# TAIWAN AND THE UNITED STATES: ENDURING BONDS IN THE FACE OF ADVERSITY

## **HEARING**

BEFORE THE

SUBCOMMITTEE ON ASIA, THE PACIFIC AND NONPROLIFERATION

OF THE

# COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES

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### TAIWAN AND THE UNITED STATES: ENDUR-ING BONDS IN THE FACE OF ADVERSITY

Thursday, December 10, 2020

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

The subcommittee met, pursuant to notice, at 10:03 a.m., via Webex, Hon. Ami Bera (chairman of the subcommittee) presiding. Mr. Bera. The Subcommittee on Asia, the Pacific, and Non-

proliferation will come to order.

Without objection, the chair is authorized to declare a recess of the committee at any point, and all members will have 5 days to submit statements, extraneous material, and questions for the record, subject to the length limitation of the rules. To insert something into the record, please have your staff email the previously mentioned address or contact full committee staff.

Please keep your video function on at all times, even when you are not recognized by the chair. Members are responsible for muting and unmuting themselves, and please remember to mute yourself after you finish speaking. Consistent with H.Res. 965 and the accompanying regulations, staff will only mute members and witnesses as appropriate when they are not under recognition to eliminate background noise.

I see we have a quorum and will now recognize myself for opening remarks. Pursuant to notice, we are holding a hearing to discuss the current state of U.S.-Taiwanese relations and the way forward

ward.

I want to take a moment before I go into my opening statement. This is the last hearing of the Subcommittee for Asia, the Pacific, and Nonproliferation, and I want to thank the committee members for their active participation. If we think back, our first hearing, back on February 6, was the first hearing Congress had on what at that time was called a novel coronavirus. It did not have a name. Obviously, today we know it as COVID-19.

And this has been a great subcommittee, very active, and I believe that we were the most active subcommittee in terms of briefings, hearings, roundtables during this virtual phase of Congress over the last 9 months. So I really want to thank the subcommittee members, the participants just for their active engagement in what is going to be obviously a very vibrant subcommittee as we go into the 117th Congress.

I also want to just take a moment to recognize my good friend and my classmate, the ranking member, Congressman Ted Yoho. He is retiring from Congress. And, Ted, it has been wonderful just working with you, getting to know you. The various pieces of legislation that we have been able to put together from the authorization of CEPI and just watching you over these last few years when we have been in Congress on the Foreign Affairs Committee traveling with you. I think you and I traveled with Chairman Royce to Taiwan. So that certainly is timely with regards to this hearing.

And then finally, you have been a champion on Taiwan. And, I am glad that we are able to close out this Congress with a hearing on the relations between the United States and Taiwan but also what is happening with regards to Taiwan and the People's Repub-

lic of China.

With that, let me go ahead and just jump into my opening statement. I will keep it short because I also know votes may get called at 7:30, and people will be going in and out to get their votes—or

virtually going in and out.

So, with regards to the U.S.-Taiwan relations, I understand our relations can be complicated. But what is not complicated is the closeness of the people-to-people relationship between the United States and Taiwan. What is not complicated are the shared values that we have with Taiwan and the deep, enduring ties that we have with Taiwan.

And the nature of Taiwan is not complicated. It is a resilient democracy, a thriving economy, a vibrant society. And that is confirmed in their response to COVID-19, which has been dramatic. Despite their proximity to Mainland China, Taiwan mobilized quickly. They had learned lessons from previous outbreaks, like SARS in 2003, and to date they have only seen about 700 cases and suffered just 7 deaths. That is quite remarkable, and that is a testimony to the people of Taiwan.

When we think about the relationship between Taiwan, the PRC, and the U.S., we cannot ignore that Taiwan's most relevant relationship is that with the People's Republic of China. And it is our policy and longstanding U.S. policy for the resolution of disputes between Taiwan and the PRC to be arrived at peacefully with as-

cent of the people of Taiwan, as Taiwan is a democracy.

This resolution process should take place between Taiwan and the PRC only. We should not entangle this dispute with other issues we may have with the PRC. That said, recent military actions by the PRC do not enhance the relationships and actively undermine global opinions of the PRC.

The aims of this hearing will examine the current state of U.S.-Taiwan relations and its future. This is a critical time for the relationship between the United States and Taiwan, and it is time

where we have to show the closeness of that relationship.

The Trump Administration and Congress has done much to advance closer ties in recent years, but we need to make sure we are advancing both our interests and those of Taiwan and the Taiwanese people. This is particularly important as we address the COVID-19 pandemic and the consequences of climate change and other issues that we will have to work together as a global community.

So as we explore, I will look forward to hearing from the witnesses, but what actions should the incoming Administration take with regards to Taiwan, and how can we advance and address these challenges like pandemics and climate change together?

I am an optimist. I believe Taiwan's future is bright. Its strength lies in its people, its strong society, and its values. I am hopeful for a future for Taiwan that continues to be prosperous, peaceful, and secure, that welcomes Taiwan into the global community.

And, with that, I will conclude by how I began: Taiwan and the

United States remain closer than ever.

Let me go ahead and, I now yield 5 minutes to my good friend from Florida, our ranking member, Representative Yoho, for any opening comments he may have.

Mr. YOHO. Thank you, Chairman Bera, for holding this hearing

today, the last one I will be participating in as a Congressman, as I do retire. And it has been an honor to work with you this year as ranking member. Your leadership has been great, as you talked about, the COVID hearings that we have had; in fact, you had two of those, and they were very timely, and I know we had to push back against State Department, and we did, and it was great. And I am confident that the work of this subcommittee will continue to remain in good hands going into the next Congress.

Over the past decade, changing circumstances in the Indo-Pacific have greatly influenced our forming relationships with Taiwan as a regional partner. Just as we have witnessed external threats from China as it pairs military intimidation with economic and diplomatic isolation, we have also seen Taiwan rise to the challenge by increasing its commitments to defense, providing the world with vital global health contributions during this pandemic, and making strides to deepen this economic cooperation with trade partners. In addition, they have very effective foreign development programs helping developing countries grow their economies.

It is time for the U.S. to create a new strategy in regards to our relationship with Taiwan. We need experts with firsthand experience to deal with Taiwan's renewed importance. They are an island nation of 23-plus million people, our tenth largest trading partner, a vibrant and functional democracy, and they deserve the respect, not just from us but from all Western democracies that believe in

liberties and freedom.

This past year, I introduced Taiwan Fellowship Act, along with Chairman Bera, which establishes a 2-year fellowship exchange program for Federal employees to live and work in Taiwan. At the end of their stay, fellows return to the Federal Government—their service in the Federal Government better positioned to advance U.S. values and interests in the Indo-Pacific region with a special emphasis on strengthening our strategy partnership with Taiwan.

This partnership legislation is essential to shoring up our longterm approach to Taiwan and the region at large. However, we must also act quickly and decisively to meet the immediate challenges before us. This includes addressing the looming threat of military invasion by the PLA, their forces across the Taiwan Strait, and the increasing likelihood of military conflict in the area.

Neither of our countries want bloodshed, but because miscalculations, miscommunications invite conflict, we must embrace a new strategic clarity where we clearly articulate the U.S. position on Taiwan. And this should not be America alone. This should be all Western democracies standing up to stand up for Western—or any country that has a Western democracy and enforce the red lines

over the island and order shared capacity for deterrence.

For these reasons, I introduced the Taiwan Invasion Prevention Act over the summer, which would authorize a President to defend Taiwan with U.S. Armed Forces in the event of an attack by the PLA. We are stressing that all negotiations need to be done peacefully.

Additionally, this bill instructs agency officials at the highest level to improve our defense coordination with Taiwan and invite our regional allies into shared cooperation and defensive exercise. We do not invite conflict again, but we must show that we are prepared for it

One neglected front we can improve is U.S.-Taiwan ties outside of defenses through trade. Members of Congress have overwhelmingly supported the negotiation of the FTA with our tenth largest

trading partner, Taiwan, for years.

Recently, at great political cost to her party, President Tsai Ingwen lifted restrictions on beef and pork imports, the last major hurdle in trade friction between our two countries as a sign of good faith and spurring free trade talks. Yet, so far, this Administration has done very little to pursue an FTA. Instead, USTR is pre-occupied with preserving a phase 1 trade deal with China that Bei-

jing has failed in every measure to live up to.

A U.S.-Taiwan FTA between two enthusiastic trade partners would bring incredible benefits to both of our economies. United States should move to immediately start TIFA talks with Taiwan in order to eventually secure a bilateral trade agreement. Failing to initiate talks with Taiwan damages trade relations, not only with our country but also with Taiwan's other trade partners who awaiting on the United States to make the first move initiating their free FTA talks with Taiwan. Neglecting one of our strongest trade partners as they face economic strangulation is not just misguided; it is incredibly dangerous.

And I want to end again by thanking Chairman Bera and all the members on the committee that I have had the honor to serve for holding this hearing. Everyone else has worked with me over the years to get to this point. Serving as chairman and ranking member of this subcommittee has been an honor of my lifetime, and I am incredibly grateful to my colleagues for their working together to produce some truly incredible legislation. And I know this subcommittee will continue to be guided by great leadership and look forward to seeing the work that it will accomplish in the future,

and I thank you.

Mr. BERA. Thank you, Ranking Member Yoho.

I also just want to take a quick moment before I introduce the witnesses to applaud your staff, Colin Timmerman, Bryan Burack, and Allison Turk for the great work that they have done.

And then also my subcommittee staff, Nikole Burroughs, Ryan Uyehara, and Shervin Taheran for the work they have done.

So, we are only as good as the staff that we have.

Mr. Yoho. I tell you what, we have been blessed with great staff. Mr. Bera. We have. Well, great. Let me now introduce our witnesses. Our witnesses for today's hearing are Ms. Bonnie Glaser,

Dr. Shelley Rigger, and Ms. Shirley Kan. I would like to thank all

our witnesses for being here today.

Ms. Bonnie Glaser is a senior adviser for Asia and director of the China Power Project at the Center for Strategic and International Studies and a friend of this committee. Dr. Shelley Rigger is the Brown professor of political science at Davidson College. And, finally, Ms. Shirley Kan is a specialist in Asian security affairs and worked at the congressional Research Service from 1990 to 2015.

I will now recognize each witness for 5 minutes, and without objection, your prepared written statements will be made part of the record. I will first call on Ms. Glaser for her testimony.

Ms. Glaser.

# STATEMENT OF BONNIE GLASER, SENIOR ADVISER FOR ASIA, DIRECTOR OF CHINA POWER PROJECT, CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES

Ms. GLASER. Chairman Bera, Ranking Member Yoho, and distinguished members of the subcommittee, thank you so much for the opportunity to testify before you today on the topic of U.S.-Taiwan relations.

Taiwan's security and prosperity are critically important to the United States. It is in U.S. interest to help create an environment in which Taiwan can continue to protect its freedoms and further consolidate its democracy so it can set an example to China and the entire world about the resilience of democratic values in the face of Chinese intimidation.

Taiwan's importance to U.S. economic prosperity and competitiveness is significant and growing. Taiwan is now the ninth largest trading partner of the United States, and strengthening innovation to ensure that our country remains a leader in the strategic technologies of the 21st century will be aided by deepening supply chain and R&D integration with Taiwan.

I completely agree with Ranking Member Yoho, a U.S.-Taiwan free trade agreement would promote security and economic growth for the United States, Taiwan, and the Indo-Pacific as a whole. Taiwan's geographic position makes it central to the competition for power and influence in the Indo-Pacific. It sits in the middle of the first island chain, stretches from Japan to the Philippines.

Taiwan is part of a strategically important barrier to Chinese power projection. Chinese occupation of Taiwan would enable the PLA to operate more freely in the Pacific and put Japan's security in jeopardy. The United States must shore up deterrence by making credible the U.S. military's ability to intervene if Taiwan comes under attack.

Over the past 4 years, the Trump Administration has implemented policies toward Taiwan that have generally strengthened bilateral relations. Arms sales, support for Taiwan's participation in international organizations, democracy promotion, religious freedom programs, high-level visits, and of course public statements of support for Taiwan's achievements, such as combating the spread of COVID-19, all of these steps have bolstered U.S.-Taiwan ties and increased the confidence of Taiwan's government and public in the United States. The Taiwan Travel Act, the Asia Reassurance

Initiative Act, the TAIPEI Act demonstrated that Taiwan has steadfast support from the U.S. Congress.

In some cases, however, Trump Administration policies toward Taipei have imposed costs on Taiwan. Some actions appeared intended primarily to irritate Beijing. Decisions with potentially significant consequences for Taiwan's security were sometimes taken

without consulting the Tsai Ing-wen Administration.

And since Taiwan is invariably the target of Chinese retaliatory actions, it is essential to coordinate closely with Taipei prior to any shift in U.S. approach to cross-strait issues. Symbolic actions are absolutely sometimes needed to provide reassurance to Taiwan's government and public, but the central focus of U.S. policy should be on substantive actions that meaningfully enhance Taiwan's security and prosperity. Making public aspects of the U.S.-Taiwan cooperation in sensitive areas, I think, should be done only careful, cost-benefit calculation.

The incoming Biden Administration will inherit a robust U.S.-Taiwan relationship with potential for further growth in the coming years. The U.S. and Taiwan share a similar vision of secure and prosperous Indo-Pacific that is buttressed by the rules-based international order. Both are concerned about China's growing use of political, economic, and military coercion, the expansion of its military capabilities, disinformation, political interference, and illicit practices to procure advanced technology.

Under President Tsai Ing-wen's leadership, Taiwan can be counted on to be a reliable and effective partner, and the U.S. must consistently treat Taiwan as a valued partner not a weapon to be used in its competition with China. A guiding principle of U.S. policy to-

ward Taiwan should be do no harm.

Rising concern about China's strategic ambitions creates opportunities to build a coalition of like-minded countries to support Taiwan's participation in international organizations. To secure the backing of U.S. allies in this endeavor, Washington must pursue predictable policies that contribute to cross-strait and regional stability

CSIS recently issued a report titled "Toward a Stronger U.S.-Taiwan Partnership," and the report is a product of a bipartisan task force, which I co-chaired, and it examines the state of U.S.-Taiwan relations and provides actionable policy recommendations in the areas of defense and economics and diplomacy for the coming 4 years and beyond. Some of those key recommendations are included in my written testimony, which I hope you will take a look at.

And thank you for the opportunity to appear before you today for this very important hearing.

[The prepared statement of Ms. Glaser follows:]



# Statement before the House Foreign Affairs Subcommittee on Asia, the Pacific, and Nonproliferation

## "Taiwan and the United States: Enduring Bonds in the Face of Adversity."

A Testimony by:

#### Bonnie S. Glaser

Senior Advisor for Asia and Director of the China Power Project, CSIS

> December 10, 2020 Cisco Webex

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TEL. (202) 887.0200 FAX (202) 775.3199 Chairman Bera, Ranking Member Yoho, and distinguished members of the Subcommittee, thank you for the opportunity to testify before you on the topic of "Taiwan and the United States: Enduring Bonds in the Face of Adversity." Taiwan's well-being is critically important to the United States and its future will impact U.S. national interests in the realm of values, economic prosperity, and security. While some countries that transitioned from dictatorship to democracy along with Taiwan in the 1980s and 1990s have suffered democratic backsliding, Taiwan's democracy has become more robust and is now among the most progressive globally. Its score of 93 out of 100 in the 2019 Freedom House in the World report places Taiwan second in Asia behind only Japan. By contrast, China was rated "not free" with a score of 10, placing it among the world's most repressive regimes. In addition to a vibrant civil society, which includes active religious and labor rights organizations, Taiwan is the first country in Asia to legalize same-sex marriage and leads the region in gender equality in its legislature. Women account for 41.6 percent of Taiwan's lawmakers

Taiwan's democratic achievements are impressive. Especially noteworthy is its ongoing efforts to strengthen its democracy in the face of growing Chinese pressure and interference through disinformation, cyberattacks, economic coercion, and military intimidation. It is in U.S. interests to help create an environment in which Taiwan can protect its freedoms and further consolidate its democracy so that it continues to set an example to China and the entire world about the resilience of democratic values in the face of Chinese intimidation.

