



No. 132

August 24, 1994

TAIWAN SHOULD BE ALLOWED TO JOIN THE WORLD COMMUNITY

INTRODUCTION

The Republic of China on Taiwan (ROC) could qualify easily for membership in numerous international organizations. It is a functioning multiparty democracy with a 1993 gross national product of over \$220 billion. It has foreign exchange reserves of over \$85 billion and a per capita income of \$10,000 for its 21 million people.¹ The ROC's democratic system is similar to that of other developed countries, and it has scrupulously observed and upheld United Nations standards of human rights, education, and international behavior. The ROC also has consistently offered its technical advice and financial assistance to various international agencies and developing countries.

Yet Taiwan is not a member of key international organizations. The United Nations, the International Monetary Fund (IMF), the World Bank, and the General Agreement on Tariffs and Trade (GATT) have kept their doors closed to Taiwan.² It is officially recognized by only 29 countries, generally small developing nations, many of which are dependent on Taiwan for aid. Despite long-standing political and economic ties to the United States, it enjoys only unofficial relations with its former Cold War ally.

The U.S.-Taiwan relationship, established by the Taiwan Relations Act (TRA) in 1979, has sustained the ROC's economic growth and security since the U.S. de-recognition of Taiwan as the government of all China and the establishment of U.S. diplomatic relations with the People's Republic of China in 1979.³ The ROC has worked to better

- 1 United States Department of Commerce, *Taiwan: Fact Sheet*, 1994. See also, Richard D. Fisher, Jr., and John T. Dori, *U.S. and Asia Statistical Handbook*, 1994 Edition (Washington, D.C.: The Heritage Foundation, 1994).
- 2 The ROC was expelled from the United Nations in October 1971, from the IMF in April 1980, and from the World Bank in May 1980. The ROC had been an observer to the GATT from 1965 to 1971 but was ejected when the PRC was admitted to the U.N. in 1971.
- 3 "The Taiwan Relations Act," Public Law 96-8, April 10, 1979. The TRA set the framework for U.S.-ROC relations

the economic relationship by trying to reduce, or at least to hold steady, its persistent trade surplus with the United States. Market access agreements were crafted, and the ROC pledged to phase out controls that were skewing the bilateral trade balance by keeping the New Taiwan Dollar's value down against the U.S. dollar.

The economic relationship continued to expand throughout the 1980s, culminating in President George Bush's decision to dispatch U.S. Trade Representative Carla Hills to Taipei to open trade talks and urge greater American access to major Taiwanese infrastructure projects. By sending a cabinet-level official, the White House conveyed a clear and powerful message that the U.S. wanted to participate in Taiwan's economic development and redefine the bilateral relationship. The Hills visit marked a new maturity in the relationship.

At the same time, Presidents Ronald Reagan and George Bush worked to bolster the ROC's defensive posture in proportion to the mainland's growing military capabilities. In 1992 President Bush decided to sell Taiwan 150 F-16 fighter aircraft in response to the Chinese purchase of SU-27 fighter jets from Russia.

The ever-expanding economic ties between the United States and Taiwan require an expansion of Washington's relationship with Taipei. Redefining the relations between Taiwan and the U.S. would not change the existing relationship between the U.S. and PRC because it would not challenge the PRC's position as the one government of China or move to replace it in international organizations. It would indicate to Beijing, however, that the U.S. continues to expect a peaceful unification between the PRC and Taiwan and will maintain relations with both sides until this outcome is reached.

In redefining the relationship, the U.S. must recognize that a new political climate exists on Taiwan. In order to communicate any American policy shift effectively, the U.S. must have contact with the all segments of the ROC government—not just the ruling Kuomintang (KMT) party. Taiwan is, after all, a growing democracy, and ignoring those outside the current ruling party could hamper U.S. influence and prestige in the future. Direct communication with the opposition would not weaken Washington's one-China position; it would further legitimize Taiwan's democratic progress.

For its part, the KMT government's failure to pursue more aggressive efforts to advance Taiwan's international standing contributed to its loss of ground to a vocal opposition which advocates Taiwanese independence. The status quo in U.S.-Taiwan relations also gave the opposition a political pretext for criticism of the KMT-led government. The independence movement derives support from the mainland's campaign to prevent Taiwan from participating in the international community. Accordingly, the opposition feels that present KMT one-China strategy should be discarded in favor of formal independence.

