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# 78

## Major election victory

### *Surpassing the KMT for first time in history*

On Saturday, 29 November 1997, elections were held in Taiwan for 23 positions of county executives and city mayors. The pro-independence democratic opposition achieved a major victory by winning 12 positions, doubling the number of seats they held until now. Even more importantly, the opposition candidates won nearly 44 percent of the vote, for the first time in history surpassing the Kuomintang — which dropped down to 42 percent.

The results show a continuing erosion of the Kuomintang's traditional hold on power, and has significant implications for future national-level elections: The opposition DPP is coming within striking distance to win the Legislative Yuan elections in December 1998 and even the Presidential elections in 2000.

The results mean that the democratic opposition now controls virtually all major population centers on the island and their surrounding counties, covering an area holding some 71.5 percent of Taiwan's population: Taipei City is governed by DPP presidential hopeful Chen Shui-bian, while in the surrounding Taipei County, Mr. Su Chen-chang won an important victory, holding on to the position previously held by Dr. You Ching.

Farther to the south, Taoyuan, Hsinchu, Taichung, Tainan and Kaohsiung counties are all held by the opposition. Only Kaohsiung City is still led



**New Taipei County Magistrate  
Su Chen-chang**

by a Kuomintang mayor, while the surrounding County will continue to be governed by incumbent DPP-Magistrate Yu Cheng-hsien.

Eighty candidates vied for positions as mayors and county chiefs in the 18 counties and five cities. The Kuomintang received a majority in only eight counties, most of them thinly populated areas in central and eastern Taiwan, and Kinmen and Matsu, the two small islands off the Chinese coast, which are considered separate counties by the Taiwan authorities. Important opposition victories were:

**Taipei County**, the area surrounding Taipei City. Here the DPP's Magistrate You Ching was ending two successful terms, and according to the rules could not run for a third term. DPP Lawyer / legislator ***Su Chen-chang*** is now succeeding him. In a hard-fought campaign he won some 570,000 votes against his KMT opponent's 540,000. The heavily-populated county is an important stronghold for the opposition.

**Tainan City**, where Taiwan Independence leader ***George Chang Tsan-hung***, former chairman of the World United Formosans for Independence, ran as the DPP-candidate and won a hard race against six other candidates, three from the KMT, two independent candidates (including former DPP-legislator Hsu Tien-tsai), and one from the right-wing New Party.

In the surrounding **Tainan County**, DPP-incumbent Dr. ***Mark Chen Tan-san*** was a sure winner. Mr. Chen is a prominent former overseas leader of the democratic movement: living in the United States in the late 1970s and early 1980s, he headed the Taiwanese Association of America and the World Federation of Taiwanese Associations. In the early 1980s, he was instrumental in establishing the Washington D.C.-based Formosan Association for Public Affairs (FAPA).



**George Chang**



**Mark Chen**

In **Taoyuan County**, just south of Taipei, incumbent DPP-Magistrate and Women's Rights leader Ms. *Annette Lü Hsiu-lien* won a hard-fought re-election campaign. Since the late 1970s, she has been a prominent advocate of democracy and human rights in Taiwan, which landed her in prison in 1979. She was released in 1984, subsequently joined the DPP, and became a prominent advocate for Taiwan's entry into the United Nations. From 1993 through 1995, she served one term as a member of the Legislative Yuan.

In **Ilan County**, DPP candidate *Liu Shou-chen* won. Ilan has a long history of DPP-Magistrates, and has become a showcase for good and clean government. With his hard-won victory, the Mr. Liu is now continuing this tradition. The Kuomintang fielded a strong candidate, but failed to wrestle Ilan away from the DPP.

**Taichung City**, where the DPP candidate, Provincial Assembly member Ms. *Chang Wen-ying*, was a popular candidate with broad grassroots support. In the surrounding Taichung County, DPP-Candidate *Liao Yung-lai* was a clear winner in a crowded field of six candidates.

Three non-affiliated candidates running as independents won, while the pro-unification New Party received only 1.3% of the vote and failed to win any seat. In two places, the non-affiliated candidates are leaning towards the DPP: Mr. Peng Pai-hsien in Nantou County and Mrs. Chang Po-ya in Chiayi City.

In the following table, we present the overall results of the elections. For comparison, we also give the results of the previous elections, held in November 1993.

	1997		1993	
	Number of positions	Percentage of the vote	Number of positions	Percentage of the vote
Kuomintang	8	42.0%	15	47.3%
DPP	12	43.5%	6	41.2%
New Party	--	1.3%	--	--
Smaller parties and Non-affiliated	3	13.2%	2	11.5%
TOTAL:	23	100.0%	23	100.0%

## *Changing the status quo*

The election results in Taiwan show that the people on the island are not satisfied with the Kuomintang's status quo, and want change. They want change on the island itself, away from the corruption, pollution, and lack of public safety which characterized the Kuomintang's rule. Earlier this year, thousands demonstrated in Taipei against the Kuomintang's inability to stem violent crime.