Taiwan's importance to U.S. economic prosperity and competitiveness is significant and growing. Taiwan is now the ninth largest trading partner of the United States. In 2019, it was the seventh largest U.S. agriculture export market by value and ranked in the top ten markets for U.S. beef, soybeans, poultry, corn, and fruit. In 2017, the total stock of U.S. FDI in Taiwan reached \$17.0 billion, and Taiwan's total stock of FDI in the United States reached \$8.1 billion. As one of the world's leading producers of advanced information and communications technologies, including semiconductors, Taiwan is a critical node in global supply chains. Strengthening U.S. innovation to ensure that the U.S. remains a leader in the strategic technologies of the twenty-first century will be aided by deepening supply chain and R&D integration with Taiwan. A U.S.-Taiwan free trade agreement (FTA) would promote security and economic growth for the United States, Taiwan, and the Indo-Pacific as a whole.

Taiwan's geographic position makes it central to the competition for power and influence in the Indo-Pacific. Situated in the middle of the first island chain that stretches from Japan to the philippines, Taiwan is part of a strategically important barrier to PRC power projection. Chinese occupation of the island would enable the PLA to operate more freely in the Pacific and put Japan's security in jeopardy. If the U.S. permitted this to occur, it would alter the strategic balance in the Indo-Pacific, destroy confidence in U.S. security guarantees, and potentially deal a fateful blow to U.S. alliances in the region.

Fortunately, Taiwan's importance to the United States is increasingly recognized by Americans. A survey conducted by the Center for Strategic and International Studies (CSIS) this past summer found that Americans are prepared to take substantial risk to defend Taiwan. Asked to gauge on a scale of 1 (no risk) to 10 (significant risk) how much risk the U.S. should incur to defend allies and partners in the Asia-Pacific should they come under threat from China, respondents from the

U.S. public had a mean score of 6.69 for defending Taiwan, comparable to Japan (6.88) and South Korea (6.92), and less then Australia (6.38). A 2020 Chicago Council on Global Affairs poll found that only 41 percent of American backed military action in the event of a Chinese invasion of Taiwan. While that is less than a majority, it is nevertheless the highest level of support for Taiwan's defense in the 28 years that the CCGA has posed the question to the public. In addition, bipartisan support for Taiwan in the U.S. Congress has never been stronger.

#### U.S.-Taiwan Relations Under the Trump Administration

The Trump administration has implemented policies toward Taiwan that have strengthened bilateral relations. Arms sales, support for Taiwan's participation in international organizations, democracy promotion and religious freedom programs, high-level visits, and public statements of support for Taiwan's achievements—such as combatting the spread of the COVID-19 pandemic—have bolstered U.S.-Taiwan ties, and increased the confidence of Taiwan's government and public in the United States. The Taiwan Travel Act, the Asia Reassurance Initiative Act (2018), and the Taiwan Allies International Protection and Enhancement Initiative (TAIPEI) Act demonstrated that Taiwan has the steadfast support of the U.S. Congress.

#### Defense

The growing Chinese military threat to Taiwan, especially persistent PLA Air force operations in Taiwan's air defense identification zone (ADIZ) and across the Taiwan Strait centerline, has prompted a robust U.S. response. Arms sales to Taiwan have become more frequent, regularized, and substantive under the Trump administration. In the past four years, the U.S. has sold more than \$18 billion in weapons to Taiwan, including new F-16 fighter aircraft and Standoff Land Attack Missile Expanded Response (SLAM\_ER) missiles. Through these sales and other means, the U.S. has supported Taiwan's Overall Defense Concept (ODC), which focuses on using asymmetric warfare capabilities to deter and, if necessary, defeat a PLA invasion. Visits by U.S. DoD officials and general officers to Taiwan have increased. In November 2019, Deputy Assistant Secretary Heino Klinck became the highest-ranking Pentagon official to visit Taiwan since 1979, when official U.S.-Taiwan relations ended. The DoD Indo-Pacific Report, released in June 2019, included Taiwan as one of the U.S.' "reliable, capable, and natural partners," along with Singapore, New Zealand, and Mongolia.

#### International Space

As Beijing stepped up efforts to prevent Taiwan from participating in international organizations, and to poach Taipei's diplomatic partners, the Trump administration has sustained and launched new joint and multilateral initiatives with Taiwan to enable expanded interaction with other countries. The Global Cooperation Training Framework (GCTF), a platform that enables Taiwan to provide governance training to foreign experts from governments, the private sector, and civil society, has been multilateralized and expanded geographically. Japan became an official GCTF partner in March 2019, co-hosting all subsequent workshops and participating in annual joint committee planning meetings. Sweden co-hosted a GCTF workshop in September 2019 and Australia participated in a workshop in November 2019. That same year, the first workshop held outside Taiwan took place in Palau.

The Department of State has re-doubled its efforts to coordinate policies with like-minded countries to expand Taiwan's role in key international organizations. Joint actions taken by the U.S. and select democratic partners include a collective demarche and a joint letter to the World Health Organization (WHO) to request the reinstatement of Taiwan's observer status in the WHO's decision making body, the World Health Assembly. The leaders of the House and Senate foreign affairs committees wrote to nearly 60 countries this past May asking them to support Taiwan's participation in the WHO. The democratic coalition of countries successfully pushed for Taiwan to be included in the COVAX vaccine alliance, led by the WHO, which was established to develop and distribute effective COVID-19 vaccines.

Diplomatic Coordination and Cooperation
The Trump administration has included Taiwan in its Indo-Pacific strategy and created new mechanisms to strengthen U.S.-Taiwan cooperation toward shared objectives in the Indo-Pacific region. The Indo-Pacific Transparency Initiative, announced by Vice President Pence at the 2018 APEC CEO Summit and launched in September 2019, incorporates GCTF workshops and other U.S.-Taiwan cooperation platforms such as the annual U.S.-Taiwan Consultations on Democratic Governance in the Indo-Pacific Region. The first meeting in September 2019 resulted in agreement to advance good governance, human rights, and anti-corruption efforts in the region

The U.S. has forged close cooperation with Taiwan on global health during the COVID-19 pandemic. In March 2020, the two countries signed a joint statement to strengthen collaboration on COVID-19 research and responses. Five months later, U.S. Health and Human Services Secretary Alex Azar visited Taiwan and signed a joint statement with his counterpart Taiwan Minister of Health and Welfare Chen Shih-chung aimed at further expanding cooperation

In October 2020, the U.S. and Taiwan inked a deal to cooperate on infrastructure development in countries in Southeast Asia and Latin America that is aimed at reshaping global supply chains and reducing their dependence on China. The initiative includes infrastructure finance and market building that could help Taiwan gain more investment opportunities and develop ties with countries that have official diplomatic ties with Beijing.

#### Economic and Trade Ties

For most of the Trump administration, the economic and trade relationship with Taiwan received scant attention. A positive step was taken at the end of August, when Assistant Secretary of State for East Asia David Stilwell announced the establishment of a bilateral economic dialogue focusing on semiconductors, healthcare, and energy. The inaugural meeting of what was dubbed the U.S.-Taiwan Economic Prosperity Partnership (EPP) Dialogue took place in mid-November.

While the platform provides an opportunity to expand bilateral cooperation on important issues of shared concern, the EPP Dialogue is not a substitute for trade negotiations. The Trump administration to date has not held a single meeting of the Trade and Investment Framework Agreement (TIFA) council, which has served as the primary platform for U.S.-Taiwan economic and trade since 1994. It is likely that the Trump administration's intense focus on trade negotiations with China and persisting USTR frustration over Taiwan's failure to resolve outstanding beef and pork issues were the main reasons for the decision to not convene trade talks with Taipei. President Tsai Ing-wen's August 2020 announcement of her intention to lift remaining restrictions on imports of American beef and pork removed a key hurdle to the resumption of trade negotiations. In December 2019, 161 Members of Congress petitioned the USTR to respond favorably to Taippei's call to launch talks aimed at signing an FTA. The lack of progress in the trade arena and unwillingness to work toward a bilateral FTA is inconsistent with the Trump administration's commitment to strengthening U.S.-Taiwan relations in the security and diplomacy realms.

#### Poor Coordination/Consultation Harms Taiwan's Security

Overall, Trump administration policies have been favorable to Taipei and strengthened bilateral relations, but some actions have imposed costs on Taiwan and harmed its interests. For example, the U.S. decision to withdraw from the Transpacific Partnership (TPP) reduced Taiwan's prospects of joining what was set to be the world's largest free trade agreement, covering 40 percent of the global economy. The imposition of tariffs on imports of aluminum and steel also hurt Taiwan-based companies that manufacture or assemble in mainland China. To be sure, Taiwan wasn't the target of these decisions, but its interests were nonetheless damaged.

In a few cases, U.S. policies toward Taiwan have appeared intended to irritate Beijing. For example, the Trump administration's decision to encourage Taipei to make public a visit to Washington D.C. in May 2019 by David Lee, then head of Taiwan's National Security Council, after initially insisting that it be kept under wraps, seemed aimed at angering China. Similar visits in prior administrations were kept secret. Including Taiwan in any strategy to contain China's rise or even to spotlight the oppressiveness of the Chinese Communist Party would validate China's suspicion that the U.S. supports Taiwan's independence and suggest that Taiwan is a tool to achieve U.S. policy goals rather than a valued partner.

Other steps with potentially significant consequences for Taiwan's security were likely taken without consulting the Tsai administration. A February 2019 joint letter by a group of U.S. senators to House of Representatives Speaker Nancy Pelosi calling on her to invite President Tsai Ing-wen to address a joint session of U.S. Congress placed Tsai in an awkward position. Taiwan's Foreign Ministry spokesman expressed gratitude for U.S. Congressional support but indicated that President Tsai had no plans to visit Washington D.C. In another instance, the June 2019 DoD Indo-Pacific Report marked the first time ever that Taiwan was referred to as a country in an official U.S. document. Yet Taipei appeared to have no knowledge about this new language prior to the report's release. Since Taiwan is invariably the target of Chinese retaliatory actions, it is essential to coordinate closely and consult with Taipei prior to any shift, no matter how slight, in the U.S. approach to cross-Strait issues. Timely signals of U.S. support are important to shore up the confidence of Taiwan's government and public, but the central focus of U.S. policy toward Taiwan should be on substantive actions that meaningfully enhance Taiwan's security and prosperity.

#### Policy Recommendations for the Next Administration

The incoming Biden administration inherits a robust U.S.-Taiwan relationship with potential for further growth in the coming years. The United States and Taiwan share similar visions of a secure and prosperous Indo-Pacific that is buttressed by the rules-based international order. Both are concerned about China's growing use of political, economic, and military coercion; the expansion of Chinese military capabilities; Chinese disinformation and political interference; and Chinese illicit practices to procure advanced technology.

There is currently a high level of mutual trust between Washington and Taipei. President Tsai Ingwen's moderate, nonprovocative, and consistent policies toward China have justly earned the respect and confidence of Washington. Under President Tsai's leadership, Taiwan can be counted on to be a reliable and effective partner. The U.S. must consistently treat Taiwan as a valued partner, not a weapon to be used in its competition with China. A guiding principle of U.S. policy toward Taiwan should be to "do no harm." The potential risks and benefits of a shift in policy or new initiatives should be carefully weighed in consultation with Taipei

Rising concern about China's strategic ambitions among a growing number of like-minded countries creates opportunities to build a coalition to support Taiwan's participation in international organizations. To secure the backing of U.S. allies in this endeavor, Washington must pursue predictable policies that contribute to cross-Strait and regional stability

CSIS recently issued a report titled "Toward a Stronger U.S.-Taiwan Partnership." The report is the product of a bipartisan task force, which I co-chaired, that convened monthly from January to August of 2020 to examine the state of U.S.-Taiwan relations and provide actionable policy recommendations for the coming four years and beyond. Below are some of those recommendations.

#### Economics and Technology

The economic and technology components of the U.S.-Taiwan relationship have long-term strategic significance and thus, going forward, should be assigned greater priority. An economically strong Taiwan is key to reducing its vulnerability to coercion and is an essential component of its security. The United States should take steps to strengthen the bilateral trade and investment relationship with Taiwan and to deepen Taiwan's economic integration with other key trading partners. The next U.S. administration should take the following actions:

- · Respond immediately to these important steps by Taiwan by formally agreeing to initiate exploratory talks for a bilateral trade agreement (BTA), with the goal of launching formal negotiations as soon as possible.
- Utilize the recently-announced U.S.-Taiwan Economic Prosperity Partnership Dialogue to expand and elevate bilateral cooperation with Taiwan on a range of issues that fall outside of trade negotiations, such as technology security, global supply chains, cyber-enabled economic espionage, labor markets, and energy supply.
- Bring Taiwan into plurilateral discussions on export controls, cybersecurity, and IT supply chain issues that the United States is holding with other like-minded partners, such as Australia and Japan.

Defense and Security
As the military threat from the PRC intensifies, it is imperative that the United States work with Taiwan to enhance the ability to deter Chinese aggression and coercion. The U.S. should take the following steps:

· Undertake a high-level, interagency, comprehensive review of Taiwan's security, to include, among other things

- A rigorous evaluation of the PRC's current and future capabilities to undertake various kinds of military campaigns and to frustrate any intervention by the United
- States.

  An assessment of the PRC leadership's predilection to use force to accomplish its unification objectives, despite the costs and risks, to include whether it has other options to achieve its objectives that are below the threshold of war.
- An examination of the present and future capabilities of the United States and Taiwan to respond to the array of potential PLA campaigns against Taiwan, including the obstacles posed by China's A2/AD assets.
- An evaluation of the present and future capabilities of the Taiwan military to resist a PLA attack for sufficient time for the U.S. armed forces to intervene in force, to include resources available to build those capabilities and the likely degree of public support for a protracted conflict.
- Based on that comprehensive review, develop a new set of tools to enhance deterrence and better shape the intentions of PRC leaders, including by upgrading U.S. military capabilities and improving diplomatic and military channels to communicate U.S. intentions clearly in a crisis. The United States should also consider whether its existing declaratory policy on "strategic ambiguity" is enough for the purposes of deterrence messaging. It should evaluate whether U.S. military capabilities give that declaratory policy credibility and whether a change in declaratory policy would stand the test of time as new leaders come on the scene in Taipei.
- Encourage Taiwan to make decisions regarding defense planning, training, and
  procurements that further strengthen deterrence and demonstrate Taiwan's determination
  to defend itself. This should include sustained defense spending that is linked to the level
  of threat Taiwan faces and the scale of investment needed to strengthen its ability to defend
  itself
- Defense articles and services provided should include survivable, sustainable, and effective
  capabilities that would undermine PLA efforts to invade or coerce Taiwan; this includes
  systems capable of conducting distributed, mobile operations in an austere, contested
  environment.
- Dispatch military officers and civilian defense officials to Taiwan as needed based on expertise required and purpose, not rank or title.
- Help train civilian defense experts from various political parties in Taiwan by inviting
  promising candidates to participate in American programs such as the Asia-Pacific Center
  for Security Studies (APCSS) and the State Department's International Visitor Program.
  - Increase funding for International Military Education and Training (IMET) to enable more civilians from Taiwan to study defense issues in the United States.

#### Multilateral Initiatives

 Include representatives from Japan and Australia in initiatives to experiment with, exercise, and practice innovative concepts of operations and identify necessary capabilities to blunt potential armed aggression by the PLA along the First Island Chain.

- · Establish a multilateral defense mechanism to coordinate policies, share assessments, and discuss challenges and opportunities for cooperation and coordination among the United States, Taiwan, and key U.S. allies and partners.
- Include cross-strait scenarios in defense cooperation, capabilities building, and intelligence sharing with Japan and Australia.

