

No. 1272 April 16, 1999

# THE TAIWAN RELATIONS ACT AFTER 20 YEARS: KEYS TO PAST AND FUTURE SUCCESS

STEPHEN J. YATES

Signed into law on April 10, 1979, the Taiwan Relations Act (TRA, Public Law 96–8) was born of the need of the United States to protect its significant security and commercial interests in the Republic of China (ROC) on Taiwan in the wake of President Jimmy Carter's termination of diplomatic relations and a mutual defense treaty of 25 years. Provoked by the lack of prior consultation and the inadequacy of the Carter Administration's proposed legislation, lawmakers from both parties in Congress worked together to craft a bill that truly tackled the challenge of allowing for diplomatic relations with mainland China while maintaining all substantive relations with Taiwan.

The Taiwan Relations Act has played an indispensable role in shaping American policy toward Taiwan and U.S. strategy in Asia. It represents America's best ideals and safeguards fundamental security and commercial interests. The TRA is unique in purpose and form. It is the only law to govern nearly every aspect of U.S. relations with a foreign government in the absence of diplomatic relations. The TRA sets forth clear policy goals and establishes an institutional framework sufficient to meet those objectives.

The Taiwan Relations Act has proved to be a surprisingly effective guide for U.S. policy. Over

the past 20 years, the TRA has allowed the United States to preserve peace, promote freedom, and maintain flexibility in balancing its relations and interests with governments on both sides of the Taiwan Strait. It has been a source of clarity and consistency for U.S. policy from administration to administration, Democrat and Republican alike. It has maintained its relevance and effectiveness. in the face of changing politics at home and in Taiwan, and remains an important safeguard against any administration's sacri-

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ficing U.S. interests in Taiwan in pursuit of improved relations with China.

By deterring aggression by the mainland, the United States has protected Taiwan from being forced into negotiations with China under the No. 1272 April 16, 1999

threat of armed attack or other forms of coercion. The TRA maintains the stable and secure environment within which Taiwan has become one of the world's leading free-market democracies. The legal and policy framework created by the TRA has allowed the U.S. government and the American people to enjoy substantive relations with the governments and people on both sides of the Taiwan Strait. None of this would have been possible, as Ronald Reagan noted in 1980, had it not been for "the timely action of the Congress, reflecting the strong support of the American people for Taiwan."

Today, as President Bill Clinton works to create a strategic partnership with China, many in Congress are concerned, as were their colleagues in 1979, that such a partnership may come at the expense of Taiwan's security or other American commitments outlined in the TRA. It is an appropriate time for Members of Congress to reflect on the masterful language of the TRA that has maintained a consistently clear expression of American interests and policy. The prescience of the authors of the TRA is demonstrated by how well this 20-year-old language fits the new challenges of today.

#### Faithful Implementation of the TRA

To honor American commitments made under the Taiwan Relations Act, Congress and the Clinton Administration together should strive to enhance Taiwan's freedom and security. For 20 years, the TRA has provided a security umbrella that has facilitated Taiwan's impressive economic expansion and democratization. To protect these gains and continue faithfully to implement the TRA, the United States should:

- Urge China to renounce the use of force against Taiwan. This is consistent with the longstanding U.S. insistence that Taiwan's future be determined by peaceful means.
- Sell Taiwan missile defense system and technology. Considering China's provocative mili-

tary exercises and tests of nuclear-capable missiles near Taiwan in 1995 and 1996, and China's increased deployment of missiles near Taiwan, providing assistance for Taiwan's missile defense is both appropriate and consistent with the TRA.

- Actively support Taiwan's membership in international organizations. With a strong economy and vibrant democracy, Taiwan is clearly prepared to make significant contributions to the international community through institutions involved in trade, economic development, and humanitarian assistance.
- Promote Taiwan's democracy in China and abroad. Consistent with its interest in human rights on Taiwan, the United States must properly recognize and reward the Taiwan people for their success in establishing a democracy. One way to do this is to treat Taiwan's leaders officially with the respect appropriate to duly elected representatives of a thriving democracy.

It is up to Congress to keep America committed to the simple goals of the Taiwan Relations Act—to deter aggression by the mainland, promote economic freedom, and protect the human rights of the Taiwan people. Ronald Reagan described American commitments under the TRA as a "moral obligation" to a long-time friend and ally. The United States must do all it can to help the democratic people of Taiwan to live free from military coercion and to guarantee Taiwan's ability to make an appropriate contribution to global institutions that promote peace and prosperity.