The Taiwan independence movement, although supported by a relatively small segment of the population, threatens to shatter the uneasy peace between Taiwan and the PRC. Beijing continues to assert its right to reunify Taiwan by force if necessary and maintains that a declaration of Taiwan independence would be justification for an armed

after the switch of official U.S. relations to the PRC in 1979.

response. Beijing's refusal to renounce the use of force puts the democratic government on Taiwan in danger. A clearly defined and effectively communicated U.S. policy toward Taiwan will reassure both Taipei and Beijing of Washington's commitment to a one-China policy and serve to ease suspicions between the two sides. Thus, President Clinton should:

- ✓ **Support** Taiwan's efforts to participate in the United Nations system.
- ✓ **Conduct** cabinet-level economic and educational exchanges with Taiwan.
- ✓ **Support** membership by Taiwan in the General Agreement on Tariffs and Trade (GATT).
- ✓ **Support** the People's Republic of China's entry into the GATT.
- ✓ **Allow** Taiwan to purchase U.S. military equipment as needed to maintain deterrence against the mainland.
- ✓ **Permit** U.S. representatives to hold direct meetings in government offices with their Taiwanese counterparts.
- ✓ **Support** Taiwan's participation in such international economic organizations as the International Monetary Fund (IMF), the World Bank, and the Organization for Economic Cooperation and Development (OECD).
- ✓ **Allow** the ROC to change the name of its representative offices in the U.S. to "Taipei Economic and Cultural Office."
- ✓ **Increase** U.S. contacts with Taiwan's opposition parties.

THE REPUBLIC OF CHINA TODAY

The Republic of China on Taiwan (ROC) developed from a poor, agriculture-based economy with per-capita income below \$50 in 1950 to a robust, export-driven system with an average income of over \$10,000 in 1993.⁴ Now ranked as one of Asia's "four tigers," the ROC is a modern economic powerhouse with close ties to the U.S. economy. Currently, the United States is Taiwan's largest foreign investor and trading partner, buying 25 percent of the island's total exports.⁵ In fact, Taiwan is now the sixth-largest trading partner of the U.S., close behind Germany and the United Kingdom. It is the thirteenth-largest trader in the world, with foreign exchange reserves of over \$85 billion.⁶

The economic miracle is only part of Taiwan's success story. The ROC also has evolved into the first truly democratic system in China's 3,000-year history. The leaders of Taiwan have engineered a virtually bloodless political transformation from authoritar-

4 *Taiwan: Fact Sheet*, 1994.

