

## **The “One China” Policy: Unfit for a New Strategic Era**

A speech by Li-Pei Wu  
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### **I. Observation of the Bush Administration**

There are stark differences between the Bush Administration and its predecessors when it comes to the U.S. policy on Asia and the Pacific, especially with respect to China and Taiwan. Even before President George W. Bush was elected to the White House, he described China as a “strategic competitor,” rather than a “strategic partner” to the United States. Bush views China as a “potential adversary” that has the potential of creating political tension in the region and competing with U.S. interests. Since his election, President Bush and his Administration have tried to keep the Chinese in-check. For example, the Administration has ignored China’s strong protests and treated the President and Vice President of Taiwan with dignity and respect when they visited the U.S., as well as allowing other top Taiwanese officials to visit the United States. President Bush openly stated that he will do “whatever it takes” to defend Taiwan from the threat of Chinese military aggression, and he has approved the sale of advanced military equipment to Taiwan to enhance Taiwan’s defense capabilities.

However, even though the Bush Administration has done more than its predecessors to restore political balance in the Asia Pacific Region, his efforts are still constrained by the U.S. “One China Policy.”

### **II. The U.S. “One China Policy”: Historical Background**

During the Cold War of 1970s, in an effort to curtail the expansion of power by the former Soviet Union, the U.S. compromised its anti-communist principles and severed diplomatic ties with Taiwan to form an alliance with the Peoples’ Republic of China (“PRC”). To the U.S., it was a marriage of convenience—two countries with fundamentally different political and economic ideologies banded together to a common enemy.

At that time, both Mao Tze-tung of PRC and Chiang Kai-shek of Taiwan claimed that there is only one China, and that Taiwan is a part of China. Mao and Chiang were both dictators and the people of China and Taiwan had no say in these political proclamations.

The U.S. conveniently took a “one China” position to “acknowledge” the consensus between Mao and Chiang. The U.S. adopted the “one China policy,” which essentially: (1) acknowledges that all Chinese on both sides of the Taiwan Strait maintain that there is one China and Taiwan is a part of China, and (2) does not challenge that position.

### **III. One China Policy: A Re-examination under the Present Reality**

The world today is very different than it was in the 1970s. First of all, the strategic concern during the Cold War has ceased to exist and the Soviet communist bloc has collapsed and has been replaced by a much weaker Russian power. Instead, China has risen as a regional hegemony threatening Taiwan and other neighbors. The original political and strategic rationale for the “one China” policy is gone and a new strategic concern has risen.

Second, gone is the proposition that “all Chinese on either side of the Taiwan Strait maintain that Taiwan is a part of China.” The government of Taiwan and its people no longer

consider Taiwan a part of China but assert the political reality that there are now two separately governed jurisdictions across the Taiwan Strait, and that Taiwan's future is to be decided through a democratic process.

Third, Taiwan's government is no longer a dictatorship. Its president is democratically elected by the people. Taiwan has emerged as a vibrant democracy, a devotee to free market principles, and a leading trading partner with the U.S.

#### **A. Applicability in the Present**

The strategic value of the "One China policy" developed thirty years ago no longer exists and there is no justification for the policy consistent with present reality. First, because of America's position adherence to the principle of "one China," China is all the more emboldened to assert its sovereignty over Taiwan. China regards and treats all disputes between Taiwan and China as domestic issues. The Chinese government continues to threaten Taiwan with force, and interferes with other countries' efforts to form establish diplomatic ties or sign free-trade pacts with Taiwan. In essence, the U.S. "One China Policy" has indeed made China an even greater potential adversary to the U.S. and its values.

In addition, the U.S. government's "acknowledgement of one China" has diminished the Taiwanese people's confidence in believing that they have the right to self-determination. On many occasions, the U.S. has discouraged the Taiwanese people from deviating from the "one China" principle. Any Taiwanese assertion in favor of independence or self-determination has been viewed as "provocation" by the U.S. and China alike. How can the Taiwanese people's assertion of their right to choose their own destiny be considered a provocation? The unfortunate and likely consequence is that the Taiwanese people will one day eventually succumb to China's threats.

Finally, the U.S. position on Taiwan is ambiguous by practical necessity. On one hand the U.S. acknowledged that there is only one China, but on the other hand the U.S. does not want to hand over Taiwan to China on a platter. The U.S. still has strategic interests in Taiwan and losing its alliance with Taiwan could tilt the power balance too much in favor of China. So every administration makes its own interpretation and application of the One China Policy on a case-by-case basis. And even within the same administration, there are inconsistent interpretations and applications.

#### **B. More Ambiguity in U.S. Policies**

Not wanting to lose its interests in Taiwan when the U.S. abandoned Taiwan to forge diplomatic ties with China, the U.S. passed the Taiwan Relations Act of 1979 to replace its prior defense treaty with Taiwan. The TRA states that the human rights of the Taiwanese people must be respected, but it stops short of stating whether the right to self-determination is part of those human rights. The TRA requires the United States to help Taiwan defend itself from China's military threat, and states that any military attempt by China to take over Taiwan will be considered a matter of grave concern to the United States. Again, the TRA stops short of stating what actions the U.S. should take in the event that China attempts to take over Taiwan by force. It is a law intended to preserve peace and stability across the Taiwan Strait, but does not have teeth when it comes to enforcement.

#### **C. Risks of Ambiguity**

Some people, especially those in diplomatic circles, argue that ambiguity is a necessary part of foreign policy. To these people, the so-called strategic ambiguity is what keeps the status quo and keeps both sides from doing something undesirable to the other.

I disagree. This strategic ambiguity could one day lead to miscalculation by either side,

and American interests may be jeopardized as a result. Ambiguity in fact adds to the tension in the Taiwan Strait. And because of the resulting uncertainty, U.S. interests in the Asia Pacific Region are not being served.