Bilateral and Multilateral Diplomacy
The United States should direct its diplomats both at home and abroad to promote cooperation with Taiwan and to assist Taipei in strengthening its relationships with other countries. The should take the following steps:

Strengthen opportunities for communication between senior officials from the United States and Taiwan, including at the cabinet and sub-cabinet level, on issues of importance to both sides.

Dispatch the chair of the American Institute in Taiwan (AIT) or the deputy assistant secretary of state for China, Mongolia, and Taiwan for consultations with key U.S. allies and partners to explain and align a more robust U.S-led multilateral approach to supporting Taiwan.

Increase efforts to expand the Global Cooperation Training Framework (GCTF) to include more

Seek new opportunities to cooperate with Taiwan to promote civil and political rights internationally, including but not limited to freedoms of religion, expression, assembly, and association.

Expand cooperation between Taiwan and the U.S. International Development Finance Corporation (DFC) and include Taiwan in the Blue Dot Network

Create a platform that would enable Taiwan to share with like-minded countries lessons learned and best practices for countering political influence and election interference operations, cyber intrusions, and other threats that subvert democracy.

#### International Organizations

Promoting Taiwan's participation in international organizations benefits the United States by leveraging Taiwan's contributions to international public goods, reducing Taiwan's isolation, and adding a voice or vote that often aligns with U.S. interests. To this end, the United States should develop creative and effective ways to expand Taiwan's role in international organizations where Taiwan has expertise that can benefit the international community. The U.S. should take the following actions:

- Direct the State Department to prepare a white paper that makes the legal case for Taiwan's less-than-membership participation in IGOs for which statehood is a requirement for membership and how that participation is consistent with U.S. policy.
- Strengthen coalitions with like-minded countries and take joint actions aimed at expanding Taiwan's participation in key international organizations.

 Encourage G7 members to issue a joint statement supporting Taiwan's reinstatement as an observer to the WHA and its ability to participate meaningfully in, or become a member of (where possible), other international organizations.

#### The U.S. Congress

The U.S. Congress plays a crucial role in U.S.-Taiwan relations. Legislation such as the Taiwan Travel Act and the TAIPEI Act have sent important signals of U.S. support for Taiwan. Taiwan-related provisions in the annual National Defense Authorization Act (NDAA) have also ensured that the Taiwan Relations Act is fully implemented and that the United States takes the necessary measures to respond to threats to Taiwan's security. Going forward, Congress should strengthen engagement with Taiwan and adopt legislation or policies that enhance the U.S.-Taiwan relationship. In particular, Congress should consider the following steps:

- Include Taiwan as a standard destination of Asia regional travel for Congressional delegations, especially delegations that are visiting the PRC.
- Ensure that congressional delegations meet with delegates from Taiwan on the sidelines of international meetings, especially in the Indo-Pacific region.
- Encourage key congressional committees in both chambers of Congress to convene at least
  one hearing annually devoted to Taiwan. In some cases, joint hearings between
  subcommittees focused on specific issues would be effective forums for education and
  collaboration on cross-jurisdictional issues.
  - U.S. officials from the Departments of State and Defense should be asked to testify, providing an opportunity for authoritative policy statements that signal to Taiwan, China, and the rest of the world that Congress and the administration attach importance to Taiwan.
- Seek opportunities to explain to governments, media, and the public (where possible) in China and Taiwan about the U.S. legislative process, including how to track the progress of bills and how to interpret the contents and effects of specific legislation.
- Increase funding for Fulbright Taiwan (Foundation for Scholarly Exchange) and other initiatives that promote U.S.-Taiwan academic exchanges.

Mr. BERA. Thank you, Ms. Glaser. Now let me go ahead and call on Dr. Rigger for her testimony.

## STATEMENT OF DR. SHELLEY RIGGER, BROWN PROFESSOR OF POLITICAL SCIENCE, DAVIDSON COLLEGE

Dr. RIGGER. Thank you very much to the chairman and to the ranking member and to the members of the committee, and also to my good friend Bonnie Glaser for saying most of the things that needed to be said.

One thing that Bonnie did not say is that as no less an authority than Taiwan's President Tsai Ing-wen herself has pointed out, U.S.-Taiwan relations are, and quoting President Tsai, at their best in decades. It is popular to attribute that progress to the U.S., but the truth is, without a willing partner in Taiwan, improvements in U.S.-Taiwan relations would be much more limited.

My written testimony provides a detailed explanation of how Taiwan's position has evolved over the past dozen years. But to summarize, President Tsai's predecessor, President Ma Ying-jeou, valued the U.S. but he prioritized constructive ties with the People's Republic of China. Ma believed that the best way to ensure Taiwan's security was to minimize friction with the PRC while protecting Taiwan's autonomy and democracy.

Ma was able to make significant breakthroughs in relations with the PRC, and his Administration also saw positive progress in relations with the U.S., including creating the Global Cooperation and Training Forum, or GCTF, in 2015, which has become a powerful framework for Taiwan to assist other countries and to expand its unofficial diplomacy.

Taiwan's electorate affirmed President Ma's approach to Taiwan's external relations when it reelected him in 2012, but in 2016, Taiwanese voted for a new strategy, one that placed a lower priority on engagement with the mainland.

President Tsai has never sought confrontation with the PRC. Nonetheless, the PRC refuses to work with her, and the result has been a rebalancing of Taiwan's policy to prioritize relations with the U.S. That opened the door on the Taiwan side for the developments we have seen in the years since.

How can we sustain the momentum that has been created under the Tsai Administration and the Trump Administration, which is largely concurrent with Tsai's Presidency. Taiwan shows that the ideas Americans treasure are not ours alone, that Chinese heritage is not a barrier to democracy, and that market economics in a free society can nurture widespread prosperity and progress.

I agree with Bonnie that Americans must not treat Taiwan as an instrument of U.S. policy or a weapon to be deployed to frustrate the PRC's rise. Treating Taiwan as an end in itself not as a tool for others to use is one of the strengths of the legislation Congress has passed in recent years, and it is also what differentiates our policy toward Taiwan from the PRC's.

We also need to remember that the enemy of my enemy is my friend is not how U.S.-Taiwan-PRC relations work. Taiwanese do not want to be absorbed into the PRC, but they do not want a hostile relationship with Beijing either, nor do they want to be pulled into conflicts between Washington and Beijing.

Taiwan is most prosperous and secure when U.S.-Taiwan relations are stable. When Washington and Beijing manage their disagreements, the space for Taiwan expands, and when they are at

loggerheads, Taiwan gets squeezed.

My testimony also includes several concrete steps the U.S. can take: engaging Taiwan in meaningful economic discussions, as has already been mentioned twice; advocating for and normalizing Taiwan's role in international organizations. Exiting the World Health Organization surrendered one of Washington's most fruitful avenues in this regard, but this should not be the end of the road for Taiwan's international participation, especially given its extraordinary performance in taming the COVID epidemic.

I think we also need to avoid rhetorical solutions that sound good but might have unintended consequences. We also need to work with Taiwan to create opportunities for Taiwanese and American officials to understand one another's interests, and on this front, I would reiterate the support for the Taiwan Fellowship Act, which

is currently pending before this body with your sponsorship.

Finally, I think it is extremely important that we ensure that Taiwan remains, as it has always been, a bipartisan priority in the United States. It does not serve Taiwan to become a pet project of

either U.S. political party.

Finally, the most powerful thing the United States could do right now to support and strengthen Taiwan and other young democracies is to affirm our own commitment to democracy by respecting the will of the American people and upholding the integrity of our own institutions.

Again, thank you very much, and I look forward to your ques-

[The prepared statement of Ms. Rigger follows:]

### Taiwanese Perspectives on United States-Taiwan Relations and the People's Republic of China during the Ma Ying-jeou and Tsai Ing-wen Administrations

Testimony before the Subcommittee on Asia, the Pacific, and Nonproliferation

Foreign Affairs Committee
United States House of Representatives

December 10, 2020

Shelley Rigger Brown Professor of Political Science Davidson College

On October 16, 2019, Taiwan President Tsai Ing-wen gave a speech commemorating the 40<sup>th</sup> anniversary of the Taiwan Relations Act, the act of Congress that established the foundation on which the United States has carried out relations with Taiwan since normalizing diplomatic ties with the People's Republic of China (PRC). In her speech, President Tsai characterized relations between the United States and Taiwan as "at their best in decades." President Tsai's assessment of the relationship, which she also repeated at a reception hosted by this Committee in July 2019 and reiterated in July of this year, is widely shared.

The evidence for this view can be found in the many initiatives the United States and Taiwan have taken together since President Tsai took office in May of 2020. Those initiatives include <a href="mailto:arms.sales">arms.sales</a>, <a href="mailto:traiwan-trait">trait</a> by US military vessels, <a href="mailto:visits">visits</a> and <a href="mailto:expressions">expressions</a> of support by high-level officials and the passage of several Taiwan-related bills. In November, the two sides launched the Taiwan-U.S. Economic Prosperity Partnership <a href="mailto:Dialogue">Dialogue</a>, which is aimed at strengthening their economic cooperation and helping Taiwan remain a vital contributor to the global economy.

The Ma Ying-jeou Era (May 2008- May 2016)

Changes in U.S. policy help to explain the improvement in U.S.-Taiwan relations, but the trend is not one-sided: Taipei has played a role, too. President Tsai's predecessor, President Ma Yingjeou, valued Taiwan's ties with the U.S., but his policy toward the U.S. was relatively conservative. The primary accomplishment of U.S.-Taiwan relations in the Ma era came in 2015 when Taipei and Washington launched the Global Cooperation and Training Forum (GCTF). Principal Deputy Assistant Secretary of State Kurt Tong described the GCTF as "a vehicle for the United States to help showcase Taiwan's strengths and expertise by addressing global and regional concerns." The GCTF allows Taiwan and the United States to share expertise and knowledge on pressing issues such as public health, democracy promotion, and environmental

challenges with partners around the world. Like other bilateral initiatives, the GCTF is aimed at countering Beijing's efforts to isolate Taiwan internationally.

The GCTF and other initiatives notwithstanding, the Ma Administration's overall foreign policy concept placed less emphasis on relations with the U.S. than that of his successor, President Tsai Ing-wen. The Ma Administration and his party, the Kuomintang (KMT), prioritized constructive ties with the People's Republic of China (PRC), even if that meant downplaying interactions with the U.S. that might irritate Beijing. Ma's position was that the best way to ensure Taiwan's security was to minimize friction with the PRC, while protecting Taiwan's autonomy and democracy.<sup>1</sup>

During the Ma presidency, relations between the two sides of the Taiwan Strait made a number of breakthroughs. Taipei and Beijing opened direct flights and other transit links in 2008. Between 2008 and 2014 Taipei and Beijing adopted 23 economic agreements, including an Economic Cooperation Framework Agreement (ECFA) signed in 2010. The pinnacle of cross-Strait cooperation occurred in 2015 while President Ma met with PRC leader Xi Jinping in Singapore.

The Ma-Xi meeting was a historic event – the first meeting of leaders from the two sides of the Taiwan Strait since before the Chinese Civil War – but it failed to generate momentum for further gains. In fact, even though Ma was reelected in 2012, his engagement approach already was losing popular support. The growing public backlash to engagement was evident across a range of issues. Taiwan saw a series of protests in 2012, '13, and '14, which culminated in the 2014 Sunflower Movement. The Sunflower Movement, which included a month-long occupation of Taiwan's legislative chamber by demonstrators, scuttled what was to have been the two sides' 24<sup>th</sup> economic agreement, the Cross-Strait Services Trade Agreement. No new agreements have been negotiated or ratified since 2014.

An important factor in the waning enthusiasm for Ma's pro-engagement policies was the growing presence of PRC individuals and companies in Taiwan. Taipei lifted the ban on travel to the mainland in 1987, and Taiwanese soon became comfortable with islanders investing and working in the PRC. However, prior to 2008, the waters to the west of Taiwan were a one-way strait. That changed when the Ma Administration opened Taiwan to PRC investors and tourists during his first term. In 2007, Taiwan's tourist authority recorded zero visitors from the mainland; in 2008 there were 315,000. By 2010 the number had quintupled to 1.6 million, and in 2015, there were more than 4 million PRC tourist visits to Taiwan, as well as thousands of students.

<sup>&</sup>lt;sup>1</sup> Dean P. Chen, "The Strategic Implications of Ma Ying-jeou's 'One ROC, Two Areas' Policy on Cross-Strait Relations," *American Journal of Chinese Studies* 20:1 (April 2013): 23-41; Yasuhiro Matsuda, "Cross-Strait Relations under the Ma Ying-jeou administration: from economic to political dependence?" *Journal of Contemporary East Asian Studies* 4:2 (March 2017):3-35.

The mainland tourist trade was lucrative for some Taiwanese businesses, but the presence of so many mainlanders on the island was disconcerting; it highlighted Taiwan's economic dependence on the mainland. During the same period, Taiwanese businesses on the mainland were struggling with rising costs, declining profit margins, and increasing political hassles, all of which made them less inclined to agitate for pro-engagement policies.

By the time Ma met with Xi in November of 2015 it was clear that his party was trailing Tsai's Democratic Progressive Party (DPP) in popularity, and the January 2016 elections confirmed that trend: the DPP captured both the presidency and a legislative majority. The election results reflected a shift in Taiwanese public opinion away from support for the KMT's engagement-oriented approach to cross-Strait relations toward the DPP's more cautious strategy.

#### The Tsai Ing-wen Era (2016-present)

She was elected on a promise to recalibrate Taiwan's cross-Strait policy, but President Tsai has never sought confrontation with the PRC. Her 2016 inaugural address <u>avoided</u> language that might have inflamed Beijing, and she has maintained her prudent approach throughout her presidency. But it was what she left unsaid that proved more important to Beijing. President Tsai refuses to acknowledge the 1992 Consensus, a formula Beijing and Taipei relied on during the Ma Administration to smooth over the two sides' fundamental disagreement about Taiwan's status. To Beijing, the 1992 Consensus was a useful compromise that allowed the two sides to skate over their differences, but Tsai was unwilling to accede to Beijing's demand that she adopt its preferred language, leaving the two sides at an impasse.<sup>2</sup>

Although Tsai was elected in 2016 by a comfortable margin, her post-election honeymoon was brief. For much of her first term she struggled to overcome popular doubts about her ability to keep cross-Strait relations on an even keel, while her domestic policy agenda attracted strong criticism. In 2018 her party suffered a serious setback in local elections. Like midterm elections in the United States, Taiwan's local elections reflect the public's assessment of the president's performance, and the news was not good for the DPP. The KMT's headliner, a political outsider named Han Kuo-yu, brushed aside establishment figures like Ma Ying-jeou. Han led his party to victory on a promise to boost Taiwan's economic growth by reinvigorating business ties with mainland China.

Just twelve months before her reelection, President Tsai's bid for a second term was in serious trouble. In January 2019 a group of elders in her own political camp called on her to surrender the DPP nomination. Yet twelve months later she defeated Han, who had secured the KMT's presidential nomination, with 57 percent of the vote. She also led her party to another legislative majority. While Han's weaknesses contributed to the result, Tsai's resounding success had much to do with a sea change in Taiwanese voters' perceptions of the PRC.

<sup>&</sup>lt;sup>2</sup> They might well have been at an impasse even if Tsai *had* accepted the 1992 Consensus, as there is deep <u>distrust</u> for Tsai in Beijing.

Tsai's reversal of fortune began with her <u>response</u> to Xi Jinping's 2019 New Year <u>address</u>. Xi's speech reiterated the PRC's long-standing positions regarding Taiwan, including its determination to "unify" the island with the mainland under the One Country, Two Systems formula. Tsai's response was swift and direct. Briefing foreign reporters, Tsai summarized her reaction, <u>saying</u>, "It is impossible for me or, in my view, any responsible politician in Taiwan to accept President Xi Jinping's recent remarks without betraying the trust and the will of the people of Taiwan ... We hope the international community will pay attention and combine efforts to speak out on our behalf." Her strong response <u>galvanized</u> her supporters and even won over some critics.

