Taiwan and South-East Asia: The Limits to Pragmatic Diplomacy

Michael Leifer

The relationship between the island of Taiwan and the states of South-East Asia during the 20th century has enjoyed only a limited temporal autonomy. Autonomy was denied during much of the first half of the century because of Japan's colonial rule over the island and because the countries of South-East Asia, with the exception of Thailand, were subject to Western colonialism. It was only with Japan's defeat in the Pacific War and the onset of decolonization, and also with the end of the civil war on the mainland of China that relations between Taiwan as a discrete expression in political geography and independent South-East Asian states began to assume a kind of autonomy. The pattern of relations was never uniform, however, because the states of the region adopted differing Cold War positions towards the governments in Taipei and Beijing; at least until after the issue of the China seat in the United Nations had been resolved in October 1971, and the end of the Vietnam War. By the end of the century, all ten states of the region had adopted a "one-China policy" in favour of Beijing, while enjoying economic advantages from non-diplomatic relationships with Taipei. In consequence, Taiwan's relations with those states have been confined to a diplomatic limbo, which its government has sought to transcend without success. Because of these complex circumstances, the relationship between Taiwan and the states of South-East Asia will be addressed with special reference to the problem of international legitimacy encountered by the government in Taipei in its dealings with regional counterparts. Indeed, Taiwan's relations with the states of South-East Asia may be understood as an example of the attempt by the government in Taipei to engage with international society from which it has been denied normal membership.

Taiwan's Predicament

The island of Taiwan has long faced a problem of international legitimacy that shows no sign of being resolved. The problem existed even when the government resident in Taipei occupied China's seat in the United Nations because of the recurrent challenges to its status posed within the world body. When that challenge was ultimately successful in October 1971, the problem became acute. It was compounded in 1979 when the United States revoked its diplomatic relations with Taiwan in favour of those with the government in Beijing, and also revoked a critical mutual security treaty. The subsequent passage by America's Congress of the Taiwan Relations Act has served as a practical consolation for upholding a separate existence, but it has not had direct relevance to the problem of international legitimacy whereby Taiwan has been denied normal membership of international society. That problem was not brought any closer to resolution with the remarkable democratic election

of Chen Shui-bian as President of Taiwan in March 2000 in succession to Lee Teng-hui. The assumption of political power by the Democratic Progressive Party in place of the long-ruling Kuomintang has served to reiterate a *de facto* independence. It has not brought about any significant change in the basis on which Taiwan is permitted to participate on sufferance within international society.

Such participation as permitted to Taiwan in multilateral forums in the company of the People's Republic of China, from sporting occasions to regional economic gatherings, has required the employment of a politically demeaning nomenclature. This has been insisted on by the government in Beijing as a way of registering its island counterpart's lack of conventional international status and legitimacy. It could be argued that, although nomenclature such as "Taipei China" is politically demeaning, it nevertheless serves to register a separate identity for Taiwan as in the case of membership of the Asian Development Bank and Asia Pacific Economic Co-operation (APEC). However, such registration has not paved the way for Taiwan to participate correspondingly in the sole comprehensive regional institution devoted to multilateral security dialogue in the Asia Pacific. China has exercised a veto on Taiwan's participation in the ASEAN Regional Forum (ARF) on the ground that membership, as with the United Nations, is a prerogative of sovereign states. And even in the "track-two" Council for Security Co-operation in the Asia Pacific (CSCAP), where participation is on a non-official basis, representatives of Taiwan have been denied a place at plenary sessions and have to be content with a role in subordinate working groups. It is the denial of sovereign status that has been continually frustrating for the government in Taipei, more especially since a constitutional amendment in 1991 recorded a separate jurisdiction from that of the People's Republic over the mainland of China.[1]

