.S. interests require cooperative relations with the PRC; Taiwan is of little value to the United States and the international community; and, as a result, the United States should accommodate authorities in Beijing to preserve regional peace and stability.

The Status Quo School. Since 1979, the dominant school of thought has stressed maintenance of the status quo in U.S. policy toward Taiwan. Relying on ambiguity in the U.S. One China policy, defenders of the status quo stop short of defining the nature of relations between the two sides of the Taiwan Strait. Supporters of the status quo rightly argue that the current approach — formal diplomatic relations with the PRC and unofficial relations with authorities in Taipei under the Taiwan Relations Act — has contributed to peace and stability in the region. White House-directed policy guidelines define "symbols of sovereignty" and specify self-imposed restrictions on relations with Taiwan. By provision of necessary defense articles and services to Taiwan, status quo advocates highlight the role that arms sales play in enabling authorities in Taipei to

engage counterparts in Beijing with confidence. The benefits of the status quo are that, in the short term, Taiwan continues to enjoy a *de facto* form of independence, albeit with significant limitations to its international political legitimacy. Authorities in Beijing are fundamentally opposed to the status quo.

The Normalization School. Another school of thought promotes the abandonment of the U.S. One China policy altogether and diplomatic recognition of Taiwan as an independent sovereign state. Following this line of thought, advocates for a "One China, One Taiwan" policy argue that normalization is ultimately in the interests of both the U.S. and the PRC. Normalization proponents advocate a policy that could leave behind the legacies, contradictions, and animosities of the Chinese Civil War between the KMT and CCP.

The Soft Balancing School. A fourth school of thought advances a "soft balancing" policy that gradually extends equal legitimacy to governments on both sides of the Taiwan Strait within an existing U.S. One China policy framework. A U.S. One China policy has never been easy to define. As former Assistant Secretary of State Jim Kelly noted in 2004 testimony before the House Committee on Foreign Affairs:

The definition of One China is something that we could go on for much too long for this event. In my testimony, I made the point "our One China," and I didn't really define it, and I'm not sure I very easily could define it. I can tell you what it is not. It is not the One-China policy or the One-China principle that Beijing suggests, and it may not be the definition that some would have in Taiwan.

Soft balancing in the Taiwan Strait can be traced to proponents of a U.S. One China, Two Governments policy in the 1960s and 1970s. The option remained on the table until the Carter administration. Between 1972 and 1979, the U.S. maintained relatively normal relations with governments on both sides of the Taiwan Strait in a manner consistent with a U.S. One China policy. The Carter administration, making one of the most significant concessions in American foreign policy history, reverted to a narrow, zero sum game interpretation of One China in 1979.

Beijing has traditionally opposed a U.S. One China, Two Governments policy, which it claims would contradict its zero-sum One China Principle and embolden advocates of "Taiwan independence." To the contrary, however, critics on Taiwan view a U.S. One China, Two Governments policy as a Faustian bargain that could legitimize the ROC and its legacies, and complicate steps toward Taiwan's permanent legal separation from China.

Rationales for a Fundamental Review of U.S. Cross-Strait Policy

In a 2015 article published in *The National Interest*, former Representative Randy Forbes asserted that “the status quo in the Taiwan Strait is the existence of two legitimate governments. One, the Republic of China (Taiwan), is a liberal democracy. The other, the People’s Republic of China, is an autocracy under the control of the Chinese Communist Party.” He asked Xi Jinping, General Secretary of the Chinese Communist Party, “applying your One Country, Two Systems narrative to U.S.-Taiwan relations, how can you claim the right to represent 23 million people on Taiwan who enjoy popular sovereignty?”

U.S. policy helped create the conditions within which Taiwan transformed from an authoritarian party-state to a representative democracy. However, U.S. cross-Strait policy has not adjusted to reflect this fundamental transformation. The zero-sum framework of formal diplomatic relations with one side and informal ties with the other may have been appropriate in 1979, when both governments were authoritarian. However, with each passing election on Taiwan and consolidation of popular sovereignty, U.S. cross-Strait policy increasingly warrants a fundamental review. Putting aside the 1994 Taiwan Policy Review, the last fundamental assessment of U.S. cross-Strait policy took place during the initial months of the Carter administration in 1977. A fundamental reassessment of U.S. policy toward Taiwan may be warranted for at least three reasons:

Objective Reality. First, foreign policy should, to the maximum extent possible, align with objective reality. The objective reality is that Taiwan, under its current ROC constitution, exists as an independent, sovereign state. In 1979, the U.S. withdrew diplomatic recognition. The shift in recognition was and is a matter of policy and political expediency. The ROC (Taiwan) did not cease to exist. A significant difference exists between existence of a state and recognition of its legitimacy. For purposes of domestic law, the TRA states:

The absence of diplomatic relations or recognition shall not affect the application of the laws of the United States with respect to Taiwan, and the laws of the United States shall apply with respect to Taiwan in the manner that the laws of the United States applied with respect to Taiwan prior to January 1, 1979.

Leveling the Playing Field. Secondly, resolution of cross-Strait differences is constrained without broad acknowledgement if not recognition of the Taiwan’s legitimacy within the international community. The U.S. should not serve as a mediator or pressure Taiwan to negotiate. However, U.S. policy plays an important role in creating conditions for the two

sides to resolve political differences peacefully. If one assumes that negotiation on the basis of equal legitimacy is a necessary prerequisite for cross-Strait political talks, one could argue that a policy that gradually extends legitimacy to both sides, within a broad U.S. One China policy framework, could be the only solution to create that kind of conducive environment. U.S. policy currently discourages “symbols of sovereignty,” such as displaying the ROC flag on government websites. Rather than “symbols of sovereignty,” measures such as display of the flag are substantive steps toward balancing legitimacy in the Taiwan Strait.

Principles. Finally, soft balancing in the Taiwan Strait could better reflect foundational American interests in promoting democracy around the world. If our One China policy is viewed in a zero-sum light, America extends legitimacy to an autocratic government in Beijing while denying equal legitimacy to an ROC government that has evolved into a vibrant democracy. Popular sovereignty has fundamentally altered the nature of the ROC on Taiwan. Taiwan’s institutionalized democracy is of intrinsic, fundamental value to the United States, and could be instrumental in influencing political reform on the other side of the Strait. Indeed, Taiwan may gradually influence the course of Beijing’s own democratization. To be sure, U.S. relations with China are important. However, if the democratic peace theory that posits that democracies are less likely to go to war with each other has any merit, China’s political liberalization is a matter of utmost importance. Arguably, no other society is as capable as Taiwan in demonstrating democracy to China with meaning and impact.

While measurements of Taiwan’s “soft power” is inherently subjective, Taiwan and its influence on China presents a paradox. On one hand, the prosperity that Taiwan has helped to create through business investments and manufacturing may have shored up the CCP’s legitimacy. On the other hand, Taiwan’s democratic government—an alternative to the PRC’s autocratic model—presents an existential challenge to the Communist Party’s legitimacy and monopoly on domestic political power. This need not be the case.

Conclusion and Recommendations

Taiwan is an anomaly blessed with an abundance of innovative energy and natural beauty. With 23 million people, compressed into an area roughly on a par with the Netherlands, Taiwan’s diminutive size belies its power, influence, and shared values with the international community of democratic countries. It is at the cutting edge of globalization, and a driving force behind the revolution in information technology that is creating a flatter world order. But politically, Taiwan remains a global paradox. Under its current

ROC constitution, Taiwan exists as an independent, sovereign state. However, acquiescing to demands of a CCP that views Taiwan's democratic system of government has an existential challenge to monopoly on political power, most of the international system does not recognize Taiwan as such. As is evident from their overlapping histories, the two sides of the Taiwan Strait share a common heritage and culture. Yet, Taiwan also shares notable historical legacies and interdependencies with the United States, Japan, and with the rest of the world, making it both a contested territory and a global political player.

Assuming the Chinese Communist Party could steer the PRC in a positive direction in the foreseeable future, some resolution is possible. But forces shaping the future of cross-Strait relations transcend the simple reasoning that growing PRC power necessarily means a more compliant Taiwan. Power has limits, and Beijing's exercise of the power it has now and in the future can produce unintended consequences. Barring a fundamental or abrupt change in the PRC or catastrophic breakdown of political order on Taiwan, the ROC is unlikely to willfully subordinate itself to Communist Party rule. Indeed, the willingness of people on Taiwan and their elected leadership to subordinate themselves to CCP authority is marginal, and likely to be even less so in the future. The old ideological competition over legitimacy to govern a unified China is no longer merely between the CCP and KMT. That competition is now between the CCP on one side, and the democratic system that has emerged on Taiwan under its existing constitutional order.

The PRC and Taiwan are engaged in a political competition over legitimacy and existential values as legitimate governments. Both, in one form or another, assert legal jurisdiction over the territory of the other. Yet Beijing's statecraft transcends mere constitutional principles and are integrated into its national policies. While implied in the ROC Constitution, Taiwan has not been active in its claims of jurisdiction over China since abandoning use of force more than 25 years ago. Despite this, Taiwan is often cast as a survival issue for the CCP. In contrast, the CCP poses a real existential threat to the sovereignty of Taiwan.

The United States has significant interests in the future of Taiwan and an important role to play in helping to shape that future. U.S. policy toward Taiwan over the last 30 years has been shaped by its interests in managing the peaceful emergence of the PRC as a major power and peaceful resolution of differences between the two sides of the Taiwan Strait. U.S. cross-Strait policy has operated on the premise that we only have an interest in the process, as opposed to the outcome.

Taiwan is not an instrument in a great game. Nor is Taiwan an American card that can be traded away to attain favor with Beijing. Taiwan is of intrinsic value to the United States simply because of its existence, historical significance, and contributions to the international community.

The PRC can be expected to increase reliance on coercive persuasion and accelerate its isolation of Taiwan internationally. Reflecting a Cold War mentality, Beijing's intransigence in recognizing Taiwan's political legitimacy remains one of the most significant obstacles to regional peace and stability.

As its pressure increases, the U.S. should consider expanding interactions with the Taiwan within the framework of our existing U.S. One China policy. Greater balance in U.S. cross-Strait policy could help create conditions, without playing a mediating role, for resumption of cross-Strait negotiations on terms acceptable to both sides. The onus is on Beijing, and others in the international community, to conceive of some alternative that would be acceptable to people on Taiwan and mindful of Taiwan's popular sovereignty. How authorities in Beijing manage their political differences with Taiwan is perhaps the most important barometer of Chinese intentions in the Asia-Pacific region. As long as it remains strong, confident, and economically viable, Taiwan is uniquely positioned to influence the peaceful emergence of China as a responsible member of the international community. The U.S. should actively encourage Beijing to engage counterparts on Taiwan without preconditions and renounce use of force to resolve differences.

In the near term, the following recommendations are offered for consideration:

- The Trump Administration should convene an interagency policy working group to evaluate how best to achieve a *normal, stable, and constructive* relationship with Taiwan over the long term. Substantive changes to U.S. policy should be incremental, coordinated with senior government officials on Taiwan, and scrupulously avoid getting pulled in to domestic politics on Taiwan.
- Based on the legal foundations of the Taiwan Relations Act and Taiwan Travel Act, officials at the highest levels should be encouraged to engage ROC government counterparts on a regular, institutionalized basis. As an interim measure, one consideration could be appointment of Assistant Secretaries of State and Defense responsible for U.S. Taiwan policy to serve in unofficial capacities as *ex officio* board members of the American Institute in Taiwan. If necessary, structural adjustments could include possible resubordination of the State Department's Office of Taiwan

Coordination as a direct reporting agency under the Assistant Secretary of State for East Asian and Pacific Affairs or perhaps integrated with U.S. Southeast Asia policy. The Director of the American Institute in Taiwan should be considered for ambassadorial rank with Senate confirmation.

- In addition, the U.S. State Department could consider institutionalizing the diverse range of educational and cultural exchanges through establishment of a senior level U.S.-Taiwan Consultation on People-to-People Exchange (CPE), with Congressional funding to support expansion of exchanges. The US-China CPE, a significant priority of the Obama administration, could serve as a model.
- In addition to deepening and broadening trade relations, the Trump administration should consider establishment of a U.S.-Taiwan Bilateral Working Group on Supply Chain Security and Defense Industrial Cooperation. Assuming sufficient senior level White House attention, such a working group could ensure that the cutting-edge technologies of tomorrow continue to serve as drivers for sustained economic development of both parties.
- The Trump administration should consider developing and implementing a joint workplan for bilateral defense and security relations, as well as a more routine process for addressing Taiwan's requests for defense articles and services. In addition, the U.S. position on the Taiwan Strait's status as international waters should be publicly confirmed.

In summary, it is in the national interest of the United States to gradually and carefully adjust its policy toward one that more accurately reflects the status quo in the Taiwan Strait. More balanced relations with both sides of the Taiwan Strait need not fundamentally challenge U.S. "One China" policy. Nor would it be prudent to promote "One China, One Taiwan" or "Two Chinas" in the absence of a political consensus on Taiwan and amendment to its domestic legal statutes governing relations between the two sides of the Strait. For purposes of U.S. policy, each government effectively exercises exclusive administrative jurisdiction over the territory under its respective control, with neither side subordinate to the other government. Legitimacy should not be conflated with sovereignty, the latter being an issue on which the U.S. should not take a position.

Authorities in Beijing have an opportunity to enhance CCP legitimacy by demonstrating peaceful intentions; a new ROC with a democratic system of government would attain the international political legitimacy it deserves; and the United States would align its policies with objective reality. In short, soft balancing in the Taiwan Strait may be the

optimal means of creating an environment conducive to a peaceful resolution of differences between the two sides of the Taiwan Strait.

Mr. YOHO. Thank you. And before we go to you, Mr. Ku, we have had the distinct honor of being joined by the committee chairman of the full committee, Mr. Ed Royce, who has done so much for foreign policy for this country for around the world and especially the Asia-Pacific region. So we have been joined, and he has an opening statement.

Mr. ROYCE. Well, thank you very much, Chairman, and I appreciate again your engagement. I appreciate all these members' engagement in Asia and this important hearing on Taiwan.

Over the last several months we have seen a number of positive developments in Taiwan in terms of the relationship. The Taiwan Travel Act, for which I was the original co-sponsor, was signed into law by the President. As we all know, that was deeply appreciated by the Taiwanese people. It was a message that I heard a number of times when I was in Taipei over the Easter recess for meetings with President Tsai and other members of her cabinet. I believe that by encouraging more frequent visits between our two governments including at the highest levels, we will further strengthen the rather critical relationship that we have and that is why I make a point as chairman to visit Taiwan each year.

I have also been a champion for strengthening Taiwan's economic and people-to-people links from the grassroots level on up to the high-level policymaking in Washington. And last month, I took the inaugural China Airlines daily, non-stop flight from Ontario, California to Taoyuan Airport in Taiwan. This was built upon the years of work in supporting linkages between the U.S. and Taiwan through the Visa Waiver and Global Entry Program in 2012 and in 2017. These programs have translated into new growth with travel volume between the U.S. and Taiwan increasing with these business visits and people visiting families by about 50 percent.

Most pressing, I think, today in terms of what can be done is inclusion at the World Health Assembly meeting next month. Over the years, Taiwan has contributed to international efforts to improve global health with financial and technical assistance. Any of us who have ever been to any one of these disaster sites know that Taiwanese physicians are usually the first there. We have seen the assistance that comes in and the capability, the knowledge. However, it was excluded from the meeting last year after 8 consecutive years of being able to observe the meetings. Keeping Taiwan out can only hurt global health and there should be no question about Taiwan's participation this year.

