US-China Economic and Security Review Commission Hearing on "Deterring PRC Aggression Toward Taiwan" February 18, 2021 Written Testimony David J. Keegan

U.S. Policy toward Taiwan and China: A Precarious Balance

Thank you for inviting me to testify on U.S. policy toward Taiwan. In order to explain the context for the choices we must confront, I open with a historical overview. I then offer my assessment of policy choices we confront and how we should best address the crucial choices I believe the U.S. must make toward Taiwan and toward the cross-Strait Taiwan-China relationship, keying my analysis to the questions posed by your staff. U.S. management of the cross-Strait relationship is one of the true consistent, though often precarious, successes of U.S. policy since World War II. Our challenge is to maintain and build on that success as both Taiwan and China are changing dramatically.

I would like to begin with the briefest of historical retrospectives. History matters for both China and Taiwan. It defines their expectations of the U.S. and affects their responses to any steps we might take. U.S. policy toward Taiwan and China has been a precarious balance ever since World War II. Between 1945 and 1951, U.S. policy makers debated whether to defend our World War II ally, the Nationalist (Kuomintang, abbreviated KMT) government led by Chiang Kai-shek as it retreated to Taiwan or to stand aside with the expectation that the Chinese Communist Party (CCP) led by Mao Zedong would conquer Taiwan and integrate it into the Peoples Republic of China. There was intensive debate within U.S. policy circles whether to take control of Taiwan as a military base and choke point against China. The eventual decision was not to do so. President Truman announced that we would stand aside, allowing the Chinese civil war to play out regarding Taiwan, only to reverse that decision after the Chinese decided to enter the Korean War. ¹

In the 1950s, '60s, and '70s, the Nationalists on Taiwan and Communists in China built two brutal authoritarian Leninist regimes. They were distinguished primarily by the two very different paths these governments chose toward regime development. The Nationalists chose, with U.S. support, to implement peaceful land reform, a successful economic development, and a slow transition toward a political system that began to include the Taiwanese people and move toward democracy. The Communists implemented a series of disastrous political and economic policies epitomized by the Great Leap Forward and the Cultural Revolution under Mao before Deng Xiaoping abruptly shifted China to a state-led market economic system in the 1970s.

In 1979, the U.S. shifted our diplomatic recognition from the Republic of China on Taiwan to the People's Republic of China in pursuit of our own strategic security. To achieve that, we agreed to step aside once again and accept that Taiwan would eventually be absorbed into the

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¹ Christensen, Thomas J., *Useful Adversaries* (Princeton UP, 1996), pp. 105-133.

PRC after some sort of transitional period.² In a portent of the potential costs of that choice, the announcement of our recognition of the PRC and "de-recognition" of the ROC reached Taiwan on December 16, 1978 as candidates were competing in one of Taiwan's most free elections to that time, a crucial turning point in Taiwan's move to greater democracy. Despite our carefully worded acceptance of the PRC determination to absorb Taiwan in the U.S.-China Joint Communique on establishing diplomatic relations, we never stepped aside as fully as China had sought or Taiwan had feared.

Since 1979, Taiwan transformed itself into one of the most vibrant and stable democracies anywhere, with economic progress to match. Over the past year, Taiwan has proven that COVID-19 can be controlled in a democracy without sacrificing economic growth. In contrast, China has implemented Deng's vision of economic modernization under the absolute control of the Chinese Communist party. Taiwan has long since abandoned the Nationalist hope to unify China and Taiwan into a new Republic of China. It has instead become an autonomous Chinese society and government with a distinctive identity and a mutually beneficial economic relationship with mainland China. China by contrast has reverted to an increasingly brutal authoritarian government at the same time it has become the defining economic growth story of the twenty-first century. China has made the absorption of Taiwan into China a core prerequisite for achieving what it sees as its full national sovereignty. It is preparing a full spectrum of coercive strategies to persuade or force Taiwan and the U.S. to accede to Taiwan's absorption.

