

Taiwan and Theater Missile Defense

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In responding to perceived new threats in the post-Cold War era, the US is now collaborating with Japan to deploy a theater missile defense (TMD) system in Northeast Asia. Confronting a mounting military threat from China, Taipei has seized on Washington's program as an opportunity to acquire anti-missile capability from the US. Interpreting US and Taiwanese actions as attempts to contain China and to undermine unification efforts with Taiwan, Beijing leaders strongly object both to the deployment of TMD in Northeast Asia and to the introduction of the related technology and equipment into Taipei. While Washington will continue its plan of deploying TMD, it is taking an ambiguous position regarding Taiwan's access to missile defense technology and equipment by deferring the sale of AEGIS destroyers to Taipei. The Clinton administration's ambiguous policy represents an unbalanced approach to cross-strait relations and could inadvertently precipitate a dangerous crisis in the Taiwan Strait.

Key Words: China, Taiwan, Theater Missile Defense (TMD), Northeast Asia, Clinton administration foreign policy, Chinese-Taiwanese relations, Chinese military threat across the Taiwan Strait.

Introduction

The annual arms acquisition meeting between Taiwan and the US has recently concluded in Washington, D.C. While US arms sales to Taiwan have always been contentious,² Taipei's 2000 acquisition request has attracted even more attention. Among the weapon systems being asked for this year, the request for four Arleigh

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² For a discussion of US arms sales policy to Taiwan, see Wei-chin Lee, IUS Arms Transfer Policy to Taiwan: from Carter to Clinton, *Journal of Contemporary China*, v.9, no.23 (2000), pp.53-75 and T.Y. Wang, IUS Arms Sales Policy towards Taiwan: A Review of Two Decades of Implementation, in Paul H. Tai, ed. *United States, China, and Taiwan: Bridges for the New Millennium* (Carbondale, IL: Public Policy Institute, Southern Illinois University, 1999), pp.115-141.

Burke-class destroyers equipped with the highly advanced AEGIS battle management system has proven to be the most controversial. Because the AEGIS system is one of the crucial components of the US-planned theater missile defense (TMD) system in Northeast Asia, Beijing has repeatedly issued severe warnings against the sale, fearing that the transfer of the AEGIS system would bring Taiwan under the TMD umbrella. The US Congress, with its serious concern over China's missile threats to Taiwan, has undertaken legislative action demanding that the executive branch sell the AEGIS system to meet Taiwan's defense needs. After considerable deliberation, the Clinton administration has decided to sell a batch of air-to-air and air-to-ground missiles and the Pave Paws long-range radar.³ However, it has deferred a decision on Taipei's request for Burke-class destroyers, pending a comprehensive study of Taiwan's defense needs and its ability to absorb such equipment.⁴

The Clinton administration's ambiguous decision represents a mixture of good news and bad news for both Beijing and Taipei. While Washington's decision is certainly a disappointment to Taipei and a victory for Beijing, both sides know that the sale of TMD-related technology and equipment to Taiwan is not a dead issue. As a new US administration will take office next spring, the sale of AEGIS destroyers to the island country will most likely be revived considering the strong support that Taipei has enjoyed in Congress. Thus, Taiwan's quest for anti-missile technology and equipment will remain a major political issue for both Taipei and Washington and a serious challenge to US-Taiwan-China relations.

This study attempts to assess the strategic considerations of Beijing, Taipei and Washington regarding the sale of TMD-related technology and equipment to Taiwan. It starts with an examination of the proposed US-planned TMD program in Northeast Asia, followed by an analysis of the concerns about the program held by

³ The Pave Paws is an early warning radar that can be used for over-the-horizon detection of incoming ballistic missiles. Although the exact specification is still unknown, the radar will likely be used as part of Taiwan's missile defense program.

⁴ The Clinton administration also deferred its decision on the sale of submarines and naval observation aircraft. See, Jane Perlez, "U.S. With an Eye on China, Settles on Weapons for Taiwan," *New York Times*, April 18, 2000, in <http://www.nytimes.com> and Ted Plafker, "Chinese Protest U.S. sale of Weapons, Radar to Taiwan," *Washington Post*, April 19, 2000, in <http://washingtonpost.com>.

Taipei and Beijing. It then discusses US strategic considerations regarding Taiwan's possible access to TMD-related technology and equipment. The conclusion will comment on Washington's deliberately ambiguous decision to defer the sale of AEGIS destroyers to Taipei and the policy implications for China-Taiwan-US relations.

TMD and US Ballistic Missile Defense Program

The US ballistic missile defense (BMD) program underwent a fundamental change in 1989 when the Bush administration initiated a review of the program as part of a broader examination of US strategic requirements for an emerging "new world order."⁵ The review suggested that the most significant threat to the US as the Cold War was ending would be from unauthorized or terrorist attacks with limited numbers of missiles rather than an attack by thousands of Soviet warheads. Furthermore, given the proliferation of ballistic missile technology, US forces would face an increasing threat from shorter-range theater missiles. To prepare for this eventuality, the review concluded that the BMD program be transformed to concentrate on developing defenses against limited attacks rather than a massive Soviet missile attack. The apparent validation of the above assessment during the Gulf War, when the US responded to Iraq's *Scud* missile attacks with Patriot defense missiles, led to the Bush administration's decision in 1991 to pursue the development of a ground-based TMD.

The emphasis on the TMD system continues during the Clinton administration. The 1993 Bottom-Up Review (BUR) assigned top priority to the TMD Program over the National Missile Defense (NMD) and the BMD Advanced Technology Development programs so that the TMD Program was to receive \$12 billion over the course of five years.⁶ The need to develop and deploy a TMD system to

⁵ Donald R. Baucom, "Ballistic Missile Defense: A Brief History," in Ballistic Missile Defense Organization Web-site at <http://www.acq.osd.mil/bmdolink/html/origins.html>.

⁶ In responding to Congressional pressure, the Department of Defense has increased its emphasis on the NMD Program since 1996 by shifting the program from its technology readiness orientation to a deployment readiness program. Known as the "three-plus-three," this approach called for the Ballistic Missile Defense Organization to support three more years of development of the system leading to a capability to deploy a national missile defense system in three more years if the threat warranted such a deployment. See, Donald,

defend overseas American forces, particularly in Northeast Asia, has gained much momentum during the second Clinton administration. First of all, since the 1991 Gulf War, the US government has expressed deep concern about the growing threat posed by the proliferation of ballistic missiles and related technology. The Clinton administration estimated that over 20 nations now possess *Scud*-type ballistic missile systems.⁷ The Congressionally-mandated Rumsfeld Commission⁸ warned that these states could pose a threat to the US and its allies "within five years of a decision to do so, and that the US might not know for several years whether or not such a decision had been made."⁹ North Korea in particular has been identified as a "rogue state" in Northeast Asia, which, despite the country's failing economy, has developed its ballistic-missile program and nuclear program. The US concern about Asia's regional security was intensified when North Korea test-fired a Taepo Dong-1 (TD-1) missile over Japan on August 31, 1998. The three-stage launch vehicle provides North Korea with a missile having a range 3,000 kilometers.¹⁰ This gives North Korea a credible ballistic missile threat against Japan, South Korea and American troops in the region. The deployment of an anti-missile defense system in Northeast Asia is now considered a high priority in US strategic consideration in the

"Ballistic Missile Defense: A Brief History." For Congressional actions on this issue, see "the National Missile Defense Act of 1999" (106 S. 257 and 106 H.R. 4) in <http://web.lexis-nexis.com/congcomp>.