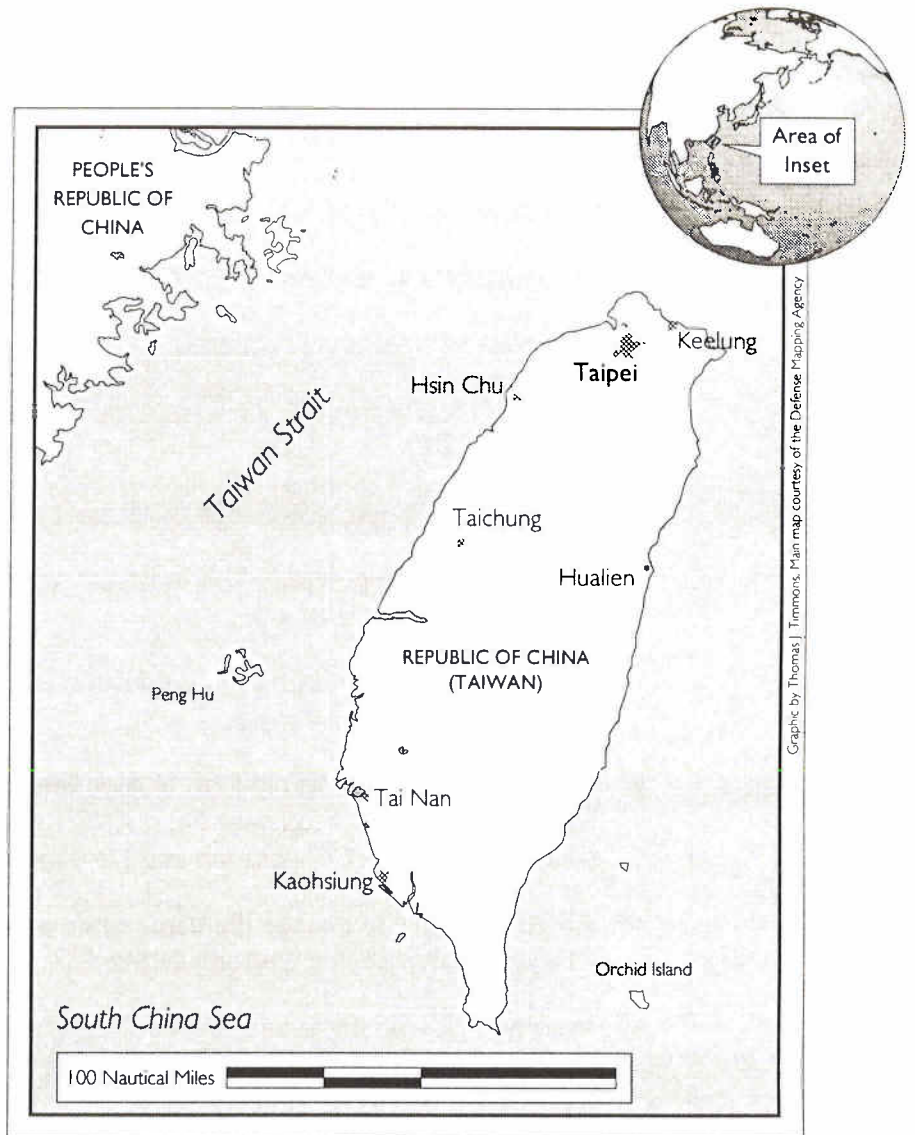
5 Bob Sutter, "Taiwan: Recent Developments and U.S. Policy Choices," *CRS Issue Brief*, updated May 26, 1994, p. 1.

6 *Taiwan: Fact Sheet*, 1994.

ian rule to a working democracy with legalized opposition parties and a vociferously free press.

In 1987, President Chiang Chingkuo ended the state of emergency under which the Kuomintang had governed since 1948. He also eased restrictions on Taiwan's newspapers and was the first to allow ROC residents to visit the mainland. The political atmosphere has grown even more open in the last six years under the leadership of President Lee Teng-hui, the first native-born Taiwanese to hold that office. The KMT remains the ruling party with an increasing membership of native Taiwanese.

The KMT received about 53 percent of the vote in December 1992's Legislative Yuan elections. This election was the first Legislative election following the 1991 retirement of senior lawmakers first elected on the Chinese mainland in the 1940s. Since this historic election, the political scene in Taiwan has been in flux, with a decidedly more Taiwanese content. The KMT's dominance in local politics also continues, although it has been weakened by factional in-fighting and the growing popularity of the largest opposition party, the Democratic Progressive Party (DPP). The KMT retained a majority of the seats in February 1994's mayoral and council elections, losing ground mainly to independent candidates who split from the KMT rather than to the DPP.⁷



7 Jeremy Mark, "Taiwan's KMT Solidifies Dominance With Strong Showing in Local Elections," *The Asian Wall Street Journal Weekly*, February 7, 1994, p. 3.

THE U.S.-ROC RELATIONSHIP UNDER CLINTON

The ROC government and people of Taiwan have long been friends of the United States. Yet, in April 1994, only days after signing into law the 1994 Foreign Affairs Authorization Act, which recommended upgrading U.S. ties to Taiwan, Bill Clinton refused ROC President Lee Teng-hui's request to stay overnight in Hawaii on his way to visit Central America.⁸ Instead, to avoid angering the People's Republic of China, President Lee was allowed only a 90-minute refueling stop.⁹ On May 16, 1994, the State Department followed this shoddy treatment of Taiwan's President with a statement that the Foreign Relations Authorizations law would not change U.S. policy regarding Taiwan.