The Taiwan Relations Act is an example of American foreign policy at its best. There is no better way to mark the 20th anniversary of its enactment than to reaffirm the U.S. commitment to its honorable goals and to restore clarity and consistency to America's China policy.

—Stephen J. Yates is Senior Policy Analyst in the Asian Studies Center at The Heritage Foundation.



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Signed into law on April 10, 1979, the Taiwan Relations Act (TRA, Public Law 96–8) was born of the need of the United States to find a way to protect its significant security and commercial interests in the Republic of China (ROC) on Taiwan in the wake of President Jimmy Carter's termination of diplomatic relations and a mutual defense treaty of 25 years. Provoked by the lack of prior consultation and the inadequacy of the Carter Administration's proposed legislation, lawmakers from both parties in Congress worked together to craft a bill that truly tackled the challenge of allowing for diplomatic relations with mainland China while maintaining all substantive relations with Taipei.

The Taiwan Relations Act has played an indispensable role in shaping American policy toward Taiwan and U.S. strategy in Asia. It represents America's best ideals and safeguards fundamental security and commercial interests. The TRA is unique in purpose and form. It is the only law to govern nearly every aspect of U.S. relations with a foreign government in the absence of diplomatic relations. It sets forth clear policy goals and establishes an institutional framework sufficient to meet those objectives.

The fact that the Taiwan Relations Act remains in force today, without amendment, is a testament to the wisdom and foresight of its drafters. Who in 1979 could have foreseen the dramatic changes that would transform Taiwan, China, and the world over the next 20 years? Taiwan is now a vibrant democracy. China is gradually adopting market reforms. The Soviet Union is no more. Yet through it all, the Taiwan Relations Act remains constant, relevant, and effective.

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Although many things have changed, some things remain the same. Taiwan is still a much more significant export market for U.S. goods than is China. The United States still concludes government-to-government business with Taipei, though such dealings are conducted via a private non-

1. See excerpts cited in Appendix I; full text available at http://ait.org.tw/ait/tra.html.

profit corporation, the American Institute in Taiwan, instead of through normal diplomatic channels. The United States continues to provide Taiwan with defensive arms, and such transfers remain as objectionable to Beijing now as they were in 1979. A fragile peace survives in the Taiwan Strait. None of this would have been possible, as Ronald Reagan noted in 1980, had it not been for "the timely action of the Congress, reflecting the strong support of the American people for Taiwan."<sup>2</sup>

# ORIGINS OF THE TAIWAN RELATIONS ACT

On December 15, 1978, President Carter announced that as of January 1, 1979, the United States would end its diplomatic relationship with the Republic of China on Taiwan and instead recognize the government in Beijing as the sole legal government of all of China. The announcement came as quite a shock to many in Taiwan and in United States, but it could not have been entirely unexpected. Ever since President Richard Nixon's opening to China in 1972 and the signing of the Shanghai Communiqué, the U.S. government had been seeking to find a way to establish relations with Beijing without sacrificing significant American interests in Taiwan. It was well-known that this was a high priority for the Carter Administration. Although a majority of Americans seemed to support President Carter's efforts to improve relations with Beijing—efforts which were born more of a fear of Soviet expansion than of dissatisfaction with Taiwan—his administration had fallen woefully short in addressing America's continuing interests in Taiwan.

The Administration hastily produced the initial draft of the Taiwan Relations Act soon after the President's December 15 announcement. The proposed legislation was then passed to the foreign affairs committees in the House and Senate.

Members of the Senate Foreign Relations Committee expressed concern over the haste with which the Administration had moved late in 1978, as well as with the lack of consultation with Congress and the lack of adequate consultation between the United States and its allies. The committee's report pointedly noted that the bill as submitted by the Administration contained no reference to the interests of United States in Taiwan's security, and lacked any reference to the sale of defensive arms to Taiwan.<sup>3</sup>

The House Foreign Affairs Committee expressed similar views in its report. It emphasized that the executive branch bill failed to address Taiwan's security needs and did not provide an adequate legal foundation for continuing the broad scope of nongovernmental activities that constitute the great bulk of relations between United States and Taiwan.<sup>4</sup>

Fortunately, Congress was swift and effective in its response. In February and March 1979, Congress redrafted, debated, and passed by overwhelming majorities the version of the Taiwan Relations Act that has governed U.S. relations with Taiwan successfully for the past 20 years.