The elections also show an underlying trend that the people on the island want to be accepted by the international community as a full and equal member. Prominent advocates of Taiwan independence and Taiwan's entry into the United Nations, such as Tainan City Mayor George Chang and Taoyuan County Magistrate Lü Hsiu-lien were all elected. In a separate by-election in Chiayi City, UN-membership advocate *Chai Trong-rong* regained his seat in the Legislative Yuan.

At a victory celebration in Taipei, the DPP's likely candidate for the Presidential Elections in 2000, Mr. Chen Shui-bian appealed for multi-party cooperation to raise the island's international stature.

In essence, the underlying conclusion is thus that the people in Taiwan consider the "One China" policy outdated and no longer valid. This present-day reality should lead to a reassessment of US policy. As we have emphasized before, present US policy towards Taiwan — as well as the policies of other Western nations — is ambiguous and confusing, and doesn't reflect the growth of Taiwan into a full-fledged democracy.

## *Towards a "fifth policy"*

An examination of the various interpretations of the "One China" policy shows that there are actually four "One China" policies:

1. The policy as it was **originally formulated** in 1971-72, when the authorities in Beijing were accepted as the representatives of China in the UN — taking the seat held until that time by the Kuomintang regime. The US and other nations at that time "**acknowledged**" (=took note of) the Chinese position that there was but one China, and that the regime in Beijing considered Taiwan part of their China.

This "acknowledgement" was never meant to be a permanent policy, but was intended to be a temporary holding position. It was hoped that time would somehow solve the issue.

2. A second “One China” policy is the one which **evolved in the minds** of some academics and policymakers over the past 25 years: the original “acknowledged” became fuzzy, and — in a peculiar definition-creep — came to mean “accepted” or “recognized.” This second “One China” policy is much closer to the PRC-position than the original one.
3. The third “One China” policy is the one **taken by the PRC-authorities** in Beijing themselves: this one bases itself on the mistaken fiction that historically Taiwan is somehow an integral part of China. In fact Taiwan has never been part of the PRC, but was a Japan-held territory, occupied after World War II by the losing side in China’s Civil War. According to this distorted PRC view, the issue of Taiwan’s future is an “internal, domestic” Chinese matter, and that other nations should stay out of it.



4. The fourth “One China” policy is the one **promoted by the Kuomintang authorities** in Taiwan, which maintain that there is “One China”, but that within this “One China” there are two equal political entities, the PRC and their ROC. This policy boils down to a “Two China” policy.

#### Taiwanese in front of the Capitol in Washington

The Fifth Policy is the **“One China, One Taiwan” policy**. This one recognizes the reality that Taiwan and China are two separate nations, which can coexist as two friendly neighbors without claiming sovereignty over each other. In this policy, the PRC is recognized as being the sole China, and Taiwan is accepted by the international community as a full, equal and independent member of the family of nations.

**Taiwan Communiqué comment:** *we believe strongly that this Fifth Policy is the only realistic, rational and reasonable one. It would mean that both the Kuomintang and the Chinese Communists end their Civil War, and that the 21 million people of Taiwan are finally accepted by the international community as a free, democratic, and independent nation.*

## *Taiwan independence is good for China*

We make the argument here that Taiwan independence would be good for China, and that it would be helpful if policymakers and academics would convince the Chinese leadership that it is in China's own interest if they would accept peaceful coexistence with Taiwan as a friendly neighbor, instead of perpetuating an old Civil War.

Until now, the Chinese leaders in Beijing — and a number of Western policymakers and academics — have been rather paranoid about Taiwan independence. They either do not wish to discuss the issue in a fair and evenhanded manner, or hit the ceiling upon hearing the words.

As we have argued before, the Taiwanese were just as much — or even more — a victim of that Civil War when the Kuomintang moved its repressive regime to the island. The “February 28th Incident” of 1947, in which between 20,000 and 28,000 Taiwanese were murdered by the Chinese Nationalist troops, is a vivid proof of this fact. The Chinese should learn to distinguish between their old enemies (the Kuomintang) and their possible new friends and neighbors (the Taiwanese).

Coming to terms with the reality of a new and independent Taiwan would bring stability and new prosperity to East Asia. It would enhance trade, cultural and social exchanges between Taiwan and the coastal provinces of China, and would remove an old sore which the people on both sides have already long forgotten.