And over the weekend, the last point I would make is that the New York Times ran an article that named Taiwan as the new bastion of free speech in Asia. I have seen this with my own eyes, the U.S. and Taiwan's shared commitment to principles such as human rights, freedom of speech, democratic norms, certainly rule of law; all of that serves as a bedrock of this partnership that we have.

So I am glad we are here today to discuss how we can reinforce that important relationship. And I thank, again, Chairman Yoho and the other members of this committee and I look forward to the witnesses' testimony.

Mr. YOHO. Thank you for those comments and thank you for attending.

Mr. Ku, we will go to you next for your testimony. Thank you.

STATEMENT OF MR. JULIAN KU, MAURICE A. DEANE DISTINGUISHED PROFESSOR OF CONSTITUTIONAL LAW, MAURICE A. DEANE SCHOOL OF LAW, HOFSTRA UNIVERSITY

Mr. KU. Thank you. Thank you, Mr. Chairman. Thank you to the members of the subcommittee for inviting me to participate in today's hearing. In the interest of time I will just focus on two of the three issues I address in my written testimony.

I want to concentrate first on the legally binding effect of congressional declarations of policy in laws like the Taiwan Relations Act and the Taiwan Travel Act. And second, I want to address how Congress can use its powers to declare policy that can help clarify the U.S. One-China Policy. I will leave the third issue to my written testimony.

So just from a lawyer's point of view, the Taiwan Relations Act is a law that has guided U.S. policy toward Taiwan for nearly 40 years. And in addition to providing legal mechanisms allowing the U.S. and Taiwan to maintain unofficial relations, it also sets forth the goals of U.S.-Taiwan policy with admirable clarity.

And I want to emphasize to the subcommittee and the Members of Congress here that the declarations of policy in the Taiwan Relations Act are not merely non-binding statements without any legal force. Unlike concurrent resolutions that are never presented to the President for his signature, the Taiwan Relations Act was passed by both Houses of Congress and signed by the President. As such, it is the supreme law of the land under Article VI of the U.S. Constitution. This is true of the Taiwan Relations Act and as I have written recently this is also true of the recently enacted Taiwan Travel Act.

Congressional declarations of policy, even ones phrased in non-mandatory language such as "should" are not mere window dressing. Rather, unless those statements of policy are deemed to impermissibly interfere with the President's constitutional authority over international affairs, such policy declarations must be taken seriously as legal obligations by the executive branch of the United States Government. This is true even if the only enforcement mechanism for such obligations are congressional hearings such as this one and other forms of congressional oversight. Congress should not allow the Department of State to simply dismiss laws like the Taiwan Travel Act or the earlier Taiwan Relations Act as merely legally non-binding.

Secondly, I would like to address the overarching issue that Chairman Yoho addressed in his opening remarks and others have alluded to, the big question in U.S.-Taiwan relations. Now according to China, as members of this committee will know, according to China's point of view the United States agreed in 1972 when it signed the Joint Communiqué to a One-China principle that encompasses a recognition of Chinese sovereignty over Taiwan. Now this is China's point of view, but the U.S. did not specifically commit to recognizing Chinese sovereignty over Taiwan in that document. Instead, the U.S. position on Taiwan is better understood as one of neutrality.

The United States takes no legal view on whether Taiwan is part of China, rather, the U.S. goal which is stated in the Taiwan Relations Act is to ensure that any final resolution on the status of Tai-

wan is made through peaceful means, free of coercion of any kind. And as I have argued in prior writings, the statements of prior U.S. administrations that have opposed Taiwanese independence when combined with the ambiguous language of the Joint Communiqué could undermine the legal basis for a U.S. military defense of Taiwan in a future conflict.

Congress can help to avoid such implications and clarify the U.S. position by statute. Such a congressional declaration can coordinate policy across the U.S. executive branch's bureaucracy and it can guide U.S. policy across different Presidential administrations of both parties. I think we have seen here today that there is both bipartisan interest and support for Taiwan in the United States Congress. A congressional declaration of policy on the U.S. position on the status of Taiwan should guide any revision to internal U.S. Government approaches such as the guidelines on Taiwan set forth by the State Department on U.S.-Taiwan relations.

So in closing, as Congressman Connolly mentioned in his remarks, I believe the U.S. Congress has a central role to play in shaping and overseeing U.S. policy toward Taiwan. I earnestly hope that the members of this committee and their fellow members of the House and Senate will continue the proud tradition of Congress leading on developing U.S.-Taiwan policy and reinforcing the U.S.-Taiwan relationship. Thank you.

[The prepared statement of Mr. Ku follows:]

How Congress Can Help to Deter Chinese Coercion of Taiwan
and Clarify U.S. Definitions of “One China”

Testimony of

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Subcommittee on Asia and the Pacific

“Reinforcing the U.S.-Taiwan Relationship”

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Introduction and summary

I would like to thank the Chairman, the Ranking Member, and the distinguished members of this Committee for inviting me to participate in today’s hearing.

I am a professor of law at Hofstra University in New York teaching both constitutional and international law subjects. Much of my academic research in recent years has focused on how domestic and international laws affect and shape U.S. relations with China and Taiwan. I have been particularly interested in the way in which Congress has sought to influence U.S. policy toward Taiwan via enactment of the Taiwan Relations Act as well as other laws such as the Taiwan Travel Act.

Many supporters of Taiwan in the U.S. have rightly focused on bolstering Taiwan’s ability to defend itself against military coercion by the People’s Republic of China. I want to focus the first part of my testimony today, however, on ways in which the U.S. can and should support Taiwan against non-military coercion. Such non-military coercive means is an important part of China’s strategy for pressuring Taiwan to accept reunification on its terms. As I will explain, U.S. support for Taiwan against such non-military coercion, in my view, is both required by the Taiwan Relations Act and a crucial component of how the U.S. can support Taiwan.

I will also suggest that Congress can make an important contribution to supporting Taiwan by clarifying what the U.S. government’s “One China” policy means and how it differs from China’s definition of “One China.” Such clarity will help guide U.S. government relations with Taiwan as well as make clear to China and the rest of the world that the U.S. has not accepted China’s definition of “One China.”

A. Background: The Taiwan Relations Act and U.S. Taiwan Policy

The Taiwan Relations Act¹ (the TRA) has guided U.S. policy toward Taiwan for nearly 40 years. In addition to providing legal mechanisms allowing the U.S. and Taiwan to maintain robust unofficial relations, it also sets forth the goals of U.S. Taiwan policy with admirable clarity. These goals can be summarized as 1) maintaining peace and stability in the Western Pacific and especially between China and Taiwan; and 2) deterring any violent or coercive resolution of the status of Taiwan.

As an initial matter, it is worth noting that statutory declarations of policy in the TRA are not mere hortatory statements without any legal force. Unlike concurrent resolutions that are never presented to the President for his signature, the TRA was passed by both houses of Congress and signed by the President. As such it is the supreme law of the land under Article VI of the Constitution. Moreover, Congress frequently uses statutory declarations of “policy of the United States” to shape and guide U.S. foreign policy actors throughout the U.S. foreign policy bureaucracy. This is true of the TRA and, as I have written elsewhere, this is also true of the recently enacted Taiwan Travel Act.²

Thus, when the TRA declares that it is U.S. policy to “provide Taiwan with arms of a defensive character,” and to “maintain the capacity of the United States to resist any resort to force or coercion” that would jeopardize Taiwan’s security, this has legal as well as policy significance. It means that the U.S. has a core commitment to ensuring Taiwan’s ability to defend itself, and to maintaining the U.S. military’s capacity to assist in Taiwan’s self-defense.

But the TRA is not wholly focused on military threats. Section 4 declares that U.S. policy will “consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific Area and of grave concern to the United States.” Section 4 makes clear that the U.S. will consider even non-military coercive measures such a boycott as “other than peaceful means” and a “threat to peace and security.” This means that the drafters of the TRA were concerned that Taiwan could be coerced toward an undesired reunification through non-military means. Such non-military coercion could include embargos and boycotts, but it can also include influence operations aimed at weakening Taiwan’s social, economic and political stability and cyber-operations against Taiwan government entities.

While military force against Taiwan represents the most serious threat to the U.S. goal of ensuring a peaceful resolution of the Taiwan question, Section 4 reminds us that non-military means of coercion also can be dangerously effective and a “grave concern” of the United States. For this reason, the U.S. government should make sure that the timing and content of

¹ Pub.L. 96–8, 93 Stat. 14, enacted April 10, 1979; H.R. 2479, 22 U.S.C. ch. 48 § 3301 et seq.

² See Julian Ku, “Ignore the Hype: The Taiwan Travel Act is Legally Binding,” *Lawfareblog.com* (March 20, 2018), <https://www.lawfareblog.com/ignore-hype-taiwan-travel-act-legally-binding>

arms sales does not crowd out efforts to assist Taiwan in counteracting these non-military coercive measures.

B. Non-Military Coercion of Taiwan

Taiwan faces Chinese non-military coercion of all kinds including, reportedly, millions of hostile cyberattacks per month³ and a sophisticated “United Front” influence operation within its domestic political system.⁴ Although serious, the U.S. has a limited ability to assist on these types of coercion taking place within Taiwan although it can and should provide assistance if possible. But, in my opinion, the U.S. government can be most helpful in supporting Taiwan against non-military coercion occurring at the international organizations and in the United States.

1. Diplomatic Coercion at International Organizations

Perhaps the most important way that China has exercised non-military coercion on the international stage is by working to systematically bar Taiwan’s official and unofficial participation in any and all international organizations. While Taiwan has always faced an uphill battle seeking to participate in international organizations as a member state since it was ejected from the United Nations in 1971, China has also worked to ban even unofficial Taiwanese participation in what I call “technical” international organizations such as the World Health Assembly, the International Civil Aviation Organization, and the International Criminal Police Organization (INTERPOL). China’s relentless effort to exclude Taiwan from these technical organizations is a form of coercion because exclusion in these cases is not merely aimed at protecting China’s legal claim to sovereignty over Taiwan. Rather, Chinese efforts to prevent even unofficial or non-member participation is intended to make life harder and more dangerous for residents of Taiwan on matters of health, air travel, and crime. And by making life harder and more dangerous for Taiwanese people, China is effectively coercing them toward choosing unification on its terms.

a. The World Health Assembly

The World Health Assembly is the decision-making body of the World Health Organization, a specialized agency of the United Nations. The WHO serves to direct and coordinate international health within the United Nations system. It plays a crucial role in setting norms and standards for matters of public health as well as monitoring implementations of those standards. It also provides technical support to states and private organizations seeking to respond to international public health crises or to coordinate and manage existing public health issues.⁵

³ Taiwanese under siege from blitz of Chinese cyberattacks, Asia Times (April 6, 2018) (available at <http://www.atimes.com/article/taiwanese-siege-blitz-chinese-cyberattacks/>)

⁴ See Lauren Dickey, Defending Taiwan against China’s united front, Taiwan Insight (March 27, 2018) (available at <https://taiwaninsight.org/2018/03/27/defending-taiwan-against-chinas-united-front/>).

⁵ See “About WHO,” <http://www.who.int/about/en/>

It is this last role where the WHO often draws public attention. When a public health crisis spreads across national borders, the WHO can lead and coordinate the multinational health response that is usually needed. It can also provide critical technical guidance to states where needed. The WHO served in this important role during the 2004 Severe Acute Respiratory Syndrome (SARS) crisis that affected many places in Asia, including Taiwan.⁶

Taiwan has long sought to participate in the WHA, which would allow Taiwan to contribute to the formulation of WHO policy and contribute to WHO programs. After being rebuffed for many years, the Director General of WHO agreed in 2009 to invite Taiwan to participate in WHO as an “observer” under the name “Chinese Taipei.” It was understood at the time that China acquiesced to this participation in light of warming cross-straits ties under the Nationalist Party Ma Ying-jeou administration.⁷ China’s decisive role seems confirmed by the failure of the WHO Director General to invite Taiwan in 2016 after the election of the Democratic Progressive Party’s candidate Tsai Ing-wen.⁸

This diplomatic skirmish between Taiwan and China over participation in the WHA reveals China’s coercive intent. While Taiwan obviously sought full membership in the WHA, it had compromised by agreeing to participate as “Chinese Taipei” since the functional benefits of technical cooperation with the WHO was still valuable. China’s choice to bar even this limited participation of Taiwan as an observer non-state suggests that it seeks to pressure and exclude Taiwan whether or not Taiwanese participation implicated China’s legal position.

b. The International Civil Aviation Organization

Taiwan has also sought to participate more directly in activities of the International Civil Aviation Organization (ICAO). The ICAO is an international organization authorized by its member states to administer and manage the Chicago Convention on Civil Aviation. The Chicago Convention serves the legal foundation for international cooperation in the management of international civil aviation. The ICAO serves to create regulations and standards related to civil aviation and facilitates agreements between countries on international flight routes that affect national airspace.⁹

It is important to note that countries have not delegated to the ICAO any specific authority to designate flight routes over international airspace. But the ICAO is the key institution where technical experts work together to develop flight routes that are eventually implemented by

⁶ See “SARS outbreak contained worldwide” (5 July 2003), News Release, <http://www.who.int/mediacentre/news/releases/2003/pr56/en/>

⁷ For background see Jacques deLisle, “Taiwan in the World Health Assembly: A Victory, With Limits,” Brookings, (May 13, 2009), <https://www.brookings.edu/opinions/taiwan-in-the-world-health-assembly-a-victory-with-limits/>

⁸ J.R. Wu, “Uninvited Taiwan says going to U.N. health meeting, warns China on ties,” Reuters, (May 8, 2017), <https://www.reuters.com/article/us-taiwan-china/uninvited-taiwan-says-going-to-u-n-health-meeting-warns-china-on-ties-idUSKBN1841CM>

⁹ See History, ICAO <https://www.icao.int/secretariat/TechnicalCooperation/Pages/history.aspx>

national authorities. Taiwan has been excluded from the ICAO since 1971, when it lost its seat at the United Nations to China. Like its limited participation in the WHA, Taiwan's representatives have sometimes participated in ICAO meetings as a "guests" of the ICAO president,¹⁰ but Taiwan does not otherwise have any formal role in the ICAO, even though its civil aviation agency follows ICAO rules and standards as closely as possible.

In January, China sparked controversy when it opened new flight routes through the Taiwan Straits without consulting Taiwan. When Taiwan protested, since those routes complicated its air defenses systems, China simply brushed off Taiwan by noting it did not need any approvals from Taiwan. The controversial flight route had been developed in consultation with an ICAO Working Group. The ICAO's support for the flight route gives China international legitimacy for its decision on M503 even if China is not strictly required by the Chicago Convention or international law to seek ICAO approval.

Taiwan's exclusion from the ICAO, a technical agency tasked with practical rather than political issues, made it more difficult to have its concerns over matters of air safety and national security considered in the ICAO's flight route development process. Indeed, Taiwan's diplomats have noted that Taiwan is a significant air traffic hub and that it has technological expertise it can share with other countries through the ICAO. But China insists on excluding Taiwan's participation, even as a guest non-state member. This again suggests that China's goal is to pressure and coerce Taiwan and limit its ability to coordinate on technical matters such as commercial air traffic.

c. INTERPOL

To some degree, Taiwan's exclusion from the WHA and ICAO flows from its overall exclusion as a member state from the UN. But China has also worked to exclude Taiwan from participating in a non-UN affiliated organization: INTERPOL. As the largest "police organization in the world," INTERPOL serves as a mechanism for assisting domestic law enforcement organizations in their efforts to combat transnational crime and terrorism.