While Beijing repeatedly says that Taiwan and China should "reunify" as if they are two halves of a whole that naturally fits together, the two sides have gone through dramatically different historical experiences, which would make any integration or unification extremely challenging. The Chinese Communists present themselves as the force that saved China after a Century of Humiliation, imposed on it by foreign forces, most notably Japan, Britain, and the United States. Taiwan did not experience that same century of humiliation. Instead, it suffered centuries of oppression first with Qing dynasty control, then fifty years of Japanese colonial exploitation, and most recently with two threats originating from the Chinese mainland: the Nationalists' "White Terror" launched on Taiwan beginning with the February 28 incident of 1947, and now the Communists' threat of forceful reunification.

Growing out of these two very different backstories, two fundamental dynamics have driven the cross-Strait agendas of China and Taiwan.

China's cross-Strait agenda and its policy toward the U.S. are based on the conclusion that U.S. protection of Taiwan and the ROC since 1945 is the primary reason that China has not been able to achieve its primary national objective of becoming a fully unified China. To that extent, leaders in Beijing conclude that U.S. actions have undermined the legitimacy of the People's Republic of China and the Communist Party of China.

² Goldstein, Steven M., *China and Taiwan* (Polity, Cambridge UK, 2015), p. 54; Tucker, Nancy Bernkopf, *Strait Talk* (Harvard UP, 2009), p. 120

China's primary objective in pushing for a rapprochement with the U.S. between 1971 and 1982 was to win a U.S. commitment to end its support for the ROC on Taiwan so that Beijing could gain control of Taiwan, remove the ROC, and unify China on its terms. It understood the three joint communiques as signaling our acceptance of that bargain. Beijing believes that we broke our commitment and that it must do everything in its power to punish the U.S. for doing so.

Beijing does not accept that the people of Taiwan should have a voice in what it calls "reunification," any more than the people of Hong Kong had in 1997. The British rule in Hong Kong was not a democratic one in the Chinese view, and there is no reason why China should grant the people of Hong Kong a democratic voice that Britain granted them only as it was walking out the door. The ROC rule under Chiang Kai-shek's Nationalist Party was not a democratic one either, and the civil war should have been concluded between those two authoritarian actors, the Communists and the Nationalists.

Taiwan's cross-Strait agenda is based on how Taiwan has grown increasingly different from China over the past fifty years. The people of Taiwan, both those who came, or whose parents came, to Taiwan with the Nationalists between 1945 and 1950, and those whose ancestors had settled in Taiwan earlier, have come to see the Communists as the latest in a series of outside autocratic threats and have come to see themselves as a separate democratic people. They perceive the U.S. as an essential partner in their effort to preserve their hard-won democracy, prosperity, and stability. At the same time, they distrust the U.S. because they remember the occasions when the U.S. was willing to trade away Taiwan in pursuit of a stronger relationship with China.

This brief history lays out the different expectations that Taiwan and China bring to any cross-Strait exchange and how each side understands the U.S. role. It also makes it clear that U.S. policy toward Taiwan is inescapably embedded in our policy toward China. The US-PRC relationship has grown increasingly confrontational since 2008. Where that relationship once lent stability to an unstable and perilous cross-Strait relationship, it now instead adds increasing instability. Today, the U.S. is confronted with a challenge: how to balance U.S. national interests with the competing objectives of China and Taiwan while remaining true to our commitments and our values. As I will suggest, our choice is clear but striking the balance that will enable us to make that choice a reality will be difficult.

With that, let me offer my assessment of policy choices we confront and how we should best address the crucial choices I believe the U.S. must make toward Taiwan and toward the cross-Strait Taiwan-China relationship. I will do this by addressing some specific policy issues raised to me by the Commission staff in asking me to testify.