The latter point was illustrated quite clearly recently in interviews, conducted by **International Herald Tribune** writer Richard Halloran held in China during the first weeks of November 1997. In discussions with people on the streets of Beijing, he discovered little interest in Taiwan. The topic was hardly brought up. When he questioned people on their views, they made statements such as:

*“Let the Taiwanese decide for themselves what they want to do”, said a teacher in Shanghai.*

*A scholar from Beijing agreed: “Nobody really cares about Taiwan. They have too much else on their minds trying to get better jobs.”*

*“I’d like to see Taiwan become part of China,” said an intellectual, “but it’s not worth fighting over.”*

*“The Taiwan obsession isn’t for everyone”  
Richard Halloran, IHT, 28 November 1997.*

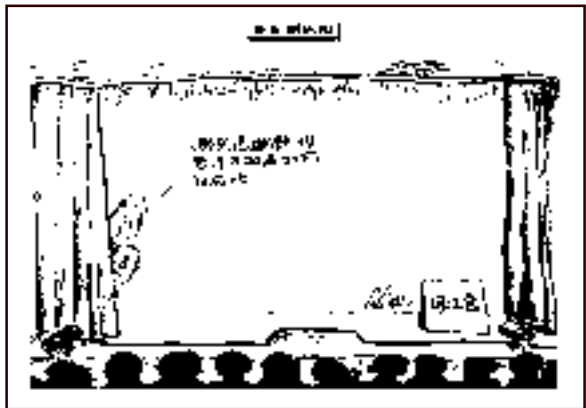
China can thus come to an accommodation with Taiwan in which it recognizes Taiwan and established diplomatic ties with the island, just like the United States and Canada live peacefully next to each other: who nowadays remembers the War of 1812 or the fact that in 1776 thousands in the American Colonies didn't want Independence and fled to the British-held territories in the North ?

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## The Jiang Zemin visit

The October 1997 visit of Chinese President Jiang Zemin was controversial at best. One of Mr. Clinton's main arguments for welcoming Jiang Zemin to Washington was that the West — and the US in particular — should not isolate China. We should “engage” China across a wide range of issues, and — with a bit of give and take here and there — attempt to pull China into the mainstream of the international community, so the argument goes.

On the surface, this sounds like a laudable goal, but the preliminary result was that the US did more giving (nuclear technology, see article titled “Selling weapons of mass destruction to Iran”, page 16) than taking: China made only a token gesture by releasing Wei Jinsheng two weeks after the visit, and didn't give an inch on human rights itself or any other issue, such as Tibet.



After the Bill Clinton - Jiang Zemin show:  
*"Why is nobody applauding?"*

Also, as was pointed out by New York Times columnist A.M. Rosenthal, the argument itself (“engagement” OR “isolation”) is a false one: One can “engage” China in a way that adheres much closer to the basic principles of human rights and democracy, and avoid the appeasement and whitewashing of China's repression (human rights, Tibet, East Turkestan), aggression (Taiwan) and transgressions (weapon and nuclear sales to Iran and Pakistan). See Mr. Rosenthal's column, titled “*A Special Foundation*”, **New York Times**, 31 October 1997.

## *Stop isolating Taiwan*

From the Taiwanese point of view, Mr. Clinton's argument of not wanting to isolate China sounds particularly shrill: he is embracing a repressive dictatorial regime in Beijing, while he is isolating a free and democratic nation, Taiwan.

The arguments for accepting Taiwan into the international community are considerably stronger than those for China:

1. The Taiwanese people have over the past 20 years achieved a vibrant democracy in spite of a repressive and dictatorial Chinese Nationalist KMT regime, and in spite of an anachronistic "One China" policy.
2. The Taiwanese live in peace with all their neighbors — except one: China, which tries to isolate it and subjects it to military aggression.
3. The Taiwanese have shown themselves willing to be a full and equal member of the international community. They are the world's fourteenth largest trading nation and in terms of population they rank 40th largest nation in the world, larger than threequarter of the member states in the UN. Still, it is being blocked by one — China.



**Getting the message through to Mr. Clinton**

***Taiwan Communiqué comment:*** *Our appeal to the international community is: do not “engage” China at the expense of a free and democratic Taiwan. Do not isolate Taiwan, but pull Taiwan into the international community as a full and equal member. This is the best guarantee for safety, security, and stability in East Asia.*

## *Mr. Clinton's VOA speech*

On 24 October 1997, President Clinton gave what was announced as a major policy speech on U.S.-China relations. It was in preparation of the visit of China's President Jiang Zemin to the United States during the last week of October 1997.



Below is the text of the response by the Taiwanese-American community. In a letter to President Clinton, the President of the Taiwanese Association of America, Mr. C.K. Kuo, wrote:

*Dear Mr. President:*

*On October 24th, you gave a China-policy speech at the Voice of America. In that speech you touched — among other issues — on the question of Taiwan's future. You stated:*

*“And I will reiterate to President Jiang America's continuing support for our one China policy, which has allowed democracy to flourish in Taiwan, and Taiwan's relationship with the PRC to grow more stable and prosper. The Taiwan question can only be settled by the Chinese themselves peacefully.”*

*As Taiwanese-Americans we take strong issue with your statement. It displays a distinct lack of understanding of two most elemental aspects of Taiwan's recent history and our identity:*