INTERPOL bills itself as a neutral international organization that seeks "to facilitate international police cooperation even where diplomatic relations do not exist between particular countries."¹¹ The founding INTERPOL document prohibits "any intervention or activities of a political, military, religious or racial character." The idea here is that INTERPOL's political neutrality allows law enforcement authorities in different countries to cooperate against the common enemy – transnational criminals and terrorists – without allowing politics to intrude. INTERPOL members thus get very real practical benefits of access to its global network of law enforcement authorities and its sophisticated mechanisms for transnational law enforcement cooperation. INTERPOL boasts 192 countries as members.

¹⁰Shih Hsiu-chuan, "Taiwan only 'guest' due to China: ICAO", Taipei Times (September 26, 2013).

<http://www.taipeitimes.com/News/front/archives/2013/09/26/2003573020>

¹¹ See Overview (<https://www.interpol.int/About-INTERPOL/Overview>)

Taiwan has been excluded from INTERPOL since 1984 when it was replaced by China. In 2016, Taiwan applied to participate in INTERPOL's General Assembly meetings as an observer. Taiwan did not initially seek, according to reports, to join as a member state. It also sought access to INTERPOL's I-24/7 global police communications system and the Stolen and Lost Travel Documents database in preparation for its hosting of an international university athletics competition in 2017. Yet its 2016 bid to attend as an observer, and its bid for technical access, was rejected by INTERPOL's president and secretariat.¹²

Chinese opposition was not public, but it was widely blamed for INTERPOL's decision. As in the WHA and ICAO cases, Taiwan was willing to forego its claim to participate as a full member state in order to facilitate access to technical cooperation in areas of public health, commercial aviation, and now transnational crime-fighting. China's opposition to even this access to technical services should be called out for what it is: non-military coercion.

d. The Surprisingly Ineffective Role of United States Diplomacy

Although Congress has repeatedly passed legislation expressing its support for Taiwan's participation in international organizations like the WHA, INTERPOL, and the ICAO and sometimes requiring reports on U.S. government efforts in this regard, U.S. support has not resulted in successful outcomes. Taiwan has been uniformly rejected from even observer access at international organizations. The U.S. is not responsible for Taiwan's rejections, but it is striking how the U.S. has been unable to exercise its own considerable leverage within these same international organizations.

In all 3 international organizations discussed above, the U.S. is the more senior member of the international organization as well as that organization's largest financial contributor, far outstripping Chinese financial contributions. As a matter of statutory contributions to INTERPOL, the U.S. is required to contribute 10.5 million euros a year whereas China contributes 2.0 million euros annually.¹³ Similarly, the U.S. has a statutory biennial obligation of over \$59 million to the WHO whereas China owes about \$20 million annually.¹⁴

To be sure, there are many factors affecting the level of U.S. contributions to these organizations and the U.S. receives many benefits from participating and funding them. But it is striking how despite its outsized financial contributions, the U.S. seems to have remarkably little influence over the staff and administration of these organizations. In all three of the cases outlined above, Taiwan was not excluded as a result of the vote of member states against it. Rather, the decision to reject Taiwan's bid for guest or observer participation was made by the secretariat or the appointed administrators of those organizations. It is striking how

¹² Taiwan barred from Interpol assembly, Taipei Times (Nov 06, 2016)

<http://www.taipeitimes.com/News/front/archives/2016/11/06/2003658663> -

¹³ <https://www.interpol.int/About-INTERPOL/Funding/Member-country-contributions>

¹⁴ See WHO, Assessed Contributions as of March 31, 2018 (http://www.who.int/about/finances-accountability/funding/AC_Status_Report_2018.pdf).

unsuccessful U.S. diplomacy has been at influencing the decisions of those international bureaucracies despite the fact that the U.S. remains the number one financial contributor to the same bureaucracies.

US government failures in this regard are even more striking when compared to the ability of other controversial states to win places in international organizations. The Palestinian Authority, which is not recognized by the United States or Israel, is a full member of the United Nations Educational, Scientific, and Cultural Organization (UNESCO). U.S. opposition could not keep Palestine out of UNESCO, but Chinese opposition can keep Taiwan out of that same organizations as well as the WHA, the ICAO, and INTERPOL. There are many differences between the two situations, but it is still an interesting point of comparison and a yardstick for measuring the effectiveness of U.S. diplomacy in this area.

2. Economic Coercion Against Taiwan

China's diplomatic successes also reflect China's large economic influence and leverage over small trading partners and the private sector. Thus far, China has been careful to limit its use of economic statecraft to coerce Taiwan, no doubt because of its own deep economic relationship with Taiwan. Nonetheless, China has not hesitated to use tools of economic statecraft, usually unofficial boycotts, to pressure foreign countries or foreign businesses in service of Chinese foreign policy goals.

For instance, China used unofficial boycotts of products from South Korea to pressure that country over its deployment of the U.S. THAAD missile defense system.¹⁵ It used an unofficial boycott of Filipino produce after a dispute flared over the South China Sea.¹⁶ Most observers also agree the striking decrease in the number of mainland Chinese tourists to Taiwan since the election of President Tsai is another example of China exerting its economic power against Taiwan.¹⁷ The Chinese government may also be behind pressure on foreign businesses to de-recognize Taiwan as a separate entity. In a well-reported incident, Dubai-based Emirates Airlines, citing the Chinese government, ordered its Taiwanese cabin crews to stop wearing Taiwan flag lapel pins and replace them with Chinese flag lapel pins. After a public uproar in Taiwan, the airline reversed itself by dropping its requirement for cabin crew to wear any country's flag lapel pin. This allowed the airline to comply with China's demands while not forcing its Taiwanese crew to wear Chinese flags.¹⁸

The Chinese government's ability to coerce foreign companies, even those with large international operations, was highlighted in 2018 when it forced Marriott Corporation to

¹⁵ See Echo Huang, "China inflicted a world of pain on South Korea in 2017," Quartz.com (December 21, 2017).

¹⁶ Andrew Higgins, "In Philippines, banana growers feel effect of South China Sea dispute," Washington Post (June 10, 2012).

¹⁷ Nicola Smith, "China Is Using Tourism to Hit Taiwan Where It Really Hurts," Time.com (Nov. 17, 2016). <http://time.com/4574290/china-taiwan-tourism-tourists/>

¹⁸ Benjamin Haas, Emirates tells cabin crew to swap Taiwanese flag pins for Chinese ones, The Guardian (31 May 2017). <https://www.theguardian.com/world/2017/may/31/emirates-taiwanese-chinese-flag-pins-one-china-policy>

abjectly apologize for listing Taiwan (as well as Hong Kong and Macau) as separate countries on its websites.¹⁹ Similarly, a Marriott employee in Nebraska was fired under Chinese pressure after he “liked” a tweet advocating Tibetan independence.²⁰ There is little doubt that the Chinese government can, and will, use its considerable economic leverage over the private sector to isolate Taiwan.

The Marriott or Emirates incidents do not amount to boycotts or embargos. But the U.S. should make clear that if China does ever escalate its actions in a way that amounts to a boycott, any U.S. company implicitly or explicitly cooperating in a boycott of Taiwan will face repercussions in the U.S.

Indeed, U.S. law may already provide for protection against boycotts of Taiwan. Under the anti-boycott provisions of the Export Administration Regulations,²¹ U.S. and foreign companies may not participate in a boycott of other countries unless that boycott is sanctioned by the United States. Principally aimed at deterring the boycott of Israel by certain Middle Eastern nations, the EAR’s anti-boycott provisions are phrased broadly and could be read to apply to attempts by China to force U.S. companies to boycott Taiwan. These provisions impose criminal or administrative penalties for anti-boycott violations. These EAR anti-boycott provisions are buttressed by provisions of the 1976 Tax Reform Act, which imposes tax penalties for certain agreements that comply with unsanctioned boycotts.

In 2008, reports surfaced that China had threatened economic penalties on U.S. companies Boeing and Sikorsky if those companies continued to sell arms and military equipment to Taiwan. If those companies had complied with this threat, it is possible that those companies would be in violation of the anti-boycott provisions of the EAR. Even a failure to report the Chinese threat would arguably violate the EAR’s antiboycott reporting provisions.²²

However, the applicability of the antiboycott provisions to Taiwan has never been definitively established. As far as I can tell, the U.S. government has made no official pronouncement on this question and it has never imposed any penalties for complying with a Chinese boycott of Taiwan. This ambiguity also means it is not clear to most companies doing business with China that they must ensure that their antiboycott compliance obligations run toward Taiwan as well as more clearly protected countries like Israel.

¹⁹ Benjamin Haas, “Marriott apologises to China over Tibet and Taiwan error,” *The Guardian* (12 January 2018), <https://www.theguardian.com/world/2018/jan/12/marriott-apologises-to-china-over-tibet-and-taiwan-error>

²⁰ Wayne Ma, “Marriott Employee Roy Jones Hit ‘Like.’ Then China Got Mad,” *The Wall Street Journal* (March 3, 2018).

²¹ 50 U.S.C. App. 2407(a); 15 C.F.R. § 760.2.

²² John Tkacik, “American Companies, Taiwan, and U.S. Anti-boycott Law,” *Heritage* (June 19, 2008).

For this reason, Congress could help clarify this issue by eliciting a clear statement from Department of Commerce officials that existing U.S. anti-boycott provisions apply to Taiwan.²³ This would fulfill the TRA's requirement that the U.S. act against boycotts of Taiwan. It would also help U.S. companies stand up to Chinese economic pressure by requiring them to report Chinese demands and deterring U.S. companies for acquiescing to them.

3. Summary of Part II

In sum, the Taiwan Relations Act requires the U.S. to treat non-military coercion of Taiwan as a grave concern and a threat to international peace and security. Such coercion can be seen in China's refusal to allow Taiwan to participate, even in an observer capacity, in the work of technical international organizations like the WHA, the ICAO, and INTERPOL. The U.S. has had surprisingly little influence over these organizations despite being founding members and the largest financial contributors to all of them. While China has thus far not focused all of its economic power on Taiwan, it is not unlikely it will seek to enlist private U.S. companies to support its attempt to coerce Taiwan. Congress can act to clarify that existing U.S. law protects Taiwan from such boycotts in the same manner that those laws protect Israel.

III. Clarifying the U.S. One China Policy

In my final section, I would like to address a broader, overarching issue in U.S.-Taiwan relations that is not directly addressed or resolved by the TRA. In the series of "joint communiques" leading to the re-establishment of diplomatic relations, the U.S. and China addressed the issue of Taiwan. But each side has a different view on whether the U.S. and China agreed to a joint position on Taiwan's status. I believe Congress can and should help to clarify the U.S. government's position on the final status of Taiwan.

According to China, the U.S. and China agreed in the 1972 Joint Communique (1972 JC) to a "One China" principle encompassing Chinese sovereignty over Taiwan. In particular, it points to this language in the 1972 JC: "The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position." The Chinese government has frequently relied on this language as evidence that the U.S. has recognized Chinese sovereignty over Taiwan and is violating its promises to China by selling weapons to Taiwan.²⁴

The language in the 1972 JC could also be interpreted, however, to mean that the U.S. "acknowledges" but does not endorse the Chinese view that "Taiwan is part of China." In this view, when the U.S. further states that the U.S. "does not challenge" the view that "Taiwan is

²³ Congress could also enact legislation to make the applicability of the anti-boycott provisions to Taiwan clear, but that seems unlikely unless Congress decides to revisit the authorization of the now-expired Export Administration Act.

²⁴ Ministry of Foreign Affairs of the People's Republic of China, Foreign Ministry Spokesperson Lu Kang's Regular Press Conference on June 30, 2017. http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/t1474637.shtml

part of China,” the U.S. is simply stating it is not going to question that view at that time. Indeed, the idea that Taiwan was part of China was the position of both the Republic of China government in Taiwan and the People’s Republic of China government at that time.

The U.S. government’s own position on Taiwan’s legal status, however, is not fully settled by this language from the 1972 JC. Putting aside the fact that the 1972 JC was not a legally binding international agreement, the U.S. did not specifically commit to recognizing China’s sovereignty over Taiwan in that document. Instead, the U.S. position on Taiwan is better understood as one of neutrality: it takes no view on whether Taiwan is part of China. If the two sides agree that Taiwan is part of China, however, the U.S. will not challenge that shared Taiwanese-Chinese view. Rather, the U.S. goal (as stated in the TRA) is to ensure that any final resolution of the status of Taiwan is made through peaceful means free from military or non-military coercion.

The idea that the U.S. will not take sides in a sovereignty dispute is not new. In fact, this is the approach that the U.S. has adopted toward numerous other territorial disputes in Asia. For instance, the U.S. has refused to take a position on whether China or Japan has sovereignty over the Senkaku (or Diaoyu) Islands, currently administered by Japan. The U.S. also has no view the dispute between Korea and Japan over sovereignty over the Dokdo Islands. The U.S. is also neutral on which countries have sovereignty over which land features or waters in the South China Sea.

The U.S. government’s agnosticism on the merits of these territorial sovereignty disputes does not mean it will stand on the sidelines if one side of the dispute tries to use force to resolve the dispute. For instance, the U.S. government has repeatedly made clear it considers the disputed Senkaku Islands to fall within the ambit of the U.S.-Japan Mutual Defense Treaty even though it refuses to side with Japan on the sovereignty question.²⁵

This neutral approach to sovereignty questions can also govern U.S. treatment of Taiwan and is consistent with its statements in the various joint communiqués with China and the TRA. The U.S. government should make clear that it believes that the legal status of Taiwan is unresolved but that any resolution of that status must be peaceful and non-coercive. Like its approach to the Senkakus and the South China Sea, the primary U.S. interest is ensuring a peaceful resolution of the Taiwan question rather than resolving it one way or the other.

Although the U.S. has not and does not take a position on whether Taiwan is part of China, the Chinese do not agree that this is the U.S. position. To be fair to China, the language of the 3 Joint Communiqués and statements from different presidential administrations have sometimes clouded this issue. As I have argued in prior writings, the adamant statements of prior U.S. administrations opposing Taiwanese independence, when combined with the language of the JC, could undermine the legal basis for U.S. defense of Taiwan in a military

²⁵ Ankit Panda, “Mattis: Senkakus Covered Under US-Japan Security Treaty,” *The Diplomat* (February 6, 2017) <https://thediplomat.com/2017/02/mattis-senkaku-covered-under-us-japan-security-treaty/>

conflict.²⁶ Congress can help to avoid such implications and clarify the U.S. “not taking sides” position by statute. Such a statutory declaration can coordinate policy across the U.S. government’s bureaucracy as well as across presidential administrations of both parties. It should guide any revision to internal U.S. governments such as the guidelines on Taiwan set forth by the State Department.²⁷

This will help to clarify Taiwan’s status within U.S. law and policy as well as for China and the rest of the world. Like many other territorial disputes around the world, the U.S. recognizes that the question of Taiwan’s status is unresolved. While the U.S. is not taking sides, the U.S. needs to make clear that it is strongly committed to do everything possible to ensure no force or coercion is used to settle this question.