1. Is Taiwan's continued autonomy indispensable to U.S. interests in Asia?

Yes. Taiwan matters, as Shelley Rigger explained so well in her book of that title.³ Its continued democracy, prosperity, and security matter. Taiwan is the clearest proof that it is possible to govern a Chinese society with Chinese cultural values as an ethical democracy. Taiwan is a counter to the model of Chinese Communist governance as it is manifested in the brutal authoritarianism of the People's Republic of China. It is also a reminder that U.S. support for a regional partner can help build governments and polities that yield increasing democracy, prosperity, and stability as it has done in Taiwan, as well as in Japan and South Korea.

Taiwan contributes to the stability of East Asia through its economic, commercial, and political cooperation, both official and unofficial, with other countries of the region. U.S. support for Taiwan's efforts has advanced U.S. efforts toward regional stability more generally.

Also, Taiwan has undertaken a number of cooperative projects with other countries, often in partnership with the U.S. One particularly valuable effort is the Global Cooperation and Training Framework (GCTF), established by the U.S. and Taiwan in 2015. The American Institute in Taiwan (AIT) decribes the program as:

a platform for Taiwan to share its expertise with partners around the world. Taiwan has world-class experts in a wide variety of fields, including public health, law enforcement, disaster relief, energy cooperation, women's empowerment, digital economy and cyber security, media literacy, and good governance. However, because many international institutions do not allow Taiwan to participate, Taiwan's experts are not able to share their knowledge. The GCTF allows practitioners from around the world to learn what Taiwan has to offer and to strengthen connections between experts in different countries as they tackle 21^{st} century problems that do not respect borders.⁴

We have done all of this together without touching on the incendiary issue of sovereignty.

If Taiwan's continued autonomy is indispensable to U.S. interests in Asia, as I believe it is, it would be catastrophic to U.S. interests if we fail to help protect Taiwan's continued autonomy and China managed to end Taiwan's democratic autonomy through coercive measures, military or otherwise. If Taiwan were coercively absorbed by the PRC, that would signal to the entire world, especially U.S. allies and partners, that the U.S. is not prepared to defend its allies and partners, that it is not prepared to honor its commitments. We committed in all three of the joint communiques with China that we would insist that any change in the status quo, any resolution of cross-Strait differences, must be peaceful. We made that same commitment in legally binding terms when we stated in the Taiwan Relations Act that the U.S. "decision to

³ Rigger, Shelley, Why Taiwan Matters (Rowman & Littlefield, Lantham MD, 2011, especially ch. 9, "Why Taiwan Matters to America and the World," and the Epilogue, pp. 187-204

⁴ AIT, Global Cooperation and Training Framework (GCTF) Programs, https://www.ait.org.tw/our-relationship/global-cooperation-and-training-framework-programs-gctf/, which includes a list of programs undertaken through GCTF from 2015 through November 2020.

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." Finally the U.S. offered Taiwan Six Assurances as we were negotiated the August 17, 1982 communique with China on arms sales to Taiwan, that "the United States would not alter is [sic] position about the sovereignty of Taiwan – which was, that the question was one to be decided peacefully by the Chinese themselves.....

The Six Assurances were not officially declassified until August 31, 2020. However, they have circulated widely since August 17, 1982, when Assistant Secretary of State used them in briefing both the Congress and the media on the implications of the 1982 Communique. Ever since 1982, they have been a fundamental part of U.S. policy, although U.S. policymakers have often, far too often, shied away from stating the obvious: that these assurances had been made by the U.S. government and that legally they had exactly the same standing as the three communiques, as policy statements of a particular president honored by subsequent presidents.

Finally, let me offer a thought about the values proposition. The U.S. has repeatedly presented itself as having a domestic and foreign policy built upon and supportive of democracy, most recently in President Biden's speech on February 4. Taiwan is a democracy, and if we are to be true to our values, we must insist and take effective action to ensure that its future will be determined democratically by the people of Taiwan. If we choose another approach or step aside and allow coercion to prevail, we have given the lie to the democratic values we claim as fundamental.

1.a. What happens to defense of the first island chain if Taiwan comes under Beijing's control?