At the heart of the dueling New Year speeches was the question of whether Hong Kong should be the model for Taiwan's future. Tsai's unequivocal rejection of that idea struck a chord not only with her own party, but also with the KMT, which had never endorsed One Country, Two Systems as a model for Taiwan. Tsai went even farther, arguing that because Xi's speech had equated One Country, Two Systems with the 1992 Consensus, the latter was no longer a useful concept, either. That left the KMT in an especially difficult position.

Elevating the Hong Kong model did little to strengthen Beijing's position in Taiwan, but it did focus attention on the former British colony turned Special Administrative Region of the PRC. Thus, when protests against broke out in Hong Kong in March, Taiwan was watching. The crisis that unfolded in Hong Kong in the ensuing months – a crisis that continued through Taiwan's 2020 elections – undercut the KMT's case for engagement and validated Tsai's position that the One Country, Two Systems model would be disastrous for Taiwan.

#### U.S.-Taiwan Relations in the Tsai-Trump Era

With cross-Strait relations in the deep freeze, President Tsai recalibrated Taiwan's foreign policy to rely more on the United States. She accepted, and in many cases welcomed, opportunities to elevate relations to a higher level, but leaning on the U.S. brought risks as well as benefits to Taiwan. As Brookings's Ryan Hass pointed out recently, "Taiwan bore the brunt of Beijing's anger of Washington's visible efforts to elevate ties."

The first sign that the Trump Administration might alter long-standing policy norms was the Trump transition team's decision to schedule and then publicize a phone call between President Tsai and President-elect Donald Trump in December 2016. The event encapsulates the dilemma for Taiwan: on the one hand, the phone call reassured Taiwanese looking for affirmation from the U.S. On the other hand, it exposed Tsai to criticism by the PRC, which blamed Taiwan and <a href="mailto:said">said</a> the Trump team had fallen for Tsai's "petty trick." The president-elect confirmed Beijing's version of events in a tweet, <a href="mailto:stating">stating</a>, "The President of Taiwan CALLED ME today to wish me congratulations on winning the Presidency. Thank you!"

During Tsai's presidency, the U.S. Congress and the Trump Administration have taken actions that both benefitted and challenged Taiwan. Congress has passed several pieces of supportive legislation – the Taiwan Allies International Protection and Enhancement Initiative Act (the

TAIPEI Act), the Taiwan Travel Act, the Asia Reassurance Initiative Act, and the Taiwan Assurance Act – all of which Taipei welcomes. Congress also put President Tsai in an awkward position by voting to invite her to address a joint session of Congress. The invitation had symbolic appeal, but accepting it would have produced a disproportionate backlash from Beijing.

For its part, the Trump Administration has made numerous statements and decisions that benefit Taiwan's security and political status, but it has missed opportunities to aid the Taipei economically. Administration officials including Vice President Mike Pence and Secretary of State Mike Pompeo have made strong statements in support of Taiwan. President Tsai was given a generous transit visit through the U.S. in March 2019, and the Trump Administration sent the highest-level officials in decades to visit Taiwan – Health and Human Services Secretary Alex Azar and U.S. Under Secretary of State Keith Krach – in 2020. On defense issues, too, the Trump Administration has shown strong support for Taiwan, including approving significant arms sales – one just this week.

Nonetheless, the administration's affirmative political and security policies have fallen short when it comes to economic cooperation. President Trump's decision to withdraw the United States from the Transpacific Partnership (TPP) ended what was arguably Taiwan's best hope of avoiding economic isolation and marginalization. The trade war, too, damaged Taiwan's interests by targeting Taiwanese companies that manufacture or assemble products in the PRC and by subjecting Taiwan's aluminum and steel exports to tariffs. Taiwan's largest company — Taiwan Semiconductor Manufacturing Corp (TSMC) — stands to lose a major customer as a result of sanctions on suppliers to the Chinese tech firm Huawei. Moreover, talks on a Trade and Investment Framework Agreement (TIFA) have been on hold since 2016; the Trump Administration waited until just a month ago to engage Taiwan in economic talks.

### Looking Forward

Taiwan and the United States have a long-standing, friendly relationship based on shared values. Taiwan is an example of how the ideas Americans treasure are not ours alone; they can thrive in many lands. Taiwan proves that Chinese heritage is no barrier to democracy and that market economics in a free society can nurture prosperity and progress. Taiwan is a good friend to the U.S., and it deserves our support.

Taiwan also is a nation of 24 million people who have needs and interests of their own. It is important that Americans not mistake Taiwan for an instrument of U.S. policy or a weapon to be deployed to frustrate the PRC's rise. Treating Taiwan as an end in itself is one of the strengths of the legislation Congress has passed in recent years.

Too often, Americans conflate animosity toward the PRC with friendliness toward Taiwan. In fact, the "enemy of my enemy is my friend" does not describe the relationship among the U.S., Taiwan, and the PRC. The PRC is not Taiwan's enemy, although their relations are difficult. Taiwanese citizens and leaders do not want to be absorbed into the PRC, but they do not want

a hostile relationship with Beijing, either. It does not serve Taiwan's interests to be pulled into conflicts between Washington and Beijing. On the contrary, if we look at history, we can see that Taiwan has been most prosperous and secure when U.S.-China relations were stable and constructive. There are serious disagreements between the United States and the PRC, no doubt, but when Washington and Beijing manage their disagreements, the space for Taiwan expands. When they are at loggerheads, Taiwan gets squeezed.

Declaring support for Taiwan is not enough. Washington should work with Taipei to identify and secure the island's substantive needs and interests, by:

- Engaging Taiwan in meaningful economic discussions, including restarting the TIFA talks. These negotiations will not only improve Taiwan's economic outlook; they also will help Taiwan's leaders persuade their citizens to accept necessary economic reforms. And they will help the U.S. upgrade its economy.
- In accordance with the TAIPEI Act, advocating for and normalizing Taiwan's role in
  international organizations. Exiting the World Health Organization (WHO)
  surrendered one of Washington's most fruitful avenues in this regard, but this is
  should not be the end of the road for Taiwan's international participation. Taiwan's
  extraordinary performance in taming the COVID pandemic makes it especially urgent
  that it not be excluded from global conversations. A quick way to begin is by using
  the existing GCTF mechanism.
- Avoiding rhetorical solutions that sound good, but might have unintended
  consequences. For example, it has been <u>suggested</u> that Washington should abandon
  its policy of strategic ambiguity in favor of a clear promise of security assistance to
  Taiwan. A verbal promise would do little to deter the PRC, which is more interested
  in actions than words, and risks undermining President Tsai's efforts to persuade her
  people to invest more in their own defense.
- Working with Taiwan to create opportunities for Taiwanese and American officials to understand of one another's interests. On this front, I would draw the subcommittee's attention to the Taiwan Fellowship Act (H.R. 7414) which is currently pending before this body. That bill would enable long-term cooperation between the governments of the United States and Taiwan. The Taiwan Fellowship Act would not only strengthen the long-term bond between the two countries at the working level but would be a clear and tangible signal of this country's enduring commitment Taiwan and to democratic partners throughout the Indo-Pacific. It is a non-controversial and non-military means of strengthening U.S.-Taiwan cooperation. I am honored to serve as an unpaid advisor to the nonprofit organization developing this program and I urge the assembled members to see that the Taiwan Fellowship Act in its current form passes the House this year.
- Ensuring that Taiwan remains, as it has always been, a bipartisan issue in the United States.

Mr. BERA. Thank you, Dr. Rigger, for your testimony. I will now call on Ms. Kan for her testimony.

# STATEMENT OF SHIRLEY KAN, SPECIALIST IN ASIAN SECURITY AFFAIRS, RETIRED SPECIALIST AT THE CONGRESSIONAL RESEARCH SERVICE

Ms. Kan. Chairman Bera, Ranking Member Yoho, all Members of Congress, I appreciate the invitation to testify at this hearing appropriately on Human Rights Day. Congress was brilliant in passing the TRA without the benefit of hindsight. Now congressional oversight of the TRA is even more critical for three reasons: First, U.S. policy must counteract the CPC's growing challenges to peace and freedom.

First, the U.S. and Taiwan can ensure that the PLA's strategy of incremental intimidation will fail. Second, Congress could sustain stronger ties given the uncertainty about Biden's policy. The U.S. has strengthened this partnership to safeguard our geostrategic interests. As one indicator, this Administration has now notified Congress of arms sales worth \$18.3 billion so far. Nonetheless, the dollar amount is not the most important factor.

Congress had to deal with whether Presidents Bush and Obama adhered to the TRA. From his first year in office, Obama did not propose arms sales in 2009, 2012, 2013, 2014, and 2016. This Administration repaired a broken arms sales process to get regular notifications to Congress. In short, there are no more packages to delay multiple pending arms sales.

Also, this Administration allows more flag and general officers to visit Taiwan, and Assistant Secretary of State Dave Stilwell was the first U.S. official to reiterate the six assurances. Now the question is whether Biden will reverse the progress and return to minimized contacts under Obama. There should not be a major rollback because this Administration had to repair the relationship and respond to China. The NSC, DoD, and State Department have been clear and strong but not reckless and radical.

Third, Congress could fill in the gaps in explaining our strategic objective. A relationship is not the objective. I think that we seek a strong and democratic Taiwan so that it deters the PLA, remains a force for freedom in the global balance of power, and has a future with a peaceful resolution without the U.S. military entering into a conflict.

Congress has options to tackle divergences or weaknesses to help sustain our strategic interests. Also, I emphasize that the TRA embodies mutual obligations not U.S.-only ones. One, Congress could call for a reset of our military engagement to reduce the divergence over Taiwan's overall defense concept for a credible, cost-effective deterrent. Taiwan's top military leaders ought to fund and implement the ODC for asymmetric advantage and engage with U.S. military leaders, including flag and general officers.

military leaders, including flag and general officers.

Two, we have trade-related gaps. Although Taiwan is our five largest trading partner, Congress could urge the USTR to resume right away the TIFA talks, which have been suspended since 2016. Congress could call for a bilateral trade agreement before Biden sets his overall policy on trade. Our partnership with Taiwan is unique, so let's apply that logic to a BTA before others.

I am now optimistic about a BTA because of a key development. For so many years, we have worked on this dispute, but now President Tsai recently announced that Taiwan will remove trade barriers to our beef and pork. Taiwan is doing the right thing for reciprocity and reliability as a partner.

So, in closing, Congress could preserve the progress and fill in the gaps in our partnership. Thank you.

[The prepared statement of Ms. Kan follows:]

House Foreign Affairs Subcommittee on Asia, the Pacific, and Nonproliferation **Taiwan and the United States: Enduring Bonds in the Face of Adversity**Hearing on December 10, 2020, 10:00 AM

Written Testimony of Ms. Shirley Kan
Independent specialist in Asian security affairs
Retired specialist in Asian security affairs who worked for Congress at CRS

#### OVERVIEW: CONGRESSIONAL ROLE IS MORE CRITICAL

Chairman Bera, Ranking Member Yoho, all Members of Congress,

I appreciate the invitation to testify at this hearing today, appropriately on Human Rights Day. I have continued to be a champion of Congress, even after retiring from work for Congress at CRS. Members inherited a key legislative legacy. Congress was brilliant in passing the Taiwan Relations Act (TRA), P.L. 96-8, without the benefit of hindsight. Taiwan became a beacon of democracy and model in fighting this pandemic.

Now, the congressional role is even more critical.

- First, the Communist Party of China (CPC) is increasing threats.
- Second, we have uncertainty about the incoming Biden Administration.
- Third, Congress could protect and push its power to promote U.S. strategic interests, with clarity and consistency in communicating to the American people, the next administration, allies, adversaries, and partners like Taiwan.

I also offer some recommended options to address weaknesses in bilateral bonds.

### End of "Packages" to Delay Notifications to Congress

How did our policy get to the current status? Where is our policy, and where is it going?

For this subcommittee's hearing on Taiwan in 2018, I submitted a Statement For the Record on reinforcing the partnership.¹ Since that hearing, the Congress and Trump Administration have carried out even closer cooperation with Taiwan.

First, contrary to certain claims, our policy on arms sales has not been consistent through successive administrations. Congress dealt with the issue of whether Presidents Bush and Obama adhered to the TRA. Starting in his first year, Obama did not propose major arms sales in 2009, 2012, 2013, 2014, and 2016.

The Trump Administration inherited a broken arms sales process and has repaired it in favor of regular notifications to Congress of major Foreign Military Sales (FMS). This

<sup>&</sup>lt;sup>1</sup> Shirley Kan, "Recommendations of Options to Strengthen the U.S.-Taiwan Partnership," Statement For the Record, Hearing on Reinforcing the U.S.-Taiwan Relationship, House Foreign Affairs Subcommittee on Asia and the Pacific, April 17, 2018.

administration ended the use of "packages" to delay multiple pending FMS. The NSC and Departments of Defense and State have strategic, capable officials.

Congress approved the President's proposal to supplement Taiwan's upgrade of older F-16A/B fighters with a program of new F-16V fighters. The NSC declassified President Reagan's statements on arms sales and Six Assurances. In August, Assistant Secretary of State David Stilwell was the first official to reiterate the Six Assurances of 1982. $^{2}$ 

Moreover, this administration allows flag and general military officers to visit Taiwan. After the previous Cabinet-rank visit in 2014, the Secretary of Health and Human Services visited earlier in 2020. President Tsai Ing-wen has enjoyed visit-like "transits."

#### **Importance of Congress**

A ct Belies Abandonment. Congress has greater flexibility than the President to counter the CPC's distorted narratives about Taiwan. One mischaracterization is that U.S. policymakers "abandoned" Taiwan. Former Representative Lester Wolff, who chaired this subcommittee when Congress passed the TRA, just published his newest book. He discussed a key CODEL that talked with CPC ruler Deng Xiaoping in Beijing in 1978 before U.S. normalization with the People's Republic of China (PRC) in 1979. Deng said to Wolff, "Taiwan will fall like a ripe apple from the tree." However, the TRA has proven that the United States did not abandon Taiwan.

 ${f B}$  ipartisanship Bolsters Support. Congress has shown staunch support because of bipartisanship. In the introduction to Wolff's book, Chairman Eliot Engel of the House Foreign Affairs Committee wrote,

Sometimes it can be hard to find issues on which both parties can wholeheartedly agree but that has never been the case for issues related to Taiwan: Congress stands united in our unwavering support for the people of Taiwan.

Ranking Member Mike McCaul also underscored bipartisanship by adding his remarks.

Congress is a Catalyst. Congress acts as a catalyst for clear and consistent messages to advance U.S. strategic interests and leadership in the world. The fact of holding this hearing is significant, by exercising the informational instrument of national power.

<sup>&</sup>lt;sup>2</sup> Six Assurances: In negotiating the third Communique with the PRC, the United States has not agreed to set a date for ending arms sales to Taiwan; has not agreed to consult with the PRC on arms sales to Taiwan; will not play any mediation role between Taipei and Beijing; has not agreed to revise the Taiwan Relations Act; has not altered its position regarding sovereignty over Taiwan; and will not exert pressure on Taiwan to enter into negotiations with the PRC.

<sup>&</sup>lt;sup>3</sup> Lester Wolff, The Legislative Intent of the Taiwan Relations Act: A Dilemma Wrapped in an Enigma (Xlibris, 2020).

#### CHALLENGES FROM THE CPC

The first reason for the more critical congressional role is to counteract the CPC's growing challenge to peace and freedom. A false narrative pushed by its propaganda and parroted by some media is that Beijing is forced to "respond" to "provocations" from Washington or Taipei. In fact, the CPC had decided by 1993 on a Main Strategic Direction to target Taiwan in building up the People's Liberation Army (PLA).