IV. Conclusion

I believe the U.S. Congress has a central role to play in shaping and overseeing U.S. policy toward Taiwan. In this testimony, I have recommended that Congress use this oversight power to ensure the U.S. government fulfills its duty under the Taiwan Relations Act to support Taiwan against non-military as well as military forms of coercion. This non-military coercion can be seen in Chinese efforts to bar Taiwan from access to international organizations facilitating technical cooperation in areas such as public health, transnational crime, and air traffic. It may also occur in Chinese boycotts against U.S. businesses that also do business with Taiwan. Congress can act to encourage the U.S. government to improve its diplomatic support for Taiwan on the international stage and to apply U.S. anti-boycott laws to protect Taiwan.

Finally, I believe Congress should help to clarify the U.S. position on the legal status of Taiwan. Contrary to Chinese assertions, the U.S. has not and should not commit to recognizing Taiwan as part of China. Rather, the U.S. should reiterate its longstanding view that while it takes no position on whether Taiwan is part of China, it believes that the final status of Taiwan must be peacefully settled through non-violent and non-coercive means.

²⁶ Julian Ku, “Why Defending Taiwan Is Illegal,” *The Diplomat* (Jul 12, 2014)

<https://thediplomat.com/2014/07/why-defending-taiwan-is-illegal/>

²⁷ Ted Yoho, *The Marginalization of Taiwan Must End* (March 25, 2018) <http://nationalinterest.org/feature/the-marginalization-taiwan-must-end-25065>

Mr. YOHO. Thank you for your statement.
Ms. Tiffany Ma, next.

**STATEMENT OF MS. TIFFANY MA, SENIOR DIRECTOR,
BOWERGROUPASIA**

Ms. MA. Chairman Yoho, Ranking Member Sherman, and members of the committee, I wanted to thank you for the opportunity to be here today to discuss the importance of reinforcing the U.S.-Taiwan relationship.

To begin, the U.S. vision for the Indo-Pacific region underscores the importance of Taiwan to the United States. This administration has advocated a Free and Open Indo-Pacific Strategy which emphasizes freedom from external coercion as well as openness in terms of trade, investment, infrastructure, and maritime movement. And this really does read like a strategy that is tailor-made for advancing U.S.-Taiwan relations.

Moreover, we should consider that Taiwan's positive contributions to regional stability serve as a force multiplier toward U.S. strategic objectives. For example, Taiwan is a member of the Global Coalition to Defeat ISIS. It is actively complying with U.N. sanctions on North Korea and it is deepening regional cooperation through its New Southbound Policy as well as with the United States through the Global Cooperation and Training Framework. It is important to note here that the U.S.-Taiwan relationship also intersects with other key U.S. priorities in terms of trade and security in the region.

On trade, as the chairman mentioned, Taiwan is the United States' tenth largest trading partner by goods and the sixth largest market for U.S. food and agriculture products. Taiwan also sends one of the largest delegations to the SelectUSA Investment Summit. And Foxcom, a Taiwanese company, its new investment in a facility in Wisconsin could employ up to 13,000 people. On the security front, I want to emphasize that U.S.-Taiwan cooperation is critical to Taiwan's defense and deterrents against China's increasing military threat.

Overall, the U.S.-Taiwan relationship is robust and this is marked by several of the events that we have just discussed including the passage of the Taiwan Travel Act, the recent very well received visit of Deputy Assistant Secretary of State Alex Wong to Taipei, and of course the opening of a new American Institute in Taiwan complex later this year which is going to be marked with the anticipation of high-level U.S. representation present.

But despite these very positive measures, there are of course increasing challenges to the U.S.-Taiwan relationship. Although President Tsai has committed to maintaining the status quo since taking office, it is increasingly clear that China is effectively rewriting, not just changing, the Cross-Strait status quo through coercion and sharp power tactics in an attempt to push the people of Taiwan toward unification which is Beijing's ultimate goal. And these developments are indeed extremely concerning and cause for us to reinforce the U.S.-Taiwan relationship, and to this end I recommend the following measures: First, we need to maintain a consistent and coherent approach toward Taiwan and here Congress's oversight role is indispensable. Congress can also play a role in

helping to dispel notions about using Taiwan as a bargaining chip by reaffirming U.S. commitments to Taiwan.

Second, we need to work toward integrating Taiwan into the Free and Open Indo-Pacific Strategy and one of the ways that we can do this is to harness the natural convergences between Taiwan's New Southbound Policy and in terms of areas of infrastructure and innovation promotion.

Third, we need to make serious efforts to address economic and trade issues in Taiwan. The immediate priority, in my view, should be ensuring that Taiwan receives an exemption from the steel and aluminum tariffs. Imposing tariffs on Taiwan sends the wrong message about U.S. treatment of such an important partner as Taiwan and serves as an impediment and a distraction from moving forward on other forms of economic cooperation. There is also, in my view, significant potential for building on U.S.-Taiwan cooperation in the field of intellectual property protection and trade secrets.

Fourth, it is imperative that we deepen and broaden our security relationship with Taiwan. One way to start, would be regularized arms sales and treating Taiwan like a normal security partner. The primary consideration ought to be what we deem to be in Taiwan's self-defense interest rather than what is the least objectionable to China because they are certain to object, irrespective.

We can also expand defense cooperation with Taiwan including on things that have already been discussed such as potential Taiwan participation in RIMPAC, port calls, and building on areas of cooperation, in particular cybersecurity. And last, in support of the previous recommendation we ought to commence meaningful and regular high-level exchanges that can move the needle on these critical trade and security issues.

In conclusion, there is significant potential in strengthening U.S.-Taiwan relations and in doing so we will only reinforce the long-term U.S. security goals in the Indo-Pacific. Thank you, Mr. Chairman and the committee, and I look forward to your questions.

[The prepared statement of Ms. Ma follows:]

Testimony before the
House Committee on Foreign Affairs
Subcommittee on Asia and the Pacific

“Reinforcing the U.S.-Taiwan Relationship”

Tiffany Ma
Senior Director, BowerGroupAsia
Nonresident Fellow, the National Bureau of Asian Research

April 17, 2018

Chairman Yoho, Ranking Member Sherman, distinguished members of the Committee, I would like to express my appreciation for the opportunity to appear before the committee today to discuss the prospects for reinforcing U.S.-Taiwan relations, an issue integral to U.S. interests in the Indo-Pacific region.

The U.S.-Taiwan relationship is undoubtedly complex, and under increasing strain from China’s coercive pressures against Taiwan as well as its opposition to U.S. support for Taiwan. Yet, the relationship remains a central component of U.S. policy towards the Indo-Pacific region. The Trump Administration has explicitly reaffirmed the importance of the Taiwan Relations Act (TRA), one of the foundations of the United States’ ‘One-China’ policy, which along with the Three Communiques and the Six Assurances, continues to guide U.S. policy toward Taiwan. The framers of the TRA envisioned the Taiwan Strait as essential to peace, security, and stability in the Western Pacific—a recognition that still rings true today as evident in the strong reaffirmation of U.S. commitments to Taiwan in the 2017 National Security Strategy.

U.S.-Taiwan Relations and U.S. Interests in the Indo-Pacific Region

To begin, the U.S.-Taiwan relationship reinforces key U.S. priorities in the Indo-Pacific region. The Free and Open Indo-Pacific (FOIP) strategy concept emphasizes twin pillars of self-determination, free from external coercion—an essential prerequisite to good governance—and openness in trade and investment, maritime movement, and logistics, which requires meeting the infrastructure gap in the region. The emphasis on freedom from coercion is, of course, directly applicable to concerns about the People’s Republic of China’s (PRC) coercive pressures against Taiwan. Taiwan is an open democracy, with an engaged civil society, robust legal institutions, and transparent system of governance. Taiwan’s openness has not gone unnoticed. The World Bank ranked Taiwan as the fifth in the Asia-Pacific region and 11th in the world in terms of ease of doing business, according to its 2017 Doing Business report, and Reporters Without Borders chose Taipei as the location of its first bureau in Asia in 2017.

The U.S.-Taiwan relationship also intersects with other U.S. priorities in the region, including trade and security. The Section 232 investigation led President Trump to impose across-the-board tariffs on steel and aluminum imports. While the primary concern may have been China’s trade practices in these sectors, especially in the broader context of ongoing U.S.-China trade disputes, this action has affected key U.S. allies and friends including Taiwan. In 2017, the U.S. was the

destination for 13 percent of Taiwan's steel exports and 6 percent of aluminum exports, with exports totaling USD 1.3 billion and USD 44 million, respectively. While tariff waivers have been used as incentive for negotiating a broader set of trade issues, Taiwan is still seeking to secure an exemption, which has been granted to Canada, the EU, Australia and South Korea. It remains to be seen if the flexibility on tariffs that President Trump has offered to allies would also extend to an important partner like Taiwan.

In terms of regional security, North Korean belligerence and the advancements in its missile and nuclear programs have been priority preoccupations for top U.S. officials. Taiwan is mindful of the North Korean threat. Its financial institutions were subject to a cyberattack by the infamous North Korean-linked Lazarus group in 2017. Taiwan shares U.S. concerns regarding North Korean nuclear proliferation and has been proactive in working towards compliance with UN sanctions on North Korea, even as a non-UN member. Taiwan has called for its companies to abide by the sanctions and even commenced legal proceedings against citizens suspected of enabling trade with North Korea.

Taiwan is also contributing to regional and global security in other tangible ways that reinforce U.S. goals. Notably, it is a member of the Global Coalition to Defeat ISIS, an active contributor to regional humanitarian assistance/disaster relief efforts, and is cooperating with Japan and the Philippines on fisheries management despite competing maritime claims. Taiwan is deepening its cooperation with U.S. allies and partners across Southeast Asia, South Asia, and Australasia through its ambitious New Southbound (NSB) Policy. Launched in 2016, the initiative intends to deepen Taiwan's regional linkages and exchanges and reduce its dependence on the PRC. In 2015, the United States and Taiwan inked the Global Cooperation and Training Framework (GCTF) to leverage Taiwan's strengths and expertise. Under this program, the United States and Taiwan conduct training and capacity building programs to address global challenges such as public health, women's rights, and environmental protection. Indeed, Taiwan's contributions to regional peace and security serve as force multipliers for broader U.S. strategic objectives.

A closer look at the components of the U.S.-Taiwan relationship reinforces Taiwan's importance within the United States' wider Indo-Pacific agenda. For instance, Taiwan is the United States' 10th largest trading partner by goods, and the United States is Taiwan's 2nd largest trading partner. According to the U.S. Trade Representative office, top U.S. exports to Taiwan include machinery, aircraft, and agriculture; Taiwan is the 7th largest market for U.S. food and agricultural products. In addition, Taiwan is an active investor in the United States. It sends large delegations to SelectUSA Investment Summits and Taiwan-based company Foxconn's new Wisconsin facility could employ up to 13,000 people. This U.S. administration has focused on the trade deficit with Taiwan, and Taiwan has taken steps to reduce the surplus, such as importing U.S. liquefied natural gas. However, it is important to recognize that the economic relationship is significant for both parties, across different measures. Looking ahead, future progress requires renewed momentum on the Trade and Investment Framework Agreement (TIFA) talks—currently stalled over the use of ractopamine in U.S. pork products—to lay the foundations for future trade or investment agreements.

The economic ties are buttressed by the strong unofficial relationship. The opening of a new American Institute in Taiwan complex attests to the robustness of the relationship. Citizens of

Taiwan and the United States actively interact through travel, study, and work—the former now facilitated by Taiwan’s inclusion in the prestigious Global Entry program in 2017. The well-received visit of Deputy Assistant Secretary of State Alex Wong to Taipei last month underscored U.S. commitments to Taiwan. Furthermore, support for Taiwan from Congress, most recently highlighted by the unanimous passage of the Taiwan Travel Act (TTA), which provides a platform for elevating U.S.-Taiwan exchanges to much-needed higher levels, remains steadfast.

Another critical dimension of the relationship is defense cooperation. This is underpinned by TRA obligations “to provide Taiwan with arms of a defensive character” and reinforced by shared concerns about the shifting cross-Strait military balance. The centerpiece, and one of the most visible aspects of this cooperation, is U.S. arms sales to Taiwan; however it also includes support on training, such as sending observers to Taiwan’s headline Han Kuang exercises, Taiwan’s transition to an All-Volunteer Force, and maintenance and logistics. The recently approved marketing license is a positive signal of U.S. support for Taiwan’s domestic submarine program. The 2018 U.S. National Defense Authorization Act (NDAA) also called for the consideration of U.S. Navy port calls to Taiwan. U.S.-Taiwan defense cooperation is critical for ensuring Taiwan’s self-defense as Beijing continues to reserve the option of using military force against Taiwan and continues to build up its military for a Taiwan Strait contingency. In response, Taiwan’s military strategy is shifting toward asymmetric defense and layered deterrence, and this provides fruitful ground for the U.S. and Taiwan to address Taiwan’s defense requirements.

Challenges to U.S. Interests and the U.S.-Taiwan Relationship

Through the bonds of the U.S.-Taiwan relationship and its commitments to regional security, the United States holds deep equities in cross-Strait stability. The TRA stated that the future of Taiwan should be determined by “peaceful means” and the U.S. position also affirms that the cross-Strait situation must be determined by people on both sides of the Strait, with the assent of the Taiwan people, and it opposes unilateral changes to the status quo.

China has long resisted the U.S. approach, seeing it as an impediment to Beijing’s long-held goal of cross-Strait unification. China has opposed real or perceived moves in Taiwan towards independence under the auspices of Beijing’s ‘One-China principle.’ President Xi Jinping has linked Taiwan to his visionary ‘China Dream’ for national rejuvenation by 2049, and has called for “both sides of the Strait” to “join hands in realizing the ‘Chinese dream’.” Although Xi describes the two sides as part of the same family, any benevolence intended by this rhetoric does little to mask Beijing’s mounting pressures against Taiwan following the electoral victory of the Democratic Progress Party in 2016.

Despite President Tsai Ing-wen’s pledge to maintain cross-Strait status quo, Beijing has stepped up rhetoric and actions to further isolate Taiwan and undermine its legitimacy. First, the PRC has escalated influence campaigns to delegitimize Taiwan on campuses, among businesses, and in international fora. Second, it has renewed efforts to curb Taiwan’s international space, including pressuring international organizations, such as the International Civil Aviation Organization, to limit Taiwan’s participation, and whittling away at Taiwan’s remaining diplomatic allies, including Panama and Sao Tome and Principe, with some speculation that the Vatican may be next in line. Third, it is undermining the DPP through freezing high-level official cross-Strait dialogue.

At the same time, China has offered inducements to lure young Taiwanese to work in China while cultivating the Taiwanese business community in China to advance Beijing's political agenda in Taiwan. Fourth, Beijing has used unprecedented measures such as unilaterally establishing northbound flights along the M503 flight path that runs close to median line of the Taiwan Strait without consulting Taipei. Last, it has ramped up military intimidations, including by conducting long range patrols off the east coast of Taiwan and by transiting its aircraft carrier Liaoning through the Taiwan Strait. It has also increased exercises focused on Taiwan, including a sudden announcement of a live fire exercise in the Taiwan Strait later this week. These actions and exercises are seen at best as intimidation and at worst as preparations for a military contingency in the Taiwan Strait. In the face of China's increased economic, political, and military coercion, U.S. support for Taiwan is more critical than ever before.