The loss of U.S. defense cooperation with Taiwan would break the U.S. dominance of the maritime domain off the coast of East Asia, increase the ability of the PLA and the PLA Navy to assert its expanding domain, and threaten the security of Japan, the Republic of Korea, and other countries along the East Asian littoral.

If Taiwan's control of its sea, air, and land domains is weakened in the face of repeated incursions by China's People's Liberation Army Air and Naval forces, that too would threaten the security of the first island chain. That is exactly what has happened over the past year. Taiwan's ability to maintain such autonomous control has continued to be weakened by PLA incursions and harassment.

⁵ Taiwan Relations Act, section 2.(b)(3) included in: Taiwan: *Texts of the Taiwan Relations Act, the U.S.-China Communieuues and the "Six Assurances."* CRS Report for Congress, 96-246 F, updated July 13, 1998, p. 2 https://www.everycrsreport.com/files/19980713_96-246_7d3050b3b5d1f6e6494434b5bf3e2decdff5d05a.pdf ⁶ Ibid. p. 18

⁷ American Institute in Taiwan, *Declassified Cables: Taiwan Arms Sales & Six Assurances (1982)*, August 31, 2020 https://www.ait.org.tw/our-relationship/policy-history/key-u-s-foreign-policy-documents-region/six-assurances-1982/

An important way to strengthen security along the first island chain would be for the U.S. to sponsor security cooperation between Taiwan and its neighbors along the island chain. Some of these neighbors might be leery of a high-profile military connection with Taiwan, and its impact on their relations with China. Nonetheless, there is a considerable opportunity for low-profile military cooperation that would improve the security of all parties.

Nonetheless, the importance of Taiwan to the security of the first island chain must be qualified. If the people of Taiwan choose freely at some time in the future to establish a much closer relationship with China, the U.S. should not oppose that based on our judgment of the military importance of the island. Such a free choice by Taiwan is unlikely in the near term, with China controlled by a brutal Communist party, but the Chinese Communist party might change, as the Nationalist party on Taiwan did.

2. Characterize the strengths and limitations of the current policy framework for U.S.-Taiwan relations.

The greatest challenge for U.S.-Taiwan relations is that it is intertwined with U.S. relations with China. This intertwining has also led to concerns that the U.S. will treat Taiwan as a "bargaining chip" in our bilateral relations with China.

This has been encapsulated in the assertion that the U.S. has a "One-China Policy" grounded in the three joint US-China communiques, the Taiwan Relations Act, and the Six Assurances. While the Six Assurances have only recently become part of the public U.S. mantra on China-Taiwan relations, they have long been understood to reflect important aspects of the U.S. policy approach. Derived at least in part from these key documents, the U.S. will maintain its "One China Policy."

It is worth clarifying what the term "One China Policy" means. U.S. officials have long stressed that it is different from Beijing's "One China Principle," which insists that Taiwan must become a local jurisdiction under the national control of the PRC.

I have increasingly come to the conclusion that the name of the U.S. "One-China Policy" does not fully reflect its reality. The U.S. acknowledges the People's Republic of China as the legal government of China. It acknowledges, but does not take a position on, the PRC's "One-China Principle" and its claim that Taiwan must become part of the PRC. The U.S. does not take any position on how the dispute between China and Taiwan over Taiwan's future should conclude, with one key exception: the U.S. insists that the dispute be resolved peacefully. The U.S. concern for peaceful resolution is emphasized in all three Joint Communiques, the Taiwan Relations Action, and U.S. policy since then. In a sense, the U.S. "One China Policy" might be better called the U.S. "Cross-Strait Peaceful Resolution Policy."

The Biden Administration will continue to insist on a peaceful resolution, and that requires that the future of Taiwan reflect the will of the Taiwan people. Based on both polls of people on Taiwan and on the evolving positions of both the Democratic Progressive Party and the Nationalist or KMT Party, it is clear that Taiwanese prefer a future in which Taiwan has a

relationship with China but is autonomous and unthreatened, in which it may not have an official role in international organizations of states but is able to represent its interests in the international community with respect and dignity.