# OBJECTIVES OF THE TAIWAN RELATIONS ACT

Congressional debate over the Carter Administration's proposed legislation emphasized the inadequacies of the bill and the unacceptable manner in which the Carter Administration dealt with Taiwan issues in the process of normalizing relations with China. Congressional remedies focused primarily on three areas: providing for Taiwan's security, providing a sufficient legal framework for continued relations, and formalizing congressional oversight. Along the way, other congressional priorities, like human rights interests and Taiwan's

- 2. Statement by Ronald Reagan, Los Angeles, California, August 25, 1980, p. 6.
- 3. Excerpts from Senate report as cited in Lester L. Wolff and David L. Simon, eds., *A Legislative History of the Taiwan Relations Act with Supplement*, prepared by Touro College, Pacific Community Institute, August 1993, p. 13.
- 4. Excerpts from House report as cited in Wolff and Simon, eds., Legislative History, p. 15.



membership in international organizations, were also addressed.<sup>5</sup>

#### Objective #1: Taiwan Security

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The lack of a policy to address Taiwan's security needs was the most glaring shortcoming of the Carter Administration's proposal. Given that Taiwan for 25 years had been a partner with the United States to a mutual defense treaty, this was a shocking omission. The Carter bill did not even mention arms sales or address the U.S. interest in Taiwan's security. Unable to secure a renunciation of force from Beijing, the Administration seemed to rely almost entirely on Beijing's understanding that Washington expected peace in the Taiwan Strait

Congress filled this void with a policy that declared peace in the Taiwan Strait a matter of international concern, linked diplomatic recognition of Beijing with peaceful treatment of Taiwan, considered any non-peaceful action a threat to regional peace and security, provided for the sale to Taiwan of arms sufficient for self-defense, and committed the U.S. to maintain the capacity to resist any resort to force or coercion against Taiwan.

Broadening the U.S. view of Taiwan's security blunted Beijing's claim that Taiwan's status was solely an internal matter, but it also made clear to U.S. policymakers what would happen if the United States failed to honor its commitments to Taiwan. As Senator Robert Dole (R–KA) noted, "If the Taiwanese question is not resolved in favor of freedom and independence, then...none of the nations who rely on the strength of America and the good faith of our commitments to dissuade stronger and more aggressive alliances...can hope for freedom of choice in a secure and stable future."

Understanding the importance of protecting Taiwan's security, Congress then turned its attention to deterring acts of aggression against Taiwan. Diplomatic recognition of Beijing was linked to the expectation that China would use only peaceful means in dealing with Taiwan. Building on the language of the 1954 Mutual Defense Treaty, Congress declared any use of force or coercion against Taiwan, including boycott and embargo, to be a threat to regional peace and security and of grave concern to the United States.

Beyond these diplomatic deterrents, Congress made clear the that the United States would continue to sell arms to Taiwan, that these arms would support a sufficient self-defense, and that China would have no veto over such sales. During committee debate, Representative Robert Lagomarsino (R–CA) made the point crystal clear: "If President Carter is going to abrogate the defense treaty with Taiwan, the least we can do is sell arms to willing buyers on Taiwan."

"[We] do not mean that we will deliver to [Taiwan] outmoded, outdated, horse-drawn vehicles," emphasized Representative Lester Wolff (D–NY). "We mean that we will deliver to them appropriate equipment which is necessary to the defense of Taiwan." Representative Edward Derwinski (R–IL) added during final floor debate that "This provision is meant to ensure that Taiwan's defense needs are determined by its authorities and those of the United States without regard to the views of the PRC."

The final element of security strategy came in the form of an amendment offered by Representative Dan Quayle (R–IN). The Quayle amendment made sure that, in addition to assisting Taiwan's self-defense, the United States would maintain its own capacity to resist any resort to force or other coercion that would jeopardize either Taiwan's

<sup>5.</sup> For text of TRA sections relevant to these issues, see excerpts cited in Appendix I.

<sup>6.</sup> S. 2132, March 7, 1979, cited in Wolff and Simon, eds., Legislative History, p. 19.

<sup>7.</sup> H. 1153, March 8, 1979, cited in ibid., p. 103.