It is clear that China is not only changing, but effectively rewriting the status quo through the use of sharp power in an attempt to force unification upon the people of Taiwan. It is difficult to envision how China's preferred vision for Taiwan's future would serve U.S. interests, especially given the increasingly stark differences between Beijing and Taipei. Taiwan's vibrant democracy stands in contrast with China's authoritarian system, especially following the March 2018 constitutional amendment which paved the way for President Xi's indefinite hold on power. President Tsai has reaffirmed that Taiwan stands willing and ready to "defend the common goal of freedom and openness [and]... go all out to protect the fundamental international order," while China is increasingly seen as a 'revisionist' power that challenges aspects of the free and open regional order.

China's increased coercion against Taiwan has led some observers to debate the costs, if not question the value, of U.S. support for Taiwan. To be sure, viewing U.S. support for Taiwan as a provocation to China is an internalization of Beijing's position, one designed to restrain the United States' own calculus towards Taiwan. Rather, if we put the United States and its interests first—on the basis of longstanding policies, stakes in the region, and value that we ascribe to friends and allies—the question to ask is: why wouldn't we reinforce our relationship with Taiwan?

In a similar vein, this logic dispels the benefits of using Taiwan as a bargaining chip. Concessions to China on Taiwan, in the hopes of reciprocal gains on North Korea or trade issues, do not guarantee favorable outcomes. On the contrary, the United States would certainly stand to lose a close trade and security partner, as well as risk its credibility. Developments in the Taiwan Strait are closely watched by other U.S. allies and friends as they represent a test of American commitments in the region. Anything short of demonstrating U.S. resolve in the face of China's attempts to force unification—much less failing to uphold U.S. commitments to Taiwan or using Taiwan as a pawn—sets dangerous precedents that undermine long term U.S. position in the region. Similarly, Taiwan is not a tool for the U.S. to use to manage relations with China. Playing the "Taiwan card" to force Beijing's hand would put Taipei in a more precarious position in the midst of U.S.-China competition, not to mention undermine the fundamental tenets of the U.S.-Taiwan relationship.

Recommendations for Reinforcing U.S.-Taiwan Relations

By reinforcing the U.S.-Taiwan relationship, we can consequently reinforce long term U.S. interests in the Indo-Pacific.

1. Maintain a constant and coherent position on Taiwan. Congress' longstanding support for Taiwan provides a critical bulwark against the fluctuations in U.S.-Taiwan relations as a result of particular administrations' policy needs vis-à-vis China. Going forward, Congress can play an essential role in dispelling any misguided notions about using Taiwan as a bargaining chip or playing the Taiwan card by reaffirming U.S. commitments to Taiwan through related actions, such as through the TTA and recent NDAA's. These acts serve as tangible and meaningful responses to China's coercion against Taiwan.
2. Integrate Taiwan into the Free and Open Indo-Pacific strategy. As the administration begins to operationalize the concept, Taiwan is an ideal partner in this endeavor. In particular, we can harness the natural convergences between the FOIP strategy and Taiwan's New Southbound policy in areas of innovation promotion, infrastructure development, and deepening regional economic linkages. In addition, programs under the GCTF, especially on political participation and democracy promotion, can foster good governance to further support political and economic openness in the region. Finally, the FOIP strategy provides an opportunity to reinforce Taiwan's relationship with likeminded democracies. While the revival of the Quadrilateral Security Dialogue between the United States, Japan, Australia and India remains nascent, Taiwan could benefit from future engagements with this group. Such interactions would also provide some reprieve from the pressures that China has placed on Taiwan's international space. More broadly, the U.S. should continue to support these partners, as well as others, in reinforcing their own relationships with Taiwan.
3. Engage in serious efforts to address economic and trade issues. The immediate priority should be ensuring that Taiwan receives exemption status, as a friend of the United States, from the steel and aluminum tariffs. Imposing tariffs on Taiwan sends the wrong message about U.S. treatment of its friends and distracts from other forms of economic cooperation as well as progress on long-standing trade talks. In the medium term, progress on TIFA talks, with attention from the appropriate levels of the U.S. government, would certainly reinforce the economic relationship and help pave the way for a bilateral trade agreement. There is also significant potential for building on the U.S.-Taiwan MOU on intellectual property protection. Taiwan has made tremendous gains in this area and has asked to join as a third party in a U.S. complaint against China's intellectual property theft at the World Trade Organization. Given this U.S. administration's focus on the protection of intellectual property and trade secrets, this could be an area of significant progress in the next few years.
4. Deepen and broaden security cooperation. A priority should be moving toward regularizing, rather than bundling, arms sales, and ensuring that Taiwan receives the same treatment as other security assistance partners. The primary consideration ought to be what we deem to be Taiwan's defensive interests, rather than what is least objectionable to China, as they are certain to object regardless. Resolution on Taiwan's requirements for replacement fighters and submarines would certainly be welcomed. As a related discussion, we should continue to

encourage Taiwan increase its defense budget to meet its own defense requirements. In addition, the United States and Taiwan should expand defense cooperation. This could include Taiwan's participation in future RIMPAC exercises, which has strong support on Capitol Hill; cooperation on cybersecurity, particularly drawing on both Taiwan's experience as a target of cyberattacks originating in China and North Korea as well as President Tsai's priority on boosting Taiwan's informational security as part of national security efforts; and conducting port visits.

5. Regularize meaningful high-level exchanges. Pursuant to the TTA, meaningful high-level exchanges can support progress on economic and trade issues as well as advance security cooperation. It is important that these high level visits have a working purpose, not just symbolic, as they could help to breakthrough some of the key challenges in trade or defense issues.

Conclusion

It is evident that the U.S.-Taiwan relationship continues to serve U.S. interests in promoting a Free and Open Indo-Pacific. The U.S.-Taiwan relationship is built on shared values, meaningful and tangible cooperation, and common strategic interests. On the whole, Taiwan's track record as a reliable partner and friend to the United States stacks up on the side of Washington's assets, not liabilities. As China increases coercive measures to isolate and undermine Taiwan, with the ultimate goal of forcing unification on Beijing's terms, it is crucial that we respond by deepening and reinforcing U.S.-Taiwan relations.

Mr. Chairman, Ranking Member, and the esteemed Committee, thank you again for the opportunity to take part in today's hearing, and I look forward to your questions.

Mr. YOHO. I appreciate everybody's testimony. I look forward to getting some good questions. As I said, we are under time constraints with the competing hearing on Syria, but we have been fortunate to be joined by Mr. Steve Chabot of Ohio who used to chair this committee and is responsible for that great legislation that we talked about today.

And I want to turn it over to you. And, Steve, if you want to go an opening statement and go right into questions I will defer to you because I know you have another hearing to go to.

Mr. CHABOT. Thank you, Mr. Chairman, and I will be brief for a couple of reasons. One thing, we have a briefing on Syria that I think we are all anxious to get to. I also have a committee meeting going on as we speak in Judiciary and I wanted to come to this one because this one is particularly close to my heart, Taiwan, one of our strongest allies.

As one of the founding Members of the Congressional Taiwan Caucus, I think it is the goal of many of us on both sides of the aisle to strengthen an already strong relationship between Taiwan and the United States and, I think, the Taiwan Travel Act, which many of us fought for a long time. And I want to thank my colleague on the other side of the aisle, Brad Sherman, and also our full chairman, Ed Royce, and many other members again on both sides for their hard work on this, and the people of Taiwan in working with us for such a long time to attain this. It will make a difference.

I think the ability of the top officials here in the United States and the top officials in Taiwan—the President, the Vice President, the Defense Minister, the Foreign Minister—to actually be able to meet face-to-face either in Taiwan or here in the United States, I think it is hard to overestimate the value of that. That being said, it should only be considered a step, a very important step, but a step toward improving even more the relationship, the alliance between Taiwan and the United States.

It is a country, and I don't say that word by accident. It is a country that is a strong ally of the United States. It is in our best interest to make sure that Taiwan remains free. The people of Taiwan, they ought to be and are, I think, in many ways, a role model for other nations who face hostile entities very close to home. And the future of the people of Taiwan, the future of the nation itself should be and I think will be, I know will be determined by the people of Taiwan.

Not by bullies in the PRC, not by the United States. It is not our intention to tell Taiwan what it ought to do. But we know because Taiwan has been for decades now an inspiration in that it is a democratic nation, one that freely elects its own leaders, sometimes somewhat tumultuous. There is no question about that. You know, relatively new democracies also experience that. Even ones that have been around for a couple centuries have our own challenges now and then. All you have to do is watch the news to see that that is true.

But in all seriousness, having been here 22 years now I am so glad that this is one of the issues that I have devoted a fair amount of time on because it has been worth it to see Taiwan continue to grow, continue to be a democracy that other nations can look to see

how it is done. That doesn't mean that there isn't a lot of work that still needs to move forward and I think a lot of us on both sides of the aisle, I want to emphasize that both Republicans and Democrats working together will be there with Taiwan, both now and into the future.

I think, rather than go into questions, Mr. Chairman, I think I will yield back at this point to make sure that we can get to those other important engagements that many of us have. So I will yield back.

Mr. YOHO. I appreciate that and I appreciate your work and you showing up on your busy schedule. But I think the Taiwan Travel Act is a historic piece of legislation that sets a tone for a new era in our relationship with Taiwan and around the world.

Mr. Stokes, you were talking about a fundamental policy review that should be addressed. And, you know, you have heard it twice here, a country, Taiwan is a country, and when I was over there we were talking about that. You know, what do you call an entity that has a flag and their own military if not a country and a democracy. And I know that is taboo to say that or take a phone call from President Tsai congratulating our President. If we can't say those things in the open, I think we are in a very dangerous situation in the world.

And I think it is time to revisit this. If we look at Taiwan, it was recognized as such, a country from 1949 to '71, and '71 to '72 there was this cloud of vagueness, what are we? We are going to recognize you as such, but we are not going to call you that. We are going to recognize you as part of this other entity over here, China, and we are where we are at today.

And as I shared with you earlier, in Robert Gates' book, *Duty*, back in the mid-2000s, probably 2012, 2013, we had the arms sales going back and forth with China, or with Taiwan for all those years, 1979, I believe it was, and nobody complained overtly. But as China was getting stronger they raised a lot of angst and didn't like our arms sales to Taiwan. And our negotiator said, well, what is your problem? We have been doing this for a long time. And the Chinese admiral says yes, I know, but back then we were weak. We are strong now. And I think that is a very clear message of the intention and especially if we move forward.

And the Chinese Communist Party and Mr. Xi have an insatiable thirst for power and domination and, as we know, history has shown from time and time again, this is to be a very dangerous situation when people have that hunger for domination and for power. And what I see is China is threatened by the success of Taiwan's democracy. They are insecure and they are frightened that their Communist ideologies cannot compete with freedom and that is what we have that they so much don't like because it threatens their form of government.

What I have come to see is people and businesses do business with those that they know, like, and trust. And if China doesn't honor its word and agreements as in the transfer of Hong Kong in 1996 from Great Britain to China, where China agreed not to interfere in the governing of Hong Kong for 50 years, yet it has, or China ignoring the court arbitration in The Hague stating that they, The Hague, they stated that China has no claim on the East

Sea, and then, finally, Xi Jinping blatantly lied to President Obama stating that they would never weaponize the reclaimed islands of Spratly and Paracel Islands in the East Sea, yet they have; so then my question that comes up and other people I have talked to, then why would anyone do business in the business world with a company, or in this situation with a country, that lies, or they don't like a country? They either lie or their government doesn't honor their word or the word of international law.

And I think that is where we are at today and so the stage is set. As we have talked about earlier in the opening statement, we have had a stable system since World War II that have allowed democracies to flow, that have allowed people to have freedom of expression. And the expansion of that I think a great example of that is Taiwan and what they have been able to accomplish, a tiny island nation that has been able to accomplish that and the very many contributions that they have come up with.

And the beauty of being the chairman of a committee, sometimes it is lonely but I get to ask all my questions. Question number 1, and you guys weigh into this as you want to, is Taiwan's democratic success story all the more important as Xi and the CCP seek to export China's governance model to the developing world?

What is your thoughts on that? We will start with you, Mr. Stokes.

Mr. STOKES. Thank you very much for that question, sir. I would posit it in this way. If one views our One-China Policy in a zero sum framework in the sense of we can only have normal relations with one side of the Taiwan Strait or the other, since 1979 we have extended legitimacy to the Chinese Communist Party and withheld legitimacy from a government that has transitioned from an authoritarian style of rule toward a vibrant democracy.

So today's challenge is that we, in a sense we extend legitimacy to an autocratic government and withhold legitimacy from a democracy. And I would ask what kind of signal does that send to the rest of the world? It should not be a surprise that Freedom House has come out with statistics that talks about the decline of democracy around the world.

So this is, some would call extension of legitimacy to Taiwan, some would call that so, for example, symbols of sovereignty. There are guidelines. After 1979 there have been guidelines that have been directed from the White House level that have outlined how we define what is official and what is unofficial. And even use of the term "government" with regard to Taiwan as far as I know or at least to be forbidden, you couldn't use the word "government."

Mr. YOHO. Yes.

Mr. STOKES. You can't use the word "Republic of China." You cannot use the word "ROC." There are issues like this that sort of purposely withhold legitimacy. And I would argue that once you distinguish between legitimacy and sovereignty, I think as Julian mentioned, I think the issue of sovereignty we have traditionally not, we have taken an agnostic position at best on the ultimate status of Taiwan. But sovereignty is not necessarily legitimacy and in my view that should be distinguished.

Mr. YOHO. No, I think that is true. And that is why I asked you about, you know, maybe it is time to revisit these fundamental

policies and draw some new definitions for the 21st century. That we have been intimidated maybe or, you know, our State Department taking down the Taiwan flag on the logos, I don't still understand why that was done. I have my theories on that but I think it is something that needs to be put back there.

Let's see. Going on, you know, we know that Taiwan was removed from the WHA, the World Health Assembly, and they can't participate in WHO or INTERPOL or some of the other international events. How and why is China able to subvert a technical organization like the WHO for its own political goals? What is your thoughts on that Mr. Ku?

Mr. KU. Thank you, Mr. Chairman, for giving me the opportunity to talk about that, yes, which I addressed in my written testimony. I think I was struck by what is amazing is that the decisions to invite or not invite Taiwan are not a vote of all the membership of those organizations. So it is not as if they survey all the countries and they vote on whether to accept Taiwan or not. What is interesting about extending an invitation to an observer to World Health Assembly is actually a decision, as I understand it, of the director general of the organization.

So it is kind of a bureaucratic decision and so thereby there is no open vote on where people have to take sides on whether to extend the observer status. And it is remarkable to me that the U.S. cannot exercise more leverage in such organizations given that we contribute three to four times or five times more financially to each of these organizations. And it is not a political fight where we have to go out and gather votes from other countries, it is just about trying to influence the bureaucracy at the World Health Organization or INTERPOL or such.

And I do, without criticizing too much the State Department, I am struck by the ineffectual efforts of our diplomats compared to China's diplomats.

Mr. YOHO. I agree with that. And as you pointed out, you know, we contribute three times more than China. We put in \$59 million versus 19, but yet it seems like the WHO bowed to them. And they should be apolitical and they should look at the contributions that a country makes. You know, you look back at what Taiwan did with the SARS epidemic. They are the ones that discovered the virus that was causing that and did the preliminary work on that to save countless numbers of lives. And so how do we put pressure on the WHO? Do we just say we are not going to participate anymore or we are not going to fund you, and get them to come to the table? I don't understand how they were able to be swayed by China other than by a heavy hand, coercion, or intimidation.