- \* Taiwan's progress towards democracy didn't have anything to do with U.S. “...continuing support for our one China policy”. Taiwan evolved towards a democratic political system because of the hard work of the people in the Taiwanese democratic movement, which had to overcome major resistance from the repressive Kuomintang regime (which clung to its anachronistic claim to governing all of China). In fact, the democratization process in Taiwan occurred in spite of the “One China” policy.*
- \* To say that the “...Taiwan question can only be solved by the Chinese themselves peacefully” is as ludicrous as saying that the United States question can only be settled by the British themselves. We Taiwanese have emphasized time and again that we aspire to be a full and equal member of the international community, based on our Taiwanese identity and culture. We are not going to let our future as a free and independent nation be dictated by the Chinese Communists.*

*Mr. Clinton, we Taiwanese-Americans strongly urge you not to let any improvement of relations with China take place at the expense of the 21 million people of Taiwan or their future as a free, democratic and independent country. Statements like the one in your VOA speech show that you have not really heard or understood us in the Taiwanese-American community yet.*

*(signed) C.K. Kuo, President, Taiwanese Association of America*

## *Taiwanese demonstrate against Jiang*

On Wednesday, 29 October 1997, nearly one thousand Taiwanese-Americans from all across the country converged on Washington, D.C. in protest against the red carpet treatment which Mr. Clinton was giving Chinese President Jiang Zemin. The gathering was organized by the Coalition for Taiwan Independence, an umbrella-group for some 20 Taiwanese-American organizations.

They first gathered at the Washington Monument on the Mall, where several speakers from the Taiwanese-American community and representatives from Taiwan appealed to President Clinton and the U.S. Congress to stand up for Taiwan's right to be a full and equal member of the international community.

The crowd then wound its way around the White House just after the Jiang-Clinton ceremony on the White House lawn took place, and got its message across to the guests leaving the ceremony. At Lafayette Park they met up with the Tibetans and Amnesty International supporters preparing for their own gathering, and passed by a group of Chinese human rights activists sitting next to the Old Executive Office Building. Along the way, they chanted "One Taiwan, One China" "China, hands off Taiwan", "China, out of Tibet" "Recognize Taiwan, Taiwan Independence" "Shame on China."



**In front of the White House**

## *Congressional support for Taiwan*

After further speeches and lunch at the National Monument, the crowd moved in a mile-long procession to Capitol Hill. They gathered on the steps of the U.S. Capitol Hill, overlooking the Mall, and in the distance the symbol of American independence, the Washington Monument.

There they heard speeches from a bipartisan group of Senators and Congressmen, among whom U.S. Senator Robert Torricelli (D-NJ), who urged the international community to accept Taiwan as a full and equal member. Congresswoman Linda Smith (R-WA) stated: "Taiwan is a friend, Taiwan is independent — we will not accept aggression of any kind against our friends."

Other speakers were Representatives Robert Andrews (D-NJ), Pete Sessions (R-TX), Sherrod Brown (D-OH), Peter Deutsch (D-FL), J.C. Watts (R-OK), and Sam Johnson (R-TX). In his eloquent statement on the steps of the U.S. Capitol, Congressman Sherrod Brown said the following:

"As we rally today on behalf of a free, democratic, and prosperous Taiwan, President Clinton is entertaining Jiang Zemin in the White House. This Chinese dictator is given red carpet treatment, while Taiwan's democratically-elected president, Lee Teng-hui, is officially shunned whenever he steps foot on U.S. soil.

Such actions are shameful, and contrary to America's interest. Taiwan is becoming increasingly important to the United States, economically, strategically, and politically. The country's democracy is a beacon of light and hope in East Asia.

***"The outdated and unrealistic policy of "One China" should be jettisoned, and Taiwanese membership in the United Nations supported."***

**Congressman Sherrod Brown**

Moreover, Taiwan is the eighth largest trading partner of the U.S., and has made great strides in the field of health care.

Taiwan should not be punished for these positive developments, but rather celebrated and encouraged. The outdated and unrealistic policy of "One China" should be jettisoned, and Taiwanese membership in the United Nations supported.

The U.N. charter proclaims the right of self-determination for peoples throughout the world. The citizens of Taiwan have been waiting far too long to exercise this right, and today I join you in declaring that the wait must end.

Therefore, the international community in general, and the United States in particular, should actively



**Sherrod Brown addressing Taiwanese-Americans**

assists Taiwan in exercising its universal right of self-determination by recognizing Taiwan's independent status and by pressing for its admission into various international organizations as a full participant. In a recent poll, nearly two-third of Americans agreed with this position.

Let us stand here today, then, and urge President Clinton to make clear to Jiang Zemin that the future of Taiwan should be determined by peaceful means, and that, unlike Hong Kong, whose populace had little to say in choosing their fate, no one has the right to decide Taiwan's future but its own people."

After the gathering at Capitol Hill, the Taiwanese-American crowd moved to the Chinese embassy on Connecticut Avenue to express their outrage to the Chinese representatives. They demanded that China leave Taiwan alone, and accept Taiwan as a free, democratic, and independent nation.

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## Taiwan in the Press

### *President Lee: "Taiwan is independent"*

In the beginning of November 1997, President Lee Teng-hui moved significantly closer to the "Taiwan is independent" position, traditionally taken by the democratic opposition. On Friday, 7 November 1997, in separate interviews with two major international newspapers, president Lee declared that Taiwan is "an independent, sovereign nation."