⁷ "Prepared Statement of Honorable John Hamre Deputy Secretary of Defense before the Senate Armed Services Committee," October '2, 1998, in <http://web.lexis-nexis.com/congcomp>.

⁸ The formal name of the Rumsfeld Commission is called "Commission to Assess the Ballistic Missile Threat to the United States led by former Defense Secretary Ronald Rumsfeld. The Commission was originally authorized to be established by the 104th Congress to assess the ballistic missile threat to the United States as part of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201). However, because of delays in the appointments process, the commissions charter was re-authorized in the 105th Congress in the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85). See "Report of The Activities of the Committee on National Security for the 105th Congress," House Report 105-841, January 2, 1999, in <http://web.lexis-nexis.com/congcomp>.

⁹ See "Prepared Statement of Honorable Donald Rumsfeld before the Senate Foreign Relations Committee," October 6, 1998, in <http://web.lexis-nexis.com/congcomp>.

¹⁰ Peter Landers, Susan Lawrence, and Julian Baum, "Hard Target," *Far Eastern Economic Review*, September 24, 1998, pp.20-21 and "CIA Agent Warns on Korean Missiles," *New York Times*, February 10, 2000, in <http://www.nytimes.com>.

region.

Secondly, China's evolving military doctrine of conducting "limited war under high-technology conditions" has also heightened US interest in regional TMD deployment. Responding to the Gulf War of 1991, Chinese military planners now believe that modern warfare will be limited in scope and will involve highly sophisticated weaponry on the battlefield.¹¹ To meet the perceived challenges ahead, in particular the final resolution of the so-called "Taiwan question," China has undertaken substantial efforts to modernize its military during the past decade. Rather than launching an across-the-board modernization of the People's Liberation Army (PLA), Beijing is focusing on those programs that would give considerable advantage to a technologically backward country like China in a confrontation with a technologically advanced foe such as the US. Characterized as "asymmetric engagement capabilities," these programs include the development of anti-ship cruise missiles (ASCMs), long-range land-attack cruise missiles (LACMs), and conventional short-range ballistic missiles (SRBMs). Currently, China has developed or deployed two types of SRBMs: the CSS-6 (M-9) with a maximum range of 600 km and the CSS-X-7 (M-11) with a range of 300 km, and a series of ASCMs, including the C-601, C-801 and the C-802.¹² The newly acquired Russian-made Sovremenny-class destroyer armed with SUNBURN missiles specifically designed to penetrate American carriers' battle group defenses will further improve China's anti-ship capability.¹³ The deployment of these weapons, along with Beijing's use of its ballistic missile forces to intimidate Taiwan in 1995 and 1996¹⁴ and its explicit threats¹⁵ to

¹¹ For an analysis of changes in China's military doctrines, see Nan Li, "The PLA's Evolving Warfighting Doctrine, Strategy and Tactics, 1985-95," in David Shambaugh and Richard H. Yang, *China's Military in Transition* (Oxford: Clarendon Press, 1997), pp.179-199.

¹² Department of Defense, "The Security Situation in the Taiwan Strait," February 26, 1999, in http://www.defenselink.mil/pubs/twstrait_02261999.html.

¹³ "New Chinese Guided-Missile Ship Heightens Tension," *New York Times*, February 9, 2000, in <http://www.nytimes.com>.

¹⁴ For an analysis of the 1995-96 Missile Crisis in the Taiwan Strait, see John F. Cooper, "The Origins of Conflict Across the Taiwan Strait," *Journal of Contemporary China*, v.6, no.15 (1997), pp.199-227.

employ them to deter Washington's possible involvement in future cross-strait conflict, suggest that China is willing to use its newly developed capabilities to engage in limited warfare in the Taiwan Strait.¹⁶ China's evolving strategic doctrine thus further increases America's perceived need of a missile defense system in Northeast Asia to protect its deployed forces.

It is within this context that the Clinton administration's decision about developing a TMD system in Northeast Asia is being made. Since it faces the same mounting military threat from Beijing, the Taipei government seized on Washington's concern as an opportunity to acquire anti-missile capability from the US.

Challenges to Taiwan's Security

Since the end of the Chinese Civil War in 1949, the Beijing government has never abandoned the idea of "unifying Taiwan with the motherland" and it has acted aggressively to further that goal. Several major battles were fought in the 1950s and 1960s, and with US assistance the Taipei government thwarted Communist military attacks on offshore islands held by Taiwan. The 1970s saw a shift of China's strategy away from a reliance on the "military liberation" of Taiwan to a wave of "peaceful initiatives" for China's unification. However, Beijing continues to regard Taiwan as a "renegade province" and has refused to recognize Taipei as an equal and legitimate negotiating partner. In attempting to coerce Taipei into accepting its unification formula known as "one country, two systems," Beijing has repeatedly warned that it would use "any means

¹⁵ The PLA General Xiong Guankai, a frequent spokesman on Chinese policy, reportedly made an explicit threat to the US with China's nuclear arsenal by questioning the US leaders' willingness to trade Los Angeles for Taipei. See, Ching Cheong, "Will TMD Imperil Taiwan," *the Strait Times*, February 8, 1999 and "Between China and the US: Taiwan, Even More Than Human Rights, is the Most Dangerous Issue. Here's Why," *Washington Post*, January 10, 1999. Both are in <http://web.lexis-nexis.com/universe>. For a recent assessment of China's military preparations on a possible clash with Taiwan involving the United States, see Department of Defense, "Report to Congress Pursuant to the FY2000 National Defense Authorization Act," June 22, 2000, in <http://www.defenselink.mil>.

¹⁶ See testimony of George J. Tenet, Director of Central Intelligence Agency, in *Current and Projected National Security Threats*, Hearing of the Senate Armed Services Committee, February 2, 1999, in <http://web.lexis-nexis.com/congcomp>.

it deems necessary, including military ones, to uphold its sovereignty and territorial integrity.”¹⁷

The apex of Beijing's military pressure came after Taiwan President Lee Teng-hui's “private visit” to his alma mater, Cornell University, in June 1995. As Beijing leaders interpreted Lee's visit to the US as part of his “pragmatic diplomacy,” an unacceptable bid to create “two Chinas” or “one China, one Taiwan,” they launched a series of military exercises and missile tests in waters close to Taiwan during the period between July 1995 and March 1996. Although China's military maneuver did not escalate into an all-out war across the Taiwan Strait, thanks in part to the Clinton administration's decision to deploy two aircraft carrier battle groups to the vicinity of Taiwan in March 1996, Beijing's “missile diplomacy” has caused serious concern in Taiwan and in Asia generally, as well as in the US. Just two months after the ending of the crisis, Washington briefed a Taiwan military team invited to the US as part of Taipei's arms-purchase mission on the Theater High Altitude Area Defense (THAAD) anti-missile system.¹⁸

Indeed, Beijing's missile threat to Taiwan is real and imminent. Analysts generally agree that Beijing lacks the ability to mount a successful invasion of Taiwan, as it does not have the military capabilities to gain secure control of the sea and air necessary for such an operation. Even an invasion of some of Taiwan's offshore islands would carry high risks and costs, as they are heavily fortified by Taiwanese troops. The most likely military scenario for Beijing would be a replay of the 1995-96 Missile Crisis. It could also have a higher level of intensity than the 1995-96 version and could involve direct strikes on sites in Taiwan. The missile campaign could be supplemented through information warfare by the use of computer viruses and electromagnetic pulses to knock out Taiwan's communications and transportation links. The goal of such attacks would be to disrupt the island's social and economic stability, demoralize Taiwan's citizens and to undermine their support for the

¹⁷ The State Council of the PRC, “The Taiwan Question and Reunification of China,” *Beijing Review*, v.36, no.36 (September 6-12, 1993), pp.V-VI.