Mr. KU. Just to follow up on that. Yes, and I agree. I think that so the operative word here is coercion. So the strategy for China is by denying even observer status that what they are trying to do is make it harder for people on Taiwan to gain access to the technical, you know, benefits of joining these organizations. So it is not about One China or not. It is just about making it harder on the lives of people in Taiwan. And I think that is something that shows China's ill intent in the organizations. I think, frankly, to be honest this is my guess as to what is going on, China cares a lot—China's diplomats' one goal in WHO is to keep out Taiwan. U.S. diplomats

have 50 goals at WHO, Taiwan is 50th on the list. And so I think what really needs to happen is we need to raise that priority somehow for the U.S. executive branch and that is where I think Congress can make a difference in trying to raise Taiwan so that the U.S. Government puts a little bit more effort in protecting Taiwan in these organizations.

Mr. YOHO. Thank you.

Ms. Ma, do you have anything you want to weigh in on any of those?

Ms. MA. Sure. I will weigh in on the first question about Taiwan's democracy. I think preserving and supporting Taiwan's democracy is even more important now in the context of the backslide in democracy and civil rights and human rights in the region. We contrast Taiwan's very vibrant democracy with China's authoritarian system, Taiwan is a partner that reinforces the regional order. President Tsai has reaffirmed that Taiwan stands willing and ready to defend the common goal of freedom and openness and go all out in the protection of the fundamental international order and this stands in clear contrast to Beijing's tendency toward revisionism, as this administration is increasingly recognizing.

You know, it is difficult to really envision how China's future for Taiwan and in the Taiwan Strait would serve U.S. interests and, therefore, I think it is even more critical that we think about how we want to integrate Taiwan into the Free and Open Indo-Pacific Strategy. Thank you.

Mr. YOHO. Thank you. In the third Joint Communiqué in 1982, President Reagan said that the United States has no intention of infringing on China's sovereignty and territorial integrity or interfering in China's internal affairs or pursuing a policy of two Chinas or one China, one Taiwan. And so that was back in 1982, yet we have moved to where we are today and we see an aggressive China. And if you look at, I think it was in your statement, Mr. Ku, where you were talking about the TRA declares that it is U.S. policy to provide Taiwan with arms of a defensive nature or character and maintain the capacity of the United States to resist any resort to force or coercion.

What is your thoughts on that from 1982 with President Reagan and the TRA that we have today?

Mr. KU. Yes, I mean the TRA responded, I think, and tries to deal with—and I am sorry, the Six Assurances responded to the 1982 Joint Communiqué, but I think it reflects some of the instability in our U.S. policy toward Taiwan. I think in pursuing better relations with China, I think Taiwan always sort of is an obstacle to that so when we want better relations with China, we give up more on Taiwan.

I think the TRA is a reminder that we have a governmental commitment to allow the people of Taiwan to have a free choice as to what they want to do with their future and what they have chosen so far is to move toward a democratic future. And that is something that the U.S., I think, strongly supports across all parties. I think our policy can continue along the same lines.

If the people of Taiwan have the freedom to choose what they want, then the people in China have to make a choice as to how they are going to convince the people in Taiwan that if they want

to reunify that they offer a deal that the people in Taiwan can accept. As you mentioned, Mr. Chairman, China is not offering any deal and it is hard to imagine that deal happening any time in the future. In 1982 we could have imagined that deal. Times have changed and so we need to make sure the Taiwanese people can still make a choice.

Mr. YOHO. I think that is very well put. And, you know, like I said, in that book we were weak then; we are strong now.

So Mr. Stokes, moving forward, if we don't get a good definition and clarification of the status of China, Taiwan, the rest of the world, in 3 to 5 years what do you foresee, if you could predict in the future of we don't get some clarification of where we are going, the status of Taiwan in the future?

Mr. STOKES. To answer your question, sir, I would go back to the original statement of objective reality that Taiwan under its current Republic of China Constitution exists as an independent, sovereign state. That, in my view, is the starting point for everything.

Mr. YOHO. Well, let me interrupt you right there.

Mr. STOKES. Yes, sir.

Mr. YOHO. Nobody is recognizing that today other than maybe Taiwan and, you know, the United States. I think we have capitulated a lot especially over the last 8 to 10 years of not really holding people's feet to the fire and allowing Taiwan to be marginalized, you know, with China going to Panama and getting rid of their diplomatic status and as they have done with some of those countries off of Africa.

And then our own State Department blatantly removing the Taiwan flag symbol, again I have my theories of why that happened, but if we don't do it now and start recognizing that is it going to be easier or harder 3 to 5 years from now?

Mr. STOKES. Sir, it will be harder if we go about, if we adopt a satisficing approach regarding Taiwan. You are right on the recognition issue, but Beijing has its One China Principle and that is with a capital P. And gradually there is a concerted effort to try to shape perceptions here in the United States and around the world regarding perceptions of and to manipulate their definition of a One China principle and that is and they are implementing their One Country, Two Systems formula for unification internationally in a concerted way. That is, there is one China, Taiwan is part of China and the PRC; it is all representative of China in the international community. This is not correct. Our One-China Policy can be anything we say it is.

Mr. YOHO. Right. No, I agree with that.

Mr. Ku, or anybody that wants to weigh in this, you know, when we have surveyed people of Taiwan and we have read those surveys, what percent would you say view themselves as Taiwanese versus Chinese, and what percent believe in unification or going back to China versus staying an independent nation as their Constitution says?

Mr. KU. And I will start first. I don't have the numbers at hand. I know that strong majorities are, now the majority of people do see themselves as Taiwanese rather than Chinese although it is not overwhelming. Where it is overwhelming, as I understand it, is among people under the age of 30, which is obviously the future.

And I had the experience of teaching law students in Taiwan just last year among the elite law schools and the future of elite lawyers in Taiwan are all pretty strongly Taiwanese and not Chinese in their sense of self-identity, at least my impression was. And more tourists in China has only made that identity stronger rather than weaker. So I think if the people of Taiwan had a free choice, I think we could probably guess where they are heading.

Mr. YOHO. Ms. Ma?

Ms. MA. Thank you, Mr. Chairman. To add to Mr. Ku's point, the polls on sentiments on political unification identification is overwhelmingly demonstrating that most Taiwanese, especially the younger generation, identify themselves as only Taiwanese or both Taiwanese and Chinese, but then there is a very small minority only that identifies as Chinese.

Another interesting poll I would like to raise is done by the Taiwan Foundation for Democracy which asks the participants whether they would fight in a war against China. And when asked if the conditions of war was due to Chinese pressures and coercion and attack against Taiwan, this response overwhelmingly jumps up to affirmative that yes, they will stand and fight for Taiwan. So given this, as Mark says, objective reality of where the situation is really that the Taiwan population, the sentiment is that they would not like to unify with China.

This calls into question the sustainability of the U.S. policy position where under the Six Assurances especially the U.S. emphasizes a process that the U.S. would not play a mediation role. It would not push Taiwan to negotiate with China. And as Julian mentioned, the U.S. takes a position of neutrality and that is increasingly difficult to sustain when the objective reality is that if the people of Taiwan were free to choose they would choose not to unify with the mainland China.

Mr. YOHO. Thank you.

Next, we will go to Mr. Connolly from Virginia.

Mr. CONNOLLY. Thank you, Mr. Chairman.

Ms. Ma, picking up on that last point, but isn't it true that in polling overwhelming majority of people in Taiwan want to continue the status quo indefinitely? They neither support reunification nor outright independence. Is that not correct?

Ms. MA. Yes, Congressman Connolly. That is correct. There is an overwhelming preference for the status quo.

Mr. CONNOLLY. And why do you think that is?

Ms. MA. I think it is because in part of Taiwan's really remarkable democratic transition. I think the people of Taiwan enjoy the lifestyle that is afforded by the political freedoms that they enjoy. The vibrant economy, democracy has given rise to an economy, a system of government that is, it is a strong rule of law. So I think these personal freedoms are very important to the people on Taiwan.

Mr. CONNOLLY. Of course, presumably another part of that is concern that not unduly provoking the neighbor, right, because if we want to preserve our way of life, our democracy, our quality of life, an island of 25, 30 million people with 1.5 billion people staring them across the Strait, you don't needlessly provoke them. And my sense is the common sense of the Taiwan people tells them that

irrespective of what politicians in Washington or even Taipei may want to do.

You talked about reinforcing U.S.-Taiwan relationship and you talked about maintaining a constant and coherent position on Taiwan. I am looking on the Trump administration, the call with President Tsai, reconsideration of the One-China Policy before reaffirming that policy. Now we have a new third National Security Advisor talking about playing the Taiwan card as if Taiwan were some kind of game.

Do you think we have maintained in this new administration, well, Trump administration, a constant and coherent position on Taiwan?

Ms. MA. My view on that is that the Trump administration is still formulating its broader policy toward the Asia-Pacific. I do think, however, it is important to maintain a consistent and coherent position on Taiwan and I think Congress plays an important role as a bulwark against the fluctuating priorities that might happen in the executive branch when it comes to pursuing particular policy agenda, vis-a-vis China.

With respect to maintaining a consistent position, I think part of maintaining a consistent position is very much how Congress can help respond to the Chinese retaliation, and in that vein things like the Taiwan Travel Act, the additional language in the NDAA play an extremely important role in response to that.

Mr. CONNOLLY. Thank you.

Mr. Ku, did you want to comment on that?

You need to turn your button on. That is all. Thank you.

Mr. KU. So I guess just on the broader question of the status quo, China has this law called the Anti-Secession Law which allegedly requires it to use force if there is any action taken toward separatism in Taiwan and that law was reaffirmed by President Xi in recent statements. I think the message from China is pretty clear to the people of Taiwan that an open move toward independence would be met with military force, at least a threat of that. And I think reasonable people would say, well, why do that? Why start a fight? The status quo is pretty good for us.

I think the interesting question for people though, here, and for Members of Congress and leadership in Washington is to think about how long can this situation continue in this sort of status quo standoff. And I think it is hard to predict the future, but it is something that it does worry me a lot that we can't maintain that sort of tension much longer as we see the trends in Taiwan, the young people moving away at least in self-identification from China.

And yet on the flip side, the Chinese Government has become even more bellicose in its rhetoric not less so, and that is not a good sort of situation, I think, in terms of trying to maintain the status quo.

Mr. CONNOLLY. And if I could follow up on that there have been recent articles about the brain drain from Taiwan and lots of young people seeking their fortunes on the mainland. There was a, you know, they profiled one young woman who was a designer and she wanted to go to the glitter and lights of Shanghai. I am old enough to remember nobody would talk about glitter and lights in Shang-

hai, but now—so how much of a threat is that long term that maybe the mainland is playing the game of we will just squeeze the lifeblood out of them instead of a military action and the talent and the, you know, brain creativity will be drained out of the island and we will win that way?

Mr. KU. So just on that one point I have a lot of confidence that that won't happen because I do believe Taiwan will remain a really different place, offer a lot more in the long run to people like that and then China will display the obvious economic benefits. People talk about the brain drain from Taiwan to the United States. People talk with me and they think Taiwan has been able to sustain itself and I think a lot of those people come back in the long run.

Mr. CONNOLLY. I don't know if the chairman wants to allow Mr. Stokes to also comment? I thank the chair.

Mr. STOKES. Certainly, if I can offer some brief responses, first, on the status quo. That is a term used both on Taiwan and here in the U.S. without a lot of definition put to it. I would argue that on Taiwan I think there is a rough consensus that the status quo, again going back to the mantra I mentioned before is that some people can use different formulations, some people just prefer to use Taiwan exists in a sovereign state, some would say that Taiwan known formally by ROC, and then the one that I mentioned.

But my perception when that term "status quo" is used, Taiwan already exists as a country; when the term "Taiwan independence," in my view, generally is going to mean taking steps to revise the Constitution, taking steps to revoke the law of governing relations between the Taiwan area and the main area, things like this. But, and there certainly is a substantial part of the population who believes that Taiwan should be a normal country.

Here in the U.S. you will see the mantra, there should be no unilateral change in the status quo as we define it, but we don't define it. In my view, the status quo in the Taiwan Strait is the existence of two legitimate governments. Actually, I take, I represent Rohrabacher's comment that the Chinese Communist Party does not represent a legitimate government, but.

Mr. CONNOLLY. I thought he was actually talking about Russia.

Mr. STOKES. Maybe, but I will leave it at that, sir.

Mr. CONNOLLY. Just a final point, and thank you, Mr. Sherman. But obviously it is a balance and I take all three of your points of view. But I mean unnecessarily provoking the mainland, Beijing, is not in anyone's interest. On the other hand, simply abrogating our own responsibilities and our own control of the bilateral relationship with Taiwan is not in our interest or Taiwan's, and I would argue, long term, not in China's either.

So it is a balance. But we can't simply cede the control and the rules of the game in the relationship to Beijing. And as I said in my opening remarks, I certainly hope Beijing does not misunderstand that because that miscalculation could be very costly to them as well as us.

I thank the chair.

Mr. YOHO. Thank you for your comments.

We will next go to the ranking member, Mr. Brad Sherman, California.

Mr. SHERMAN. Thank you. I would like to say having visited Taiwan, not as often as the gentleman from Virginia, that there is so much vibrancy there, so much lifeblood that even if 100 talented people a year go to the mainland, even if thousands come to the United States every year, there is not a shortage of vibrancy, intelligence, capacity, and entrepreneurship. And that is why I welcome some of the most entrepreneurial Taiwanese to my state knowing that there is plenty left back in Taiwan.

The status quo is acceptable. It has worked. The status quo plus this or that change works better. And there will come a time when Beijing either tires of trying to cross the Straits or finds itself in tough straits and focused on something else and that could be a time when Taiwan crosses the line to independence.

Taiwan wants the F-35 Joint Strike Fighter. This clearly seems like a defensive weapon in the sense that Mr. Rohrabacher's comments aside none of us imagine the Government of the Republic of China taking aggressive action and landing its forces on the mainland. So it would be a plane that would be used to defend Taiwan from invasion fully consistent with our legal stance. Should we sell the F-35 to Taiwan? I will go through the—Mr. Stokes?

Mr. STOKES. Sir, I would like to start off by a comment that whether or not a system is defensive or offensive depends upon what side of the gun you are standing on.

Mr. SHERMAN. No. There are—

Mr. STOKES. Yes, sir.

Mr. SHERMAN. All of us can imagine the mainland invading Taiwan. That is a nightmare. But with the exception of one gentleman who is no longer on this dais, none of us imagine Taiwan landing its troops on the mainland. The days of Chiang Kai-shek's return died with Chiang Kai-shek and long before. Go ahead.

Mr. STOKES. Yes, sir, exactly. Taiwan's strategy is inherently defensive. As you mentioned, they gave up this notion of recovering the mainland many years ago.

Mr. SHERMAN. So should we sell the F-35?

Mr. STOKES. If Taiwan requests the F-35 based upon a consensus within Taipei, I think we should.

Mr. SHERMAN. Mr. Ku?

Mr. KU. Yes. I mean I don't have expertise on weapon technology, but I do think that the overall policy if it is defensive and it is consistent with our own interests in terms of how we hand out technology.

Mr. SHERMAN. And Ms. Ma?

