

# WebMemo



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## Taiwan Straits Relations: Chinese Approaching Crisis Management Crunch-Point

Dean Cheng

This year marks the 60th anniversary of beginning of the Korean War—a war that, recent events remind us, has yet to be resolved.

One of the side effects of the North Korean invasion in 1950 was the creation of the Taiwan Straits issue in American policy and politics. As Chiang Kai-shek's government was collapsing, the Truman Administration was prepared to allow the Chinese Communist Party (CCP) to invade Taiwan and thus resolve the Chinese Civil War. It was the North Korean invasion (and criticism from conservatives at home) that persuaded Truman that Taiwan could not be allowed to fall, so he dispatched elements of the Seventh Fleet to patrol the Taiwan Straits.

In a very real sense, then, the Taiwan issue was precipitated by the actions of North Korea. Sixty years later, it is still the U.S. that stands between both Taiwan and Korea's coerced unification.

**North Korean Belligerence.** In March, North Korean forces sank the South Korean frigate *Cheonan*. While there have been previous clashes between North and South Korean naval forces along the Northern Limit Line (NLL), which the North has refused to recognize—including the sinking of naval vessels on both sides—the *Cheonan* incident was a sneak attack upon an unsuspecting vessel.

Subsequently, the North Koreans revealed that they had a uranium enrichment program, showing a Stanford researcher a facility with 2,000 centrifuges at Yongbyon. As Professor Siegfried Hecker observed, it is quite possible that there are addi-

tional facilities in North Korea aside from what he was shown.

In the same week, North Korea then shelled Yeonpyeong Island, near the NLL on the Korean west coast. This brazen act signals that North Korea is no longer concerned with denying its acts: Use of land-based artillery makes the aggressor quite clear.

**Chinese Responses.** As has been the Chinese habit, they did not condemn North Korea's actions. Chinese leaders expressed their regret for the *Cheonan* incident by comparing it to the Sichuan earthquake—as though the ship's sinking had been an act of nature rather than a deliberate attack. In contrast, when the U.S. prepared to deploy the USS *George Washington* carrier strike group (CSG) to exercises in the Yellow Sea to underscore support for South Korea, the Chinese went apoplectic. Chinese editorials screeched that this was like a thief entering the front yard, and Chinese commentators talked about the carrier's proximity to Beijing—while ignoring that the carrier would be even closer to Pyongyang, the true target of pressure.

With the shelling, Chinese reactions have followed a similar pattern. Chinese officials have called for mutual calm and restraint while assiduously

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avoiding blaming North Korea. At the same time, it has warned the U.S. against staging naval exercises anywhere in its 200-mile Exclusive Economic Zone, in which it claims extraordinary, highly dubious legal rights. In effect, China is warning the U.S. not to conduct naval operations in the international waters of the Yellow Sea.

China's blind eye to North Korean provocations is rooted in part in the strategic links between Beijing and Pyongyang. But perhaps Chinese decision makers are willing to carry North Korea's water because they are sanguine about their other major foreign policy concern: Taiwan.

**Taiwan–China Relations Peaked?** Since the Kuomintang Party's Ma Ying-jeou won election in 2008, Beijing–Taipei relations have markedly improved. Ma has been far less an irritant for China than his two predecessors (Lee Tenghui and Chen Shuibian). The signing of the Economic Cooperation and Framework Agreement and its passage through the Legislative Yuan in 2010 seemed to pre-empt even better cross-straits relations down the road.

But Ma's personal popularity has been poor. As a result, the opposition Democratic Progressive Party (DPP), which suffered crippling losses in 2008, has revived since by-elections in January.

The recent municipal elections constituted a significant bellwether for Taiwan politics. Although the DPP won only two of the five, it appears to have won a plurality of total votes cast.<sup>1</sup> This suggests a two-year-long slugfest in the run up to the 2012 presidential race. Moreover, it warns that the period of steadily improving relations between Beijing and Taipei may have reached its high point—at least for the time being. Just the prospect of a DPP victory in 2012 may cause President Ma to be more cautious in his policies and be enough to freeze relations with the Chinese.

If cross-straits relations enter stasis or deteriorate, then China's entire eastern coast—the center of the nation's economic gravity—would be adjacent to potential crisis points, from the Korean peninsula through Taiwan to the South China Sea. The “first

island chain” might well then become “the first crisis chain.” Chinese crisis management skills, which have generally not been very taxed and whose hesitant displays suggest that they are very limited, will then be subjected to even greater pressure.

In such light, one can only hope that Beijing will finally see that its excusing North Korean behavior is ultimately destabilizing. China's policy of running interference for North Korea is alienating its neighbors and the U.S.—a high price to protect an irresponsible, rogue regime.

**Recommendations.** Taiwan's democracy will work its will according to its own processes. But there are things the U.S. can do to help seed the ground for long-term stability:

- *Make it clear that China's approach is exacerbating the problem of North Korea.* It should be clear by now that China's perception of its security interests are different from those of the U.S. There is nothing necessarily wrong with that—major power interests often do not coincide—but it is worth the world clearly understanding that China is enabling the dysfunctional Kim family regime at the expense of South Korea's modern, prosperous democratic society.
- *Stand up to North Korea.* It is time for Washington to show that its willingness to confront North Korean aggression is as great as its initial eagerness for conciliation. Dispatching a CSG to the Yellow Sea in support of South Korea was the right thing to do, but Washington should make its western Pacific presence more robust over time so that response times drop. To do that—and maintain all the other commitments the U.S. has abroad—it needs to address the gap in shipbuilding, as the current number of 286 ships falls far short of the 313 that the Navy says it needs.
- *Turn up the temperature on the Kim family regime.* The Administration should be prepared to increase the pressure on the Kim family regime—especially during this leadership transition period—by clamping down on financial institutions that deal with North Korea. The

1. The elections were in Kaoshiung, Taipei county, Taichung, Tainan, and Taipei city and represent over 60 percent of Taiwan voters.

restrictions on North Korean accounts at Banco Delta Asia in 2005 probably aroused more North Korean reaction than all the six-party talks—and was tacitly accepted by China, despite the bank being located in Macau.<sup>2</sup>

- *Strengthen ties to friends and allies.* It is essential that the U.S. reassure its allies and stand by its friends. In particular, given the acknowledged deteriorating military balance across the Taiwan Straits, the Administration's sphinx-like attitude toward the sale of F-16s to Taiwan is neither wise nor considered but deeply corrosive.

**Taiwan Needs U.S. Support.** Washington needs to revive a firm stance toward security throughout the region, making clear that it is prepared to provide the means—military, political, diplomatic, economic—for local states to better defend themselves. If between now and 2012 (and beyond) tensions between China and Taiwan return to their pre-Ma levels, many will be asking why the U.S. did not act when it had the chance to influence the balance.

—*Dean Cheng is Research Fellow in Chinese Political and Security Affairs in the Asian Studies Center at The Heritage Foundation.*

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2. Marcus Noland, "Escalating Tensions with North Korea," *Peterson Perspectives*, July 9, 2009, at <http://www.iie.com/publications/papers/pp20090709noland.pdf> (December 3, 2010), and Scott Snyder, "What's Driving Pyongyang? North Korean Nukes," *Oriental Economist*, July 2009, p. 10.