¹⁸ Interview with a high ranking Taiwanese military official. Also see, “US Reported to invite Taiwan to Help Build Anti-missile System,” *Deutsche Presse-Agentur*, August 26, 1996, in <http://web.lexis-nexis.com/universe>.

Taipei government.¹⁹ China has already deployed 200 short-range ballistic missiles in Fujian province opposite Taiwan and is adding about 50 a year.²⁰ A recent report by the US Defense Intelligence Agency indicates that these offensive M-9s and M-11s could knock out most of Taiwan's military bases with little or no warning.²¹ Beijing is also constructing two new bases for Russian-made S-300 surface-to-air missiles at Longtian, where several batteries of S-300s have already been deployed. Because the S-300s have a much greater range and can strike Taiwanese warplanes much farther from the coast, they will enhance China's ability to attack Taiwan, as these missiles provide protection for Chinese offensive missile forces and aircraft.²² To cope with Beijing's missile threats, Taipei has expressed strong interest in being a partner of the US-proposed TMD system in Northeast Asia, hoping that Taiwan could be covered under the TMD umbrella once it is completed.

However, the decision to participate in the TMD project is not without controversy in Taiwan.²³ First of all, the proposed TMD program is a complicated system and its development is costly. Because the threat of ballistic missiles varies with respect to range and capability, no single system can perform the entire TMD mission. The US Ballistic Missile Defense Organization (BMDO) thus has developed a "family-of-systems"²⁴ approach in order to successfully defeat the theater missile threat. The family-of-systems approach aims to develop both lower-tier - those systems that intercept at relatively low altitudes within the atmosphere - and upper-tier systems - those that intercept missile targets outside the atmosphere and at longer

¹⁹ Craig S. Smith, "China's Threat to Taiwan: Likelihood of Attack Deemed Low," *New York Times*, March 7, 2000, in <http://www.nytimes.com>.

²⁰ See, "Admiral Dennis C. Blair Briefs on U.S. Pacific Command," *Department of Defense News Briefing*, March 07, 2000, in <http://www.defenselink.mil>.

²¹ Bill Gertz, "Chinese Bases near Taiwan Sport Defense Missiles," *Washington Times*, March 28, 2000, in <http://www.washtimes.com>.

²² Ibid.

²³ See, for instance, *1999 Hong Se Jing Jie (Red Alert 1999)* (Taipei: TVBS, 1999); *TMD and Taiwan's Security: What are the Strategic Choices for Taipei?* (Taipei: Vanguard Institute for Policy Studies, 1999); "ROC Still Judging TMD's Pros, Cons," *Free China Journal*, January 15, 1999, p.2 and "TMD is a Cross-century Issue," *Xin Xin Wen (the Journalist)*, v.619, January 16, 1999, in <http://magazines.sinanet.com>.

²⁴ "The Family of System Concept," *BMDO Fact Sheet* AQ-99-16, in <http://www.acq.osd.mil/bmdo>.

ranges. Three major components constitute the core of the BMD program: improvements to the Army's Patriot missile system known as Patriot Advanced Capability-III (PAC-III) to provide low-tier BMD architecture, the THAAD aiming to intercept attacking missiles at high altitudes, and a modification to the Navy's AEGIS air defense system to give it the capability to intercept short, medium and long-range theater ballistic missiles.²⁵

The cost of developing such a complicated defense shield is staggering. For Taiwan, each AEGIS destroyer will cost \$1 billion and the total cost of the shield is tentatively estimated to be \$9.4 billion over 10 years.²⁶ The high price tag of the system has led Taiwan's former Minister of Defense to characterize the project as a "money sucking machine" (*qian keng*). He was that it would easily exhaust the country's scarce defense budget and impose an "exclusionary effect" on other important military projects.²⁷

Critics also argue that the TMD system is still in its developmental stage and is estimated to be in operation by 2005 at the earliest. The specific technical demands for a system covering Taiwan may also impose additional limitations on its effectiveness because of the short distance between the island and the Chinese mainland. If Beijing were to decide to attack or intimidate Taiwan again with its ballistic missiles in the next five years or so, Taiwan may gain little or even no TMD protection. Joining the proposed anti-missile defense system, however, will certainly anger Beijing leaders and further strain cross-Straits relations, since China has repeatedly warned the Clinton administration against the transfer of TMD-related technology and equipment to Taiwan. Beijing is likely to develop even more advanced missile systems and both sides of the Taiwan Strait would be pushed into an arms race that Taipei cannot win. These concerns have led some Taiwanese analysts to argue that Taipei should not participate in this expensive and untested defense system. Others have suggested that Taiwan should develop its own

²⁵ "Patriot Advanced Capability-3," *BMDO Fact Sheet* AQ-99-04, "Navy Area Ballistic Missile Defense Program," *BMDO Fact Sheet* AQ-99-02, "Navy Theater Wide Ballistic Missile Defense Program," *BMDO Fact Sheet* AQ-99-03. All are in <http://www.acq.osd.mil/bmdo>.

²⁶ *Financial Times*, October 7, 1999 in <http://www.ft.com/>.

²⁷ *Taiwan Today News Network*, January 11, 1999, in <http://w3.ttnn.com/can>.

ballistic missile program instead as a deterrent against Beijing's military threats.²⁸

Notwithstanding these concerns, Beijing's missile threats to the island country's security are considered credible and formidable by Taiwanese military planners and they believe that the island's defense against such threats needs to be equally so. Taiwan has already acquired the Modified Air Defense System (MADS),²⁹ an improved variant of the Patriot surface-to-air missile known as PAC-II, which initially was acquired for air defense against China's warplanes.³⁰ The current MADS missile batteries, of which the first shipment was delivered to the island in 1997³¹, are few in quantity and do not have the crucial satellite links to make them effective against incoming ballistic missiles. While these anti-missile batteries are important in Taiwan's air defense, they are not enough to protect the whole island from China's missile attacks.³² However, Beijing's strong reaction has rendered Taiwan's direct participation in the TMD program problematic. Instead, Taipei has vowed to establish its own low-tier missile defense shield known as the "Taiwan Missile Defense."³³ Using this rationale, Taipei hopes that Washington will be more willing to share TMD-related technology and provide needed equipment to the island country. The Taiwan Relations Act (TRA) stipulates that "the United States will make available to Taiwan such defense articles and defense services in such quantity as may be

²⁸ Taiwan is reportedly developing its medium range surface-to-surface missile in order to counter China's missile threat. *Shi-jie Ri-bao (World Journal)*, November 26, 1999, p.A1.

²⁹ David Hughes, "Taiwan to Acquire Patriot Derivative," *Aviation Week & Space Technology*, March 1, 1993, p.61.

³⁰ Interview with a high ranking Taiwanese military official.

³¹ "US Patriot-based Anti-missile Defense System Arrives in Taiwan," *Deutsche Presse-Agentur*, January 15, 1997, in <http://web.lexis-nexis.com/universe>.

