

U.S.- CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

Hearing on China's Military Modernization and the Cross-Strait Balance Opening Statement of Commissioner Thomas Donnelly Commissioner and Cochair

> Thursday September 15, 2005 Washington, DC

I want to add my welcome to those expressed by the chairman and my colleagues. I deeply appreciate the appearance of the astute and accomplished witnesses who will appear before us today.

With this hearing, the Commission returns to one of its core concerns: assessing the growing military power of the People's Republic of China, its impact on American interests and, in particular, the increasingly unstable balance across the Taiwan Strait. In its past reports – and I expect again this year – the Commission has well chronicled the rapid, substantial, and intensely focused development of the People's Liberation Army. While experts and intelligence analysts differ on the details, the undeniable truth is that this trend reflects a long-term commitment by Beijing, pursued through changes in leadership and despite the fact that, as Defense Secretary Donald Rumsfeld has observed, China has no enemies.

Indeed, the Pentagon now regards surging Chinese military strength as one of the emerging strategic realities for the 21st century. The current Quadrennial Defense Review speaks of a variety of challenges, the most profound of which it has dubbed as "disruptive," implying an ability to alter the post-Soviet international order. Only a rising China possesses the present and potential power to challenge the American peace, either as a leader of a rival "bloc" or, in time, by itself.

This is not simply a challenge to American security and political interests. It is, inevitably, a challenge to American principles of liberty and individual rights. It is also a challenge to our friends and allies who share these universal principles.

That these principles are not ours alone is nowhere better illustrated than in East Asia, and in particular, in Taiwan. Not so long ago, it was widely argued that democracy was a uniquely Western form of government, unsuited to Asian and, especially, to Chinese culture. The vibrant, even hectic, freedom of Taipei today puts the lie to this claim.

But democracies, as is their peaceful practice, prefer the pursuit of happiness to preparations for war. And the precarious balance of political power in Taiwan has handicapped the island's efforts to stiffen its defenses in the face of the escalating Chinese threat. The opposition party in Taipei sometimes seems to place its own desire to rule above the nation's desire to remain free. Meanwhile, the shabby support offered by a succession of American administrations – support that, amazingly, has shrunk even as Taiwanese democracy has grown – has done much to create the current impasse. But because the United States merits such

respect in Taiwan, we can do much to end this impasse by making it clear that we support President Chen and his requested "special budget."

This is not just the principled policy, but the prudent policy. The United States has long held that the differences between Beijing and Taipei must not be settled by force, nor by the threat of force, nor by intimidation. That is an expression of our deepest security interests and those of our allies. Maintaining stability at this most dangerous flashpoint will remain a cornerstone of American strategy.

With this in mind, I eagerly anticipate today's hearing. Thank you, Mr. Chairman.