In its countervailing attempts to register and defend an incomplete international status, the government in Taiwan has pursued diplomatic and other ties with the states of South-East Asia, partly on grounds of regional propinquity. South-East Asia comprises ten sovereign states, which are all members of the Association of South-East Asian Nations (ASEAN), which is a regional organization set up by five of the current ten member governments in August 1967. By April 1999, with Cambodia's entry, making ASEAN and geographic South-East Asia fully coincident, all its resident states had established diplomatic relations with the People's Republic of China; the last to do so was Brunei in September 1991.[2] However, well before that complete correspondence of member-

1. For general analyses of Taiwan's predicament, see Christopher Hughes, *Taiwan and Chinese Nationalism. National Identity and Status in International Society* (London: Routledge, 1997), and Bernice Lee, *The Security Implications of the New Taiwan*, Adelphi Papers No. 331 (Oxford: Oxford University Press for the IISS, 1999).

2. An exception within geographic South-East Asia is the eastern half of the island of Timor. East Timor, formerly a Portuguese colony, was invaded by Indonesia in December 1975 and integrated into the Republic in July 1976 but was relinquished in October 1999 against a background of political violence. The territory has reverted to non-self governing status under United Nations tutelage with independence in prospect within two to three years.

ship of regional association and diplomatic relationships with Beijing, Taiwan had not enjoyed extensive diplomatic ties within South-East Asia.

Even before the China seat in the United Nations had passed to the government in Beijing, Taiwan's diplomatic links within South-East Asia had been limited. They had existed for a time with the Philippines and Thailand, both signatories of the American-inspired Manila Pact and members of the South-East Asia Treaty Organization (SEATO) based in Bangkok, as well as with the now defunct Republic of (south) Vietnam. In those three cases, the correspondence of special relations with the United States was a critical factor. Consular relations were established with Malaysia in 1964 but ten years later the government in Kuala Lumpur broke these off on entering into diplomatic relations with Beijing. The next year, with the reunification of Vietnam under communist rule and the end of Taipei's diplomatic relations with the government in Saigon, the Philippines and Thailand followed suit. The government in Taiwan, still representing itself as the government of China, was then left without any diplomatic ties whatsoever in South-East Asia, even though it possessed considerable interests within the region.

The absence of diplomatic ties did not mean the end of substantive links with states of the region, especially economic ones that involved engagement with the influential local Chinese communities. Moreover, many regional governments established non-official offices in Taipei through which *de facto* inter-state business was conducted. These *de facto* links were entered into with the capitalist-inclined governments of the region that shared a common antipathy to communism. For example, in June 1966, Taiwan had participated in the founding meeting in Seoul of the short-lived security dialogue, the Asia and Pacific Council (ASPAC) together with Malaysia, the Philippines, Thailand and the Republic of Vietnam among others. In that respect, Taiwan had benefited up to a point from its differentiation from Communist China.

In one other respect, however, beneficial differentiation did not obtain. The government of the Republic of China which had retreated to Taiwan, while maintaining its right to jurisdiction over the mainland, pursued historically-based claims to islands in the South China Sea which have been upheld and pursued equally by the successor government in Beijing. Moreover, the government in Taipei, even after giving up its claim to be the government of all of China, has not relinquished its maritime rights. Indeed, Taiwan continues to occupy the island of Taiping (Itu Aba) in the Spratly group, which since 1990 has been placed under the jurisdiction of the municipal government of Kaohsiung. Moreover, in December 1998, the Legislative Yuan enacted the first legal definition of Taiwan's sea borders, which included the Spratly Islands. These claims to sovereign jurisdiction have brought governments on both sides of the Taiwan Strait into conflict with a number of South-East Asian states that have entered competing claims to some or all of the Spratly Islands, albeit without a clash of arms over maritime features or space. In Taiwan's case, those states have been among the regional objects of its unofficial diplomatic

attentions in an attempt to address and mitigate its persisting problem of international legitimacy.