Ms. MA. I think Taiwan is in the best place of determining its defense interest. I think we should consider focusing on what is going to be the cost efficient, the most flexible, the most agile, the most resilient for the Taiwanese defense budget and—

Mr. SHERMAN. Okay. Taiwan deals with major American allies—South Korea, Japan, Australia—that are in its region. To what extent are those countries yielding to pressure from Beijing and to what extent are those countries maintaining a good relationship with Taiwan?

Ms. MA?

Ms. MA. Thank you. I would like to point out in particular the relationship between Taiwan and Japan which has undergone some

symbolic upgrade in terms of elevating the names of the representative office, and I think that is a relationship with significant potential as Japan very clearly faces similar concerns with Taiwan vis-a-vis China. Thank you.

Mr. SHERMAN. And does Japan do business with Taiwan in a robust way?

Ms. MA. I think they do and I think they will. I think there is significant potential for that. Japan is of course a critical U.S. ally in the region and a host to a very significant U.S. military presence. So I think Japan's role in a Taiwan contingency alone should drive the Japan-Taiwan relationship forward.

Mr. SHERMAN. We have got a \$9 billion trade deficit with Taiwan. Now that is just a small percentage of the total trade. It is not a lopsided relationship like we have with Beijing and of course it is smaller. Taiwan is smaller than China. But what can we do to increase American exports to Taiwan? Does anyone have a guess, an answer? And you can't just say sell the F-35s.

Ms. MA. Taiwan is taking measures to address the trade deficit, for example, it is starting to purchase U.S. LNG. But looking at the largest categories of U.S.-Taiwan trade, which is in machinery and also agriculture, I would identify those two as major areas for deepening cooperation. And then I also want to point to Taiwan's sort of innovation moves. You know, it is trying to become Asia's Silicon Valley and there is a lot of prospects in cooperation on AI and in the ICT sectors as well that could help address the trade balance.

Mr. SHERMAN. I am told there are soybeans ready to export across the Pacific that may not be purchased in another country on that side of the Pacific that may be available. It would be asking too much to ask the people of Taiwan to eat as much as the people of China, total, but every bit helps.

Finally, there is the issue of whether this Congress should invite the President of Taiwan to come and address us. Normally you only invite in conjunction with the State Department. We departed from that with the Netanyahu invitation. That didn't work out in the sense that it didn't achieve its legislative purpose, vis-a-vis the congressional vote on the Iran deal, but I don't think the President of Taiwan would come with a particular bill that they were trying to deal with. Should Congress just say what the heck and invite the President of Taiwan to address us and could you imagine the administration denying a visa to someone who is coming here at the request of the United States Congress or the House of Representatives particularly?

Mr. Stokes?

Mr. STOKES. So I would in terms of responding to the question whether or not Congress should invite President Tsai, I would argue that after consultation if the two sides think that would be a good thing to do.

Mr. SHERMAN. Or the two sides, because we get along fine with Taiwan. It is the executive branch that over the last 22 years has not been as supportive.

Mr. STOKES. Well, I mean just there is not a unilateral announcement that we are going to invite President Tsai over. I would say I think that warrants positive consideration to be able to invite, for Congress to invite the President of the Republic of

China, President Tsai, to Congress to be able to address Congress after consultation between Congress and her.

Mr. SHERMAN. Between Congress and Taipei and maybe we will leave the White House out of it.

Mr. Ku?

Mr. KU. Yes, I mean this is a difficult decision because I think it would spark a tremendous firestorm in China. So I think we would have—that is why it is important to consult—

Mr. SHERMAN. Yes. I think one could take a much smaller action and invite the Foreign Minister to brief this committee which would be a step in that direction and would have the additional advantage that we would not only gain from these three witnesses but from the Foreign Minister.

Ms. Ma?

Ms. MA. I agree with the caution that Mr. Stokes and Mr. Ku offered. I will say that if through consultation it was determined that this was the best course of action, I think it would be a tremendous step forward in the U.S.-Taiwan relationship. I think President Tsai is probably best positioned to articulate Taiwan's needs and predicament and, you know, she is somebody who knows the United States very well. She spent time here at Cornell. She visited Washington, DC, frequently as the opposition leader, and I think she will come to Washington, DC, and be welcomed by many friends.

Mr. SHERMAN. Maybe we start with the Taiwanese "Ambassador" to Washington and then move up to the Foreign Minister and put the head of state visit off for a little while. I yield back.

Mr. YOHO. No, that is fine and I appreciate you coming back. And I have to give a plug. President Tsai also taught at the University of Florida Law School for 6 weeks. So go Gators.

You guys bring up some very interesting and challenging topics. What do we do, and I think most important is, what does Taiwan want to do? I think you have heard it said here that we would like to be facilitators. We have an agreement.

Mr. Ku, as you have pointed out the different things that we have and that we have in like Section 4 declares that the U.S. policy will consider any effort to determine the future of Taiwan by other than peaceful means including boycotts or embargos or force of threat to the peace and security of the Western Pacific and/or grave concern to the United States. And that sentiment is reiterated over and over again in that agreement.

Mr. Connolly I want to challenge a little bit even though he is not here. He was talking about maintaining the status quo and the majority of the Taiwanese people prefer the status quo. However, the status quo has changed. We don't live in a static world. It is dynamic. There is flux. It is always changing and it is changing more than it has probably in the last 25 years. I was at a meeting with a bunch of the generals and they were saying we are going through a tectonic shift in world powers we haven't seen since World War II.

And so how does this change the calculus? Since the status quo is changing, how does this change the calculus of maintaining the status quo? Do you want to weigh in on that?

Mr. Ku go first, you had your hand up first.

Mr. KU. Sorry, thank you. I think this is a very important question. I think one way to think about this is a thought experiment. If this were any other country in the world that was not located 100 miles from China and they had a free and fair vote on their future, we would in the United States laud their decisionmaking in many cases and be likely to support it.

I think the difficulty here is all geopolitical rather than our values. Our values, I think, lead us naturally to support the type of free and fair democracy that Taiwan has and the freedom of the people there to choose. The question for the United States is strategic. Does that fit with the strategic interests of the United States, and that is a difficult decision.

Mr. YOHO. Mr. Stokes?

Mr. STOKES. I would come at it from a slightly different angle, sir. And that is that again going back if the status quo in the Taiwan Strait is the existence of two legitimate governments, and one could argue that another way to approach it is that the United States policy should move toward a more accurate representation of that status quo.

Mr. YOHO. Ms. Ma, do you want to weigh in on that?

Ms. MA. Sure. I think echoing what Mark said, you know, I think it goes back to the question about how sustainable is our emphasis on process? Can we remain agnostic as to what is going on, but rather advocate that future determination status quo is left to the people involved on the ground? So I think that is the question that U.S. policymakers have to determine going forward. Thank you.

Mr. YOHO. Okay. And I wrote here, for 22 years, 1949 to 1979, Taiwan was viewed as a sovereign nation pretty much around the world. From '72 to 2018, that is 36 years, we have had the status quo. Taiwan didn't change other than being a successful democracy moving from an authoritarian to an economic powerhouse. The United States didn't change, you know, we worked on trade, economics.

So who changed? What we have seen is a rising China that feels threatened, and I go back to the statement I made about the Chinese Communist Party and President Xi Jinping or whatever he is now have an insatiable thirst for power and domination. History again has shown us time and time again when you have this combination it is dangerous for the rest of the world.

Again, China, I feel, is threatened by Taiwan's democracy. You don't hear of a brain drain coming out of China. You hear it coming from other countries into China, because where people are free and they have liberties they develop their innate abilities for freedom and liberties and they develop those things that other countries want.

And the United States, I am thankful to be born here in a country that allows us to express our opinions, our freedoms, or anything we want to, but it also gives us the creativity quotient that is missing in parts of the world where there is suppression like a North Korea or a China. And if you look at some of the great developments in the last 500 years, how many have come out of a country that has been run by an authoritarian state? Not many, because they don't know how to dream. They don't know how to think about that.

And so my caution would be that we move slowly with the Taiwanese people to find out a solution that provides them with the security that they deserve that they have earned and that they continue a vibrant democracy in an economic powerhouse that has contributed so much to the world, whether it is medicine, biotech, electronics, or other.

And I think China should take this as maybe a wake-up call. Not as a threat, we don't want to threaten anybody, but as a wake-up call of how we can solve this problem without the detriment of Taiwan or relationships in the Asia-Pacific theater and how can we get along and build on the success of that country that they benefit from also and that the rest of the world benefits from too. Because nobody is trying to take over China or Taiwan from the rest of the world and I would think that we could work this out to where it is a win-win situation where people save face and that we develop a new status quo that allows an independent nation to continue to do what they do and work with the people of Taiwan to find out what their new status quo wants to be that we can facilitate with, with other regional partners.

And I will give you guys—Mr. Sherman, do you have any last comments?

Mr. SHERMAN. I went long enough last time. Thank you very much.

Mr. YOHIO. Do you guys have any last comments? We will just go down the line.

Mr. STOKES. Oh. Sir, I would offer that in terms of your statement before, Mr. Chairman, the most fundamental change that we have seen at least since 1972 or perhaps it is 1979, is not necessarily with the Chinese Communist Party. In a fundamental sense it remains somewhat similar to what it was before with some changes on the edges.

The most fundamental change that we have seen has been the transformation of Taiwan or the Republic of China into a democratic country. Well, it has always been a country, but into a democracy. The most fundamental change has been the establishment and consolidation of popular sovereignty. This change is fundamental. Our current policies that were developed, whether it was 1972, 1979, '82, were in a different era and our policies you have to catch up with this fundamental change on Taiwan.

Mr. YOHIO. Mr. Ku?

Mr. KU. Just building on that I think it would be, because of Taiwan's democratization it would be a strategic catastrophe. Not just a values problem, but a catastrophe for United States foreign policy if an aggressive, authoritarian Communist regime conquered a liberal democratic government. That would be a strategic catastrophe putting apart the affront to U.S. values.

So that actually does change the calculus and probably does cause us and probably should cause us to rethink that. And I would reiterate that Congress can play a huge role in shaping that rethinking and getting that rethinking process going in the United States.

Mr. YOHIO. No, I think that is a very valid point because if they do that to Taiwan, who is next? Who are they going to look at next and say we are going to change this country? You know, we don't

have claim to them, but they didn't have claim to the South China Sea or the East Sea, but they claimed it. And so that is what I worry about.

Ms. Ma?

Ms. MA. Thank you. And building on that last point, I want to reiterate that developments in the Taiwan Strait are very closely watched by U.S. allies and friends in other parts of the world. So in my view, anything that is short of demonstrating U.S. resolve in the face of Chinese coercion and sharp power, and that includes failing to uphold U.S. commitments to Taiwan, or China, you play the Taiwan card, doing so would set very dangerous precedents that undermine long-term U.S. interests in the region.

But on the other hand, if we reinforce the U.S.-Taiwan relationship, I think that could very possibly reinforce U.S. long-term interests in the Indo-Pacific.

Mr. YOHO. I think that is well said and I think it is timely. If not now, when? As we have talked about, it is not going to get easier 5 years from now.

And so, I want to tell you how much I appreciate your input. It was successful because members kept coming in and out and you didn't have to listen to me the whole time. So this subcommittee hearing on Asia-Pacific has adjourned.

[Whereupon, at 3:24 p.m., the subcommittee was adjourned.]

A P P E N D I X

MATERIAL SUBMITTED FOR THE RECORD

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128

Subcommittee on Asia and the Pacific
Ted Yoho (R-FL), Chairman

April 12, 2018

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held by the Subcommittee on Asia and the Pacific, in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at <http://www.ForeignAffairs.house.gov>):

DATE: Tuesday, April 17, 2018

TIME: 2:00 p.m.

SUBJECT: Reinforcing the U.S.-Taiwan Relationship

WITNESSES: Mr. Mark Stokes
Executive Director
The Project 2049 Institute

Mr. Julian Ku
Maurice A. Deane Distinguished Professor of Constitutional Law
Maurice A. Deane School of Law
Hofstra University

Ms. Tiffany Ma
Senior Director
BowerGroupAsia

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.



COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON Asia and the Pacific HEARINGDay Tuesday Date April 17, 2018 Room 2172Starting Time 1:54 pm Ending Time 3:25 pmRecesses ☐ (to to) (to to) (to to) (to to) (to to) (to to)

Presiding Member(s)

Rep. Yoho

Check all of the following that apply:

Open Session ☒Executive (closed) Session ☐Televised ☐Electronically Recorded (taped) ☒Stenographic Record ☒

TITLE OF HEARING:

Reinforcing the U.S.-Taiwan Relationship

SUBCOMMITTEE MEMBERS PRESENT:

*Rep. Rohrabacher, Rep. Chabot, Rep. Perry, Rep. Wagner**Rep. Sherman, Rep. Connolly*

NON-SUBCOMMITTEE MEMBERS PRESENT: (Mark with an * if they are not members of full committee.)

*Rep. Royce*HEARING WITNESSES: Same as meeting notice attached? Yes ☒ No ☐

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

*QFR - Titus, Wagner**SFR - Shirley Kan*

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED 3:25 pm
Subcommittee Staff Associate

MATERIAL SUBMITTED FOR THE RECORD BY THE HONORABLE TED S. YOHO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA, AND CHAIRMAN, SUBCOMMITTEE ON ASIA AND THE PACIFIC

April 17, 2018, House Foreign Affairs Subcommittee on Asia and the Pacific

Hearing on Reinforcing the U.S.-Taiwan Relationship

Recommendations of Options to Strengthen the U.S.-Taiwan Partnership

By Shirley Kan, retired Specialist in Asian Security Affairs who worked for Congress at CRS and other parts of the U.S. Government.

For this hearing, this memorandum recommends options to consider as action items for Congress to strengthen the U.S.-Taiwan economic and security partnership to promote national interests. This brief memorandum will discuss: (1) an overview of why Congressional roles are crucial and (2) options to enhance engagement with Taiwan (both in the shorter and longer terms).

OVERVIEW: CRUCIAL CONGRESSIONAL ROLES

In a bipartisan way, Congress has continued to assert appropriate actions in policymaking on Taiwan. Legislation, oversight, and other actions are stipulated in or ensure compliance with the Taiwan Relations Act (TRA), Arms Export Control Act (AECA), NDAA's, and other laws.

Taiwan Relations Act

Congressional oversight can ensure the President's adherence to the TRA, P.L. 96-8, enacted on April 10, 1979. In my interview last year, Lester Wolff (Chairman of the House Foreign Affairs Subcommittee on Asian and Pacific Affairs when Congress passed the TRA) stressed that the intent of the TRA was to ensure Taiwan's viability, regardless of the U.S. "one China" policy.

The TRA does not recognize or imply recognition of Taiwan as a country, given the 1979 Joint Communiqué that declared U.S. diplomatic recognition of the People's Republic of China (PRC) instead of the Republic of China (ROC) -- Taiwan's formal name. Nonetheless, Congress carefully approved the TRA with Section 4(b)(1) stipulating that, "Whenever the laws of the United States refer or relate to foreign countries, nations, states, governments, or similar entities, such terms shall include and such laws shall apply with respect to Taiwan." Thus, the TRA treats Taiwan as a "country" for purposes of our domestic laws and not international law.

Under the TRA, Congress rightfully reinforces the partnership by calling for consistency in U.S. support for continued arms sales, higher-level official visits, and Taiwan's self-defense and roles in international organizations. Contrary to the PRC's or State Department's objections to changing so-called "unofficial" contacts with Taiwan, the TRA does not specify the relationship as official or unofficial and does not discuss the "one China" concept as part of policy.

