PacNet Number 28B

Pacific Forum CSIS

Honolulu, Hawaii

July 23, 2007

UN Referendum Brings U.S.-Taiwan Relations to a New Low by Bonnie S. Glaser

Taiwan President Chen Shui-bian is backing a plan to hold a referendum on the island's UN membership under the name "Taiwan" to be held in tandem with the March presidential election. Although the referendum will have no practical impact on Taiwan's status, the United States has made clear that it opposes the initiative because it "appears designed to change Taiwan's status quo unilaterally" and could undermine peace and stability in the Taiwan Strait.

From the U.S. perspective, Chen's initiative violates the spirit if not the letter of his "four no's" pledge, enunciated in 2000 when Chen was inaugurated as Taiwan's first DPP president. He said that he would not declare independence, change the national title, incorporate the concept of state-to-state relations between the island and the mainland in the Constitution of the Republic of China, or promote any referendum on independence or reunification. President Bush sees the "four-no's" as a commitment not just to the Taiwan people, but also to the international community and to himself.

The decision by the Bush administration to publicly condemn Taiwan for planning to conduct a referendum to demonstrate the will of the Taiwan people could not have been an easy one. Despite almost constant friction in U.S.-Taiwan relations in the past five years, President Bush continues to view Taiwan's democracy as a beacon for China. He values the friendship between the American and Taiwanese people and takes seriously U.S. obligations to Taiwan under the Taiwan Relations Act. Many Bush administration officials view China's intensifying efforts to squeeze Taiwan's international space as petty and unbefitting a major international player.

To what extent is U.S. opposition due to pressure from Beijing, which is putting increasing pressure on Washington to do whatever its takes to stop Taipei from proceeding with the referendum? First, it should be clear that the U.S. has often reiterated that it has a "one China" policy and, consistent with that policy, it does not support Taiwan's membership in international organizations that require statehood. For this reason, the U.S. would not cast a vote in favor of Taiwan joining the UN under any name.

Second, since the majority of countries will not back Taiwan's bid, and, more importantly, China's veto is certain, the U.S. cannot help but ask why Taipei is resolved to hold a referendum on this issue. The answer, of course, is that President Chen hopes to strengthen "Taiwanese identity" and thus rally voters to support another DPP presidency. Polls in Taiwan show that more 70 percent of the population favors joining the UN, so this is an issue that can be used to garner votes.

It also provides a means to put KMT presidential candidate Ma Ying-jeou on the defensive. Since the majority of Taiwanese support joining the UN, Ma cannot urge voters to boycott the referendum as KMT candidate Lien Chan did in 2004 when the DPP included a referendum on the ballot on the procurement of missile defense systems. This time, Ma is countering by endorsing a referendum to join the UN "under a practical name and flexible strategy" that would increase Taiwan's chances of being accepted in more international organizations. So, to many Americans, it seems that presidential politics is the driver and the impact on cross-Strait security is given little, if any, consideration.

Third, while it is true that Washington is cooperating ever more closely with Beijing on certain regional security issues – most notably the denuclearization of North Korea – there is no evidence that China has demanded a *quid pro quo* for its cooperation. The Chinese are involved in the Six-Party Talks because they fear the consequences of instability along their border and see an opportunity to facilitate a transition to a more stable peace in Northeast Asia. Of course they hope that the U.S. will reconsider its policies toward Taiwan in light of the value that it attaches to China's cooperation. But if changes in U.S. policies are not forthcoming, Beijing is not likely to alter its policies on other issues that serve Chinese interests.

It is true that China is alarmed about the referendum and other steps that Chen might take in his final months in office that could challenge China's claim to sovereignty over Taiwan and compel a decision to use force against the island under Article 8 of the Anti Secession Law. The Chinese leadership is preparing for the 17th Party Congress this fall at which major personnel decisions will be made. If Hu Jintao is seen as being soft on Taiwan, he will be vulnerable on other issues. The Chinese have always drawn a close connection between leadership legitimacy and Taiwan. Foreigners have long been told that no leader in Beijing could remain in power if he allows Taiwan to secede. Whether this is true isn't relevant. Perception matters. If the Chinese view this referendum as crossing a red line and decide to respond militarily, the consequences would be disastrous. preservation of peace and stability in the Taiwan Strait is vital for both Taiwan and for U.S. interests. So Washington has to take China's concerns seriously, even if it doesn't agree with them.

What is likely to happen next? The U.S. will seek to accurately gauge China's position and the danger of miscalculation on this issue. Efforts will certainly be made to persuade Beijing that using military force in response to a referendum that will have no policy impact whatsoever but will unquestionably result in a major deterioration in both cross-Strait relations and U.S.-China relations makes no sense and isn't worth it. At the same time, the U.S. will take steps

to criticize and even punish Chen for his antics. The purpose will be two fold: 1) to inform the Taiwan people that Chen's actions are putting U.S.-Taiwan relations at risk so that they will oppose them; and 2) to satisfy Beijing that U.S. policy against Taiwan independence is firm and enable China to justify a more modest response should the referendum be held.

An obvious opportunity to publicly signal Taiwan of U.S. displeasure will be President Chen's transit through the U.S. on his way to Central America next month. When he last transited, the U.S. allowed Chen to spend the night on the west coast en route to Nicaragua. That decision was made only after intense debate in the U.S. government. It is unlikely that individuals who opposed restricting Chen to a transit in Hawaii or Alaska will stick their necks out this time. Look for approval of the offer of a short stay in the 49th or 50th state for the sake of the visitor's "safety, comfort and convenience."

The U.S. may also express its opposition to the referendum at a higher level. No one has forgotten President Bush's rebuke of President Chen in December 2003 alongside Chinese Premier Wen Jiabao for "the comments and actions made by the leader of Taiwan [that] indicate that he may be willing to make decisions unilaterally to change the status quo – which we oppose." Subsequently, in October 2004, then Secretary of State Colin Powell stated plainly that "Taiwan is not independent. It does not enjoy sovereignty as a nation, and that remains our policy, our firm policy." Similar statements could be made again, albeit reluctantly, because U.S. officials are loathe to take steps that are harmful to U.S.-Taiwan relations and because they highlight destabilizing political moves taken by Taiwan over the even more dangerous military buildup that Beijing is undertaking.

Steps could also be taken to postpone notifications to Congress of approved military sales to Taiwan or delay planned exchanges between the U.S. and Taiwan militaries. Such decisions might be unwise, however, as they would run counter to U.S. interests in aiding Taiwan to bolster its capacity to defend itself and would undermine U.S. efforts to persuade Taiwan to halt the development of its *Hsiung Feng* 2E land-attack cruise missiles.

Another possible action to penalize Taipei would be a U.S. decision to lobby countries to vote against Taiwan in the UN. While the bid would be fated to fail in any case for reasons noted above, a proactive approach by Washington to deny Taiwan support, even from its diplomatic allies, would send an unambiguous message that the U.S. is determined to oppose efforts to change the status quo.

The referendum will be high on Washington's agenda this week when DPP presidential candidate Frank Hsieh meets with U.S. officials. Hsieh has indicated a desire to improve relations with the U.S., which he terms Taiwan's "strategic partner." Candid talks are sorely needed. Taiwan's security interests are not served by promoting domestic political stunts that alienate the U.S.

Bonnie Glaser (<u>bglaser6@comcast.net</u>) is a senior associate at Pacific Forum CSIS and CSIS in Washington D.C; she also writes the chapter on U.S.-China relations for Comparative Connections