After the success of the Chinese communist revolution, Taiwan's relations with South-East Asia developed primarily as a consequence of the island's astounding economic success and attendant interest beyond trade in exporting investment capital along the lines of the Japanese model. Apart from the special cases of Singapore and Indonesia, with which it has been engaged also in defence co-operation, Taiwan's basis of association with South-East Asia has been primarily economic, with the region becoming the second largest recipient of overseas investments. Economic inducements have been the currency of a so-called pragmatic diplomacy which has been conducted in an attempt to mitigate diplomatic isolation and to generate support for some form of international status which would acknowledge Taiwan's separateness from the Chinese mainland and its government. The principal regional trading partners have been Singapore, Malaysia, the Philippines, Thailand and Indonesia in that order, with which around 10 per cent of total international trade of over US$200,000 million was conducted in 1998.

The problem with pragmatic diplomacy, which requires dealing with governments in diplomatic relations with Beijing, is that it is likely to be of some utility only for as long as the government in Taipei does not take vigorous steps to register and secure recognition of an unambiguous international status. That limited utility has taken the form of practical unofficial links, which do not require South-East Asian governments, all in formal diplomatic relationships with Beijing and committed to the one China formula, to make a choice about diplomatic ties. Indeed, it may be argued that once the government in Taipei, irrespective of the merits of its case, seeks actively to secure clarification of its international status then its diplomacy ceases to be pragmatic. The most recent example of the difficulty of combining pragmatic diplomacy with a clarification of international status occurred in early July 1999. In an interview with the German radio station *Deutsche Welle*, President Lee Teng-hui explained that, under constitutional amendments in 1991, the mainland and Taiwan enjoyed "a state-to-state relationship or at least a special state-to-state relationship" as opposed to "an internal relationship between a legitimate government and a renegade group or between a central government and a local government."[3]

The furious reaction from Beijing may have obscured for some the political reality that no South-East Asian state indicated any support for that clarification and yet these are among the states that have been courted in the interest of a pragmatic diplomacy. That lack of support had been signalled much earlier by a refusal of observer status to Taiwan by ASEAN. Moreover, at its annual ministerial meeting in late July 1999 in

3. The full text of the interview may be found in *Taipei-London*, Newsletter No. 13, August 1999, Taipei Representative Office in the UK. See also Lee Teng-hui, "Understanding Taiwan. Bridging the perception gap," *Foreign Affairs*, Vol. 78, No. 6 (November/December 1999).

Singapore, its foreign ministers, representing every state in the region, felt the need to reaffirm a corporate commitment to their one China policy. It was significant also that in Singapore, which has long enjoyed the use of Taiwanese facilities for military training and which refused to give them up as the price of diplomatic relations with Beijing, the English language vehicle of government advised that, in dealing with China, Taiwan might find that "it pays to leave well alone."[4]

The Evolution of Pragmatic Diplomacy

By the onset of the decade during which Taiwan was dispossessed of the China seat in the United Nations and also of diplomatic relations with the United States, it had already established a network of co-operative economic ties with a number of developing South-East Asian states. This was particularly the case within ASEAN, overcoming initial fears of undue competition. By then, Taiwan had begun to move from an ideological association with like-minded governments, such as the Philippines and Thailand that had been forged with American support at the height of the Cold War, to engage in a variety of quasi-diplomatic ties intended to counter its conspicuous international isolation and also to help protect its separate existence. The parameters of such a policy were set, however, to an important extent by the government in Beijing.

Tolerance was extended, for example, to economic co-operation between South-East Asian governments and Taiwan through nominally unofficial agencies as long as such co-operation did not imply intergovernmental relations. The matter of visa applications for Taiwanese passport holders was also not made a subject of political controversy. At issue in the case of the development of pragmatic diplomacy is the distinction between a policy that has sought merely to cope with non-recognition and relative isolation and a qualitatively different one that has aimed at registering a separate political identity, albeit obscured initially by the rhetoric of "one China." The means available to the government in Taipei, especially in its burgeoning relationship with the states of South-East Asia, have been fundamentally the same; namely, the use in the main of economic co-operation to secure a measure of political advantage through by-passing regular diplomatic channels.[5]

From Taiwan's point of view, engagement with South-East Asia was initially driven by a genuine interest in reaping economic benefit from trade ties and from the investment advantages of the lower costs of labour and land. The more economically vibrant Taiwan became the greater its chances of upholding an independent existence on its own terms. In addition, Taiwan set out to cement ties by promoting cultural and academic exchanges as well as by despatching agricultural advisers. Such

4. *The Straits Times*, 5 August 1999.