³² The US Department of Defense estimates that Taiwan will need at least 12 batteries of Patriot PAC-III to defend itself against China's short range ballistic missiles. However, the Taiwanese military's own estimation shows that it will need more than 80 Patriot PAC II missiles batteries to adequately defend the entire island against China's missile threats. See, "Report to Congress on Theater Missile Defense Architecture Options for the Asia-Pacific Region," in <http://taiwansecurity.org> and Julian Baum, "Defense Dilemma," *Far Eastern Economic Review*, May 28, 1998, p.33.

³³ *Shi-jie Ri-bao (World Journal)*, January 3, 2000, p.A5. Also see interview with Taiwan's former Defense Minister Tang Fei, *Financial Times*, October 7, 1999 in <http://www.ft.com/> and "Taiwan to Build Anti-missile Shield," February 1, 2000, in <http://www.nytimes.com>.

necessary..." (section 3 (a)).³⁴

Following this strategy, in its 2000 arms acquisition list Taipei requested four Burke-class destroyers equipped with the AEGIS battle management system, in addition to the Pave Paws long-range radar and other air-to-air and air-to-ground missiles.³⁵ The AEGIS is designed as a total weapon system, from detection to kill. It has an advanced multi-function phased-array radar, the AN/SPY-1, which is capable of performing search, track and missile guidance functions simultaneously with a capacity of over 100 targets.³⁶ Using the Standard Missiles as interceptors, the AEGIS system successfully demonstrated a TMD capability in 1997.³⁷ Taiwanese military planners believe that AEGIS destroyers have a better battlefield survivability due to their mobility and are capable of providing an island-wide missile defense system for Taiwan.

Through the acquisition of AEGIS destroyers, Taipei also hopes that it will become a *de facto* partner in the US-proposed TMD system and can form an implicit military alliance with both the US and Japan. This would increase the military costs that China would have to bear in mounting an attack on the island. Even if Taipei would not gain TMD protection if Beijing were to launch a missile attack in the next five years, Washington is likely to come to Taiwan's aid and this would be of tremendous security assistance to the island country. Some analysts have also argued that China is going to advance its missile program no matter what decision Taipei makes regarding its participation in the TMD system. Therefore, Taiwan needs to plan how to defend itself against Beijing's ballistic missile threats rather than to ponder whether the acquisition of a defensive system would be regarded as provocative by Chinese leaders.³⁸ These considerations may explain why Taipei leaders of both the ruling and opposition parties favor participating in the development or acquisition of TMD-related technology and equipment even

³⁴ Interview with a high ranking Taiwanese military official.

³⁵ Note that Taiwan is also beefing up its indigenous missile development program. The military-run Chungshan Institute of Science and Technology is adapting its *Tian Gong* (Sky Bow) surface-to-air missiles to serve the anti-missile purpose. See *World Journal*, February 7, 1999, p.A1.

³⁶ "AEGIS Combat System," *Navy Fact File* in <http://www.chinfo.navy.mil>.

³⁷ "Standard Missile," *Navy Fact File* in <http://www.chinfo.navy.mil>.

³⁸ "ROC Still Judging TMD's Pros, Cons" and *Red Alert* 1999.

though they have also expressed reservations about the potential costs and the questionable reliability of the project.³⁹

However, unlike the cases of Japan and South Korea, where the US is actively lobbying for them to participate in the system, Taiwan's development of a missile defense shield is not a decision that can be made on its own. Taipei's participation in a US-planned anti-missile system depends on Washington's evaluation of the Chinese reaction to Taiwan's inclusion and there is little Taiwan can do to change this state of affairs.

Beijing's Objections

Chinese leaders reacted very strongly to an inclusion of Taiwan in the US-proposed missile defense system and therefore to Taipei's intended acquisition of TMD-related technology and equipment from Washington. Claiming that the inclusion of the island in the anti-missile structure would be considered a hostile act, Beijing warned that the transfer of AEGIS destroyers to Taiwan would "certainly lead to serious consequences."⁴⁰

The Beijing leaders' strong reaction primarily comes from their concern over what they perceive as a rising Taiwan independence movement on the island. During the past decade, the Taipei government under President Lee Teng-hui's leadership has resisted the call for unification under China's "one country, two systems" plan. In response to the popular demand for increasing the international recognition of Taiwan's national identity, Lee's administration has employed "pragmatic diplomacy" aimed at developing substantive ties with other countries and breaking the diplomatic isolation imposed by Beijing. Taipei has also made several attempts to join the United Nations and other international organizations. After Lee's successful "private visit" to the US in 1995, Taipei implemented the "no haste, with patience" (*jie-ji yueng-ren*) policy to restrict Taiwanese investments in China and has also aggressively pursued the

³⁹ See, *World Journal*, March 28, 1999, p.A1; *World Journal*, March 1, 1999, p.A1; Barbara Opall-Rome, "Taiwan Resists Call to Embrace TMD," *Defense News*, November 30-December 6, 1998, p.4 & p.36.

⁴⁰ "Chinese Warn US Not to Arm Taiwan; Official Says Transfer of Missile Defenses Would be 'Last Straw'," *Washington Post*, March 6, 1999, in <http://web.lexis-nexis.com/universe>.

acquisition of advanced weaponry for defense. Last summer, Lee directly challenged Beijing's "one China" policy by announcing that Taipei would treat cross-Straits contacts as "special state-to-state relations." This characterization of cross-Straits relations, commonly labeled as the "two states theory," had angered Chinese leaders and they consider Taipei's policy an unacceptable attempt at secession. Beijing's anxiety over Taipei's move towards a *de jure* independence was heightened further with Chen Shui-bian's election as Taiwan's new President.⁴¹ Regarding Chen, a pro-independence candidate, as the genuine successor to Lee, Beijing fears that Taipei's "covert independence" plot may someday triumph and lead to a permanent separation of Taiwan from "the motherland." Chinese leaders' sense of urgency has been fully expressed in a recently issued white paper in which they threatened that Taiwan could expect military attack if it indefinitely postponed negotiations on unification.⁴²

From the Chinese military planners' point of view, the use of ballistic missiles probably is the most cost-effective military tactic against Taiwan, either for the purpose of intimidation or destruction.⁴³ As demonstrated by the 1995-96 Missile Crisis, the island country's economic and social stability was severely disrupted by Beijing's test-firing ballistic missiles. The inclusion of Taiwan in the US-deployed TMD system would certainly undermine China's only credible military threat against Taiwan, given that an invasion is militarily impossible or too costly to be carried out. The inclusion of Taiwan in the proposed missile defense system also amounts to the establishment of a new security alliance between Taipei and Washington. The termination of the Taiwan-US Mutual Defense Treaty of 1954 was one of the conditions demanded by Beijing leaders when China normalized its relationship with the US two decades ago.⁴⁴ Chinese leaders certainly could not tolerate the

⁴¹ *World Journal*, March 19, 2000, p.A1.

⁴² The Taiwan Affairs Office and the Information Office of the State Council, "The One-China Principle and the Taiwan Issue." February 21, 2000, in <http://www.peopledaily.com.cn>.

⁴³ For an analysis of ballistic missiles as a tactical weapon, see Eugene Fox and Stanley Orman, "Motivations for Missile Defenses," *the Journal of Social, Political and Economic Studies*, v.24, no.3 (Fall 1999), pp.259-273.

⁴⁴ Harry Harding, *A Fragile Relationship: The United States and China since 1972* (Washington, D.C.: the Brookings Institution, 1992).

resumption of such a military alliance between Taiwan and the US again. They worry that the inclusion of Taiwan in the TMD will give "the pro-independence forces in Taiwan a false sense of security, which may incite them to reckless moves."⁴⁵ Beijing therefore considers the deployment of TMD in Northeast Asia as a deliberate attempt on the part of the US to undermine its efforts to unify Taiwan with the Chinese mainland.