As part of our commitment to a peaceful resolution, the U.S. will call on China to end what has been a continuing and increasing series of actions that threaten Taiwan. Those have included flights of combat aircraft near Taiwan on an almost daily basis and of naval ships as well. Threatening actions have also included steps against international companies listing Taiwan as a customer or business area on their websites, pressure on countries recognizing Taiwan to switch recognition to the PRC, and a refusal to have any dialogue with Taiwan. All of these steps by China have increased the perception in Washington, both by the Trump and Biden administrations, that Beijing does not accept the idea of a peaceful resolution.

I expect that the Biden administration will implement a more consistent low-key policy toward Taiwan than the Trump Administration. There will be an effort to refrain from high profile gestures to raise Taiwan's relationship with the U.S. toward something approaching official relations, believing that such gestures would tend to increase cross-Strait tensions and make U.S.-China relations more difficult and would not contribute to the U.S. policy of "peaceful resolution."

While neither the Three Communiques nor the Six Assurances have any legal standing beyond the policy commitments of a previous president that have long been endorsed by succeeding presidents, the U.S. choice to honor them signals to leaders in Beijing and Taipei that the U.S. will honor its word. That is not simply a platitude. It is a basis on which those leaders choose their actions. For Beijing that means that we will honor our commitments to treat the PRC as the sole legal government of China, that we will not treat the Republic of China as a legal government and will not reestablish formal diplomatic ties with the ROC, and that we will not support any effort by Taiwan to establish an independent legal position in the international system as a government.

While this approach is in symbolic terms less than some in Taiwan would like, and I appreciate that, it reduces the risk of war across the Strait. It kicks the can down the road, which is inelegant but preferable to conflict. It signals to Beijing that we are not inalterably opposed to a peaceful resolution of cross-Strait differences that might yield a "One China" outcome. Such a "One China" outcome is highly unlikely in the short term, but we must play a long game.

I also expect that the Biden administration will continue to take substantive steps, which will be less visible and less focused on the symbolic, to support Taiwan's role in international organizations that affect the well-being of the Taiwan people and economy. This will include U.S. advocacy for Taiwan's participation in economic and technical organizations such as the WHO and ICAO. It will also include support for Taiwan's cooperative, though unofficial, relations with countries in the Asia-Pacific region, such as South Korea, Japan, and ASEAN. Again, these steps by the Biden administration will be in response to China's steps, in this case to block Taiwan from any constructive international role.

These policy approaches are based on a widespread recognition in the U.S. policy community -the outgoing Trump administration, the U.S. Congress, and the incoming Biden administration -that Taiwan and Taiwan's president Tsai Ing-wen have been responsible in their domestic,
international, and cross-Strait policies, and that the U.S. should therefore support them. There is
a complementary conclusion that statements and actions by the PRC on Taiwan and cross-Strait
relations have tended to be confrontational in recent years.

Let me note one additional element in this confrontation. China initially refused to accept the KMT term "1992 consensus," but it now insists that the Taiwan President Tsai and her Democratic Progressive Party accept that term even though the term was invented as part of a KMT effort to attack the DPP. For the DPP to accept that term under these conditions is impossible in an electoral democracy.

U.S. concerns are reinforced by China's destabilizing moves toward Hong Kong and the South China and East China Seas.

The intensive series of sorties by PLA military aircraft in the Taiwan Strait in the days immediately after President Biden's inauguration have led both Defense and State Department officials to characterize U.S. support for Taiwan as "rock solid." These sorties have only confirmed perceptions among Biden administration officials and members of Congress that, at least in the short term, China is the source of increased tensions across the Taiwan Strait, which the U.S. may need to counter.

In sum, I believe the Taiwan policy of the new Biden administration will maintain a great deal of consistency with past administrations. It will seek to avoid what it perceives as unnecessary confrontational gestures toward China over the symbolism of the U.S. cross-Strait peaceful resolution policy, but it will be inclined to push back against any steps by China that it perceives as threatening Taiwan's peace, prosperity, and stability.