Last September, the Pentagon's report to Congress on the military power of the PRC warned that its multi-decade military buildup has eroded or negated many of Taiwan's military advantages that it enjoyed historically. In short, since the *early* 1990s, the PLA has modernized to raise the threats of coercion and force.

The PLA's strategy has exploited incremental intimidation, perhaps as a safer bet than a traumatic threat that would trigger Taiwan, the United States, and other democratic countries to respond decisively and together. The PLA expands encroachment to change the status quo. This challenge raises concern about a *fait accompli*.

Let's look at developments only since the last U.S. presidential transition. In November 2016, the PLA Air Force flew aircraft around Taiwan just outside its air defense identification zone (ADIZ) for the first time. Then, the next month, PLA aircraft flew around Taiwan close to its ADIZ but remained in international airspace.

At that time, I wrote a warning that the PLA was operationalizing pressure against Taiwan up to its 12-nautical mile territorial sea or airspace and could be expected to follow with provocations at sea. Indeed, in January 2017, China sailed an aircraft carrier north from the South China Sea through the Taiwan Strait. The warship stayed in international waters but sailed in an area covered by Taiwan's ADIZ.4

Up through 2020, the PLA has further increased aggressive actions. Moves have included flying PLA aircraft across the median line of the strait and into the ADIZ of Taiwan, in the most frequent cases since 1990, reported its defense minister.

In short, the PLA's insidious intimidation to expand encroachment risks instability.

Also, the CPC has signaled an intent to further increase its threat. In January 2019, General-Secretary Xi Jinping spoke on the 40th anniversary of the CPC's message to "compatriots" with a more belligerent tone that that in 1979. Xi warned, "we do not renounce the use of force and reserve the option of taking all necessary measures." In October 2020, the CPC revealed its 14th Five-Year Plan for 2021-2025. Under this plan, the PLA will accelerate its buildup by 2027.

<sup>&</sup>lt;sup>4</sup> Shirley Kan, "Beijing's Sinister Long-term Goals," *Taipei Times*, December 22, 2016; "China's Military Provocations Against Taiwan Are Not Mere Responses to Trump," *AsiaEye*, Project 2049 Institute, January 10, 2017; and "China's Military Provocations Against Taiwan Are Not Mere Responses to Trump," *National Interest*, January 12, 2017.

#### UNCERTAINTY ABOUT BIDEN'S POLICY

The second reason for a more critical congressional role is uncertainty about the next president's policy, at this time of growing PLA power potentially to coerce and use force. Beijing could provoke tension and test Washington during the current transition and next administration. The question is whether Biden will reverse parts of the progress in the partnership and return to minimized contacts under Obama.

Nonetheless, I do not expect a major rollback. This administration's enhancement of engagement served really to repair the relationship and respond to the PRC. The repairs were restrained. The NSC, Pentagon, and State Department have been clear and strong, but not reckless or radical. Clear statements have rebutted Beijing's disinformation.

Moreover, clarity came with consistency. There is no overall paradigm change.

- First, the steps remain consistent with our "one China" policy and with President Reagan's Six Assurances and memo for the third U.S.-PRC Communique of 1982.
- Second, the administration has not changed our stance amid the resurrected debate over "strategic ambiguity." On October 21, Secretary of State Mike Pompeo responded to a question about "strategic clarity" by declining to add anything new.

Biden might be more consistent with allies. Still, congressional vigilance is needed to ensure that he will adhere to the legislative intent and letter of the TRA.

Indicators of any continuity of policy are whether the Biden Administration will:

- safeguard U.S. strategic interests by firmly counteracting the CPC and PLA;
- sustain arms sales with urgency, without delays that start in the first year of the term;
- engage Taiwan in the network of allies and partners, not in a Sino-centric approach;
- cooperate with Taiwan in its own right, not a sub-set of policy on the PRC.

#### STRATEGIC OBJECTIVE AND INTERESTS

The third reason for a more critical congressional role is the need for clarity and consistency in communicating strategic interests to Americans, the administration, adversaries, allies, and partners like Taiwan. It is a strategic imperative to work with allies and partners to keep a free and open Indo-Pacific. But it is crucial not only for the region. The CPC works to undermine American lives, freedom, and independence.

This administration's National Security Strategy (NSS) of 2017 includes one statement about Taiwan. The NSS stated: We will maintain our strong ties with Taiwan in accordance with our "One China" policy, including our commitments under the Taiwan Relations Act to provide for Taiwan's legitimate defense needs and deter coercion.

But a relationship is not the end. Our "one China" policy focuses on the *process*, not an *outcome*, of a peaceful resolution. Congress could fill in the strategic objective.

Since 2018, this administration has expressed expanded interests to include democracy in helping Taiwan's defense. In 2019, then-Assistant Secretary of Defense Randy Schriver said, "a strong and secure Taiwan can deter aggression, defend the Taiwan people and their hard-won democracy, and engage on its own terms with the PRC."

This reference is the closest to the Executive Branch stating a goal of helping Taiwan as a democratic country. I believe that we seek a strong and democratic Taiwan, so that it deters the PLA, remains a force for freedom in the global balance of power, and has a future with a peaceful solution -- without the U.S. military entering in a conflict.

Congress could update policy to recognize the reality of Taiwan. Normalized contacts with this partner bolster its legitimacy and counter the CPC's political warfare.

The U.S. has strategic interests in a robust relationship with Taiwan in its own right.

- (1) The U.S. did not abandon Taiwan in 1979 or 1982. Our interests have endured since 1950 to deter the PLA's threat to Taiwan as a threat to regional peace and security.
- (2) Taiwan's geo-strategic position places it as the inter-locking piece to fortify U.S. allies to the north and to the south, and to support U.S. and allied security interests in the Taiwan Strait, East China Sea, South China Sea, and the western Pacific.
- (3) The U.S. and allies counteract the CPC's increasing threats to expand its global control. Taiwan is on the frontline in that fight to favor freedom and democracy.
- (4) National interests compel us to strengthen Taiwan to deter aggression and coercion. Otherwise, weakness invites aggression, and our military might have to fight a war.
- (5) Washington reassures Taipei so that it could talk with Beijing, confidently from a position of strength. Cross-strait engagement fosters prosperity, peace, and stability.
- (6) A secure and democratic Taiwan is a force for freedom to shore up the U.S.-led, rules-based international order against the CPC's harm to that order.
- (7) Taiwan has become a partner for peace and prosperity, so our democratic coalition would be hurt if Taiwan suffers the existential threat and falls under the PRC's control.
- (8) The U.S. is more powerful, prosperous, and principled in alignment with democratic allies and partners that include Taiwan in proactive pursuit of shared interests.
- (9) Adversaries and allies see our alliances as credible if we stay solid in backing Taiwan. In turn, its strength is an asset in our network of allies and partners.
- (10) A survivable Taiwan dispels the CPC's narrative of the PLA's ultimate *fait accompli*, thus assuring and attracting other countries to assist Taiwan.

Nixon: "Dr. Kissinger and I had extensive discussions with Chairman Mao and Premier Chou En-lai on the Taiwan issue in 1972. We could not reach an agreement and consequently stated our positions separately in the Shanghai Communiqué. In that document, the U.S. 'reaffirmed' its support of a peaceful resolution of the Taiwan issue. I consider that to be an unequivocal moral commitment."

"Normalization of U.S. relations with the P.R.C. is indispensable in furthering our goal of building a structure of peace in Asia and the world. But at a time when U.S. credibility as a dependable ally and friend is being questioned in a number of countries, it is also vitally important that the Taiwan issue be handled in a way which will reassure other nations—whether old friends, new friends, potential friends, or wavering friends—that it is safe to rely on America's word and to be America's friend."

-- Richard Nixon's letter to Chairman Lester Wolff of the House Foreign Affairs Subcommittee on Asian and Pacific Affairs, February 14, 1979.

#### RECOMMENDED OPTIONS AND MUTUAL OBLIGATIONS

Thus, Congress plays a more critical role to preserve progress in ties with Taiwan to promote strategic interests and to counteract the CPC so that its insidious intimidation will fail. Congress has options to address weaknesses or divergences in cooperation. In addition, I emphasize that the TRA embodies mutual obligations, not U.S.-only ones.

(1) **Strategy.** Congress could fill in the strategic objective and interests in support of a stronger Taiwan. Congress could ensure clarity and consistency, as outlined above.

In the debate about "strategic ambiguity," Trump was not clear in an interview with *Fox News* on August 23, when he claimed that China knows what he would do if it invades Taiwan. He failed to explain to the Congress and American people about vital interests.

In our heartland and beyond, Members of Congress are key to explaining the U.S. strategic objective and interests in Taiwan's economic, military, and political security. At the same time, Taiwan needs a grassroots campaign to expand engagement.

**(2) Co-Equal Branch.** As a champion of Congress, I emphasize the imperative to preserve and assert legislative power and policy-making vis a vis any president. While the TRA provided for legal and political obligations to assist Taiwan's self-defense, the law did not commit in advance that the U.S. "shall" help to defend Taiwan. Moreover, one of the Six Assurances is not to revise the TRA.

The TRA has no absolute guarantee on defense. The legislative intent is to subject any future decision on an act of war to action by Congress, not only the President. The TRA embodies ambiguity for policy to be clear or flexible as needed for U.S. interests.

(3) **Self-Defense**. It follows that the TRA embodies an expectation of Taiwan's own defense. The TRA entails mutual obligations. The TRA does not mean a U.S.-only obligation but expects Taiwan to maintain its sufficient self-defense. Meanwhile, Congress could consider whether to add combined exercises and select interoperability to military assistance. Such improvements potentially add allies and proactive cooperation, instead of scrambling to react in a crisis (like in the 1995-1996 crisis).

Congress could convey the message of mutual obligations to Taiwan. For example, particularly since 2016, the Congress and Pentagon have placed priority on Taiwan's reserve force for a resilient society. Its reserves have been insufficient to deal with the PLA's increasing threat. However, Taiwan's Ministry of National Defense just announced that it will not start to reform its reserve force until 2022.

Congress could call for a re-set of military engagement to reduce divergence about Taiwan's Overall Defense Concept (ODC) for a credible, cost-effective deterrent. Taiwan's top military leaders ought to fund and implement the ODC for asymmetric advantage and engage with U.S. military commanders, including flag/general officers.

**(4) Leadership.** Congress is a catalyst for U.S. leadership in international support, so that the CPC fails to isolate and intimidate Taiwan. Congressional inputs include effects on policies of the Executive Branch and engagement with foreign legislators and other leaders. Joint actions with allied countries disarm the CPC's political warfare.

One option is to undercut the CPC's false narrative that impedes Taiwan's participation at the United Nations (UN) and other international organizations. Congress could rebut the PRC's big lie that UN General Assembly Resolution 2758 determined Taiwan as a part of the PRC. Resolution 2758 did not address the status of or mention Taiwan.<sup>5</sup>

(5) Oceania. Congress could sustain this administration's high-level attention to Pacific island countries and Taiwan's diplomacy. The Compacts of Free Association (COFA) govern U.S. ties with the Marshall Islands, Micronesia, and Palau -- called the Freely Associated States (FAS). The Republic of China (Taiwan) has diplomatic ties with four Pacific island countries: Marshall Islands, Nauru, Palau, and Tuvalu. Congress could consider whether to renew the COFA that are to expire in 2023-2024.

Meanwhile, Taiwan is re-establishing its office in the U.S. territory of Guam in 2020. Taiwan also could increase promotion of democracy and good governance, and invest in infrastructure projects, perhaps with a new sovereign wealth fund (SWF).

**(6) Trade.** The partnership has a weak economic component, although Taiwan is our 9th largest trading partner. Congress could urge the U.S. Trade Representative (USTR) to resume right away the talks under the bilateral Trade and Investment Framework Agreement (TIFA), or TIFA Talks, which have been suspended since 2016. Congress

 $<sup>^5</sup>$  UN Resolution 2758 of October 25, 1971, granted legal rights to the PRC in the UN and expelled "the representatives of Chiang Kai-shek" but did not even mention Taiwan.

also could urge the next administration to place priority on a bilateral trade agreement. A caution for Congress is that, instead of such a priority, the next president might wait until after setting his overall policy on trade. Meanwhile, Members could focus on potential benefits in each state to promote a state-by-state approach to an agreement.

However, while Washington mitigates the isolation of Taipei, it is responsible for self-isolation. *Taiwan needs to show reciprocity and reliability as a trading partner*. *Congress has not negatively targeted Taiwan's exports to the U.S.* It is time to remove irritants. Taiwan's consumers have a free market and are not forced to buy any product.

Taiwan's political parties should recognize that the PRC's economic coercion is part of the threat to security and should follow science and international rules on beef and pork. Since 2003, the two sides have dealt with this trade dispute, first over concern about bovine spongiform encephalopathy (BSE), or mad cow disease, then concern about ractopamine. Ironically, many Taiwanese people prefer to buy U.S. beef.

Also ironically, when the Kuomintang (KMT) was the ruling party, KMT President Ma Ying-jeou promised to open Taiwan's market to U.S. agricultural exports. In 2009, Ma agreed to conclude two years of negotiations on a bilateral agreement to relax restrictions (related to mad cow disease). But Taiwan abrogated it unilaterally.

(7) Supply Chains. Congressional oversight could see if the next administration will follow up on the broad topics in the new U.S.-Taiwan Economic Prosperity Partnership Dialogue. The Under Secretary of State for Economic Growth, Energy, and the Environment initiated this bilateral dialogue on November 20 in Washington, DC.

One of the many topics is how to restructure supply chains, learning lessons from this pandemic. Taiwan, the U.S., and other countries are coordinating to reduce reliance on sourcing from the PRC and to increase investments domestically and among democracies that have shared values for secure supply chains. Taiwan's diversification away from dependence on the PRC economy also would help to withstand its coercion. Taiwan could do its part by expanding English proficiency, tightening the protection of intellectual property and technology, and focusing on future products and partners.

#### CONCLUSION: SUSTAIN THE SHIFT IN ENGAGEMENT

The U.S.-Taiwan partnership is stronger in these past four years, advancing U.S. and allied strategic interests. Congress plays a more critical role to sustain that strength and to fill in gaps. To remain effective, engagement must continue to emphasize:

- deterrence as well as defense, to prevent conflict in the first place;
- proactive and not only reactive cooperation;
- urgency about Taiwan's economic and military security;
- clear, consistent communication to counter the PRC's distorted narratives;
- U.S. leadership to expand international support for Taiwan;
- Taiwan's reciprocity and mutual obligations in self-defense and trade.

Thank you all for the invitation to testify at this important hearing.

Mr. BERA. Thank you, Ms. Kan, for your testimony.

I will now recognize members for 5 minutes each, and pursuant to House rules, all time yielded is for the purposes of questioning our witnesses. Because of the virtual format of this hearing, I will recognize members by committee seniority, alternating between Democrats and Republicans. If you miss your turn, please let our staff know, and we will circle back to you. If you seek recognition, you must unmute your microphone and address the chair verbally.

I will start by recognizing myself for 5 minutes. The ranking member mentioned strategic ambiguity in his opening statement and each of the witnesses alluded to it. The United States has long held this position of strategic ambiguity toward China, meaning not committing one way or another to how the United States would

respond to PRC aggression against Taiwan.

My sense is the rationale is that without this clarity, the PRC military planners would be unsure in their planning and may be reluctant to conduct certain actions against Taiwan for fear of provoking a U.S. response. Some concerns with this policy and some, including many of us in Congress, would argue that we should change our position on this as we see a more assertive China.

Dr. Rigger, I sense that you are opposed to the—to strategic clar-

ity.

Ms. Glaser, in your testimony, you alluded to that the U.S. may want to reevaluate it.

Maybe we will start with Ms. Glaser. Should we change and clarify our policy? What are the benefits? What are the risks? And how does Taiwan feel about this? And what might the PRC do in response to more strategic clarity?