The first interview was given to **Washington Post** reporter Keith B. Richburg, and published by the Post in a frontpage article on Saturday, 8 November 1997 under the title: "*Leader asserts Taiwan is independent, sovereign.*"

The second interview was given to Jonathan Mirsky of the **London Times**, and published in the Times on Monday, 10 November 1997, in an article titled: "*President declares Taiwan free of Beijing.*"

The interviews generated considerable interest both internationally and in Taiwan itself: it is the first time that President Lee has expressed himself so openly in favor of

independence. The move also received support in the U.S. Congress: Representative Sherrod Brown (D-Ohio) wrote in a “dear Colleague” letter dated 12 November 1997:

*“I commend to your attention the attached article by Keith Richburg in this past Saturday’s Washington Post, entitled “Leader Asserts Taiwan is Independent, Sovereign”. In the story, Taiwanese President Lee Teng-hui states in no uncertain terms that his government and his people view their island nation as an independent entity.*

*The people of Taiwan have worked long and hard to establish a thriving democracy. The world should respect their views on the issue of self-determination, and if that wish is international recognition of Taiwan’s status as separate from China, then the United States, as the leader of the free world should support this position.”*

## ***The China problem***

At the end of October 1997, another interesting discussion took place surrounding the Taiwan / China issue: it was prompted by an article in the **Washington Post** by Steven Mufson, titled “*China eases stance on Taiwan*”, dated 23 October 1997.

The title of the article was deceptive and at odds with the facts. While the military exercises in March 1996 received most headlines in the US because of the presence of US warships, the Chinese in July 1997 held even larger exercises off the Northern coast of Taiwan (see “*China Navy Concludes War Games*”, **Associated Press**, 21 July 1997). The Post article conveniently overlooked this fact.

The article furthermore implied that Taiwan blossomed into a vibrant democracy due to the “One China” policy. The two are totally unrelated. Taiwan evolved into a democracy because of the hard work of the Taiwanese democratic opposition. This evolution actually took place *in spite of* the anachronistic “One China” policy.

The article also stated that Taiwan “...lost China’s seat in the UN”. This statement failed to distinguish between the repressive Kuomintang regime and the Taiwanese people. The KMT lost its “Republic of China” seat because it clung to the “One China” policy. The UN has not discussed yet how and when the people of Taiwan will be represented. This is to be resolved on the basis of the self-determination principle of the Charter of the UN.

Fourthly, President Lee Teng-hui in 1995 didn't "...almost destroy US-China relations". **China** did — helped along by the US State Department's bungling. Mr. Lee was invited to his alma mater Cornell after a 97-1 favorable vote in the US Senate.

Finally, it is incongruous to try to present the matter as the "Taiwan problem." China is the problem, because it stubbornly refuses to accept Taiwan as a friendly neighbor.

The Washington Post article evoked a series of letters to the editor from leading figures in the Taiwanese-American community. Below, we reprint one of them:

### ***The Problem is China, not Taiwan***

Washington Post, 7 November 1997

*In the news article "China Eases Stance on Taiwan" [Oct. 23], Steven Mufson quotes the head of the Association for Relations Across the Taiwan Strait, Tang Shubei, as saying "China and the U.S. would like to maintain the status quo, but the problem is Taiwan." Mr. Mufson also quotes Tang Shubei as saying "For the next two years, it won't be possible to solve this Taiwan problem."*

*It should be clear that there is no "Taiwan problem." China is the problem. And if China has a problem with Taiwan, our advice is: "Acknowledge reality!" Taiwan is not a Chinese "renegade province," it is a de facto independent democracy eager to join the international community as a full member.*

*Except for the brief period of 1887 to 1895, Taiwan has never been a part of China. It has always been ruled by European powers such as the Dutch, the Spanish and the Portuguese. And until the end of World War II, the island was a Japanese colony. Beijing's interest in Taiwan dates from the moment when the Communists kicked out the Nationalists in 1949 at the end of the Chinese civil war. Beijing should understand that the civil war is over. Even Mao Tse-tung told American journalist Edgar Snow (in Mr. Snow's book: "Red Star Over China") in 1936 that he would extend to Taiwan his "enthusiastic help" in its struggle for independence.*

*If Beijing would acknowledge the reality that Taiwan is a de facto independent country, the two countries could live next to each other as friendly neighbors, and both would benefit from this peaceful relationship and prosper.*

