

# WebMemo



Published by The Heritage Foundation

No. 1243  
October 31, 2006

## Grim Future for Taiwan's Defenses

*Michael A. Needham and John Tkacik*

Last week Stephen Young, America's *de facto* ambassador in Taipei, Taiwan, held his first substantive press conference with Taiwan's media to deliver the most recent iteration of the Bush Administration's "Taiwan Policy." Ambassador Young made it clear that he was speaking authoritatively on behalf of the Administration, having just returned to Taipei from consultations in Washington. The sobering presentation foreboded the future of Taiwan's relationship with the United States.

The good news is that Washington believes democracy is one of "Taiwan's greatest exports" and something that Taiwan's "friends in the United States and around the world are also very, very impressed by." Young also lauded strong trade ties between the U.S. and Taiwan. Taiwan is America's eighth largest trading partner, he said, and "our sixth largest agricultural trading partner," with bilateral trade in 2006 expected to exceed \$60 billion. He acknowledged that a U.S.-Taiwan free trade agreement "is not off the table" although the timing is difficult due to the expiry of Trade Promotion Authority legislation next year.

The bad news is the "considerable concern among policymakers" in Washington over Taiwan's failure to pass a robust defense budget to fund new defense systems. Taiwan first called for these systems in the 1990s, and President Bush approved them in April 2001. In the intervening five years, Taiwan's defenses have declined while "the PRC's [People's Republic of China's] robust military modernization process over the last decade. . . contin-

ues, and the gap between the capabilities of the PRC and Taiwan grows."

Ambassador Young brought a blunt message from the Bush Administration: Taiwan's lawmakers "need" to pass a "robust defense budget" in the current legislative session. The United States is not concerned about specific systems but is concerned by the general malaise among Taiwan's political parties concerning the island's defenses. Taiwan's defenses are collapsing while China's are expanding at breathtaking speed.

Unless the United States and Taiwan can revive their defense cooperation, the next U.S. president will have to "take into account the views of the PRC" when considering U.S. support for Taiwan's defense modernization, Ambassador Young warned. "[T]he United States wants to support Taiwan's defensive needs not because we want to alienate you from your neighbor across the Taiwan Strait, but because we believe a strong and self-confident Taiwan can hold discussions on a variety of issues with China from a position of strength and self-confidence," he said.

The refusal of Taiwan's legislature to move ahead with the arms package is a leading indicator of

This paper, in its entirety, can be found at:  
[www.heritage.org/research/AsiaandthePacific/wm1243.cfm](http://www.heritage.org/research/AsiaandthePacific/wm1243.cfm)

Produced by the Asian Studies Center

Published by The Heritage Foundation  
214 Massachusetts Avenue, NE  
Washington, DC 20002-4999  
(202) 546-4400 • [heritage.org](http://heritage.org)

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

where Taiwan's politicians see Taiwan's future. There is little sense in America's continued support of Taiwan's defenses if Taiwan has no intention of using them to deter attack by the Chinese. Washington is increasingly alarmed that Taiwan's politicians—wittingly or unwittingly—are shifting responsibility for their island's defense from Taipei to Beijing, thus jeopardizing the integrity of U.S. defense technology that has already been transferred to Taiwan.

Top officials in Taiwan's biggest opposition party, the "Kuomintang" (Chinese Nationalist Party, also known as the KMT), which controls the national legislature, purport to have the nation's security at heart. They appear, however, to be doing all they can to undermine it. Central to Taiwan's defense strategy are anti-submarine hunter-seeker aircraft, diesel-electric submarines, and an advanced Patriot ballistic missile defense system. In October 2005, the KMT blocked the \$16 billion budget for these three systems on account of the cost. The Ministry of Defense cut \$5 billion, but when the new \$11 billion budget request came up, the legislature's Procedures Committee still refused to move the bill to the Defense Committee.

Our own concerns are deepened by repeated promises month after month, year after year, from the KMT that its legislators would move forward on the budget—and imminently. We were personally reassured, again, at the beginning of September that action on a key "supplemental defense budget" would be on the agenda in the fall legislative session.

Without a firm commitment to Taiwan's defenses, Taiwanese leaders must understand that their relationship with Beijing becomes one that places exclusive reliance on Beijing's good will. In any future dialogue between Taipei and Beijing on Taiwan, Taiwan's representatives will be negotiating from a position of weakness. Any "interim agree-

ment" that supposedly puts off "independence" in return for Beijing's guarantee of "no military attack" risks creating an environment where Taiwan's defense needs are taken for granted to the point of unilateral disarmament—while Beijing, of course, continues its military expansion. Any Taiwanese deal that calls for Beijing to remove its 820 ballistic missiles aimed at Taiwan will be undermined because those missiles are all road-mobile and can be returned to the Taiwan Strait just as easily as they were removed.

A defenseless Taiwan has only one future in the long-run: a "Special Administrative Region" of the People's Republic of China. Accordingly, Ambassador Young pleaded with Taiwan's legislators to consider their country's future beyond the current political turmoil that has paralyzed Taiwan's defenses to date.

### What the Bush Administration Should Do

- While continuing to jawbone Taiwan's current defense acquisition package, the Administration should respond to Taiwan's request for pricing and acquisition data for the F-16C/D, follow-on to the F-16 A/B, on a one-to-one replacement basis. That is, the pricing and acquisition data should be per unit.
- The Pentagon must consult with Taiwan on supplementing its "defensive strategy" with weapons systems of a "limited offensive capacity" such as JDAMs<sup>1</sup>, cruise missiles, HARMs<sup>2</sup>, and submarine-launched Harpoons.<sup>3</sup>
- Ambassador Young should continue his public dialogue with Taiwan's anti-defense legislators to determine whether their objections to defense spending are purely fiscal, grounded in spite against President Chen, or ultimately based on a desire for Taiwan's unification with China. These legislators must weigh their anti-

1. Joint Direct Attack Munition (JDAM) is a strap-on inertial navigation system/global positioning system guidance tailkit that gives high accuracy, all-weather, autonomous, conventional bombing capability to general purpose bombs.
2. AGM-88 HARM (high-speed antiradiation missile) is a supersonic air-to-surface tactical missile designed to seek and destroy enemy radar-equipped air defense systems.
3. The AGM-84D Harpoon "SLAM" (Stand-Off Land Attack Missile) is a submarine-launched missile fired from torpedo tubes. For more detailed descriptions of these munitions see the Federation of American Scientists Web site at [www.fas.org/man/index.html](http://www.fas.org/man/index.html).

defense positions against the value of a continued security relationship with the U.S.

### **What Taiwan Must Do**

- The legislature must pass the 2006 supplemental budget immediately via the Procedures and Defense Committees, full funding for the anti-submarine warfare systems (P-3 Orion aircraft), and funding of Taiwan's submarine designs in the FY 2007 regular budget.
- The Ministry of Defense must review the effect of the January 2006 decision to curtail compulsory military service to 16 months on readiness and public perceptions of defense needs.
- Taiwan must examine its options for negotiating its future with China in the absence of a robust defense capacity.

*Michael A. Needham is Director of, and John J. Tkacik, Jr., is Senior Research Fellow in China Policy in, the Asian Studies Center at The Heritage Foundation.*