I will start with Ms. Glaser. Then we will go to Dr. Rigger. Then

we will go to Ms. Kan.

Ms. GLASER. So thank you, Congressman Bera, for the question. I have published on this topic a short article in Foreign Affairs, which was actually in response to the article that was written initially by CFR President Richard Haass, who advocated strategic clarity.

I am not in support of this policy because I think that it will have negative consequences for Taiwan's security rather than strengthen deterrence. If we make a rhetorical statement that we will, under all conditions, all circumstances come to Taiwan's defense but yet we are constrained in our ability to do so, we actually might provoke a response from the PRC to take advantage of what they might see as a window of opportunity while the United States is challenged by the anti-access area denial capabilities that China has been developing and while Taiwan is still continuing to bolster its stability—its ability to defend itself.

I believe that China is—its most pressing objective it has achieved, that is to prevent de jure independence being declared by Taiwan. Certainly under Tsai Ing-wen's Administration, that is not going to happen. Xi Jinping has said, of course, reunification is a goal. Every Chinese leader has said that. I do not believe that it is a pressing priority.

So what we need to do is, rather than change our rhetorical stance, we need to shore up our ability to defend Taiwan and make that credible. Once we do that, if China's attack on Taiwan seems like it is more urgent and if it appears imminent then, yes, there is a range of things that we can do to signal China, not only publicly but also privately, that there would be very severe consequences if, in fact, they were to use force against Taiwan.

So, if we think about strategic clarity and strategic ambiguity as the two extreme ends of the spectrum, there are many things we can do in between. And if a threat appears urgent, we can move toward that direction of clarity. But I think changing our rhetoric without actually bolstering our capabilities is potentially risky.

Mr. BERA. Great. Thank you for that.

Dr. Rigger, do you want to add?

Dr. RIGGER. Yes. I agree with much if not all of what Bonnie just said, but I want to add one other dimension, again, looking from the Taiwanese perspective. One of the great challenges for Taiwan and for Taiwan's leaders, including President Tsai, is persuading her own population that Taiwan faces a significant military threat and that they need to devote resources, including their own time and lives to the island's own defense.

There is plenty of survey research to suggest that a lot of Taiwanese folks believe that the U.S. will take care of them, and that one of the reasons people offer why they do not need to join the military or they do not need to encourage young people to join the military is that the—that Taiwan has a military commitment from the U.S.

Recent Taiwanese leaders, especially President Tsai, have made great efforts to refute that position and to encourage Taiwanese to recognize the essential role that they will play in their own defense in the event of a military crisis. Offering Taiwan an unconditional guarantee of U.S. lives and treasure will undermine that work or will make it even more difficult to overcome the resistance to a self-funded and self-insured military capable of defending Taiwan at least long enough for the U.S. to intervene. So that is another reason why I think this kind of policy change would be ill advised.

Mr. BERA. Great. Thanks, Dr. Rigger.

And I notice I am out of time.

Ms. Kan, if you want to take 30 seconds to quickly add your

thoughts.

Ms. Kan. Yes. Okay. Very quickly. I also call for consistency but for a different reason. As a champion of Congress, I believe in Congress maintaining its prerogatives. The TRA has no absolute guarantee on defense. The reason is because of legislative intent of the TRA. The legislative intent was to subject any future decision on an act of war to actions by the Congress, not only the President. So the Congress needs to maintain its prerogatives so that we can be as clear or flexible as we need for our U.S. interests. Thank you.

Mr. Bera. Great. Thank you, Ms. Kan.

Let me now recognize the ranking member, Mr. Yoho, for 5 minutes of questioning.

Mr. YOHO. Chairman Bera, again, you have picked—we have got three great witnesses here, and they have done an excellent job.

Ms. Glaser, I agree with you that all engagement with Taiwan should be okay with Taiwan before we move. I think that is a very smart thing.

Dr. Rigger, you are talking about how we can strengthen our relationship with Taiwan without going back to old doctrine or challenging the strategic ambiguity. And I want to say something before I ask you guys to answer.

And, Ms. Kan, surely, you-I thought you and I were pretty

much in alignment with everything we talked about.

I do not want to look at the now so much as, how did we get to this point? If we go back to 1979 when Jimmy Carter got rid of the diplomatic relationships with Taiwan that led in to the strategic ambiguity that has caused us to do the Taiwan Relations Act, all these other things, the increased tension that we are getting when we sell military equipment to Taiwan from China, and if you go back to Robert Gates' book, the admiral of China vehemently opposed any more sales to Taiwan. And our representative says, "Well, why? We have we have been doing this for years." This is what he said. He goes, "You have. We were weak then; we are strong now."

All we have to do is kind of look at what Xi Jinping said in the 19th Communist Party Congress where ultimately his goal was world domination. We have seen him ignore the world norms in the South China Sea, lie saying they were not going to militarize those islands—I do not want to call them islands. That gives credibility to them—those land masses that they dredged up and destroyed

coral reefs, they have militarized them.

And then you saw the disregard for the British-Sino agreement on peaceful handing off of Hong Kong. After 22 and a half years, Xi Jinping says that is null and avoid; it does not matter. I think the writing is on the wall, and I do not want to do this in a lone approach that the U.S. says, "All right, we are going to normalize diplomatic relations." I would like to do that, but I realize that puts us against China and puts Taiwan in the middle.

And this is what I want to ask you. What do you think if we have this discussion, since we were part of forming the United Nations, as a world body of negotiating to prevent future conflicts to have a resolution brought up? You know, I think we are all in agreement, Taiwan has never been part of the PRC. In fact, China was run by the government of Taiwan before the Communists took over and beat them in the civil war. They have never been part of the Communist Party, nor do they desire to.

I want to hear from you, what do you think if we started a movement to get Western democracy saying, "You know what, we stand with Taiwan; China needs to have peaceful negotiations"? Ms. Glaser, do you want to start with that? And I realize it is a bold move

Ms. GLASER. Right. I will be brief so that others can chime in. But I actually completely agree with you that the way to bolster Taiwan's security is through multilateral mechanisms and cooperation with our allies and like-minded countries. One of the things I have suggested is that the G7 include a statement that Taiwan be returned to observer status in the World Health Assembly.

Mr. Yоно. Right.

Ms. GLASER. So the D-10, the group of democracies, is another potential grouping coalition. This is the one way that we can influence, I think, Chinese behavior, regardless of what Xi Jinping's am-

bitions are. I believe that we still can influence the way that they seek to approve these—to achieve these goals and the timeline for them.

I do not believe that China has actually set a concrete, hard deadline for unification with Taiwan, for example. So we have tremendous ability, I think, to begin to shape China's decisionmaking regarding Taiwan and other issues, and the way forward, the way to do that is by working with like-minded countries with other democracies.

Mr. Yоно. Thank you.

Dr. Rigger.

Dr. RIGGER. Agreed. Multilateralism is the way to go because Taiwan ultimately will not thrive if it has only one friend in the world.

Mr. Yоно. Right.

Dr. RIGGER. And Taiwan has many friends. One thing that I would just point out is that the GCPF, a framework that was created by the U.S. and Taiwan together, has already begun to have really positive results in terms of creating relationships for Taiwan, nonofficial but very valuable substantive relationships with Taiwan beyond the U.S. and even beyond its immediate region. So, again, continuing to invigorate and invest in the GCPF is another thing we can do.

Mr. YOHO. Thank you.

And, Chair, I will defer to you if you want Ms. Kan to respond.

Mr. BERA. Sure, we can give Ms. Kan a chance to respond.

Ms. Kan. So the U.S. leadership to broaden foreign support for Taiwan is really important for one reason: we have to disarm the People's Republic of China's political warfare. That permeates all the other challenges that we face, whether it is defense, deterrence, international organizations, Taiwan's economic resilience to withstand any coercion.

And one of the best ways that we can disarm that political warfare is to hit back at this disinformation that China pushes at the United Nations and other places regarding how Taiwan is supposedly a status, has a status as a part of the PRC. And the best way to do this, I think, is to rebut China's disinformation by stating very clearly, setting the record that U.N. Resolution 2758 did not establish Taiwan as a part of China. It did not even mention Taiwan.

Thank you.

Mr. YoHo. Great. Thank you. I yield back.

Mr. Bera. Thank you.

And let me remind the members that, in order for me to call on them they have to be on the video pursuant to House rules.

So let me go to my good friend from California, Congressman Brad Sherman, for 5 minutes of questioning.

Mr. Sherman. Thank you.

A number of our witnesses have talked about how critical Taiwan is to the defense of Japan. Several of our witnesses have talked about increasing our military capacity in a substantial way to defend Taiwan, and we have enormous military budget. We have forces deployed around the world. Presumably our forces in Europe need to be in Europe. Presumably our forces in Africa and the Mid-

dle East need to be there. So it is not a matter of redeploying forces from elsewhere.

So the question is, what is the price tag for a very substantial increase in our capacity to defend Taiwan? Is there any chance that taxpayers in Japan or Taiwan would be footing a major part of that bill? I will ask any witness who wants to respond. Do we have a

Ms. Glaser. I will be happy to respond, Congressman Sherman. I think that Taiwan has increased the amount that it is spending on defense, but it is still not even at the 3 percent of the GDP that both parties, the DPP and KMT, in Taiwan have Stated is an objective. But it is increasing under President Tsai Ing-wen.

One of the challenges in Taiwan is the overall revenue that they take in from taxpayers. It is actually quite low, and so even 3 percent of GDP is not very significant. So, going forward, what I believe Taiwan needs to do is to expand the amount of revenue they are taking in from their taxpayers, and maybe that could create some potential for them to contribute more, which I hope that they will do.

Japan contributes, of course, in many ways with a great deal of resources to supporting U.S. presence in the region.

Mr. SHERMAN. Thank you.

[Inaudible.] But obviously, we want Taiwan to spend 3 percent on its defense. Obviously, Japan is a valued ally. But we are talking about tens or hundreds of billions of dollars that our witnesses are proposing be spent to increase American military capacities to defend Taiwan, and we have heard that—I have heard that described rhetorically, but I do not see a price tag.

And I wonder how much of that, given the fact that you have said Taiwan is struggling just to pay for its own military

[inaudible] And Japan is doing what you think is a lot, it seems like all that burden will fall on the American taxpayer, how much is it? I would like each witness who proposed massive-substantially—I will not say "massive"—a significant increase in our military capacity to give some sort of price tag.

Again, I think I will regard that as a rhetorical question and just go on to say that I applaud our witnesses and my colleagues for underlining the importance of the U.S.-Taiwan relationship, and I have supported every effort to sell weapons to Taiwan and to bring

Taiwan into international organizations.

It is a democracy that would differ slightly from phraseology of some. I would not say a Western democracy because I do not think democracy is Western. I think democracy reflects universal human values. So I want to applaud especially our chair and our ranking member for the work they have taken to help bring Taiwan into the community of nations, and point out that a number of pieces of legislation that I worked with them on would provide for Taiwanese officials to visit the Washington, DC, area.

We talk about building a better relationship with the Taiwanese government. One way to do that is to actually talk to them faceto-face, especially in the months to come when we hope face-to-face

discussions with possible.

With that, I will yield back.

Mr. BERA. Thank you, Congressman Sherman.

Let me now recognize the gentleman from Pennsylvania, Mr. Perry.

Mr. PERRY. Hey, thanks, Mr. Chairman. And I appreciate you

calling the hearing, Dr. Bera.

Before I begin, I do wish to pay tribute to the outgoing ranking member of this committee, Mr. Yoho. And Ted has rendered a great service to our country.

I think I speak on behalf of many of us on this committee who say thank you very much for everything you have done and the sacrifices you have made to do it, Ted. We are going to miss you.

With that, I think we must begin to realize the provision within the TAIPEI Act that calls for Taiwanese membership in select international organizations in which Statehood is not a requirement and at least observer status in other appropriate global institutions.

I believe that this commitment can do more to demonstrate our commitment to this goal and expand upon it. And it starts by elevating the position of director of the American Institute in Taiwan to an ambassador-level rank requiring the confirmation by the U.S. Senate.

To this end, I am grateful to have joined my friend Mr. Chabot in advocating for this needed change. Alongside this effort, this committee I think should consider legislation designating the American Institute of Taiwan as the U.S. Embassy to Taiwan and the Taiwan Economic and Cultural Representative Office as the Taiwanese Embassy to the United States.

In light of this move, Representative Hsiao should be referred to as Ambassador in all official capacities and exchanges between the United States and Taiwan. These diplomatic measures demonstrate just a small fraction of our unwavering commitment to Taiwan that we will not be cowed by the Chinese Communist Party, and we will not allow the Beijing government to dictate our foreign policy as a sovereign nation.

These measures show—would show the world the greatest nation on the planet, our Nation, values the relationship we share with Taiwan and encourages other countries and global organizations to do the same. Over the past few years, the U.S. has made an exerted effort to increase Taiwanese partnership participation in international institutions, but more needs to be done going forward.

On one point, there can be no compromise: Taiwan must be afforded the full right to participate in the United Nations and all her constituent institutions, including the World Health Assembly. The President's Ambassador to the United Nations, Ambassador Kelly Craft, has already made this point, saying that the U.N. without Taiwan's full participation is actually cheating the world.

And we can only speculate what would have happened had the World Health Organization listened to the exhortations of the Taiwanese medical professionals in late December of last year when they provided evidence to the World Health Organization and to the PRC that this new virus could be spread by human-to-human transmission.

It is absolutely farcical that so many across the globe believe that the world ought to listen to China, that it is perfectly acceptable for the CCP to sit on the U.N. Human Rights Council and to participate in the World Health Assembly as a respected State actor, but Taiwan somehow should be kept silent.

I can think of really no clear example, quite honestly, of just moral cowardice. I do look forward to working with all my colleagues to make our partnership with Taiwan even stronger, and

I am glad to turn to at least one question here.

Ms. Kan, how have recent events in Hong Kong affected Taiwan's public views of China's proposed one country, two system arrangement for Taiwan and the views of China more broadly? I mean, I cannot imagine that they are not in a state of believing that China really—that the Communist Party actually believes that and would respect that agreement.

Ms. Kan. Yes. So I think that the whole proposition of one China, two systems was a nonstarter in Taiwan to begin with. It was never applicable to Taiwan. Taiwan was already a sovereign coun-

try with a formal name of Republic of China for a long time.

However, at the same time, what the PRC has done to Hong Kong has been to basically tear up that international agreement regarding one country, two systems, and so that continues to show that China's promises just cannot be something that we can accept. It is something that China breaks its own rules

[inaudible] And that in itself has shown the people in Taiwan that they cannot continue to trust any kind of

[inaudible] To be reciprocated from China. Mr. Perry. Well, thank you very much.

And, Chairman, I will yield the balance of the time, but you can count me in on more strident measures against the Communist Party of China and more benevolent and friendly measures toward our friends in Taiwan. And I yield.

Mr. Bera. Great. Thanks, Mr. Perry.

Let me now recognize the gentlelady from Pennsylvania, Ms. Houlahan.

Ms. HOULAHAN. Thank you, Chairman.

I really appreciate the testimony of all of our witnesses today. My questions have to do with my community. I am—my district is home to the mushroom capital of the world, and Mainland China has approached the industry more than a few times with an interest of doing partnerships in the mushroom industry in Mainland China.

I am wondering what the prospects are for expanding U.S. exports to Taiwan in agriculture, like the mushroom industry, in industrial goods and services, and what sort of opportunities and challenges exist in each of these areas with respect to Taiwan?

Dr. RIGGER. I would be happy to lead off, if that is all right.

Ms. HOULAHAN. That would be great. Thank you.

Dr. RIGGER. It is very interesting that you mention mushrooms because mushrooms actually play a significant role in Taiwan's economic history. Back in the immediate post-war era, one of the ways that Taiwan accelerated its economic development was through a really exceptional agricultural reform, and mushrooms were a major crop and a major cash crop for Taiwanese farmers that helped them break out of subsistence agriculture and become farmers who were exporting and all kinds of—especially to Japan and others in the region.