Beijing's objections to the TMD deployment are not limited to solely the proposed inclusion of Taiwan, but also stem from broader strategic considerations. China currently has a fleet of ballistic missiles armed with conventional and nuclear warheads. The combination of this weaponry and other modernized conventional forces could enable China to exert considerable leverage over the political and military decision-making of its neighboring countries and the US in peacetime as well as in times of crisis. The deployment of TMD will nullify Beijing's recent effort to develop its capabilities of engaging in asymmetric warfare, which aims to give China significant advantages over an adversary such as the US. Although the TMD is described as merely a defensive weapon, Beijing's leaders fear that its ability to protect deployed military forces would give it an offensive character and provide the US and its allies with considerable advantages in the battlefield. As the proposed TMD system not only has the capability of theater missile defense but also possesses the potential of defending against strategic nuclear missiles, China's nuclear deterrence capability would be severely compromised against a nation covered by a TMD system. If a US-proposed TMD system were to be deployed in Northeast Asia, China would be forced to develop counter-measures in order to protect its vulnerability. Such an unwanted arms race would divert China's scarce resources which would otherwise be used for its economic modernization.⁴⁶ Using the logic of deterrence, Chinese leaders have argued that the TMD

⁴⁵ Sha Zukang, "China policy on International Nuclear Proliferation," Remarks at Carnegie Endowment for International Peace, *Federal News Service*, January 12, 1999, in <http://web.lexis-nexis.com/congcomp>. Also see, Zhang Zhao-zhong, "China's Internal Affairs Should not be Interfered," *Jie Fang Jun Bao* (*People's Liberation Army Daily*), March 22, 1999, p.5.

⁴⁶ Sha Zukang, "China policy on International Nuclear Proliferation." Also see Yan Xuetong, "Theater Missile Defense and Northeast Asian Security," *the Nonproliferation Review* v.6, no.3 (Spring-Summer 1999), pp.65-74.

system violates the US-Soviet 1972 Anti-ballistic Missile (ABM) Treaty⁴⁷ and the Missile Technology Control Regime⁴⁸; and they have allied themselves with Russian leaders to oppose its deployment.⁴⁹

Chinese leaders are also uneasy about Japan's involvement in developing the proposed TMD system.⁵⁰ Because the 1997 US-Japan Defense Cooperation Guidelines require that Tokyo provide support to American military forces during wartime, there is concern in China that Japan's participation in TMD could become a pretext for involvement in any military conflict in the Taiwan Strait. Arguing that the development of a highly sophisticated TMD will certainly upgrade military and technological cooperation among those nations involved in the program, Beijing leaders oppose Tokyo's participation in the project, since it would give Japan capabilities far exceeding its "legitimate" defensive needs.⁵¹

To Chinese leaders, the US-proposed anti-missile system in Northeast Asia could be used by Washington and Japan not only to undermine their unification efforts with Taiwan but also to contain China. It therefore represents both interference in China's internal affairs and a threat to its national security and must be stopped if possible.

US Considerations

Over Beijing's objections, the US Congress has provided about \$2 billion every year for the TMD project since 1998 and will provide

⁴⁷ Sha Zukang, "Missile Defense Folly," *Defense News*, v.13, no.50 (1998), p.15. For a discussion on whether the deployment of a theater missile defense system violates the ABM Treaty, see Richard A. Falkenrath, "Theater Missile Defense and the Anti-Ballistic Missile Treaty," *Survival*, v.36, no.4 (Winter 1994-95), pp.140-160; Eugene Fox and Stanley Orman, "Why International Theater Missile Defense is Still A Challenge Rather Than a Reality?" *the Journal of Social, Political and Economic Studies*, v.23, no.2 (Summer 1998), pp.107-120.

⁴⁸ James Kynge, "Threat of Missile Transfer," *Financial Times*, February 26, 1999, in <http://www.ft.com/>.

⁴⁹ "Zhang Wannin Holds Talks with Russian DM," *People's Liberation Army Daily* June 11, 1999, p.A1.

⁵⁰ For an analysis of Japan's involvement of the TMD project, see Stephen A. Cambone, "The United States and Theater Missile Defense in Northeast Asia," *Survival*, v.39, no.3 (Autumn 1997), pp.66-84.

⁵¹ Sha Zukang, "Missile Defense Folly."

another 1.7 billion in 2001.⁵² Tokyo, fearing that North Korea's test-firing of the TD-1 missile would impose a threat to Japan's national security, has also agreed to participate in the long-discussed joint research program on the anti-missile defense system.⁵³ These developments suggest that the deployment of the TMD system is not likely to be changed simply because of Beijing's objections.

However, the Clinton administration's position on Taiwan's participation in the TMD project is ambiguous at best. Instead of taking a clear position in response to Beijing's concern and Taipei's interest in the project, the administration's policy is that "we do not preclude the possibility of Taiwan having access to TMD."⁵⁴ While declining Taipei's request for AEGIS destroyers in 2000, Washington at the same time indicated that it was committed to "a comprehensive study of [Taiwan's] naval requirements in which one of the possible candidate systems would be the AEGIS system."⁵⁵ Apparently, the Clinton administration is not ready to rule out the possibility of Taiwan having access to TMD-related technology and equipment and is willing to leave the decision to the next administration.

Washington's policy regarding Taiwan's participation in the TMD system is the result of its efforts to balance America's interests in cooperation with Beijing on a world stage with its interest in not having Taiwan and China go to war. The US government recognizes that there are many economic, political and strategic interests involved in the Sino-US relationship. First of all, China is one of the largest markets in the world and is the 3rd largest US trading partner. As a permanent member on the UN Security Council and a member of the so-called "nuclear club," Beijing's cooperation is crucial to

⁵² "The Ballistic Missile Defense Fiscal Year 1999 Budget," *BMDO Fact Sheet* PO-99-01 and Robert Snyder, "Ballistic Missile Defense Organization Press Release: FY01 President's Budget," February 4, 2000. Both are in <http://www.acq.osd.mil/bmdo>.

⁵³ Kensuke Ebata, "Japan Joins USA in theater Missile Defense Research," *Jane's Defense Weekly*, September 30, 1998; Willis Witter, "Japan Makes Missile-Defense Plan high Priority; North Korea's Launch Spurs Rise in Spending," *Washington Times*, November 6, 1998; "USA-Japan Talks Advance on Sea-based Shield," *Jane's Defense Weekly*, November 18, 1998. All are in <http://web.lexis-nexis.com/universe>.

⁵⁴ See testimony of Stanley Roth, Assistant Secretary of State, "Twenty Years of The Taiwan Relations Act," Hearing of the Senate Foreign Relations Committee, March 25, 1999, in <http://web.lexis-nexis.com/congcomp>.

⁵⁵ See comments by Walter Slocombe, the Undersecretary of Defense, in "A Delicate Balance," *Online NewsHour*, April 18, 2000, in <http://www.pbs.org>.

Washington in dealing with a large variety of issues, such as the ethnic conflict in Bosnia, the launch of a punitive Gulf War against Iraq, and the proliferation of nuclear and missile technologies to Iran and North Korea, all major interests to the US. This may explain why the Clinton administration, instead of “containing” China as some have proposed,⁵⁶ has instead chosen to “engage” with Beijing, leading to the establishment of the “constructive strategic partnership” between the two countries in 1997.⁵⁷ As the “Taiwan question” has become the most sensitive issue in Sino-US relations, Washington certainly cannot treat the inclusion of Taiwan in the TMD in isolation. The proposed deployment of the TMD system in Northeast Asia has already been regarded by Beijing as the start of an undeclared policy of “containment.” The Clinton administration fears that the inclusion of Taiwan in the system would only strengthen such a perception by the Chinese leaders in the strongest possible way.