3. What consequences would a change to the United States' longstanding policy of "strategic ambiguity" have for U.S. national security interests?

In one sense, "strategic ambiguity" is dead. China sees no ambiguity in the US position. Ever since the Clinton administration moved U.S. aircraft carriers to the waters near Taiwan in 1996 to express our opposition to PLA missile tests on the eve of Taiwan's first fully democratic popular election for president, China has seen a clear strategic signal from the U.S. that we will act to oppose China's use of military force and any form of coercion. 8

If "strategic ambiguity" had any life at all, China's decision to send military aircraft near Taiwan in the days after President Biden's inauguration, and the Biden Administration's blunt response have eliminated that ambiguity once again. As I heard a senior U.S. policy expert on

⁸ Suettinger, Robert L., Beyond Tiananmen (Brookings Institution, 2003), chapter 6 "Crisis Over Taiwan, 1995-96," pp, 200-263.

Taiwan say recently, a foreign country never wants to be the first to challenge a new U.S. Administration, and China did exactly that.

Having said that, there are two reasons to keep our declaratory policy of "strategic ambiguity." First, it signals to China that we remain open to a peaceful resolution whatever its outcome.

Second, it makes clear to Taiwan our concern that a succeeding Taiwan president might move toward de-jure independence for Taiwan.

Some have argued that the term "dual deterrence" may be preferable to "strategic ambiguity." I am not sure why. Ambiguity does not diminish deterrence; it enhances it. I recommend we stick with "strategic ambiguity."

4. What consequences would a decision to substantially enhance U.S. defense cooperation with Taiwan have for U.S. national security interests?

Substantive U.S. defense cooperation with Taiwan is essential. The Trump administration authorized a number of important military sales. After a couple of trophy sales a few years ago, most of the recent sales have made essential contributions to Taiwan's deterrent and defensive capabilities. The critical step at this time is for the U.S. to work quietly with Taiwan so that it knows how best to use this equipment and then that it identifies and secures additional capabilities that will further strengthen its defense and deterrence capabilities. We must also work with Taiwan on its broader defense capabilities including its personnel policies, specifically strengthening its noncombatant officer system and its reserves system.

The second half of substantially enhancing our defense cooperation with Taiwan is strengthening our capacity to respond to threats from China in the western Pacific. It is not clear to me that the US military has yet accepted the fact that China is building a military to be a peer competitor to the US and to PACOM. We have said the right things. It is less clear to me whether we are doing the right things. China has made it clear that its military procurement, weapons development, and long-term strategy is intended to prevent the US military from exercising influence within the first island chain. The US may need to rethink its strategy, weapons development, and procurement as well. That may mean stepping away from legacy trophy systems like aircraft carriers and large nuclear attack submarines in order to build and deploy new more agile and lethal systems to counter China.

5. How could changes in the U.S. policy toward Taiwan affect the United States' diplomatic relationship with China?

Such changes could go in one of two directions.

First, we could alter our rhetoric, our declaratory policy, by abandoning our "One China" policy, by changing our unofficial relationship with Taiwan, by moving from "strategic ambiguity" to a "strategic clarity" that confronts China. As I have discussed above, I believe

such changes would only diminish our ability to influence the two sides. We should instead enhance our capabilities to counter Chinese coercion and support Taiwan's ability to resist that coercion and play a leading constructive role in the international community while maintaining our current declaratory policy.

Some have suggested that we could take other symbolic steps, such as inviting Taiwan's president to the United States, sending the Secretaries of State or Defense to Taiwan, or sending U.S. military planes or ships to Taiwan. None of these would actually enhance Taiwan's democracy, prosperity, or security. All would challenge China to take steps to respond, and all of those steps would threaten Taiwan's democracy, prosperity and security. I do not think that is a good bargain.

The second possible policy change would be along the lines advocated by "realist" international relations scholars such as John Mearsheimer, trading U.S. support for Taiwan in return for Chinese concessions on other supposedly more vital U.S. interests. This would be a mistake. Any indication by the U.S. that it would reconsider its commitment to Taiwan in light of China's growing power would be seen as an unmistakable sign of weakness and would encourage China to put additional pressure on Taiwan, the U.S., and on U.S. partners and allies.