Such political slights could affect the efforts of U.S. businesses to take part in the ROC's ongoing \$300 billion infrastructure development project. Taiwan's extraordinary economic growth in the past decade is proof that a free enterprise market system is the best growth strategy for developing countries and offers a model for reform on the mainland. But despite the ROC's adoption of a new copyright law, an export monitoring system designed to intercept pirated goods before shipment, and new environmental protection laws, last year the U.S. slapped Taiwan with trade sanctions. This April, sanctions were imposed on certain Taiwanese exports to the U.S. in retaliation for the illegal trade in rare animal parts used in traditional Chinese medicines on Taiwan and the mainland.¹⁰

More damaging to Taiwan's prestige and its attempt to become a founding member of the World Trade Organization (WTO)¹¹ was the recent decision by the Clinton Administration to continue the investigation, initiated in May 1993, into the ROC's intellectual property rights (IPR) abuses.¹² In contrast, it was not until June 30, 1994, that the U.S. notified the PRC that it had been placed on the United States Trade Representative's list of "priority countries" accused of violating IPR agreements with the U.S.¹³

AMERICAN GOALS IN ASIA

American economic and political interests in Asia are served by stability in the Taiwan Straits. President Clinton should fashion a policy that supports Taiwan's effort to enhance its international standing. Failure to do so could weaken those in Taiwan who favor eventual reunification with the mainland and strengthen those who seek an independent Taiwan. The PRC has stated repeatedly that it will not tolerate the establishment of an openly independent government on Taiwan. It is therefore in the U.S. interest that President Clinton enhance the ROC's international standing while bypassing the quarrelsome issue of identity and politics that embitters the PRC-ROC relationship.

8 Foreign Relations Authorization Act, Fiscal Year 1994 and 1995, issued April 25, 1994.

9 Julian Baum, "Fast Friends," *Far Eastern Economic Review*, June 9, 1994, p. 18.

10 Tom Kenworthy, "President Imposes Sanctions on Taiwan," *The Washington Post*, April 12, 1994, p. C1.

11 The World Trade Organization will replace the GATT in 1995.

12 Susumu Awanohara, "Friends Like These," *Far Eastern Economic Review*, May 13, 1993, p. 74.

13 Thomas L. Friedman, "China Faces U.S. Sanctions in Electronic Copyright Piracy," *The New York Times*, July 1, 1994, p. D2.

The U.S. should maintain its commitment to a one-China policy as enunciated in the 1979 Normalization Communiqué with the PRC.¹⁴ Creating a new U.S. policy that deals both with the growing discontent among Taiwanese over their international standing and with the sensitivities of the PRC will pose a major challenge to American diplomacy.

Yet it is a challenge that should be met. Taiwan can become a productive member of many international organizations. It could become one of the main architects of a policy to renew and revitalize the World Bank and IMF, discussed at the recent G-7 meeting, by being both a model and a willing financier for market-led development.¹⁵ The current government of Taiwan is committed to economic development and political liberalization in Asia and is a model for economic and political reform on the mainland. It also is committed to eventual reunification with the mainland. All of these are in the interest of the United States.

Given Asia's skyrocketing growth, a main goal of the U.S. should be to encourage U.S. businesses to expand operations in the region. Countries that promote free trade and eliminate trade barriers offer promising opportunities for U.S. business. Taiwan fits this pattern. It has opened its economy to foreign investment and, with its own investment and advice, is a major driving force in economic expansion in Southeast Asia. It is also actively engaged in promoting freer trade in the Asia Pacific Economic Cooperation (APEC) forum.

Perhaps of greatest long-term significance is Taiwan's role in assisting in the development of an entrepreneurial class in the PRC. As an entrepreneurial class grows on the mainland, its values and influence will continue to erode the Communist Party's hold on the economic and political life of the country. Increasing the American presence in both Taiwan and the PRC chips away at barriers created to block foreign influence and advancement in both systems. The U.S. can play a key role in this process by enhancing its engagement with the ROC.

Taiwan's ability to expand relations with the PRC is linked directly to the ROC's position in the international community. Although the ROC currently maintains full diplomatic relations with only 29 nations, a program of pragmatic diplomacy, or substantive relations without diplomatic recognition, begun in 1991 has increased Taiwan's international presence. Taiwan now has over 90 representatives in over 60 countries with which it does not maintain diplomatic relations. This flexibility has strengthened the ROC's position in the international community and bolstered its position *vis-a-vis* the Chinese mainland in their bilateral talks.