So Taiwan—but today Taiwan is very much an importer of U.S. agricultural goods, and I honestly do not know whether they import mushrooms or not. But Taiwan is certainly a very significant customer for American agriculture because Taiwan is a very small and extremely crowded island. And while it has a vibrant agricultural sector, it is by no means adequate to serve the needs of Taiwan's people. So there is always more opportunity for agricultural exports to Taiwan, and Taiwanese people do love their mushrooms.

However, one of the reasons that we are all advocating, I think, a more extensive and formalized bilateral trade agreement of some kind with Taiwan is precisely because there are some protectionist aspects to the Taiwanese economy. In agriculture, we saw the biggest barrier fall this summer, which was the barrier to U.S. meat imports, but Taiwan also has protectionist features in other aspects of its economy, including manufacturing and a lot of other things.

I think that one of the real virtues of a bilateral trade negotiation process would be to create some external pressure on the Taiwan Government to help Taiwan's Government do what

[inaudible] Already know needs to be done, which is to liberalize imports and to make Taiwan's market for friendly to imported goods.

So, Taiwan definitely stands to benefit from trade negotiations, but the U.S. also stands to benefit, and Taiwan as well because liberalizing Taiwan's economy would be a good step for them too. So thank you for the question.

Ms. Houlahan. Yes. If I could followup on that which is, of course, kind of trade relationships are a part of the conversation, but also there is part of the conversation which is having the Taiwanese invest more heavily in U.S. businesses and in areas where they perhaps—mushrooms is an example where they, perhaps, do not have the land mass to be able to work.

What kind of policies can we ask for or look for to be able to have that happen because to be honest, quite frankly, the pull is from mainland China right now. The economic pull in that way and the economic investment paths in that way are coming from the mainland.

Ms. RIGGERS. Well, most of my conversations about investment are with people in Taiwan, encouraging them to be more creative and innovative in their investment patterns.

Taiwanese companies and individuals have accumulated a massive amount of wealth in the last 30 years or so as a result of their investments in mainland China. And they have not been super quick to turn that around into new business creation in Taiwan or elsewhere.

So, again, I think this is something that American officials can usefully talk to the Taiwanese government about is, how can you get some of this cash out of the real estate market, for example, and into new business creation, foreign direct investment, as well as new investments in your own economy. It is definitely something that they need to work on.

Ms. HOULAHAN. Thank you. I really appreciate your input.

Mr. Chair, I yield back.

Mr. BERA. Thank you, Congresswoman Houlahan.

I know we have had a few members drop off to go vote and we will recognize folks as they come back. But, I will recognize myself for a second round of questioning, and I know the ranking member also has a second question that he would like to ask. Any of the members who also do have second questions, we will come back to them.

I guess for all the witnesses, one question that I would have, and certainly something that I think about with the incoming Biden Administration. They will take a much more multilateral approach to both entering into kind of the approaches they think about China and so forth.

In just about every country we interact in the region, we do so understanding that country's relationship with China as well.

I guess for the witnesses, as we are thinking about U.S. Taiwan relations in a multilateral way, what advice would you give both Congress, but also the incoming Administration, in trying to build that multilateral support for Taiwan because, again, I think that is the better approach as we are in this strategic competition with China, and maybe we will start with Ms. Glaser.

Ms. GLASER. Thank you for the question, Congressman Bera. You know, I think the first thing that needs to be pointed out is, of course, there is recognition around the world for Taiwan's extraordinary performance in controlling the spread of COVID—19.

And this has already laid the groundwork for greater support for restoring Taiwan's observers in the World Health Assembly and enabling Taiwan to send its experts to the technical meetings of the World Health Organization which China has blocked in many, many cases.

So if the United States is pursuing a policy that is consistent, that looks like it is, in fact, part of a larger strategy, if the United States is not seen as being too provocative toward China, and I do want to underscore that, if the Chinese think that the United States has totally abandoned its One China policy and is moving in a direction of ultimately recognizing the Republic of China, then we may be in a dangerous place.

This is not what we want to create as an environment for other countries to join us in an effort to help Taiwan. So we have to be responsible and push forward those policies that other countries will get on board with so that we can expand Taiwan's participation in the international community.

If we want Japan to be a good partner with us in conducting, for example, exercise that will signal that Japan might be on our side if there is a Chinese attack on Taiwan, that it might actually be actively engaged in a way to help defend Taiwan, then clearly, we have to be pursuing a policy that is seen by Japan as responsible.

So there is, right now, broken support for Taiwan, I think, in many countries around the world, many of our allies. We should be doing the right things and setting an example. And if we negotiate, again, a free trade agreement with Taiwan, then maybe other countries will go forward and do the same.

There is also the potential for a double taxation agreement that Taiwan is interested in and I think we would benefit from, so we have to be pursuing the right policies for others to get on board.

Mr. Bera. So just to make sure, one area that does seem right to create some multilateral support for Taiwan obviously is in the COVID-19 space and their response and bringing them into some of the organizations that are developing alliances, that are developing around responding to COVID-19 and the virus and, making

sure they have an active role in that.

Maybe I will go to Dr. Riggers. Ms. Glaser touched on a free trade agreement and commerce, and I think both you and Ms. Kan have also touched on that as another potential tool to create multilateral support for Taiwan without necessarily diverting from the One China policy, in less threatening ways to help Taiwan increase its relationship.

Dr. Riggers, what do you think about trade as a tool of also, cre-

ating and helping Taiwan participate?

Ms. RIGGERS. Yes. The Trans-Pacific Partnership was controversial for many reasons, but one of the things that was built into it was the idea that as a trade agreement in the Asia-Pacific or the Pacific rim Nations, it had the potential—one that was not domi-

nated by China.

The TPP had the potential to be a venue in which Taiwan could participate, right. Taiwan entered the WTO back in 2000 with China. They simultaneously were able to enter. Since then, it has been really difficult for Taiwan. China has blocked Taiwan again and again and again from participation.

So the TPP, the idea was that here was one that was led by the United States and other like-minded countries and would not be

subject as easily to China's restrictions on Taiwan.

So, there were plenty of reasons to dislike the TPP. In the last Presidential election, both major candidates opposed it, but I think that was an example of the kind of thing that needs to be done because getting Taiwan into organizations where China has veto power will be well-nigh, in my opinion, impossible. But creating new ones with—outside of China's sphere of power is a more plausible route to take.

Mr. Bera. Ms. Kan, would you like to add?

Ms. Kan. Yes. First of all, I want to talk about something that is overall important for the role of Congress, and that is explaining to the American people from the heartland all the way to the coasts and beyond why Taiwan matters, and that is something that is not often obvious.

Connecting to the previous question about Japan, I think the first thing we can explain is that Taiwan's geostrategic position places it as the interlocking piece to fortify our U.S. allies to the north of Taiwan and to the south in the South China Sea, in the Taiwan Strait, in the East China Sea, all the way to the western Pacific.

And speaking of the western Pacific, that is where we can have a more multilateral approach to the presence of Taiwan. And I am talking about linking the presence of Taiwan to our freely associated States. They are Marshall Islands, Micronesia, and Palau. They have special relationships with the United States.

Taiwan has four countries in the Pacific that recognize Taiwan as the Republic of China with diplomatic ties. We have a synergy there in the western Pacific to maintain our interests, and that is where congressional role comes in. The Compacts of Free Association are up for renewal, and that is where Congress can put its attention to whether or not to renew the COFA. Thank you.

Mr. BERA. I know that the ranking member is off voting, but he

does want to ask a second question.

Ms. Houlahan, do you have a second round of questions? I certainly, with this panel of experts, have multiple questions that I would like to ask.

Ms. HOULAHAN. I do have, Chairman, Mr. Chairman, one more question.

Could you or the witnesses tell us what we think or how we attribute the success of Taiwan in combating COVID? What is the secret sauce? Is there anything that we could be doing here in this Nation, lessons learned from them that we could be applying here in the United States?

Ms. RIGGERS. Maybe I will start that one off too because I was in Taiwan when COVID started. I was actually in China when COVID really started. I was in China when Wuhan, the city of Wuhan, was locked down. And I was on a Fulbright last year, spent most of my time in Taiwan. I was supposed to send some time in China, but as soon as that happened, I started looking for a way out.

And so I ended up going back to Taiwan and spending the time between late January and the beginning of April in Taiwan, and

what I saw made perfect sense.

First of all, at the first sign that there was a problem, Taiwan's leaders did not wait for confirmation from China or from the WHO. Taiwan's leaders immediately mobilized the plans that they had created after the SARS crisis in 2002 and put them into action. So they were very much operating on their own timetable and on their own judgment of what was going on in China.

So the first thing they did was to restrict entry from China and to impose quarantine requirements on people entering from China. I got in on January 29. By January 31, there was a 2-week quar-

antine requirement on everyone coming from the PRC.

The second thing they did was to encourage people to wear masks. People throughout Asia, including Taiwan, normally wear masks when they are sick. It is considered a good hygiene practice, so it was not hard to get people to wear masks. And, in fact, the immediate reaction was a little bit of panic buying in the mask market.

So the Taiwanese government took over the production and distribution of masks to ensure that everyone would have what they needed and that there would be no price gouging.

The next thing they did was to implement widespread testing. Anybody who was concerned that they might have been exposed to COVID or had symptoms consistent with COVID could get tested,

and thousands and thousands of people did get tested.

There have been almost no cases, fewer than—about 50 cases of domestic transmission of COVID in Taiwan. All the other cases are imported, mostly Taiwanese people returning from overseas into a quarantine which then contained them while they were still infectious.

But even though there was almost no domestic spread, there was still widespread testing, and everyone was encouraged to be tested. And though the testing sites were set up so that people did not have to interact with one another, everybody stayed outside, and they were called in for their test and then immediately released. And from February, Taiwan had rapid testing capabilities. So within 72 hours, you knew your testing status.

The other—the one other thing that I thought was really interesting was, of course, contract—contact tracing. So all of those cases that were domestic transmission were traced back to the point of origin. I think there are fewer than five cases that they

cannot explain how the person actually contracted COVID.

And they made the quarantine requirements bearable for people by, for example, paying people to be in quarantine. So if you were coming back from the U.S.—a lot of young Taiwanese were returning from the U.S. when their colleges closed down. They flooded back to Taiwan, and they were supposed to stay in quarantine.

And most of them just went to their parents' house, homes, and stayed there. But people who were coming from high-risk places like mainland China went into an official quarantine near the airport, a kind of hotel where you just stayed for 2 weeks, but they

were paid to stay there.

They got about \$100 a day to stay in this hotel so that they were not—they did not feel the pressure. I have got to get out and work because they were not losing income by complying with the quarantine. So in all of these ways, they have kept a handle on it.

Most recently, there have been a lot of cases now coming in from southeast Asia, and this is putting pressure on the system because Taiwan relies on southeast Asian helpers for a lot of elder care and also child care.

And there is a bit of tension between families that, need their helpers from Indonesia, the Philippines, and the public health authorities who are saying we cannot let folks in because the COVID infection rate is just too high in those places.

But, there is not a secret sauce. It is all the stuff we know, that for whatever reason in this country, we did not do but they did at, 95 to 100 percent.

Ms. HOULAHAN. Thank you. I yield back.

Mr. Bera. Let me recognize the ranking member, Mr. Yoho, for a second question.

Mr. YOHO. Thank you, Mr. Chairman, and this has been a very engaging conversation. And I think for the points that were just brought up about Taiwan, we have the

[Inaudible] Place, it should be in the omnibus, that reinstates China—Taiwan into the World Health Assembly. And I think this

is something, without going full bore and—

I heard your testimoneys, Dr. Rigger, about, having U.N. veto authority to Taiwan. I know that is going to cause a problem. But I think if we do a lot of small steps, recognizing Taiwan in the World Health Assembly, and having countries around the world put pressure on that just for what you brought up, their great work that they have done to prevent COVID in a large way in their country.

I think if we do enough of these things around the world and

other countries backing us, it is going support that.

If you look at Israel, Israel is out there by itself. We are their strongest ally, but now we are seeing other countries come to the table, with the Abraham Accords. This is my vision for what I would like to accomplish, what I would like for the U.S. Government to accomplish, that kind of leadership where you get other countries to come in.

And if you guys can suggest any other things that we could do,

I would love to hear it, and I will end my questioning.

Ms. KAN. I can start. Yes. I can start to respond to that question about Taiwan at the United Nations and the international organizations.

First of all, we have to hit back at the disinformation that somehow the so-called One China principle at the U.N. as defined by China will prevent Taiwan from participating in the United Nations' specialized organizations and other international organizations. And this is the insidious, distorted narrative that is bolstered by China's information without any rebuttals.

And U.S. leadership is needed, specifically from our Ambassador at the United Nations, to set the international record straight that the General Assembly Resolution 2758, 2758, did not settle the sta-

tus of Taiwan.

It restored the right of China, specifically, the PRC, to be in the United Nations and expel the so-called representatives of Chiang Kai-shek. But nowhere, nowhere in that resolution did the United Nations or the international community determine the status of Taiwan

In fact, Taiwan was not even mentioned in this resolution, so how can this resolution be used to keep Taiwan out of international organizations? And when this Administration led a very, very high profile campaign to get Taiwan into participation at the World Health Organization, led by Secretary of State Mike Pompeo—

It lacked a missing piece, and that was the failure to mention that 2758 cannot be used to keep Taiwan out of international orga-

nizations. Thank you.

Ms. GLASER. I would just add very briefly that it is notable that in the recent meeting of COVAX, under WHO, China did not step in to block Taiwan's participation, and so that shows that Beijing recognizes that the global community is supporting Taiwan at this moment.

And so if we can sustain that momentum and use this support from our like-minded countries and democracies and just continue to include Taiwan in the WHO.

I personally am pleased that the President-Elect has said that the United States will not withdraw from the World Health Organization. There are issues with the WHO, and China's influence, its undue influence in the operations of that organization which I hope can be fixed going forward, but we have to be a member in order to influence the WHO going forward.

So I think that is one example of Taiwan

[Inaudible] COVAX is a good one.

Mr. BERA. Mr. Yoho? So it looks like we lost Ted's audio, so——Ted, are you back on?

Mr. Yоно. Can you hear me?

Mr. BERA. We can, yes. Go ahead.

Mr. YOHO. I apologize. Did you get any of that? Mr. BERA. No. We did not get the last question.

Mr. YOHO. Well, I think that that is the direction we should go. And if we can get China to honor the one country, two systems, and leave Taiwan alone, I think the world will be a better place. Taiwan will definitely be better off.

Mr. Bera. Great. Thanks for that, Congressman Yoho.

I am going to recognize myself just for a quick followup question. You know, something that Dr. Riggers touched on earlier was the Taiwanese people participation in their own military.

Dr. Riggers, I am assuming that they do not have a formal draft or mandatory service in that case, and that is a volunteer army and volunteer—

Ms. RIGGERS. Actually, Taiwan has mandatory military service for men. And in recent years, they have been transitioning to an all-volunteer military. They felt that the system of conscription was not actually providing professionalism and—nor at affordable cost needed and for a sort of contemporary, 21st century military force. But they are having a great deal of difficulty meeting recruit-

But they are having a great deal of difficulty meeting recruitment targets, so they have been extending—shrinking the length of time that men have to serve but extending the compulsory military service beyond when they thought, I think, they were going to be able to switch to all volunteer.

Mr. BERA. And if I just played off of that, in understanding some of the domestic pressures that we see here in the United States, I think they are reflected in the Trump Administration policy for the United States not defending the entire world. And we see that in our conversations with our great—our allies in the Republic of Korea. We certainly see that in, the push for NATO Nations to pay their fair share.