5. See Kuo-hsiung Lee, "The Republic of China and Southeast Asia: more than economy," in Yu San Wang (ed.), *Foreign Policy of the Republic of China on Taiwan* (New York: Praeger, 1990), pp. 80–81.

ties burgeoned with the growth in trade links. For example, during the decade from 1968, the total volume of exports to and imports from the region increased nearly ten-fold. From the perspective of the regional states, Taiwan was an exemplary economic partner. In its case, there has been an absence of any negative legacy from the Pacific War when, as a Japanese colony, Taiwan served as a base for invading and occupying South-East Asia which was incorporated within Tokyo's so-called Co-Prosperity Sphere.

In the five founder members of ASEAN (Indonesia, Malaysia, the Philippines, Thailand and Singapore), burgeoning trade and investment ties with Taiwan were supported by quasi-diplomatic establishments in each other's capitals. Diplomatic privileges and immunities were accorded to Taiwanese staff whether or not diplomatic relations had been established with Beijing. The extent of those privileges varied according to the economic dependence and political nerve of the government concerned. For example, the Philippines has provided Taipei with the most favourable treatment but, of course, without the diplomatic recognition ideally desired. The negotiation of a fishing agreement in 1993 between Manila and Taipei generated criticism from Beijing on the grounds that it was opposed to any accord with Taiwan that treated it as an independent political entity. Needless to say, despite serious differences with the People's Republic over its seizure of Mischief Reef in the Spratly Islands, which was revealed in early 1995, the issue of according diplomatic recognition to Taiwan has not arisen in Manila. In the case of the Philippines, the furthest that its government has been prepared to go in the direction of recognition has been a meeting between heads of state at Manila airport in February 1994 to discuss Taiwan's important investment in the redevelopment of the former American naval base of Subic Bay. When Taiwanese naval vessels hoisted the ROC flag during a port call to Manila Bay in June 1999, the Philippines foreign secretary, Domingo Siazon, expressed his government's public displeasure at the breach of protocol in response to a complaint from China's ambassador. No single South-East Asian state has either ventured along the perilous path of dual recognition or contemplated switching recognition. Papua New Guinea, which enjoys observer status with ASEAN but is not a member, switched diplomatic relations from Beijing to Taipei and then back again after only 16 days in July 1999.

China has not been in a position to challenge seriously these growing economic arrangements with diplomatic overtones between Taiwan and South-East Asia, even though trade offices established in Taiwan have had more than an economic purpose. As long as the government in Taipei and its regional trading partners have adhered to a one China policy, especially from the mid-1970s, their counterpart in Beijing was willing to tolerate attempts to mitigate a diplomatic isolation that were most unlikely to bear any tangible diplomatic fruit. Moreover, because the Chinese government in Beijing has had every interest in cultivating good relations with South-East Asia, especially among the members of ASEAN with which it joined in tacit alliance against Vietnam and the

Soviet Union over Cambodia from the end of the 1970s, it would have been impolitic to have brought undue pressure to bear on most regional states. Recurrent objection was taken, however, to visits to South-East Asian states by senior political figures from Taiwan, especially when they were received by local political counterparts. From the point of view of South-East Asian governments, such visits signalled to Beijing that the interests of regional states should not be taken for granted, as well as indicating to local Chinese communities that the links with Taiwan were valued.