One of the most dangerous examples was in 1996, during Taiwan's presidential election. The PRC launched two missiles across Taiwan in an attempt to intimidate the Taiwanese people from electing a pro-independence candidate. It was a test of the U.S. commitment to Taiwan, because up until that time the United States had never clearly articulated what it would do if China were to use force against Taiwan. President Clinton sent two aircraft carriers to patrol the Taiwan Strait, and to everybody's relief, war did not break out. I often wonder what would have happened if Clinton did not do what he did.

But if the situation were to repeat itself again, would the United State still come to Taiwan's aid? Or would it allow China to take over Taiwan, and destroy the vibrant democracy and economy that the Americans have helped so much to build during the last 40 years? The answer to these questions is up to the chief executive sitting in the White House at the time. But because so much is ambiguous and uncertain, a real potential for disaster exists. For example, China may gamble that the U.S. will not intervene, and aggressively move against Taiwan. Or, the Taiwanese, in fear of military attack from the Chinese and believing that the U.S. will not come to their aid, may forgo their right to self-determination and instead succumb to the Chinese. How would either of these scenarios impact the power balance in the Asia Pacific region? The Chinese would become an even stronger strategic competitor to the Americans and others.

When President Bush referred to China as a strategic competitor, he recognized that a China that dwarfs other countries in the region could create political instability and uncertainty. The situation is especially worrisome since China continues to gain economic strength at the expense of its neighbors, such as Japan and Taiwan. An economically dominant China will lead to a politically and militarily dominant China. Is it realistic to believe that China, a country whose political, economic and humanitarian values differ so greatly from the U.S., will become a strategic partner to the U.S. in maintaining peace and stability in the area? I don't think so. The continuation of the One China Policy not only comes at the expense of Taiwan, but also jeopardizes U.S. credibility.

#### **D. U.S. Credibility at Stake**

In the cover letter of the 2002 *National Security Strategy of the United States of America*, President Bush clearly stated that U.S. will use its "position of unparalleled military strength and great economic and political influence" to actively work to "bring the hope of democracy, development, free markets and free trade to every corner of the world" and to seek "to create a balance of power that favors human freedom."

Taiwan is the paradigm of what the U.S. and President Bush hopes to achieve throughout the world. Undeniably the U.S. deserves much credit for Taiwan's current political and economic success. The Taiwanese people are very grateful to their American ally and readily embrace the same values held by the U.S.--peace, democracy and human rights. So why doesn't the U.S. hold up Taiwan as a shining example to show to the rest of the world that its national security strategy works?

The One China Policy painfully highlights how the U.S. has caved in to political and economic pressures and allowed China to dictate America's Asia Pacific policy. By not standing up to China and promoting U.S. principles with countries like Taiwan, the U.S. appears to apply its principles with discrimination and only when it is convenient. The U.S. looks like a hypocrite to the rest of the world. On one hand, the U.S. encourages countries to embrace American values. But on the other hand, the U.S. is picking and choosing which countries it wants to recognize, and

which countries it wants to penalize, whenever it is convenient.

For the United States to maintain its world leadership, it must maintain an image of honor and credibility. It would be a disaster if the U.S. allowed a democratic Taiwan, a long-time loyal ally to the U.S, to be gobbled up by an authoritarian regime. What kind of message does this send to other nations striving to adopt U.S. principles and ideals?

#### **E. Taiwan Doubly Penalized**

The One China Policy penalizes Taiwan not only politically, but also economically as well. When the U.S. severed formal ties with Taiwan, the world followed suit and “unrecognized” Taiwan. As a result, Taiwan has repeatedly been denied membership in world organizations. The 23 million Taiwanese have no representation in the United Nations or the World Health Organization. The “One China Policy” penalizes Taiwan heavily in the political sense. In addition, despite the fact that Taiwan is the 7<sup>th</sup> largest trading partner to the U.S., the U.S. is hesitant to enter into a U.S.-Taiwan Free Trade Agreement, and as a result many countries might not enter into similar trade pacts with Taiwan. For this, Taiwan is paying an economic price.

#### **IV. The U.S. Needs a New Policy**

In conclusion, I believe the time is ripe for the United States to abandon its One China Policy. We must establish a new policy that recognizes both China and Taiwan and is up to date with the current reality.

A “One Taiwan, One China policy” would stop double penalizing Taiwan and is in the best interests of the United States. The U.S. can restore confidence in its allies and potential allies, demonstrating that it is consistently determined to support countries that share the values of democracy, free market and human rights. Replacing the “One China Policy” with a “One Taiwan, One China Policy” would eliminate all the ambiguities and inconsistencies. A new policy that is wholly transparent regarding the U.S. commitment to protect Taiwan if China is to use force against Taiwan, would eliminate for the U.S. the risk of having to help defend Taiwan against Chinese aggression. Then whatever the Taiwanese people choose for their own destiny would be a true choice, and not one coerced by Chinese military threats.

Most importantly, U.S. interests in the Asia Pacific region will be preserved and the stability and security of that region restored.

Thank you very much.

#### **About the Speaker:**

Following a life-long commitment to promoting human rights and democracy for Taiwan, in 2002 Li-Pei Wu founded the Formosa Foundation, non-partisan, public interest group dedicated to promoting human rights and democracy, and exchanging ideas and fostering better understanding and friendship between the United States and Taiwan. In 2004, Taiwan’s President Chen appointed Wu as Senior Advisor to the President.

Wu has been a banker by profession. In 2003 he retired from GBC Bancorp and its subsidiary bank, General Bank, as Chairman of the Board, before GBC Bancorp merged with Cathay Bancorp to form Cathay General Bancorp in the same year.