<sup>8.</sup> H. 1183, March 8, 1979, cited in ibid., p. 125.

<sup>9.</sup> H. 1743, March 28, 1979, cited in ibid., p. 96.



security or its social or economic system. <sup>10</sup> U.S. readiness to resist mainland aggression or coercion against Taiwan serves the purpose of increasing the cost and complication of any plans by China to threaten Taiwan's security or economic and social stability.

### Objective #2: Framework for Continued Relations

To maintain the extensive, close, and friendly relations Americans have enjoyed with the people of Taiwan, a new legal framework had to be created to reflect Taiwan's new status. Taiwan would need to continue to be treated as a friendly government under U.S. domestic law in order to facilitate trade and to maintain bilateral agreements.

Senator John Glenn (D–OH) explained that "any benefits the United States decides to confer on Taiwan by statute can be conferred without regard to Taiwan's international legal identity." <sup>11</sup> Senator Glenn also expressed the need for specificity in this new legal framework in order to provide a stable and predictable commercial environment, and declared that "American interests in our moral obligation demands that we assist Taiwan adapting to these changed conditions." <sup>12</sup>

To take the place of the U.S. Embassy, a new diplomatic instrument was created—the American Institute in Taiwan (AIT). The Institute is a private organization, incorporated in the District of Columbia. It is funded by the U.S. government, and the members of its board of trustees are appointed by the Secretary of State. Modeled after Japan's representative office in Taipei, the AIT functions in many respects as a consulate, managing travel documents, facilitating communication with local authorities, and representing the United States in concluding commercial and other agreements.

During congressional debate over the new Institute, many lawmakers lamented that the Carter Administration had not succeeded in maintaining a liaison office in Taipei similar to the one that had functioned in Beijing prior to 1979. The AIT has functioned very effectively over the past 20 years, putting to rest concerns that its perceived lack of standing would hinder Washington's ability to conduct "unofficial" government business.

#### Objective #3: Congressional Oversight

In response to the secretive and inadequate manner in which the Carter Administration dealt with Taiwan in the process of formalizing relations with China, Congress felt the need to establish clearly its oversight and consultative role with the executive branch in managing future relations with Taiwan. Representative L. H. Fountain (D–NC) summarized well the sentiment of many of his colleagues when he scolded the Administration, saying, "I hope this legislation is seen by the President and his advisers as a forthright and compelling response by the Congress to his...single-handed recognition of Red China...without consulting meaningfully ahead of time with the Congress." 13

In addition to assigning various committees to oversee different aspects of U.S.–Taiwan policy, Congress also included a very important reporting and consultation mechanism. The TRA requires that the President inform Congress promptly of any anticipated danger to Taiwan and then consult with Congress to devise an appropriate response. Representative William Broomfield (R–MI) clarified the intent behind this provision—that the President should "promptly inform the Congress of anticipated dangers and should not await their actual occurrence." <sup>14</sup> The Administration is to report promptly any military capabilities that

<sup>10.</sup> See TRA Section 2(b)(6), cited in Appendix I.

<sup>11.</sup> S. 2123, March 7, 1979, cited in Wolff and Simon, eds., Legislative History, p. 203.

<sup>12.</sup> S. 2123, March 7, 1979, cited in ibid., p. 46.

<sup>13.</sup> H. 1744, March 28, 1979, cited in ibid., p. 269.

<sup>14.</sup> H. 1151, March 8, 1979, cited in ibid., p. 144.

might threaten Taiwan or any perceived efforts to undermine Taiwan's social or economic system.

Given the clear intent behind this provision, it is difficult to understand how Beijing's 1996 missile tests did not elicit a formal Administration report to Congress. The missile tests certainly have had a significant impact on Taiwan's economic and political system, yet the Clinton Administration never provided a formal report in compliance with the TRA.

#### Objective #4: Human Rights

In 1979, Taiwan was not a democracy. It was a one-party authoritarian state under martial law. Much of the discussion of Taiwan and human rights in the context of the TRA debate focused on resisting the Communist threat. Representative Derwinski expressed such a view while arguing for final passage of the TRA, declaring that "any effort by the People's Republic of China (PRC) to impose restrictions on Taiwan or encroach on its people would constitute a violation of the human rights of the people on Taiwan."