*F. Chung Fan, President, Formosan Association for Public Affairs*

# China's military threat

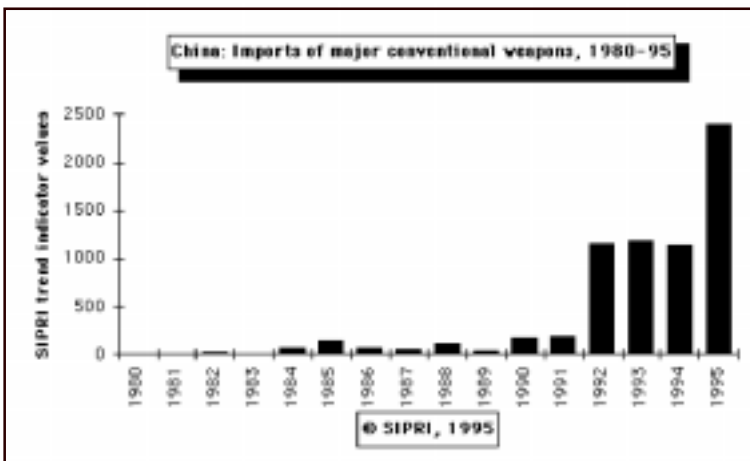
## *Heritage Foundation report*

In a Background paper dated 5 November 1997, the Washington DC-based **Heritage Foundation** presented an overview of how China is advancing its military modernization program by obtaining sophisticated Western weaponry and advance military technology. The paper, titled “How America’s friends are building China’s military power”, is available on the internet at <http://www.heritage.org>

The report gives an excellent summary of the various weapon systems which China has developed or is developing presently with assistance from other nations, not only Russia, but also in particular Israel, and to a lesser extent France and Great Britain.

The report emphasizes that a better US strategy than the present “laissez faire” one would be to:

1. sustain the US arms embargo against China — unless China peacefully settles its difference with Taiwan and actively controls the proliferation of dangerous military and nuclear technology,
2. wage an active campaign of public diplomacy to deter arms sales to China,
3. stress to China’s arms suppliers that a more powerful Chinese Peoples' Liberation Army could threaten peace in Asia as well as their own interests, and
4. maintain the deterrence capabilities of US forces in Asia.



According to the Stockholm-based **Stockholm International Peace Research Institute** (SIPRI), China's weapon purchases abroad have skyrocketed since 1992. On the previous page is a graph with SIPRI statistics. Further information can be obtained from its website in Sweden: <http://www.sipri.se>

## ***Selling weapons of mass destruction to Iran***

The "accord" between the United States and China on the occasion of Jiang Zemin's visit did cover nuclear technology: the US made available nuclear technology for advanced reactors to China, while China presumably agreed not to make available technology for a number of nuclear power projects in Iran.

What was fussed over by the Clinton Administration, was that China did not agree to stop or slow down its sales of missiles or technology for the manufacture of chemical and biological weapons to Iran. According to reports earlier in 1996 and 1997 by both the CIA and the US Office of Naval Intelligence, China was "a major conduit" for chemical and biological weapon technology to Iran. According to a 28 October 1997 article in the Washington Times, the reports termed China's supply to Iran "a steady flow of materials and technologies to one of the most active [weapons of mass destruction] programs in the world" ("*Nuclear Sales to China too chancy, foes insist*", **Washington Times**, 28 October 1997).

**Taiwan Communiqué comment:** *Firmer pledges from China on non-proliferation are needed before the US goes ahead with any sale of nuclear technology to China. Time and again during the past years, the Chinese made token pledges, and afterwards the US and others nations found out that these were broken or disregarded by the Chinese.*

*Secondly, the pledges only cover nuclear technology. China is also exporting other lethal weapons, including cruise missiles and chemical weapons to Iran. It is essential that those type of exports be stopped immediately. The United States has -- and should use -- the leverage to prevent the proliferation of these dangerous weapons to a region which is known for its instability.*

*We urge Congress to reject the nuclear technology accord, and insist that there are firmer guarantees that China stops the export of all weapons of mass destruction, and that it ends its military threats against Taiwan.*



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# The Cost of Trading with China

## *Economic Policy Institute Report*

At the end of October 1997, the Washington-based **Economic Policy Institute** issued a report on U.S. trade with China, and concluded that the mounting trade deficit (\$39.5 billion in 1996) had cost the United States more than 600,000 jobs in 1996, almost double the figure for 1989.

The report also gave a breakdown by sector, indicating that in apparel some 146,000 jobs were lost, 66,000 in toys, 60,000 in footwear, 58,000 in textiles, and 29,000 in consumer electronics.

However, the report also stated that current-year Department of Commerce statistics showed that Chinese exports were moving “up the product ladder”: While exports to the United States in apparel, toys, and footwear continued to grow rapidly, there was also a significant increase in high-end products, such as computer equipment and consumer electronic devices. The report suggested that the job-losses among higher-wage workers would increase significantly.

Copies of the report are available at the Economic Policy Institute (tel. 202-775-8810) or at its Internet website <http://www.epinet.org/#latest>

## *Forced Transfer of Technology*

It is also becoming increasingly clear that trading with China quickly leads to forced transfer of technology. In a recent article in the Washington Post, reporter Paul Blustein described how Chinese officials are pressuring over-eager Western businessmen to transfer essential technology (“*China plays rough: Invest and transfer technology, or no market access*”, **The Washington Post**, 25 October 1997).