Under the aegis of pragmatic diplomacy, Taiwan in 1991 took the first steps toward establishing contacts with the mainland by setting up the Straits Exchange Foundation (SEF), charged with managing the growing Taiwanese tourism and investment pouring into the PRC. The benefit of a more stable and interactive relationship was not lost on the PRC; later that same year, Beijing responded by establishing the Association for Relations Across the Taiwan Straits (ARATS).

14 U.S. Department of State *Bulletin*, Vol. 79 (1979), p. 2,022.

15 Hobart Rowen, "Pledging a Stronger G-7," *The Washington Post*, July 14, 1994, p. A23.

ADVANCING AMERICAN GOALS

To advance American goals, Congress took steps this year to improve ties with the people of Taiwan and their democratically elected government. The 1994 Foreign Relations Authorization Act contains provisions for upgrading relations with the ROC, advocating high-level visits with Taiwan, and supporting Taiwan's entry into "multilateral organizations to which the United States is also a member."¹⁶ A variety of bills have also been introduced in the House of Representatives and the Senate, as well as in several state legislatures, voicing support for Taiwan's participation in various international organizations, advocating an end to the limitations on U.S. arms sales to Taiwan established by the August 1982 Communiqué with the PRC, and calling for cabinet-level exchanges with Taiwan.¹⁷ In fact, as of June 1994, thirteen U.S. state legislatures had passed resolutions supporting the ROC's United Nations bid.

Dealing with Beijing. Opponents of such legislation assert that the U.S. needs to maintain the status quo in Asia. They argue that the U.S. should avoid jeopardizing relations with the PRC so quickly on the heels of the contentious most-favored-nation debate. Their concern is that China will react adversely to any improvement in U.S.-ROC relations, possibly complicating resolution of the North Korean nuclear crisis, bilateral trade negotiations, and proliferation issues.

This argument ignores the fact that current U.S. policy toward the PRC and Taiwan no longer serves American interests. The U.S. simply cannot allow the PRC to dictate American policy toward Taiwan. The PRC's threats of economic retaliation against U.S. businesses operating in China merely serve to emphasize that this is a regime which follows codes of international conduct only when it suits its own narrow political ends.

President Clinton must not kowtow in the face of PRC pressure and threats on this issue. He must privately, but firmly, convey to Beijing both his commitment to a one-China policy and his determination to upgrade relations with Taiwan. He also should communicate that access to the U.S. consumer market is a key factor behind the PRC's economic growth; it now relies on the U.S. for a full 35 percent of its annual exports. Upgraded relations with the ROC would bring U.S. policy into line with the reality and importance of Taiwan's economically and politically vibrant society.

Many Asian nations already have initiated more direct contact and improved their overall relations with the ROC; and over the past several years, President Lee Teng-hui has visited South Africa, Thailand, Indonesia, and Malaysia under the guise of "vacation diplomacy." Although most of these host countries maintain close ties to Beijing, none has suffered serious repercussions for its relations with the PRC. Even in Taiwan itself, where the effects of the PRC's isolation tactics are felt most keenly, government officials have continued their efforts to expand Taiwan's international presence. Bolstered by Taiwan's growing international acceptance, ROC President Lee forcefully and publicly refuted Chinese explanations of the April 1994 murder of 24 Taiwanese tourists at

¹⁶ Foreign Relations Authorization Act, p. 87, sec. 508.

¹⁷ U.S. Senate Resolution 148-Relative to Taiwan, passed by unanimous consent on Senate Floor June 10, 1994.

China's Qiandao lake, with the end result of an expanded investigation and apology from Beijing.¹⁸

Taiwan's ability to enhance its international standing, however, will be limited if the ROC is forced to depend on its present international support, which consists mainly of Southeast Asian and Latin American countries intent on attracting aid projects from the ROC. In the long run, this sort of support will not be enough to allow Taiwan's participation in international organizations. The key factor is American support. The recommendations of an inter-agency review of Taiwan policy remain on President Clinton's desk, but it is uncertain whether the Administration will act to implement its various proposals.

To be effective, the review of U.S. policy toward Taiwan should:

✓ **Support Taiwan's efforts to participate in the United Nations system.**

Taiwan's participation would benefit the U.N. system, in part because the ROC is a large, prosperous democracy with values similar to those espoused in the U.N. Charter. It would allow Taiwan to develop contacts with other member countries and foster expanded foreign assistance programs. Participation by the ROC also would more accurately represent the post-Cold War international climate.