Many Members, however, expressed concern about the lack of democracy and political liberty on Taiwan. Representative Jim Leach (R–IA) urged the Congress to advocate "majority rule based on respect for individual rights" for the Taiwanese people. <sup>16</sup> Senator Claiborne Pell (D–RI) urged the new American Institute in Taiwan to promote political liberties in Taiwan such as "freedom of speech, freedom of the press, [and] freedom to take part in government." These human rights admonitions are the only part of the TRA debate that express dissatisfaction with the Taiwan government.

Thankfully, with wise leadership and dedicated citizens, Taiwan has transformed itself into a vibrant democracy. Now that concerns about political liberty are largely resolved, Congress should

return its attention to the right of the Taiwan people to live free from military threat and Communist encroachment.

## Objective #5: Membership in International Organizations

The clearest statement in the TRA concerning Taiwan's membership in international organizations unfortunately is phrased in negative language. Section 4(d) of the Act states that nothing in the Act should be construed as supporting the expulsion or exclusion of Taiwan from any international organization.

The legislative history indicates, however, that in 1979 Congress viewed Taiwan's continued membership in international organizations as conducive to Taiwan's stability and economic security. Representative Eldon Rudd (R–AZ) expressed this view the first time the TRA came to the House floor for a vote: "It is important that Taiwan's economic security not be threatened, even indirectly, by President Carter's unilateral and unexpected move. Stability is crucial, and this can be encouraged by U.S. insistence that Taiwan remain a member of...international organizations." <sup>18</sup>

In the 1980s and 1990s, debate has focused more on whether Taiwan should be admitted to, rather than expelled from, a variety of international organizations ranging from the United Nations to the World Trade Organization. With U.S. support, Taiwan became a member of the Asian Development Bank and the Asia Pacific Economic Cooperation (APEC) forum. But the United States has not actively supported Taiwan's membership in the World Bank, International Monetary Fund, World Health Organization, or United Nations.

As a matter of policy, the Clinton Administration does not support Taiwan's membership in international organizations that require statehood.

<sup>15.</sup> H. 1743, March 28, 1979, cited in ibid., p. 114.

<sup>16.</sup> H. 1164, March 8, 1979, cited in ibid., p. 114.

<sup>17.</sup> S. 2152, March 7, 1979, cited in ibid., p. 112.

<sup>18.</sup> H. 1256, March 13, 1979, cited in ibid., p. 76.



This policy seems to be at odds with the TRA. If, as the TRA clearly states, the absence of diplomatic relations shall not affect Taiwan's status under U.S. law or the application of international agreements entered into with the United States, why should it undermine U.S. support for Taiwan's membership in international organizations?

### HOW THE TRA HAS ADVANCED U.S. INTERESTS

The Taiwan Relations Act has proved to be a surprisingly effective guide for U.S. policy. Over the past 20 years, the TRA has allowed the United States to preserve peace, promote freedom, and maintain flexibility in balancing its relations and interests with the governments on both sides of the Taiwan Strait. The TRA has been a source of clarity and consistency for U.S. policy from administration to administration, Democrat and Republican alike. It has maintained its relevance in the face of changing politics at home and in Taiwan, and remains an important safeguard against any Administration's sacrificing U.S. interests in Taiwan in pursuit of improved relations with Beijing.

The TRA has advanced U.S. interests in the following areas:

• Providing Deterrence. By deterring aggression by the mainland, the U.S. has protected Taiwan from being forced into negotiations with China under the threat of armed attack or other forms of coercion. In 1995 and 1996, China tested America's resolve by conducting provocative military exercises and missile tests in Taiwan's vicinity. The Clinton Administration initially downplayed the threat of these "tests" to Taiwan's security, even when some Chinese officials provocatively questioned whether the United States would be willing to risk American lives in Taiwan's defense. U.S. determination to uphold the Taiwan Relations Act was made clear in March 1996 when China undertook threatening military exercises on the eve of Taiwan's presidential election. Emboldened by the mandates of the TRA, the United States responded with its most powerful show of military force toward China since the Taiwan Strait crises of the 1950s. The U.S. Navy deployed two aircraft carriers and 36 ships and submarines in support.

