THE BROOKINGS INSTITUTION 5 on 45: The Trump administration's chaotic Taiwan policy May 16, 2018

CONTRIBUTORS:

ADRIANNA PITA

RICHARD C. BUSH Michael H. Armacost Chair Chen-Fu and Cecilia Yen Koo Chair in Taiwan Studies Co-Director, Center for East Asia Policy Studies Senior Fellow, Foreign Policy and the John L. Thornton China Center

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PITA: You're listening to 5 on 45 from the Brookings Podcast Network, analysis and commentary from Brookings experts on today's news regarding the Trump Administration.

BUSH: This is Richard Bush. I'm in the Foreign Policy program at Brookings. I direct the Center for East Asia Policy Studies. My subject today is the Trump administration's policy regarding Taiwan.

All administrations since 1979 have followed the framework of the Taiwan Relations Act but each administration crafts policy in its own way. The Trump administration is no exception. Three things are going on. First, Trump administration policy is actually a combination of three different and conflicting tendencies. Second, the contradictions in U.S. policy reflect both conceptual confusion and a serious dysfunction in the making and implementation of policy. Third, muddled American policy undermines Taiwan's ability to cope with continual pressure from China.

So, to my first point, the divergent character of administration policy. To be fair, there's always been a degree of divergence and confusion flowing from different agency interests but the situation in the Trump administration goes far beyond that. One policy tendency is to regard Taiwan as a strategic asset in America's contest for power with China. That follows naturally from the assessment of China's intentions that you find in some policy documents—that China is a revisionist power that wants to drive the United States from East Asia. If the United States is to oppose that trend, logically, we should strengthen relations with Taiwan in all respects and help it resist Chinese pressure. The Defense Department, the State Department, and Taiwan's supporters in Congress are advocates of this approach. Note that if this approach is to be effective the administration needs to take steps that are truly effective in inducing restraint by China and in boosting Taiwan's confidence in an enduring way. Transient, symbolic gestures are not enough.

The second tendency in the administration's U.S. policy focus is solely on U.S.-Taiwan economic relations. The Trump administration has refused to open negotiations on matters of interest to Taiwan—such as a free trade agreement or an investment agreement—until Taiwan makes good on its prior commitments regarding market access for beef and pork. Taiwan should carry out these commitments, but Taiwan pork farmers are a key political force on the island. There's no reason to insist that the Taiwan government make politically difficult concessions before we talk about what are much more important issues. Also worthy of note, because Taiwan companies have operations in China they would suffer if there is actually a trade war between China and the United States.

The administration's third policy tendency is to treat Taiwan as a bargaining chip in the conduct of relations with China. That is, the United States might sacrifice Taiwan's interests in order to get concessions from China on matters of importance to us. Trade and North Korea are two examples of such issues. A variant of this approach is that Washington should refrain from taking positive steps towards Taiwan out of fear that they would make China unhappy and cause it not to cooperate with us on issues like North Korea. President Trump appears to be the main advocate of this approach. Those are the three tendencies.

Turning to my second point, why do we see these divergent and conflicting approaches? The first reason is a conceptual failure. The administration has not defined our national interests concerning Taiwan in a coherent and strategic way or determined what part of the policy is more important than others. Indeed, the three policy tendencies are mutually contradictory. If Taiwan's truly a strategic asset then Washington should not sacrifice its interests or use it as a bargaining chip. And instead of playing hardball on trade issues, it should work to help strengthen Taiwan's economy by improving our economic relationship.

The second reason is the breakdown in the system by which the administration makes and implements decisions. If different agencies prefer different policy tendencies the only way to set priorities in a coherent way and to ensure effective implementation is through institutionalized and integrative policy processes. Such processes existed under previous administrations. They are missing now.

Finally, my third point, why does confused U.S. policy hurt Taiwan? When Taiwan's current president Tsai Ing-wen came into office, China refused to continue the government to government relationship it had with the previous administration unless president Tsai agreed to its tough preconditions. Tsai refused for understandable reasons and since then China has taken a number of diplomatic, political, and military actions that essentially punish her administration and undermine her political support. China's actions have been incremental and somewhat measured but they still have an impact.

Now in meeting this challenge, Taiwan should be able to rely on the strong support of the United States. Some in the administration would like to provide it, hopefully in an effective and sustained way. But when other elements of the administration refuse to help strengthen Taiwan economically, and worse, defer to China's wishes in conducting our policy, that undercuts Taiwan. It's also contrary to American interests.

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