It would not advance U.S. interests. On the contrary, it would weaken China's respect for the U.S. and reduce our chances of advancing our strategic objectives. Once again, we would have exposed Taiwan to danger and undermined our values.

6. The Commission is mandated to make policy recommendations to Congress based on its hearings and other research. What are your recommendations for Congressional action related to the topic of your testimony?

Some of the following steps could be expressed through Congressional resolutions. Others would better be part of agency authorization or appropriations bills. Others may most simply be understood as recommendations against action.

There are two declaratory changes we should avoid in our relationship with Taiwan:

- 1. Don't change our policy our unofficial relationship with Taiwan. Don't renounce or retitle our "One China Policy."
- 2. Don't renounce "Strategic Ambiguity." To do so, would undermine the basis for our relationship with China. That would only further solidify Chinese perceptions that we will use Taiwan against China. Instead, emphasize "Dual Deterrence," remembering that the exceptionally stable reliable presidencies of Ma Ying-jeou and Tsai Ing-wen may be succeeded by a very different political leadership, including one that might advocate dejure independence and expect U.S. military backing to protect Taiwan from China.

Neither of these changes to our declaratory policy would strengthen our ability to play a constructive role in Taiwan-China relations or strengthen the democracy, prosperity, and security of Taiwan and its people.

There are two declaratory changes we should make:

- 1. We should make it clear, consistent with the Six Assurances, that any discussion about Taiwan-related issues with Beijing will only take place after prior consultation with Taiwan, and that we will continue to have an ongoing consultation with Taiwan through the course of any such discussions with Beijing.
- 2. Every time we praise international examples of responsible democratic leadership in the global community, we should include Taiwan as one of our responsible democratic partners in all global matters, especially in Asia. When we refer to the democracies of Asia, Taiwan should always be mentioned in the first rank with Japan, the Republic of Korea, Australia, and New Zealand.

At least as important as taking these declaratory steps is advancing the quiet hard work that will ensure the peace, security, and prosperity of Taiwan and its people:

- 1. Take immediate steps to move toward trade and investment agreements with Taiwan. To do that will advance our national interests in diversifying our supply chain and will strengthen Taiwan's resistance against Chinese economic pressure/coercion. Equally important, it will enhance Taiwan's overall security. No country can be secure unless its prosperity is secure.
- 2. Work with Taiwan to enhance its defense and deterrence capability through the acquisition of large numbers of small capable mobile weapons and sensors that will convince the PLA that a successful military action against Taiwan is not possible.
- 3. Build a PACOM capability that is obviously far more capable than the PLA while working to rebuild a military-to-military relationship that makes it clear that we do not intend to threaten China's legitimate interests in a secure maritime environment along its coast.
- 4. Build a mil/mil dialogue with the People's Liberation Army and the PRC Central Military Commission. Such a dialogue may not yield fruits in the short term, but it can build habits so that a productive dialogue is a more available option in the longer term.
- 5. At a broader level, we should slowly rebuild our political and strategic dialogue with the PRC about a range of issues including Taiwan. This may sometimes be a dialogue of the deaf, but we need to regularize the dialogue for those occasions, which may be rare or sometime in the future, where there are areas of common interest, and we can actually listen and talk together

On a multilateral basis, we should:

- 1. Reach an understanding with our partners in the Asia/Pacific region that reinvigorates the TPP with the U.S. at its core and Taiwan among its members. (Although this goes well beyond the ambit of my expertise or testimony, I believe that there is need for a Asia/Pacific trade agreement that would improve our domestic economy and establish an economic partnership in the Asia Pacific region.)
- 2. Work with our other allies and partners in the region so that we, they, and Taiwan form a seamless mutual security network

Again, thank you for inviting me to testify, and I look forward to your questions and our discussion.

David Keegan