- Fostering Freedom. The TRA maintains the stable and secure environment within which Taiwan has transformed itself into one of the world's leading free-market democracies. Taiwan's democratic transition is a blessing to its people, but it is also a critical factor in American strategy as the United States seeks to balance its interests across the Strait. Taiwan's democracy is an important example to the mainland of how to expand political freedom and increase social stability. Taipei's economic success is also an important example to Beijing, and Washington should remember that the 21 million people on Taiwan buy nearly twice as much in American goods as do the 1.2 billion people on the mainland.
- Preserving Flexibility. The TRA also preserves U.S. diplomatic flexibility as China–Taiwan relations evolve. Taiwan no longer claims sovereignty over the mainland; <sup>19</sup> but Taipei's search for greater international status has led to accusations from Beijing that Taiwan seeks independence, and China has threatened to respond with war to a declaration of independence. In June of last year, President Clinton tilted U.S. policy toward China when he said that the U.S. does not support independence for Taiwan. This tilt was unnecessary. <sup>20</sup> The brilliance of the TRA is that it does not require amendment to adjust to new realities in Taiwan. Policies as outlined in the TRA are clear

<sup>19.</sup> In 1991, President Lee Teng-hui ended the "period of national mobilization for suppression of the communist rebellion," and the Republic of China ceased to claim sovereignty over all of China. Instead, the ROC asserted that there is one China, but two equal political entities.

<sup>20.</sup> Stephen J. Yates, "Promoting Freedom and Security in U.S.-Taiwan Policy," Heritage Foundation *Backgrounder* No. 1226, October 13, 1998, p. 1.



enough to protect U.S. interests and flexible enough to allow the United States to have substantive relations with both sides of the Taiwan Strait. Because the TRA at its core addresses U.S. policy interests, not outcomes, its efficacy would not be affected substantially by the existence or absence of diplomatic relations. Taiwan's development toward democracy only enhances the relevance of the TRA. The TRA is now more than a shield against Communism—it is a guardian of democracy.

### FAITHFUL IMPLEMENTATION OF THE TRA

To honor American commitments made under the Taiwan Relations Act, Congress and the Clinton Administration should strive to enhance Taiwan's freedom and security. For 20 years, the TRA has provided a security umbrella that has facilitated Taiwan's impressive economic expansion and democratization. To protect these gains and continue faithfully to implement the TRA, the United States should:

- Urge Beijing to renounce the use of force against Taiwan. Beijing's military modernization, provocative live-fire exercises, and concentration of missiles opposite Taiwan pose a direct threat to regional peace and stability and contradict Beijing's stated policy of peaceful reunification. Given the U.S. expectation that Taiwan's future will be determined by peaceful means, seeking a renunciation of force from Beijing is the least the U.S. should do under such circumstances.
- Sell Taiwan missile defense system and technology. Under the terms of the Taiwan Relations Act, the United States is legally required to assist Taiwan in providing for its self-defense. Considering China's provocative military exercises and nuclear-capable missile tests near Taiwan in 1995 and 1996, and China's increased deployment of missiles near Taiwan, providing assistance for Taiwan's missile defense is both appropriate and consistent with the TRA.

- international organizations. The United States should not aid—either intentionally or inadvertently—China's attempts to interfere with the ability of Taiwan officials to conduct foreign relations. With a strong economy and vibrant democracy, Taiwan is clearly prepared to make significant contributions to the international community through institutions involved in trade, economic development, and humanitarian assistance. Beijing's success in shutting Taiwan out of the international community has limited Taiwan's ability to offer such advice and assistance to other Asian economies.
- Promote Taiwan's democracy in China and abroad. Consistent with its interest in human rights on Taiwan, the United States must properly recognize and reward the Taiwan people for their success in establishing a democracy. Taiwan should be held up as an example of what free people can achieve in a Chinese society. One way to do this is to treat Taiwan's leaders officially with the respect appropriate to duly elected representatives of a thriving democracy. Nothing in the TRA or in communiqués with China prevents allowing these leaders to enter the United States in their official capacities or prohibits conducting meetings with them in official venues. But such courtesies—routinely extended even to unfriendly states—are routinely denied the leaders of America's long-time friend and ally.

#### CONCLUSION

In 1979, there was great concern about the political, economic, and security cost to American interests that would have to be paid in the process of normalizing relations with Beijing. Some doubted whether any arrangement short of the previous Mutual Defense Treaty and normal diplomatic relations would adequately protect American interests in Asia or in Taiwan. But the TRA has survived the test of time, without significant amendment and in the face of constant criticism from Beijing. Indeed, the Taiwan Relations Act has exceeded expectations in delivering a working, if

unofficial, relationship with the people and government of Taiwan that has provided more continuity than change in the bilateral relationship.