I have a sense that, while very much I think that the Biden Administration and most Members of Congress want to see U.S. global leadership around the world and, the world is a safer place with the United States engaged, I also think where our domestic population is, and potentially where, Congress is starting to shift. We also want to see those nations, doing their fair share of devoting resources to their own defense, their own population stepping up to be prepared to defend their own nations as well with the United States in partnership.

Do you have some suggestions for how we approach that with Congress? One is, certainly getting them, I think, and maybe this is for Ms. Glaser as well, really encouraging Taiwan to invest their own resources in their own defense.

Ms. RIGGERS. Well, I think Bonnie would have a lot to say about that. I would just point out that, President Tsai is definitely working on this issue and that U.S.-Taiwanese military cooperation is at a high point, at a high level today. And that unlike previous Administrations in Taiwan, the Tsai Administration is really open to this kind of cooperation and collaboration, seeking ways to make Taiwan's own military capacity more sufficient.

And some of that has to do with the overall defense concept that Shirley Kan mentioned earlier which has to do with the sort of the strategic nature of Taiwan's defense preparations, but some of it too has to do with kind of changing the attitude that Taiwanese

people have toward military service.

So, for example, we have seen President Tsai in a helmet and camouflage more than any president of Taiwan since Chiang Kai-Shek. She is out there interacting with the troops, visiting installations, showing her public that this is important, and it is something she values. And I think that is really—that is the first step is recognizing that they have a real military threat and recognizing that smart, capable, ambitious people can look at military service as a worthwhile career and life choice.

But Bonnie probably has better answers than that.

Mr. Bera. Ms. Glaser.

Ms. GLASER. Adding to your remarks, Shelley, which I agree with, what Taiwan does not have is a whole of society effort supporting their defense. And given the threat that it faces, this is truly remarkable. We look at countries like South Korea that is under a great threat from North Korea or Israel being another good example and having a whole of society effort that signals their determination to defend their country. And this is something that Taiwan really needs to cultivate.

An important part of that is rebuilding their reserves, and this is something that, again, President Tsai Ing-wen has indicated her support for and I know the Department of Defense is continuing to

push for.

But the military in Taiwan actually does not really—has not provided great buy in for rebuilding their reserves. If the PLA actually lands on the beach, takes over ports and airfields, then the reserves have to be the next line of defense, and they have to be willing and able to work with the military and also potentially with the public.

So, I mean, I would like to see ways in which we can help them, maybe through our National Guard, to explain to them how we do things, but the United States may not be the best model for Taiwan. They should be looking at countries like Israel, maybe Singa-

pore, as examples of how to build an all of society effort.

So this is something that is cultural, as Shelley just indicated. There is not a lot of support for the military. There is not a good civil-military relationship in Taiwan. So these are things that, really, they are not going to change overnight, but they really need to be made priorities in Taiwan.

Mr. BERA. Right. Ms. Kan, do you want to say anything?

Ms. KAN. Hi. Yes. I wrote into my testimony that this is one of the areas we need to have a discussion with Taiwan in order to reduce divergence.

The Congress has been emphasizing to Taiwan since 2016 in legislation and other actions to reform its reserves. And now Taiwan's Ministry of Defense just said it is not even going to start to reform its reserves until 2022.

And back to the discussion about the defense budget. Under current exchange rates, Taiwan's defense budget is about \$12.5 billion U.S. dollars. But more importantly, it is only about 1.8 percent of GDP. Now, I understand full well that Taiwan also has what is called a special budget to buy large systems such as the F-16 fight-

ers and such as submarines. But when we look at the one indicator of the defense budget, and when we compare it to other countries like South Korea that also faces an existential threat, it is a bipartisan consensus in this government, both with Democrats and with Republicans, that Taiwan's defense budget is insufficient, and specifically insufficient in terms of reallocation within the budget in order to fund this overall defense concept.

Concerning the volunteer force, it is a misnomer, I believe, to call it an all-volunteer force. There is just no way that Taiwan can have an all-volunteer force. It is trying to shift to have less conscription

and more volunteers.

But this was a strategic blunder by the previous Ma Ying-jeou Administration to do away with this full—full force with conscription just like South Korea, for example. There was a misunder-standing under the previous Administration that somehow this was safe money.

As we know in our own superior military force, personnel costs in the military are quite high within our defense budget. In order to fund a professional military like ours that is superior, we need to have greater funding of personnel, especially. President Tsai may understand this. She may do more, but she really needs to put more of her own efforts as the commander in chief in order to guide Taiwan's military and not delegate so much.

Why? I have written the reason is because we have certain differences in our military culture. And it takes leadership, it takes the commander in chief in order to play the role to bridge our different military cultures in order to reduce the divergences. We need a reset in our military-to-military relationships. Thank you.

Mr. BERA. Great. Thank you.

And I want to thank all of the witnesses for their excellent testimony. Certainly, as we go into the 117th Congress, this is a topic that we will revisit and certainly look forward to continuing to work with the witnesses.

Given that this is the ranking member, Mr. Yoho's, final hearing, I do not know, Ted, if you are still on, if you would like to make any final closing comments and thoughts and reflections.

Mr. Yоно. Yes, I do. I mean, can you hear me?

Mr. Bera. We can, yes.

Mr. YOHO. No. I really appreciate the three witnesses. You guys did a fantastic job. And, Ami, our friendship and your leadership—I have been impressed with your leadership and, value our friendship very much, and it has been an honor to have this last meeting.

I just want to—I have to plug the TIPA bill that we introduced, the Taiwan Invasion Prevention Act. We have got Members already wanting to pick it up next Congress. It addresses a lot of the things that you talked about: military readiness, increasing the amount of time that they spend in the military, working together with our military and other like-minded countries' military. It puts the emphasis on putting more money into their military for buying the right kind of defensive equipment and not wasting it on tanks and stuff like that.

And it also encourages other countries in the Indo-Pacific to do the same thing. It promotes a free trade agreement and high level State visits between our government and the government of Taiwan and the invite of President Tsai over here and other high diplomats.

This is something, I think—if we get this on, and we have other countries around the world to do similar things, I think we can have a peaceful resolution of the relationships between Taiwan and China and the rest of the world.

With that, Mr. Speaker, I am off. We will see you later, and this is my last meeting. Goodbye.

Mr. Bera. Well, great. And thanks, Ted, for promoting me to Speaker of the House.

Anyways, it has been great serving with you. We will stay in touch and certainly want you to stay active in, these issues that we have worked on and, look forward to the next chapter of your service to our country.

With that, I want to thank the witnesses for participating in this very important virtual hearing, and the hearing is now adjourned.

Ms. KAN. Thank you. Thank you for holding this hearing.

Ms. GLASER. Thank you again, Congressman Bera, for your service and for holding the hearing and inviting me to testifying today.

Ms. RIGGERS. That goes for me too on all three fronts.

Mr. Bera. Absolutely. Thank you, and everyone be safe. Be well.

Ms. KAN. Thank you.

Mr. Bera. Bye-bye.

[Whereupon, at 11:33 a.m., the subcommittee was adjourned.]

## **APPENDIX**

# SUBCOMMITTEE HEARING NOTICE COMMITTEE ON FOREIGN AFFAIRS

U.S. HOUSE OF REPRESENTATIVES WASHINGTON, DC 20515-6128

#### Subcommittee on Asia, the Pacific, and Nonproliferation

#### Ami Bera (D-CA), Chairman

December 10, 2020

#### 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 virtually by the Subcommittee on the Asia, the Pacific, and Nonproliferation via Cisco WebEx (and available by live webcast on the Committee website at <a href="https://foreignaffairs.house.gov/">https://foreignaffairs.house.gov/</a>):

**DATE:** Thursday, December 10, 2020

**TIME:** 10:00 a.m., E.S.T.

**SUBJECT:** Taiwan and the United States: Enduring Bonds in the Face of Adversity

WITNESS: Ms. Bonnie Glaser

Senior Adviser for Asia Director of China Power Project

Center for Strategic and International Studies

Shelley Rigger, Ph.D.

Brown Professor of Political Science

Davidson College

Ms. Shirley Kan

Specialist in Asian Security Affairs

Retired Specialist at the Congressional Research Service

## 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.

<sup>\*</sup>NOTE: Witnesses may be added.

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## COMMITTEE ON FOREIGN AFFAIRS

Note: Red boxes with red type will NOT print.

| information.                                     |  |  |   |
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| MINUTES OF SUBC                                  | OMMITTEE ON  | Asia, the Pacific, and Nonproliferation  | HEARING   |
| DayThursday                                      | Date December 10, 2020   | Room Virtual via WebEx   |   |
| Starting Time10:020                              | am ET Ending Time 11:3   | 3am ET   |   |
| Recesses (                                       | to) (to) (   | to) (to) (to)  | (to)  |
| Presiding Member(s) Chairman Ami Bera            |  |  |   |
| Check all of the following                       | ng that apply:   |  | To select a box, mouse  |
| Open Session   Executive (closed) Sess Televised | ion 🗆  | Electronically Recorded (taped)  Stenographic Record   | click it, or tab to it and use<br>the enter key to select.<br>Another click on the same<br>box will deselect it.  |
| TITLE OF HEARING  Taiwan and the Unite           | ed States: Enduring Bonds  | in the Face of Adversity   |   |
| SUBCOMMITTEE M                                   | EMBERS PRESENT:  |  |   |
|  | Sherman, Rep. Houlahan<br>ho, Rep. Perry, Rep. Curtis  |  |   |
| NON-SUBCOMMITT                                   | EE MEMBERS PRESENT:  | (Mark with an * if they are not members of fi  | ıll committee.)   |
| Rep. Chabot                                      |  |  |   |
|  | ES: Same as meeting notice a<br>ow and include title, agency, de                             |  |   |
| STATEMENTS FOR                                   | THE RECORD: (List any stat   | ements submitted for the record.)  |   |
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| TIME SCHEDULED TO RECONVENE or TIME ADJOURNED    |  | WHEN COMPLETED: Please print for<br>subcommittee staff director's signature<br>and make at least one copy of the signed<br>form. A signed copy is to be included<br>with the hearing/markup transcript when<br>ready for printing along with a copy of |   |
| not incl   | listing additional witnesses<br>luded on hearing notice, be<br>o include title, agency, etc. | Subcommittee Staff Associate   | the final meeting notice (both will go into<br>the appendix). The signed original, with a<br>copy of the final meeting notice attached,<br>goes to full committee. An electronic<br>copy of this PDF file may be saved to<br>your hearing folder, if desired. |

## HOUSE COMMITTEE ON FOREIGN AFFAIRS

 $SUBCOMMITTEE\ ON\ ASIA,\ THE\ PACIFIC,\ AND\ NONPROLIFERATION\ HEARING$ 

| PRESENT      | Member                  |  |
|--------------|-------------------------|--|
| PRESENT<br>X | Ami Bera, CA            |  |
| X            | Brad Sherman, CA        |  |
|              | Dina Titus, NV          |  |
| X            | Chrissy Houlahan, PA    |  |
|              | Gerald Connolly, VA     |  |
|              | Andy Levin, MI          |  |
|              | Abigail Spanberger, VA  |  |
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| PRESENT | Member -         |   |  |
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| X       | Ted Yoho, FL     |   |  |
| X       | Scott Perry, PA  |   |  |
|         | Ann Wagner, MO   |   |  |
|         | Brian Mast, FL   |   |  |
| X       | John Curtis, UT  |   |  |
|         |                  |   |  |
| X       | Steve Chabot, OH |   |  |
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## STATEMENT SUBMITTED FOR THE RECORD

"Taiwan and the United States: Enduring Bonds in the Face of Adversity"
HFAC Asia, the Pacific, and Nonproliferation Subcommittee Hearing
10:00 AM, Thursday, December 10, 2020
Virtual Hearing
Rep. Gerald E. Connolly (D-VA)

Congress has long supported a robust U.S.-Taiwan relationship based on our shared commitment to democracy, respect for the rule of law and the international order, and free market principles. However, China's rising military and diplomatic aggression toward Taiwan, Hong Kong, and other countries of the Indo Pacific poses an existential threat to the security and vitality of not just the region but also the United States and the international community. In the face of such hostility, it is critical for the United States to find new ways to bolster our ally Taiwan, especially given the challenges presented by the COVID-19 pandemic.

This year, China has stepped up military patrols and exercises around Taiwan, escalating tension and risking a crisis stemming from an accident or miscalculation. As of early October, Chinese military aircraft had crossed the median line of the Taiwan Strait nearly 50 times, the highest number in any year since 1990. Despite Beijing's denial, the median line exists, which is why the People's Liberation Army (PLA) has observed it for two decades. The PLA's blatant disregard for the boundary has been highly destabilizing to peace and stability in the Taiwan Strait and, consequently, the broader region. China's military ambitions and increasing aggression directly undermine the international rules-based order that Taiwan, as a responsible and engaged actor, has helped build and support. Taiwan's free and open society is deserving of our unwavering and unambiguous support.

Beijing continues to isolate Taiwan diplomatically by pursuing diplomatic relations with countries that previously recognized Taiwan and by blocking its meaningful participation in UN agencies and international bodies, including the World Health Organization (WHO) and the International Criminal Police Organization (INTERPOL). The systematic exclusion of Taiwan from participating in this year's World Health Assembly (WHA) meetings, which Taiwan attended from 2009 to 2016, has undermined global efforts to manage the COVID-19 pandemic. As COVID-19 cases and deaths spiraled out of control and brought many economies and health systems to their knees, Taiwan by all accounts has mounted one of the best national responses worldwide to the pandemic. I have led several letters urging Taiwan's inclusion in WHA and am a proud original cosponsor of the House-passed H.R. 3320, which recognizes and seeks to improve Taiwan's longstanding observer status in the WHO. Despite consistent Congressional advocacy on this front, the WHO bowed to Chinese pressure and excluded Taiwan for the fourth consecutive year.

Amidst this backdrop, the United States has taken several steps to reinforce support for Taiwan. As a co-Chair of the Congressional Taiwan Caucus, I am proud to have led efforts to reaffirm the

Taiwan Relations Act and the Six Assurances as the cornerstone of U.S.-Taiwan bilateral relations. The United States has further solidified these bonds and expanded the scope of U.S.-Taiwan relations by enacting the Taiwan Travel Act (P.L. 115-135) and the Taiwan Allies International Protection and Enhancement Initiative Act (P.L. 116-135). I am also glad to support the Taiwan Fellowship Act (H.R.7414), which would expand our people-to-people exchanges through the creation of a two-year fellowship program in Taiwan. Taiwan is now our 10<sup>th</sup> largest goods trading partner with \$86 billion in total two-way goods trade, our 13<sup>th</sup> largest goods export market, and the 6<sup>th</sup> largest market for agricultural products. These are impressive numbers, but we can do even better.

Taiwan has expressed strong interest in negotiating a fair, reciprocal, and high-standard trade agreement with the United States. Taiwan has demonstrated a high standard of labor protection – consistent with International Labor Organization conventions – and leadership in environmental protection in the region. President Tsai has made good faith efforts toward this goal by relaxing Taiwan's restrictions on U.S. pork and beef imports that have long impeded trade negotiations. An agreement with Taiwan would serve U.S. economic and security interests by expanding markets for American goods, diversifying Taiwan's' commerce away from China, and inspiring other countries to pursue similar agreements with Taiwan. That is why last year I led 161 members in urging U.S. Trade Representative (USTR) Lighthizer to work toward beginning negotiations on a bilateral trade agreement with Taiwan.

Taiwan is a longstanding ally and a like-minded partner in the Indo-Pacific region that upholds and shares our values. Taiwan's thriving democracy, dynamic civil society, and vibrant economy have been an enduring and public rebuke of China's authoritarianism, and we must stand behind this critical partner for the sake of U.S. national security and regional stability. The U.S. commitment to Taiwan is a sacred obligation. I look forward to hearing from our witnesses on how Congress can work closely with the incoming Administration to strengthen this relationship in order to foster peace and prosperity for the people of Taiwan and to advance U.S. strategic interests in the Indo Pacific.

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