

We're all Taiwanese Now

by Brad Glosserman

Brad Glosserman [brad@pacforum.org] is executive director of Pacific Forum CSIS.

TAIPEI: A series of meetings in Taiwan gave me the opportunity to assess the mood on the island – and it's much as expected. Cross-strait relations are perhaps the best they've ever been, but there is mounting concern about the future, with both short- and long-term worries. Short-term questions are in large part the product of approaching elections on the island. Longer-term questions focus on relations with China and the United States. None of the answers is especially reassuring.

As the 2012 election nears, the prospect of a DPP win troubles many (except Green supporters, of course). That isn't an endorsement of the KMT; rather, it is concern about the implications of a DPP government returning to power. China has learned not to intervene directly in island elections, but it is already signaling its preferences and decision-makers in Beijing have indicated that they will punish a DPP government that rejects a "one-China" framework to let it and its supporters know that crossing China will have consequences. (To be clear: a DPP victory is by no means assured. The election will be close and it is impossible to predict a winner.)

More long term, China's relentless growth and thickening relations across the Taiwan Strait prompt fears of being swallowed among Taiwanese. The Economic Cooperation Framework Agreement (ECFA) has been a boon to the island economy and provides opportunities for Taiwan to present itself to the world as the gateway to China. At the same time, continuing integration could turn the bridge into a trap, giving Beijing too much leverage and influence over Taiwan. Chinese analysts readily admit the agreement aims to show Taiwanese the benefits of good relations with the mainland and encourages them to back candidates more inclined to that position; conversely, there are indications that China may trim some benefits in the event of a DPP victory next year to show its displeasure.

Rising Chinese influence is the counterpoint to a perception of shrinking US power and influence. (The reality of that proposition is debatable; I don't buy it but that is another argument. The key point is the perception of US decline.) In Taiwan, there is fear that US weakness will translate into a readiness in Washington to trade the island for good relations with China. (And yes, the language can be that crude.)

These arguments are well known to any visitor to Taiwan. But this trip, the complaints sounded familiar for a different reason: I have heard them in recent months around the world. Taiwanese grievances are a crystalized and crystal-clear

manifestation of anxieties felt worldwide as we try to pin down the meaning and implications of the global power shift that is underway. We are all Taiwanese now.

Take Taiwan's complaints about international space. Taipei has long sought membership in multilateral forums because it argues – quite rightly – that as long as it is denied a seat at the table its views are not heard and its interests not represented. That is precisely the fear that Western nations that have dominated those forums now have as they contemplate reapportioning shares, votes, or giving up executive slots in those organizations.

Then there is China's demand that international organizations reject Taiwan's participation. Beijing has shown no hesitation to use its leverage in international organizations to force them and member states to comply with Chinese policies. For example, China has withheld approval of peacekeeping missions unless the recipient nation adhered to the one China policy. One element of the debate over China's rise is the impact of that shift on global norms. Protests that there will be no change are belied by Beijing's seeming readiness to use – or bend – ostensibly neutral international rules and norms to further its domestic political objectives.

Finally, the Taiwanese fear of abandonment by the US – a proposition with which I vehemently disagree – is spreading throughout Asia in the aftermath of the global financial crisis and an increasingly assertive China. While most Asians still want the US to play a leading role in maintaining regional peace and security, there is a growing sense that the balance of power in the region is shifting in China's favor, and that transition is facilitated by the weakened US economic position. Facing unprecedented fiscal constraints, growing numbers of regional officials and analysts believe that the US will have to scale back its military presence, closing bases and pulling forces back to Guam, Hawaii, or the US mainland. Questions are raised about the US commitment to a regional presence, official declarations notwithstanding.

Moreover, some insist that China's extensive holdings of Treasury bills give it leverage over Washington, regardless of what US capabilities permit. Those critics assert that if the US and China have a political dispute, the threat of reduced Chinese purchases of US debt or the dumping of existing holdings on international markets will force Washington to bend to China's will. Just as skeptics in Taipei assert that ECFA renders Taiwan vulnerable, skeptics in Washington argue that economic interdependence shifts the balance of power in China's favor.

Most of those assertions about the US are wrong. The US is increasing its commitment to Asia, not decreasing it – and the region's rising prosperity and dynamism makes engagement more important not less. The idea that China has economic leverage over the US betrays a poor understanding

of what interdependence means. Economic warfare by Beijing would result in mutually assured destruction. Neither side has an advantage on this count.

Finally, and perhaps most important, the notion that the balance of power in Asia is shifting toward China just isn't true. Yes, China's economy and its defense budget are growing at double digit rates (although the economy is slowing a bit this year), but the US economy remains more than three times that of China and its defense budget at least four times that of Beijing, to say nothing of the gap in overall capabilities and sophistication. China is getting bigger, but the US remains *much* bigger. Most significantly, the US has a powerful asset that magnifies its capabilities: the desire of governments across the region for the US to remain an Asian power and presence and their readiness to work with the US to ensure that continues . . . a desire that grows along with China's military capabilities.

While there are a number of things that the US can do to ensure a stable balance of power in Asia, let me highlight two. The first is that friends, allies, and partners – nations that want the US to stay engaged – should reach out to the US and signal that its presence is both desired and needed. Strengthen ties to the US so that we have a greater stake in your future and feel that there is a mutual and shared commitment to regional peace and security.

The second is countering the popular notion that such a shift is already under way. That doesn't mean that telling a different narrative is sufficient by itself. But a real assessment of the balance of power, one that accurately reflects *all* the assets available to each side, is the first step toward the formulation of a strategy that best deploys them all. That process will help fight the declinist mentality that seems to be taking root in the US and Taiwan.

PacNet commentaries and responses represent the views of the respective authors. Alternative viewpoints are always welcomed.