The sharing of TMD-related technology and equipment is an even more sensitive issue in 2000, considering that Taiwan's newly elected president, Chen Shui-bian, has staunch pro-independence credentials. His affiliated Democratic Progressive Party (DPP) is the only major political party on the island that has adopted a plank pursuing Taiwan's *de jure* independence. Although Chen has moderated his position considerably since the election,⁵⁸ Chinese leaders have exhibited their deep mistrust and suspicion of Chen and the DPP as Taiwan's next ruling party. They insisted that the new government had to accept Beijing's “one China” principle and recognize Taiwan as a

⁵⁶ A classic work of the “containment theory” is Charles Krauthammer, “Why We Must Contain China,” *Time*, July 31, 1995, p.72. Another work of a similar line of argument is Richard Bernstein and Ross H. Munro, “China I: The Coming Conflict with America,” *Foreign Affairs*, Vol.76, no.2 (March/April, 1997), pp.18-32. For an analysis of the “containment” vs. “engagement” arguments, see Denny Roy, “The ‘China Threat’ Issue,” *Asian Survey*, Vol.36, no.8 (August, 1996), pp.758-771.

⁵⁷ The White House, “Joint U.S.-China Statement,” October 29, 1997, in <http://www.pub.whitehouse.gov/>.

⁵⁸ See “Full Transcript of an Exclusive Interview with Taiwan's President-elect Chen Shui-bian,” *Los Angeles Times*, March 22, 2000, in <http://www.latimes.com> and “Taiwan's New Leadership Hints at Dropping Push for Independence,” *New York Times*, March 21, 2000, in <http://www.nytimes.com>.

part of China, or Taiwan could expect “disaster instead of peace.”⁵⁹ Washington feared that the transfer of AEGIS destroyers to Taipei would be viewed by Beijing leaders as an explicit support for Taiwan independence, which would further aggravate the cross-Straits tension, destroy any hope for peaceful dialogues between Taipei and Beijing⁶⁰ and turn the Clinton administration's policy of engagement with China into enduring hostility.

The Clinton administration, however, is keenly aware of the threats that China's ballistic missiles pose to Taiwan as well as to the US. Immediately after Beijing test-fired a series of ballistic missiles in the Taiwan Strait in 1996, former CIA director James Woolsey testified before the Senate Armed Services Committee that “it will not be too long before ... the rulers in Beijing... [are] able ...to create in effect an intentional Chernobyl at a Taiwanese nuclear power plant, by hitting the power plant, again without using weapons of mass destruction.”⁶¹ The 1999 DoD report to the Congress also warned that by 2005 China “will possess the capability to attack Taiwan with air and missile strikes” and suggested that Taiwan's “success in deterring potential Chinese aggression will depend on its continued acquisition of modern arms, technology and equipment ...”⁶² Most importantly, as George J. Tenet, Director of the Central Intelligence Agency (CIA), has warned, “China is increasing the size and survivability of its retaliatory nuclear missile force, ...” and “is also developing and acquiring air and naval systems intended to deter the United States from involvement in a Taiwan Strait crisis and to extend China's fighting capability beyond its coastline.”⁶³ Because

⁵⁹ “Taiwan Warned To Accept China Terms,” *New York Times*, May 9, 2000, in <http://www.nytimes.com>.

⁶⁰ See comments by Walter Slocombe in “A Delicate Balance.”

⁶¹ See the testimony of James Woolsey, Former Director of Central Intelligence Agency, in “Need For National Ballistic Defense System,” Hearing before the Senate Foreign Relations Committee, September 24, 1996, in <http://web.lexis-nexis.com/congcomp/>.

⁶² Department of Defense, “The Security Situation in the Taiwan Strait.”

⁶³ The testimony of George J. Tenet, Director of Central Intelligence Agency, “Current and Projected National Security Threats,” Hearing before the Senate Armed Services Committee, February 2, 1999, in <http://web.lexis-nexis.com/congcomp>. For an assessment of China's missile threats to Taiwan, also see the testimony of George J. Tenet, Director of Central Intelligence Agency, “the Worldwide Threat in 2000,” Hearing before the Senate Foreign Relations Committee, March 22, 2000, and the testimony of Robert Walpole, National Intelligence Officer for Strategic and Nuclear Programs, “The Ballistic Missile

a strong defensive capability for Taiwan can force Beijing's leaders to have second thoughts on an attempt to resolve the issue of China's reunification by force, Washington is not willing to forgo the option of supplying Taiwan with TMD-related technology and equipment or even to include the island under the missile defense umbrella if it would deter a Chinese attack without the need for politically unacceptable US involvement and casualties.

In addition, the Clinton administration is also under Congressional pressure to protect Taiwan from China's military threats. In the aftermath of the 1995-96 Taiwan Strait Crisis, many members of Congress expressed serious concerns about Taiwan's security and were alarmed by the Clinton administration's rapprochement with the Beijing government. The Congress thus passed legislation in 1996 seeking to amend the Taiwan Relations Act (TRA) to establish its superiority over the 1982 US-PRC Joint Communiqué which placed constraints on America's arms sales to Taiwan.⁶⁴ Although this legislation was vetoed by President Clinton on the ground that it would harm Sino-US relations,⁶⁵ two similar bills were introduced again in the House in 1997.⁶⁶ In response to President Clinton's statement of what is known as the "three noes" policy,⁶⁷ both the House and the Senate in 1998 passed concurrent

Threat to the United States," Hearing before the Senate Governmental Affairs Committee Subcommittee on International Security, Proliferation and Federal Services, February 9, 2000. Both are in <http://web.lexis-nexis.com/congcomp>.

⁶⁴ See, "104 H.R. 1561," April 2, 1996, in <http://web.lexis-nexis.com/congcomp/>. In Section 2601 of the bill, a relevant passage states that "(a) Applicability - Section 3 of the Taiwan Relations Act (22 U.S.C. 3302) is amended by adding at the end the following new subsection: (d) the provisions of subsections (a) and (b) supersede any provision of the Joint Communiqué of the United States and China of August 17, 1982."

⁶⁵ A similar bill was first passed by the US Congress and signed into law by President Clinton in 1994, but the White House interpreted the language with regard to the TRA as equivalent to the non-binding "sense of Congress." See, *New York Times*, May 1, 1994 and Benjamin Yeh, "ROC Mum on US Congress Proposal to Amend Taiwan Relations Act," *Central News Agency* (May 17, 1995), in <http://web.lexis-nexis.com/universe>. For the amendment to the TRA, see the *Foreign Relations Authorization Act, Fiscal Years 1994 and 1995*, Public Law 103-236, in <http://web.lexis-nexis.com/congcomp>.

⁶⁶ See, "105 H.R. 301," January 14, 1997 and "105 H.R. 2386," September 3, 1997. Both are in <http://web.lexis-nexis.com/congcomp>.

⁶⁷ The White House, "Remarks by the President and the First Lady in Discussion on Shaping China for the 21st Century," Shanghai Library, Shanghai, China, June 30, 1998, in <http://www.pub.whitehouse.gov>.

resolutions⁶⁸ expressing overwhelming support for America's long-standing security commitment to Taiwan.