Today, as President Clinton works to create a strategic partnership with China, many in Congress are concerned, as were their colleagues in 1979, that such a partnership may come at the expense of Taiwan's security or other American commitments outlined in the TRA. It is an appropriate time for Members of Congress to reflect on the masterful language of the TRA that has maintained a consistently clear expression of American interests and policy. The prescience of the authors of the TRA is demonstrated by how well this 20-year-old language fits the new challenges of today.

It is up to Congress to keep America committed to the simple goals of the Taiwan Relations Act: to deter aggression from the mainland, promote economic freedom, and protect the human rights of the people of Taiwan. Ronald Reagan described American commitments under the TRA as a "moral obligation" to a long-time friend and ally. Consistent with this sentiment, the United States must do all it can to help the democratic people of Taiwan live free from military coercion and to guarantee Taiwan's ability to make an appropriate contribution to global institutions that promote peace and prosperity.

The Taiwan Relations Act is an example of American foreign policy at its best. There is no better way to mark the 20th anniversary of its enactment than to reaffirm the U.S. commitment to its honorable goals and to restore clarity and consistency to America's China policy.

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### Appendix I

### Excerpts from the Taiwan Relations Act (P.L. 96-8, approved April 10, 1979)<sup>21</sup>

Sec. 2(b)(1) It is the policy of the United States to preserve and promote extensive, close, and friendly commercial, cultural, and other relations between the people of the United States and the people on Taiwan;

Sec. 2(b)(2) to declare that peace and stability in the area are in the political, security, and economic interests of the United States, and are matters of international concern;

Sec. 2(b)(3) to make clear that the United States decision to establish diplomatic relations with the People's Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means;

Sec. 2(b) (4) to consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States;

Sec. 2(b)(5) to provide Taiwan with arms of a defensive character;

Sec. 2(b)(6) to maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan.

Sec. 2(c) Nothing contained in this Act shall contravene the interest of the United States in human rights, especially with respect to human rights of all the approximately eighteen million inhabitants of Taiwan. The preservation and enhancement of the human rights of all people on Taiwan are hereby reaffirmed as objectives of the United States.

Sec. 3(a) The United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability.

Sec. 3(b) The President and the Congress shall determine the nature and quantity of such defense articles and services based solely upon their judgement of the needs of Taiwan, in accordance with procedure established by law.

Sec. 3(c) The President is directed to inform the Congress promptly of any threat to the security or the social or economic system of the people on Taiwan and any danger to the interests of the United States arising therefrom. The President and the Congress shall determine, in accordance with constitutional processes, appropriate action by the United States in response to any such danger.

Sec. 4(a) The absence of diplomatic relations or recognition shall not affect the application of the laws of the United States with respect to Taiwan, and the laws of the United States shall apply with respect to Taiwan in the manner that the laws of the United States applied with respect to Taiwan prior to January 1, 1979.

Sec. 4(d) Nothing in this Act may be construed as a basis for supporting the exclusion or expulsion of Taiwan from continued membership in any international financial institution or any other international organization.

Sec. 6(a) Programs, transactions, and other relations conducted or carried out by the President or any agency of the United States Government with respect to Taiwan shall, in the manner and to the extent directed by the President, be conducted and carried out by or through The American Institute in Taiwan...or such comparable successor nongovernmental entity as the President shall designate.

Sec. 14(a) The Committee on Foreign Affairs of the House of Representatives, the Committee on Foreign Relations of the Senate, and other appropriate committees of the Congress shall monitor—(1) the implementation of the provisions of this Act; (2) the operation and procedures of the Institute; (3) the legal and technical aspects of the continuing

relationship between the United States and Taiwan; and (4) the implementation of the policies of

the United States concerning security and cooperation in East Asia.

### **Appendix II**

"Six Assurances of the United States to the Republic of China on Taiwan, "July 14,  $1982^{22}$ 

The United States has not agreed to set a date for ending arms sales to Taiwan;

Has not agreed to hold prior consultations with Beijing 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;

Will not exert pressure on Taiwan to enter into negotiations with Beijing.

<sup>22.</sup> Robert L. Downen, *The Tattered China Card: Reality or Illusion in United States Strategy?* (Washington, D.C.: Council for Social and Economic Studies, Inc., 1984), p. 125.