The article describes how foreign firms seeking access to the Chinese market find themselves subjected to extraordinary demands by Chinese state planners to hand over valuable technology and job-generating investments, especially in sectors that Beijing views as strategically important, such as autos, aerospace, and electronics.

The article quotes an unidentified Clinton Administration official as saying:

*“It troubles me a lot. ... when it’s a matter of government policy, where the government of the country involved is saying that to sell here, you have to locate here, and give us technology — then I’m concerned. It’s blackmail.”*

The article also states that the US Semiconductor Industry Association has been raising an alarm about Chinese practices of extracting concessions from American chipmakers as part of a strategy of eventual displacement of the foreign firms with domestic manufacturers.

The article gives another example of the Dupont company, which started a joint venture with a Chinese company in the early 1990s to produce a rice herbicide called Londax. A couple of years later, Dupont found out that some 30 Chinese factories were cranking out herbicides, based on the Dupont proprietary process for Londax, which had been copied illegally.

The Chinese also continue to play politics with major purchases such as aircraft and establishment of automobile factories, and have refined their skills in playing out US and European interests against eachother.

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## **Environmental report**

### ***Taiwanese protest U.S.-China nuclear deal***

Thousands of Taiwanese marched through the streets of Taipei on Sunday, 26 October 1997, to voice their opposition to a planned nuclear station in Taiwan, and to the U.S.-China deal that will allow U.S. nuclear reactor sales to Beijing.

The protest coincided with the visit to the United States by China’s President Jiang Zemin. According to news reports, Washington and Beijing signed an agreement that would allow U.S. nuclear reactor sales to China.

“As the White House prepares to roll out the red carpet to welcome the Chinese leaders...to sell nuclear reactors and technology to China, we would like to call for the support of the international community to establish a nuclear-free Asia,” the organizers said in a statement. “We want to warn the two superpowers — China and the United States — that the Taiwan people’s interests cannot be sacrificed and the Asian people’s anti-nuclear determination cannot be challenged,” the statement said.

They chanted anti-nuclear cheers in front of the American Institute in Taiwan — Washington's unofficial representative office in the absence of formal diplomatic relations with the Kuomintang authorities.

Wearing yellow headbands that read "Reject the nuclear power plant to save Taiwan," the activists also protested at the Taiwan government's plan to build a controversial nuclear power station.

The Kuomintang authorities approved plans to build the US\$4.1 billion, 2,700-megawatt nuclear power plant,

Taiwan's fourth, in 1994 after six years of delays and protests following the 1986 Chernobyl nuclear disaster in the Soviet Union.



**Plenty of nuclear monuments in Taiwan**

State-run Taipower produces 21,900 megawatts of power annually, about 23.5 percent of which is generated by three nuclear power plants. Total output must rise to 36,000 megawatts by 2002 if power consumption is to keep pace with Taiwan's economic growth, officials have said.

However, environmental organizations argue that the authorities have done very little to promote energy conservation or alternative energy sources. They say that a natural gas or clean-coal power plant could be built at a fraction of the time or cost (see "Alternatives to Fourth Nuclear Plant Proposed", *Taiwan Communiqué*, no 60, pp. 19-21).

## ***Saving the Black-faced Spoonbill from extinction***

Along the Tsengwen River in the coastal areas of southern Taiwan, one of the rarest birds in the world, the Black-faced Spoonbill, spends its winter in the Tsengwen wetlands. During the stay, the Black-faced Spoonbill feed and prepare for migration in the spring. Although more than half of the remaining 650 birds winter in the

Tsengwen wetlands, the Kuomintang authorities have approved plans for an industrial complex that will consume almost half of the Black-faced Spoonbill's wintering habitat. This action will send the black-faced spoonbill into an extinction vortex as well as undermine the historic and thriving fishing and aquaculture industries which generate annual revenues of 3.2 million dollars.

The Spoonbill Action Voluntary Echo (SAVE) is a voluntary organization dedicated to an international plan to rescue the potential extinction of the black-faced spoonbill in southern coastal Taiwan. The main goal of this organization is to stop the government's approval of the plan for an industrial complex. Reknowned conservationist, David Brower, has agreed to Chair the committee.



**The black-faced spoonbill**

Over the past year, Professors Randy Hester and Marcia McNally from the University of California at Berkeley, and Professor John Liu from National Taiwan University, leading two groups respectively from the U.S. and Taiwan, have been working together to raise awareness of the serious potential impacts of this industrial complex among the Taiwanese people and the national government.

The effort seeks to promote an alternative plan for sustainable economic development proposed by students at the University of California at Berkeley and National Taiwan University (Sustainable Economic Development Plan for Tainan County Coastal Area, Department of Landscape Architecture and Environmental Planning, University of California at Berkeley, May 1997.)