The ROC reacted to the post-Cold War climate in 1991 by ceasing to proclaim publicly its right to represent all of China. Beijing, which has not exercised control over Taiwan since the end of the Chinese civil war on the mainland in 1949, has yet to show similar good faith by declaring its intent to settle the issue of reunification in a peaceful manner.

Taiwan's positive impact on the U.N. system would be felt immediately. Its ability and willingness to support U.N. programs financially and to provide first-hand development assistance would be valuable assets. When Taiwan was expelled from the U.N. in 1971, it bore a full 4 percent of that institution's budget; the PRC pays just 0.077 percent today. Finally, participation in the U.N. system would underscore international acceptance of the ROC's many accomplishments, thus slowing demands for independence and easing tensions with the mainland. Dual participation, albeit with some inequality of representation, could provide Taiwan and Beijing with a forum for informal contacts and talks.

✓ **Conduct cabinet-level economic and educational exchanges with Taiwan.**

The ROC is America's sixth-largest trading partner, with a bilateral trade surplus of over \$8.8 billion in 1993.¹⁹ Each year thousands of Taiwanese exchange students study in the U.S., and a growing number of Americans make Taiwan their place of business or study. However, the restrictions placed on U.S. diplomatic contact with the ROC imply that the relationship is unimportant and further complicate practical difficulties in resolving disputes. Cabinet-level exchanges would facilitate resolution

18 Jeremy Mark, "In Response to Suspicious Deaths of Tourists, Taiwan Will Ban Visits by Tour Groups to China," *A Supplement to The Asian Wall Street Journal Weekly*, April 18, 1994, p. 13B.

19 United States Department of Commerce, ITA, Taiwan: *Key Issues*, 1994.

of disputes on issues like intellectual property protection and enhance cooperation on issues like international narcotics control.

✓ **Support membership by Taiwan in the General Agreement on Tariffs and Trade (GATT).**

The ROC applied for membership in the GATT in January 1990. In September 1992, the GATT ruling council set up a working party to handle the issue of Taiwan's accession to the trade agreement under the name "Chinese Taipei." The U.S. could deal more effectively with such issues as the trade imbalance, intellectual property rights, and industry protection were Taiwan in the GATT and other multilateral institutions.

Under the current timetable set by an ROC cabinet-level task force, Taiwan will present its protocol for entry into the GATT in October 1994, with the goal of acceding to the GATT by the end of the year. Doing so will allow Taiwan to become an original signatory to the WTO, which will replace the GATT in 1995.

✓ **Support the PRC's entry into the GATT system.**

The PRC also has become an important trade partner of the U.S. Bringing it into the GATT system will further dilute the artificial controls placed on the economy and trade system by the Communist leadership. It also will help the U.S. hold the PRC to promises made over market access, IPR violations, and infant industry protection. And it will afford another international forum wherein the PRC and ROC can build ties and establish a framework for eventual reunification.

✓ **Allow Taiwan to purchase U.S. military equipment as needed to maintain deterrence against the mainland.**

The U.S. continues to have an interest in peaceful resolution of the Taiwan issue by the Chinese themselves. Accordingly, the U.S. continues to have an interest in the maintenance of Taiwan's deterrent capabilities. Clinton, sensitive to this fact, has forged a compromise with those in Congress who favor unrestricted U.S. arms sales to Taiwan. The deal "leaves the 1982 Communiqué in effect but permits Taiwan to buy a number of new weapons systems" made necessary by China's military modernization.²⁰

Bearing in mind Taiwan's strategic location astride Asia's vital commercial arteries and the fact that a stable, secure Taiwan contributes significantly to Asia's economic dynamism, Clinton should reserve the U.S. right to supply further weapons and technology if changes in the regional security environment require it.

✓ **Permit U.S. representatives to hold direct meetings in government offices with their Taiwanese counterparts.**

20 Peter H. Stone, "Call to Arms for Taiwan," *National Journal*, May 5, 1994, p. 1075.

The restrictions forbidding U.S. officials to meet their Taiwanese counterparts on official premises is a leftover from the days when China was regarded as a potential partner in the Cold War against the Soviet Union. The sheer volume of trade and investment that flows between the U.S. and the ROC warrants an end to this restriction. This is not an issue of high-level diplomatic contact; it is an issue of promoting better commercial ties commensurate with the importance of America's economic relationship with the ROC.