Crucially, Congressional actions signal that the United States would define our own "one China" policy and not bow to Beijing's dictates of its "one China" principle. In face of China's attempts

at intimidation and interference by pressuring Congress, its visible actions send a significant message to counter Beijing's bullying and threats -- even on U.S. soil. Congressional support for a stronger Taiwan to deter China's threats serves national and international interests of prosperity, rules-based order, and Indo-Pacific stability. Congress also bolsters U.S. leadership to show how freedom-loving Taiwan should be treated internationally, particularly among fellow democracies.

Congressional efforts stress that the partnership with Taipei is important in its own right, not a tool or subset in policy to deal with Beijing. Indeed, Taiwan never was a part of the PRC.

The TRA stipulates the determination of defense articles and defense services based solely upon the judgment of the President and Congress concerning Taiwan's defense needs. Congressional vigilance serves as a catalyst in delayed decision-making, especially due to withheld notifications to Congress of pending arms sales. Contrary to the response from Acting Assistant Secretary of State for East Asian and Pacific Affairs Susan Thornton to the QFR after her hearing in February on her nomination to fill that position, policy on arms sales to Taiwan has not been "consistent across seven different U.S. administrations." The inconsistent inter-agency process has needed repair. Needed decisions on Taiwan's defense were ignored, delayed, or reversed.

Six Assurances

In addition to oversight of laws, Congress uniquely acts as guarantor in the U.S. Government to maintain the Six Assurances to Taiwan from President Reagan on July 14, 1982. In negotiating the third Joint Communique with the PRC, Reagan assured that the United States:

1. has not agreed to set a date for ending arms sales to Taiwan;
2. has not agreed to hold prior consultations with the PRC on arms sales to Taiwan;
3. will not play any mediation role between Taipei and Beijing;
4. has not agreed to revise the TRA;
5. has not altered its position regarding sovereignty over Taiwan;
6. will not exert pressure on Taiwan to negotiate with the PRC.

OPTIONS: RECOMMENDATIONS TO REINFORCE THE RELATIONSHIP

Shorter-term Options

Congress could correct declarations that demean dealings with Taiwan as "unofficial" in recognition of the reality of numerous official contacts that involve Taiwan's membership in the WTO, government-to-government Foreign Military Sales under the AECA, etc.

Congress could oversee compliance with the FY2018 NDAA's provisions to rectify the arms sales process by requiring reports and briefings from the Secretary of Defense on Taiwan's requests for security assistance. Congress could stress other legislation in addition to the NDAA. The NDAA targets its jurisdiction over the Defense Department, but the State Department has been more of an obstacle to normal inter-agency decision-making on Taiwan's stronger defense.

Congress could authorize the Defense Department to decide (without the State Department's required, written approval) whether to allow visits to Taiwan by general/flag officers (military personnel above the rank of O-6) and Assistant Secretaries of Defense or other senior officials (above the level of office director), regardless of the Guidelines on Relations with Taiwan.

With enactment of the Taiwan Travel Act (P.L. 115-135), Congress could require a Presidential report on how to relax the self-imposed restrictions on contact, including the State Department's Guidelines on Relations with Taiwan of 2015 and all other restrictions in the Executive Branch. Such a review could include input from the NSC, intelligence agencies, FBI, USTR, and Departments of Commerce, Defense, Homeland Security, State, Treasury, and Veterans Affairs.

Congress could consider weapons systems, technical assistance, or grants to strengthen Taiwan's deterrence and defense against the PRC's use of force or coercion, both under the TRA's purview. While Taiwan seeks invitations to RIMPAC and long-distance naval port calls or military flights (e.g., to Hawaii or Guam), the urgent need to defend the island of Taiwan behooves attention to priorities in its self-defense and security. Priorities include Taiwan's shift to a volunteer military, reserves, doctrine, veterans, protection of technology, security clearances, cyber security, defense budgets, realistic training, asymmetric warfare, law enforcement, and continuity of government.

Congress could consider whether the U.S. should supplement the ongoing upgrade of Taiwan's F-16A/B fighters to F-16V fighters with a program of new F-16 Block 70/72 fighters. While Taiwan might prefer F-35B fighters, the more viable option focuses on new F-16Vs. Congress also could oversee licenses for Taiwan's Indigenous Defense Submarine (IDS) program.

Congress could require a report on Taiwan's role in the Administration's new Free and Open Indo-Pacific Strategy, National Security Strategy, and/or National Defense Strategy.

Congress could call for a Cabinet-rank official to visit Taiwan, given the four-year gap so far. After 1979, Cabinet-rank officials visited Taiwan in 1992, 1994, 1996, 1998, 2000, and 2014. An example would be the (Acting) Secretary of Veterans Affairs. One occasion for such a visit is the upcoming and long-overdue dedication of the new AIT building in Taipei this summer.

Alternatively, a Cabinet-rank official might speak at an event hosted by the American Chamber of Commerce (AmCham) in Taipei, which promotes U.S.-Taiwan trade and investment.

Perhaps with AmCham, Members might hold Congressional forums in Taipei, Washington, or another U.S. city to expand trade and investment, and to help the resolution of related disputes.

Congress could call on the USTR, upgrading from the Deputy USTR, to lead the talks under the Trade and Investment Framework Agreement (TIFA), commonly called the TIFA Talks.

Under the TRA, Congress monitors AIT and could improve its operations in Taipei and Washington. Options include: requiring the Senate's advice and consent to confirm the Director

of AIT in Taipei; reducing costs and bureaucracy by streamlining positions and procedures; and directing AIT positions to be concurrent with those in departments or agencies. For example, the AIT Managing Director and Chairman may be restored to be a single official who also resumes the precedent of being a permanent Foreign Service Officer. Congress previously approved the Foreign Relations Authorization Act for FY2003 (P.L. 107-228) that enhanced AIT's operation.

During her visit-like "transit" in Honolulu in October 2017, President Tsai Ing-wen did not meet with a senior official of the Executive Branch, other than AIT's Chairman. Congress could call on senior officials of the Executive Branch to meet with Taiwan's president during "transits."

Members or Committees could hold on Capitol Hill a video-conference with Taiwan's president (during a U.S. "transit" or other occasion). The event could include foreign diplomats in D.C.

Instead of transits, Congress could call for visits by Taiwan's president or premier, as well as expansion of approval for visits by Taiwan's defense and foreign ministers to include D.C.

Congress could direct Cabinet Secretaries to support Taiwan's participation in international organizations more effectively and creatively, and to invite Taiwan to U.S.-hosted meetings.

Congress could direct the U.S. Ambassador to the U.N. to correct the international record by countering any serious misrepresentation that the U.N. recognized Taiwan as a part of China. U.N. Resolution 2758 of October 25, 1971, recognized the PRC's legal rights and expelled "the representatives of Chiang Kai-shek" but did not mention Taiwan or resolve its status.

Congress could direct the State Department to submit legal findings about the diplomatic record and Taiwan's status. In Congressional hearings on the ROC in 1969 and 1970, the State Department testified that the juridical matter of the status of Taiwan remained unsettled.

Longer-term Options

Congress could call for a new Taiwan Policy Review in coordination with one or more hearings. After the previous one-year review of policy on Taiwan in 1993-1994, Assistant Secretary of State for East Asian and Pacific Affairs Winston Lord testified on the review at a hearing of the Senate Foreign Relations Committee on September 27, 1994. A schedule of hearings could spur a more timely review than that drawn-out process, ensure consultation with Congress, and stress an updated assessment to reflect Taiwan's development from a dictatorship to a democracy.

Congress could examine an alternative approach to sustain stability in the Taiwan Strait through the normalization of the bilateral relationship with Taiwan's democratic government.

Congress could call for the appointment of a Special Envoy for Taiwan to facilitate cross-strait dialogue (without mediation or pressure) with the objective of a peaceful resolution. U.S. policy thus far has focused on the peaceful process of a resolution, not any outcome of a resolution.

Response to Questions for the Record from Congresswoman Ann Wagner
AP Subcommittee Hearing: "Reinforcing the U.S.-Taiwan Relationship", April 17, 2018

Julian Ku, Maurice A. Deane Distinguished Professor of Constitutional Law, Hofstra University

1. Mr. Ku, China has fraught ties with the Vatican over its refusal to allow the Chinese government to appoint bishops in the Catholic Church. Yet China announced last month that it is nearing a deal with Vatican officials. I don't think it's a coincidence that the Vatican is one of the few states that still recognizes Taiwan. Do you think the deal is a bid to drive a wedge between Taiwan and the Vatican?

I think China's effort to improve its relations with the Vatican at the expense of Taiwan is consistent with its other efforts to isolate Taiwan diplomatically. By demanding other countries de-recognize Taiwan, China is able to limit the ability of the government on Taiwan to interact with the international community and protect the interests of its citizens. Winning over the Vatican will further injure Taiwan and coerce it, diplomatically, toward unification. The U.S. should take note of these coercive activities and work to bolster Taiwan's ability to operate internationally, even in the absence of such diplomatic allies.

One way for the U.S. to help Taiwan is to bolster its own unofficial relationship with Taiwan by, for instance, working toward a bilateral investment and trade agreement and seeking to encourage U.S. allies to do the same.



Questions for the Record

Congresswoman Ann Wagner

AP Subcommittee Hearing: "Reinforcing the U.S.-Taiwan Relationship"

April 17, 2018

1. Ms. Ma, China uses limited war techniques to erode order in the South China Sea, on the Indian border, and in the waters around Taiwan without crossing lines that would incur serious retaliation. How can the Trump Administration better respond to this type of limited aggression in the region?

Ms. Ma: It is increasingly clear that the United States and China have different visions for the regional security order. China's assertiveness in the South China Sea, the standoff at Doklam, and coercive pressures against Taiwan are driven by its desire to pursue territorial interests as well as exert power and influence in the region. China's successful use of incremental tactics, below the threshold of military conflict, to achieve these objectives has undermined the United States' preferred free and open Indo-Pacific order. With this trend in China's external behavior, it is likely the greatest source of friction in U.S.-China relations will be in the arenas of norms and institutions.

For the United States, reinforcing a free and open as well as rules-based order provides the most effective bulwark against revisionist efforts by major powers. To do this, the United States, along with its allies and partners, needs to directly address incidents and assertiveness that undermine regional stability. Messaging, coordinated with allies and partners, needs to convey why certain Chinese actions are unacceptable using clear and consistent legal and diplomatic rationale.

In addition, convening like-minded countries allows the United States to engage allies and partners in an effort towards coalition building, which allows Washington to retain a favorable balance of power vis-a-vis China in the region. Taiwan ought to be considered as a vital partner in this endeavor given the shared interests between Washington and Taipei and the increasing pressures it faces from Beijing. To enhance these efforts, the United States can consider additional ways in which it can build capacity of coalition partners. The goal would be to increase the coalition partners' own capabilities, which in turn can complicate China's own calculus about the potential costs associated with certain actions.

Related to the above, the United States should also explore ways to further enhance inter-regional cooperation among likeminded countries. While the U.S. encourages cooperation among allies through various formats such as the U.S.-Japan-South Korea trilateral and the nascent U.S.-Australia-Japan-India quad, there remains significant potential for building other forums for other forms of regional cooperation, such as through ASEAN channels or even Japan's efforts at deepening relations with Southeast Asian nations. By having U.S. allies and partners work with each other,

alongside U.S.-led efforts or U.S.-involved initiatives, we can further integrate the network of relationships among likeminded stakeholder countries to further reinforce a rules-based regional order.

Finally, strengthened U.S. presence in the region would support an agenda to safeguard regional order. While military presence is an instrumental component of this, diplomacy and trade are also important to the perception of U.S. presence. A strong U.S. position in the Indo-Pacific ultimately serves America's interests across security and economic issues.



Questions for the Record

Congresswoman Ann Wagner

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Mr. Stokes, U.S.-Taiwan security cooperation complicates China’s pursuit of force structures designed to minimize the United States’ ability to interfere in the Asia-Pacific. Should Taiwan develop its own A2/AD technologies?

- a. You have said that “Taiwan should be the central guiding focus of defense planning in the Asia-Pacific region.” Can you explain that statement?

[Note: Responses to the previous questions were not received prior to printing.]



Questions for the Record

Congresswoman Dina Titus

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Thank you Chairman Yoho and Ranking Member Sherman for holding this important hearing today. I am a member of the Congressional Taiwan Caucus and have always supported a strong relationship between the U.S. and Taiwan.

I represent a large and thriving Taiwanese-American population in Las Vegas, where they have made valuable contributions to our culture, economy, and society.

I supported Taiwan joining the Visa Waiver Program, allowing Taiwanese travelers to come to the U.S. without a visa to visit family or for tourism. These visits allow for increased economic cooperation, the exchange of ideas and culture, and the development of long-lasting relationships.

I was also proud to be a cosponsor of the Taiwan Travel Act this Congress to encourage visits between high-ranking U.S. and Taiwanese officials, which became law in March.

Ms. Ma, you reference in your testimony that China has "offered inducements to lure young Taiwanese to work in China while cultivating the Taiwanese business community in China to advance Beijing's political agenda in Taiwan." The Washington Post published an article on April 15 entitled "Taiwan battles a brain drain as China aims to woo young talent," highlighting the same issue. I have heard that more and more young people are also going to China to study instead of coming to the U.S. or going to European institutions of higher education. Is this accurate? If so, what repercussions does this have for Taiwan, economically and/or politically, and how can the United States help turn this around?

Ms. Ma: Although the number of Taiwanese students studying abroad has increased in recent years, the number of students choosing to study in the United States has declined from over 29,000 in 2006/07 to over 21,000 in 2016/17, according to Taiwan's Ministry of Education statistics. This has been driven by cost considerations as well as prospects for future employment in the United States. Although the number of degree students have declined, the United States remains a top education destination for Taiwanese students, as evident in growing number of students from Taiwan going to the United States for non-degree and short term programs.

In recent years, China has offered inducements to attract students from Taiwan. Since 2010, approved students could use their test scores in Taiwan to apply for universities in China. In 2013, China offered Taiwanese students basic medical insurance. Earlier in 2018, Beijing rolled out a 31 Measures incentive scheme to attract Taiwanese people to study and work in China. While the Chinese government claimed that this was for the purpose of "sharing the opportunities of the mainland's development with Taiwan compatriots," the timing of this scheme ought to be viewed in light of China's growing influence campaign to undermine Taiwan's legitimacy. By recruiting students, as well as workers, from Taiwan, Beijing is de facto

engineering an exodus of talent from Taiwan to China for the purpose of changing political opinions in Taiwan as well as undermining Taiwan's economy in the longer term.

While Taiwanese students will likely continue to choose the United States given the quality and prestige of education as well as cultural affinity, ensuring that these critical linkages sustain and thrive is important to the future of U.S.-Taiwan relations. The United States could offer financial incentives for students from Taiwan, and American universities could actively recruit students in Taiwan. While the J and F student visas offer opportunities for temporary employment, in the 2016-17 year, only 19.6% percent of students from Taiwan chose to do Optional Practical Training programs. Moreover, students from Taiwan, like their international counterparts, face potential challenges in securing longer-term work status. To attract students and talent from Taiwan, and elsewhere in the world, would require a consideration of cost and work visa issues that factor into the decision of prospective students when choosing educational opportunities in the United States.