More information can be obtained from SAVE's website:

**[http://www4.ced.berkeley.edu:8004/student\\_org/save/](http://www4.ced.berkeley.edu:8004/student_org/save/)**

or at its mailing address: Department of Landscape Architecture, 202 Wurster Hall, Berkeley, CA, 94720. Coordinator: Matthew Smeltzer phone: 510.528.8283, fax: 510.549.9431 and email: [m-smeltze@ced.berkeley.edu](mailto:m-smeltze@ced.berkeley.edu)

# Washington Report

## *Pro-Taiwan legislation passes House*

In a strong rebuke of Mr. Clinton's "carrots only" policy toward China, the U.S. House of Representatives in the beginning of November 1997 passed a package of nine bills. Most of these dealt with a variety of issues regarding China, such as human rights and China's arms exports to Iran, but two focused specifically on Taiwan:

1. House Resolution 190, introduced by Congressman Christopher Cox (R-CA), which calls for Taiwan's entry into the World Trade Organization (WTO) on its own merits, i.e. no political linkage with China's admission, and
2. House Resolution 2386, introduced by Congressman Duncan Hunter (R-CA), which calls for US assistance to Taiwan to defend itself against further Chinese missile attacks. The Bill was passed by an overwhelming majority of 301 to 116 votes.

An important part of the Bill was drafted by Congressman Peter Deutsch (D-FL), who introduced text to the effect that the future of Taiwan should be determined by peaceful means through a democratic process by the people in Taiwan themselves. The Bill also states that the United States should assist in the defense of Taiwan in case of threats or military attack by China against Taiwan.

The Bill directs the Secretary of Defense to study and report to Congress on the architecture requirements for the establishment and operation of a theater ballistic missile defense system

in the Asia-Pacific region capable of protecting Taiwan from ballistic missile attacks, and cooperative US measures which would provide Taiwan with an advanced local-area ballistic missile defense system.



**Congressman Peter Deutsch**

The Bill expresses the sense of the Congress that the President, upon the request of the Taiwan Government, and in accordance with such study results, should transfer to the Taiwan Government defense articles or services under the foreign military sales program of the Arms Export Control Act for the purpose of establishing and operating a local-area ballistic missile defense system to protect Taiwan and specified islands against limited ballistic missile attacks.

It also declares that it is in the U.S. national interest that Taiwan be included in any effort at ballistic missile defense cooperation, networking, or interoperability with friendly and allied nations in the Asia-Pacific region.

Finally, it expresses the sense of the Congress that the Clinton Administration should make clear to the People's Republic of China the firm commitment of the American people for security and democracy for the people of Taiwan, and that the United States fully expects the peaceful resolution of security issues on both sides of the Taiwan Strait.

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## Notes

### *Iceland's courage*

It seems these days that while large nations kowtow to China, small nations show that they can stand up to China: the latest example is Iceland. In mid-October 1997, the island's Prime Minister, David Oddsson, ignored Chinese protests and went ahead with a meeting with Taiwan's vice president Lien Chan.

Mr. Lien visited Iceland from October 6th — 11th and held meetings to discuss strengthening economic relations between Iceland and Taiwan.

Prime Minister Oddsson stated that China's reaction had been totally out of proportion. He told the Chinese ambassador that Iceland was an independent nation, and would not let other people decide with whom it could talk.

During his 12-day trip, Mr. Lien also visited Austria, but had to cancel a visit to Spain, after Spain succumbed to Chinese pressure.

***Taiwan Communiqué comment:** Iceland's courage stands out as an example to those nations, including the United States and most nations of Western Europe, whose leaders lack such courage, and who let their policies be dictated by China.*

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## ***Wrong flag for Lee Teng-hui in Honduras***

### ***ROC = Republic of Confusion***

As is well-known, the Kuomintang authorities on Taiwan still refer to their government as “Republic of China”, while the democratic opposition has long argued to discard this confusing and anachronistic name, and adopt “Taiwan” as the official name of the country.

How confusing the “Republic of China” name is to anyone not steeped in the KMT’s lingo, became apparent during President Lee Teng-hui’s September 1997 visit to Honduras, when the authorities there welcomed him with full-page greetings in local newspapers — adorned with the flag of Communist “People’s Republic of China” !!!

Honduras was the second stop on Lee’s four-nation Latin American tour, which aimed to boost Taiwan’s international standing and loosen a diplomatic embargo engineered by Beijing.

As newspapers in Tegucigalpa rectified this error in subsequent editions, one Tegucigalpa daily committed another by portraying Lee as being married to the wrong woman. Taiwan media cheekily reproduced a Welcome-to-Honduras advertisement, featuring a picture of “President Lee and First Lady.” But Taiwan’s first lady Tseng Wen-huei was nowhere to be seen. The “wife” was Yu-Chen Yue-ying, the former DPP opposition magistrate of southern Kaohsiung county.

***Taiwan Communiqué comment:** While the display of communist China’s red five-star flag was a most embarrassing error for Lee and his entourage, it was clearly the result of the perpetuation of the Kuomintang’s own outdated policies. It is time for Taiwan to call itself “Taiwan”, and for the international community to accept it as a full member.*

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