✓ **Support Taiwan's participation in such international economic organizations as the International Monetary Fund (IMF), the World Bank, and the Organization for Economic Cooperation and Development (OECD).**

Since the 1988 decision to participate alongside the PRC in the Asian Development Bank (ADB), Taiwan has shown remarkable flexibility and pragmatism in its participation in international organizations.²¹ The recent decision by Taiwan to be recognized as "Chinese Taipei" at the November 1993 Asian Pacific Cooperation meeting in Seattle once again allowed for simultaneous, if somewhat unequal, representation from both sides. Participation in the IMF, World Bank, and OECD should be worked out under the same sort of compromise system.

Not even the PRC could argue rationally that the ROC would not be a solvent, paying member of the international financial community. In addition, Taiwan's membership in international economic institutions and development organizations would increase the ROC's accountability in such areas as currency market reform and create binding environmental responsibilities—two areas where conflict currently exists in the U.S.-ROC relationship.

✓ **Allow the ROC to change the name of its representative offices in the U.S. to "Taipei Economic and Cultural Office."**

The present name of the ROC's representative offices—Coordination Council for North American Affairs (CCNAA)—does not match the substantive nature of U.S.-ROC relations. Allowing this sort of name change would represent greater respect for the ROC and fortify the KMT against the opposition.

✓ **Increase U.S. contacts with Taiwan's opposition parties.**

These opposition parties represent a growing portion of the ROC's 21 million residents who are tired of the seemingly ineffective attempts by the KMT to increase Taiwan's international presence and respect. The U.S. does not support the Taiwanese independence platform on which many of these parties, including the Democratic Progressive Party, were founded. But increasing American contacts with these groups is necessary, as the KMT no longer can claim to represent all of Taiwan and thereby control the calculus of U.S. decision-making toward the ROC.

²¹ In 1986 the ROC protested the PRC's entry into the ADB by boycotting meetings for two years. However, after receiving encouragement from the U.S. and other important allies, they returned in April 1988 to participate under the name "Taipei, China."

By increasing contacts with the DPP and other supporters of Taiwan independence, the U.S. can outline more clearly the rationale for American support of a one-China policy. The Clinton Administration must make it clear to these groups that a formal declaration of Taiwanese independence is not in the interest of the U.S. and that, under such a scenario, Taiwan would not enjoy the support or protection of the United States against a PRC reaction.

CONCLUSION

The United States should support the efforts of the Republic of China on Taiwan to participate more fully in the international community. Without the participation of the ROC, the major international organizations do not adequately represent the whole international community. Indeed, they ignore the real accomplishments of Taiwan because of outdated and misguided political assumptions about this prosperous island, and deny Taiwan the international respect it has worked to earn and so richly deserves.

The ROC's participation in the major international organizations would benefit not only the U.S. and Taiwan, but also the world's developing countries and even the PRC. The ROC is a model for reform in the developing world. It can provide the PRC with a roadmap to economic and eventual political reform.

Ultimately, of course, the question of Taiwan's identity—whether it will be a wayward province or a nation-state—will be decided not by Washington, but by Chinese on both sides of the Straits. The U.S., however, while bypassing the quarrelsome issue of identity and politics, can and should strive to end Taiwan's fifteen-year exclusion from the world community.

Brett C. Lippencott
Policy Analyst

ATTENTION COMPU SERVE SUBSCRIBERS

All Heritage Foundation studies are now available on CompuServe as part of the Town Hall forum. A joint project of The Heritage Foundation and *National Review*, Town Hall is a meeting place for conservatives to exchange information and opinions on a wide variety of subjects. For more information online, type **GO TOWNHALL** or call **1-800-441-4142**.

All Heritage Foundation papers are available electronically on the "NEXIS" on-line data retrieval service. The Heritage Foundation's Reports (HFRPTS) can be found in the OMNI, CURRNT, NWLTRS, and GVT group files of the NEXIS library and in the GOVT and OMNI group files of the GOVNS library.