To address its specific concerns on China's missile threats to Taiwan, the House of Representatives passed the *United States-Taiwan Anti-Ballistic Missile Defense Cooperation Act* (H.R. 2386) in 1997 directing the Secretary of Defense to study and report to the Congress on the establishment and operation of a TMD system capable of protecting Taiwan from ballistic missile attacks.⁶⁹ This resolution has been incorporated into the 1999 national defense authorization act (P.L. 105-261), with a requirement of developing a system capable of protecting "key regional allies of the United States" in the Asia-Pacific region, implicitly including Taiwan.⁷⁰ Further alarmed by China's massive missile build-up on sites near Taiwan, the House of Representatives in early 2000, ignoring White House warnings of a presidential veto, overwhelmingly passed the *Taiwan Security Enhancement Act* (TSEA, H.R. 1838), which aims to strengthen military ties between the US and Taiwan.⁷¹ Although the passed House version of the TSEA eliminates the stipulation of sales of "theater missile defense equipment and related items" in its original bill⁷² and as this is written its fate is still pending on a Senate vote with Senate Majority Leader Trent Lott's support,⁷³ the bill has demonstrated serious concern on Capitol Hill for Taiwan's

⁶⁸ See, "105 House Concurrent Resolution 301," July 21, 1998, passed in the House by 390-1, and "105 Senate Concurrent Resolution 107," July 17, 1998, passed in the Senate by 92-0. Both are in <http://web.lexis-nexis.com/congcomp>.

⁶⁹ *US-Taiwan Anti-ballistic Missile Defense Cooperation Act* (105 H.R. 2386), October 8, 1997, in <http://web.lexis-nexis.com/congcomp/>.

⁷⁰ *Strom Thurmond National Defense Authorization Act for Fiscal Year 1999* (Public Law 105-261), October 17, 1998, in <http://web.lexis-nexis.com/congcomp/>.

⁷¹ The TSEA was passed by a 341-70 vote with 140 House Democrats joining Republicans. See Juliet Eilperin and Steven Mufson, "House Votes for Stronger Military Ties to Taiwan," *Washington Post*, February 2, 2000, in <http://washingtonpost.com> and Audrey Hudson, "House Defies Clinton, Backs Arms for Taiwan," *Washington Times*, February 2, 2000, in <http://www.washtimes.com>.

⁷² For a comparison of the original bill and the House passed version, see "1999 H.R. 1838," May 18, 1999 and "2000 H.R. 1838," February 1, 2000. Both are in <http://web.lexis-nexis.com/congcomp/>.

⁷³ Senator Trent Lott, along with Senator Frank H. Murkowski and Senator Kay Bailey Hutchison, sent a letter on March 1, 2000 to President Clinton expressing their support for the TSEA. The letter is posted at the web site of *Taiwan Research Institute*, in <http://www.taiwaninformation.org>.

perceived vulnerability to Beijing's missile threats. It would be politically impossible for the Clinton administration to preclude the possibility of including Taiwan in the proposed anti-missile system even if it wanted to. This may explain why Clinton and his deputy national security adviser, James Steinberg, reportedly informed Beijing leaders as early as 1998 that they could not promise to block the transfer of TMD to Taiwan because of the strong Congressional support for Taipei.⁷⁴ Instead, the Clinton administration has emphasized that China's actions are a key factor in the region's and Taiwan's interest in TMD and urged Chinese leaders "to exercise restraint on missiles, to work toward confidence-building measures with Taiwan, and to press North Korea to forgo its missile ambitions."⁷⁵

Critiques and Conclusion

Washington's policy on the development of the TMD system, and the possible introduction of related technology and equipment to Taiwan, are consistent with what Denny Roy called the "enmeshment strategy" toward China.⁷⁶ Unlike the containment position which is pessimistic about the ability of outsiders to influence China, the enmeshment strategy is based on the assumption that external forces can significantly change China along lines the outside world desires. This strategy involves hard bargaining and low-level coercion with economic incentives and disincentives to extract desirable behavior. Enmeshment is clearly demonstrated by the Clinton administration's desire for engagement with Beijing on the basis of a "constructive strategic partnership," its show of support for China's accession to the World Trade Organization⁷⁷ and its support for granting China

⁷⁴ Peter Landers, Susan Lawrence, and Julian Baum, "Hard Target," *Far Eastern Economic Review*, September 24, 1998, pp.20-21.

⁷⁵ See the testimony of Stanley Roth, Assistant Secretary of State, "Twenty Years of The Taiwan Relations Act," Hearing before the Senate Foreign Relations Committee, March 25, 1999, in <http://web.lexis-nexis.com/congcomp>.

⁷⁶ Denny Roy, "The 'China Threat' Issue."

⁷⁷ The White House, "Joint Statement by President Bill Clinton and Premier Zhu Rongji," April 10, 1999, in <http://library.whitehouse.gov>.

permanent normal trading status,⁷⁸ while at the same time taking a hard bargaining position on a variety of issues such as bilateral trade and human rights and cooperating with Japan to develop the TMD system.⁷⁹

As part of this enmeshment strategy, Washington has deliberately maintained an ambiguous position on the introduction of the anti-missile system to Taiwan. Without taking a clear position on the issue, the Clinton administration has hoped that such an ambiguous position could put pressure on Chinese leaders to exercise restraint in word and deed toward Taiwan. Washington believes that this strategy will not further upset the already-troubled Sino-US relationship and can avoid exacerbating cross-Straits tensions, as well as meeting Congressional challenges on the issue. This is the TMD version of "strategic ambiguity." While some have praised this policy as prudent and cautious,⁸⁰ it is important to note that its implementation requires a balanced approach.

The effectiveness of Washington's policy rests solely upon the deterrent effect that results from both the certainty and uncertainty created by the policy about future US actions.⁸¹ The former would insure a US response (or non-response), so as to make it unappealing for other parties to trigger the US reaction, while the latter would prevent other parties from knowing how far they can go without risking a response (or non-response).⁸² This ambiguity presumably forces all concerned parties to have second thoughts on possible US reaction (or non-reaction) to any provocative conduct in cross-Straits interactions and thus preserves the status quo. Washington believes that this policy would not only deter Beijing's possible use of force but would also discourage an outright bid for independence by Taiwan to which Beijing will certainly respond radically. By

⁷⁸ See, "Full Text of Clinton's Speech on China Trade Bill," *New York Times*, March 9, 2000 and "Administration Steps Up Effort for Support of China Trade Bill," *New York Times*, May 3, 2000. Both are in <http://www.nytimes.com>.

⁷⁹ "That Elusive Chinese Spring," *Economist*, March 6, 1999, pp.27-28.

⁸⁰ See comments by Michael Oksenberg in "A Delicate Balance."

⁸¹ For a critique of America's ambiguous policy towards Taiwan, see T.Y. Wang, "From 'Strategic Ambiguity' to 'Active Engagement': A New Approach to the Taiwan Issue," *Current Politics and Economics of the United States* v3, no.1 (1999): 1-18.

⁸² Andrew J. Nathan, "What's Wrong with American Taiwan Policy," *the Washington Quarterly* (Spring 2000): 93-106.

maintaining this dual deterrence, it is hoped that war between Beijing and Taipei can be avoided. However, the challenge of this policy is how to maintain a balance between China and Taiwan so that the tilt of the policy against one side would not open up room for risk-taking actions by the other. It requires prompt and clear action if the course of events threatens to deviate from the intended stalemate. Inaction or delayed action would certainly send the wrong signal to both parties and dangerous crises might come about as a result.

The Clinton administration's decision to defer the sale of AEGIS destroyers unfortunately fails to meet this challenge for prompt action to punish those who threaten the status quo. As noted, Beijing has been engaging in a massive build-up of its missile forces opposite Taiwan and has set up a "timetable" in the recently issued white paper warning Taiwan to engage in negotiations with China on unification or face military attacks. Chinese leaders have also continued their warlike statements since Taiwan's 2000 presidential election on March 18 and have placed pressure on President Chen to accept their version of the "one China principle."⁸³ As a democratically elected leader, Chen will not be able to accept Beijing's "one country, two system" unification plan, which has received almost no support on the island. Chinese leaders, after a period of waiting and testing,⁸⁴ are likely to use their ballistic missile forces to step up military maneuvers of intimidation to Taipei or perhaps even bring war to the Taiwan Strait. Given that Beijing has increased its military capability and has demonstrated its intention to disrupt the intended stalemate of Washington's ambiguous policy, the Clinton administration's decision to defer the sale of AEGIS destroyers to Taipei will only exacerbate this unintended outcome, since the decision opens up room for further risky behavior by Beijing.

Washington's decision to postpone will also weaken Taiwan's defensive capability. Although the island country's military now enjoys a qualitative advantage, many analysts believe this advantage

⁸³ "China Steps up Military Drills," *New York Times*, April 25, 2000, in <http://www.nytimes.com> and "Beijing Sends Mixed Message to Taiwanese," *Washington Post*, May 30, 2000, in <http://washingtonpost.com>.

⁸⁴ Cindy Sui. "China Accepts Chen's Win But Plans to Watch Closely." *The Washington Post*, March 19, 2000, in <http://www.washingtonpost.com/>.

is narrowing fast.⁸⁵ Further, the supply of advanced weaponry to Taipei must be planned for years in advance, as delivery, training and deployment of any major weapon system will take considerable time to be completed. Even had the sale of AEGIS destroyers been approved in the 2000 arms acquisition, it would have taken several years to have the system fully functional. As Beijing is rapidly modernizing its missile forces and enjoys almost unlimited access to the international arms market,⁸⁶ Taiwan's security will be seriously compromised a few years from now. Washington will then be forced to choose between direct involvement in cross-Straits conflicts or abandoning the island country altogether, neither of which would be considered politically acceptable to an American administration of either political party.

Some in the US have argued that TMD would only "provide some psychological security for Taiwan's 23 million citizens", because the sheer number of missiles fired by China could overwhelm any missile defense system.⁸⁷ While this argument has some validity, it fails to consider that TMD will prevent China from engaging in military intimidation by firing a few ballistic missiles at or around the island as it did in 1995, an action that could easily escalate into an all-out war across the Taiwan Strait. If Taipei were to acquire strengthened anti-missile capability, Beijing's only options become foregoing the use of ballistic missiles altogether or to launch an all-out missile attack on Taiwan, which would mean total warfare in the Taiwan Strait. The differences in the cost-benefit calculation on Beijing's part with TMD included could mean the difference between peace and war.

Strengthening Taipei's anti-missile capability can also discourage Taipei from taking radical actions of its own, since an erosion of

⁸⁵ David Shambaugh, "A Matter of Time: Taiwan's Eroding Military Advantage," *the Washington Quarterly*, v.23, no.2, pp.119-133 and "Taiwan Seen Vulnerable to Attack," *Washington Post*, March 31, 2000, in <http://washingtonpost.com>.

⁸⁶ For instance, Beijing has purchased two destroyers from Russia and an early-warning plane from Israel. It is reported that China's new J-10 fighter is based on an Israeli prototype developed with US aid. See, "China, Russia Solidifying Military Ties," *Washington Post*, February 10, 2000, in <http://washingtonpost.com> and "Deal for Early-Warning Plane Hangs Over Jiang's Arrival in Israel," *New York Times*, April 13, 2000, in <http://www.nytimes.com>.

⁸⁷ Shambaugh, "A Matter of Time," p.127.

Taiwan's perceived security is likely to lead Taipei to undertake desperate measures to restore the strategic balance with China. Nuclearization is a frequently-mentioned option for the island country because Taiwan is commonly regarded as a country possessing the ability to make nuclear weapons and has attempted the development of such weapons in the past. Taipei is also reportedly engaging in the development of medium-range ballistic missiles as an offensive weapon against China's missile threat.⁸⁸ While neither scenario will be helpful to the regional stability, the combination of the two would be especially destabilizing.

The Taiwan question is not going to be resolved easily and it will continue to be one of the most provocative issues in Sino-US relations in the foreseeable future. To prevent war from breaking out, Washington needs a truly balanced approach towards cross-Straits relations. Following this logic, the transfer of TMD-related technology and equipment to Taipei will provide more than mere "psychological security" for Taiwan. It will also provide disincentives for both Beijing and Taipei to take provocative action, and hence will help stabilize cross-Straits relations.

Finally, the controversy over Washington's TMD policy and the possible introduction of missile defense systems to Taiwan should also remind China that it cannot continually act in the region in a way that threatens others without expecting a response. By firing missiles to intimidate Taiwan in 1995, Beijing has inadvertently strengthened the hand of those in the US seeking to increase military cooperation with the island country. In addition, while the threat of military force can prevent Taiwan from seeking *de jure* independence, it will not promote the island country's unification with China. Polls taken in Taiwan after the 1995-96 Missile Crisis showed that Beijing's military threats had only served to deepen popular resentment towards China. Beijing needs to soften its rhetoric and "missile diplomacy" and engage in exchanges that could bridge the deep mistrust between the two sides of the Taiwan Straits.

⁸⁸ *World Journal*, November 26, 1999, p.A2. Taiwan's former Vice-president Lien Chan also called for the development of long-range ballistic missiles. *World Journal*, December 8, 1999, p.A2.

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France and the Idea of Strategic Defense: Technology, Politics and Doctrine

Taylor Dinerman

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France has been extremely hostile to the idea of U.S. defense against ballistic missiles, yet France at the height of its power was sheltered behind a complex and effective multilayered defense system. The desire to see the value of its nuclear investment preserved is one of the major motivating factors behind current French policy. Yet the world is changing and perhaps French policy may change with it.

Key Words: French Strategic Policy, French Military History, Ballistic Missile Defense, Nuclear Strategy, NATO, Military Technology, European Defense Policy. Antimissile weapons, French-U.S. Relations.

Over the next few years France and the United States of America face two apparently separate but actually interrelated problems. First of all how the new European Defense Identity will relate to NATO and to the U.S.? Is it to be hostile to America, will it drag the E.U. into a cold war type confrontation with the "American Hyperpower"? Secondly, how will Europe in general, and France in particular, react to the New American consensus on missile defense? In spite of distrust and considerable anguish in liberal quarters over the fate of the much violated ABM treaty, America is moving inexorably towards equipping itself with the ability to shoot down at least some incoming missiles.

The Strategic Defense Initiative (SDI) launched by Ronald Reagan in 1983 produced enough knowledge so that the U.S. Government now has an excellent idea of what works and what does not. The old arguments from the arms controllers have been devalued in the face of mounting and irrefutable evidence that the USSR cheated massively on almost every Arms Control agreement they signed. Defending the American homeland against missile attack is today accepted in the U.S. as a perfectly respectable idea. Academic conventional wisdom opposing ballistic missile defense is now on the losing end of policy debate; it dominated policy in the 1970s, and