These visits, with their implied recognition of international status, have, of course, been an anathema to China. Its government was particularly annoyed by the willingness of some regional governments to receive President Lee Teng-hui in the course of his so-called vacation diplomacy in early 1994, especially his reception by Thailand's King Phumibol which implied a state visit. Beijing has been willing, however, to make an exception and turn a blind eye in the case of Singapore, certainly after Prime Minister Lee Kuan Yew's first visit to Beijing in 1976. Singapore has in the past welcomed President Lee Teng-hui. In March 1989, he was acknowledged as the President from Taiwan, while in the previous November, Hau Pao-chuan, Taiwan's Chief of General Staff, was awarded a military honour by President Wee Kim-wee. Moreover, in April 1989, in an extraordinary example of Singapore's role in its dealings with both Taipei and Beijing, a man accused of murder in Taiwan was extradited from China to Taiwan via Singapore's Changi Airport. In April 1993, Singapore was the trusted venue for the historic meeting between China's Association for Relations across the Taiwan Straits and the Taiwan Strait Exchange Foundation. Singapore, as an exceptional ethnic-Chinese majority state, has undoubtedly been given special treatment by Beijing, although objections have been raised to some visits, such as that by Vice-President Lien Chan in January 1998.[6] For Taiwan, however, the advantages of its pragmatic dealings with Singapore have been mixed because Singapore has never wavered from a one China policy even before it established diplomatic relations with Beijing, which only took place in October 1990. Indeed, in October 1971, its United Nations representative had voted for Beijing's assumption of the China seat in place of Taipei.

Taiwan's links with South-East Asia have also had an overseas Chinese dimension for both economic and political reasons. Most overseas Chinese live in South-East Asia and were an important source of support for the early Nationalist cause led by Sun Yat-sen. It has been pointed out that with China divided after 1949, "the contest for the support, loyalty and patriotism of Overseas Chinese became an essential part of the national policies of the two Chinese governments."[7] That contest, which

6. For an assessment of why the government in Beijing might make an exception in tolerating Singapore's links with Taiwan, see Chen Jie, "The Taiwan problem in Peking's ASEAN policy," *Issues and Studies*, April 1993, pp. 116–122.

7. Chiao Chiao Hsieh, *Strategy for Survival. The Foreign Policy and External Relations of the Republic of China 1949–79* (London: The Sherwood Press, 1985), p. 158.

began in Indonesia shortly after its own independence, did not reap any political advantage for either side. Taiwan took the overseas Chinese seriously as a potential source of political support from the mid-1950s and set up a dedicated commission to service its policies. However, overseas Chinese in South-East Asia were not encouraged to settle in Taiwan as a way of bolstering its population base. The island was deemed sufficiently crowded. Taiwan benefited from access to the regional overseas Chinese network primarily in economic terms because in the main "they were either not politically motivated or afraid to become involved."[8] Within all South-East Asian countries, with the obvious exception of Singapore, the overseas Chinese have been viewed with suspicion and envy and have been subject to close scrutiny for any unwelcome signs of political activity deemed incompatible with the local government's policy. Their networks have been viewed in Taipei as giving rise to political advantage to the extent that they have facilitated economic links that have, in turn, permitted quasi-diplomatic relations. Beyond that, they have had to be treated with caution because of the political sensitivities of local governments, which Taiwan has sought to court. It merits noting, however, that despite the nature of the constitutional amendments of 1991, there is still provision for overseas Chinese representation in Taiwan's legislature.

Pragmatic diplomacy on Taiwan's part with reference to South-East Asia was given a new impetus by historic political change within Taiwan during the 1980s. The end of martial law and the onset of democratization had an international impact in revealing the fallibility of Taipei's claim to be the government of all of China. The injunction that all surviving mainland-elected politicians from 1947 had to retire by December 1991 underlined matters. The death of President Chiang Ching-kuo in January 1988 and his succession by Vice-President Lee Teng-hui was significant for a number of reasons but particularly because the new President was a native Taiwanese, which implied a separate identity from the mainland.

At the national party congress of the ruling Kuomintang in July 1988, Lee Teng-hui announced that his government would adopt a more pragmatic, more flexible and more forward-looking approach to upgrade Taiwan's external relations. Apart from revising its version of the West German Hallstein doctrine so that it would not sever diplomatic links with any country entering into them with Beijing, the government in Taipei embarked on a diplomatic offensive to raise its international profile. The logic of that policy as a counter to Beijing's prior offer of "one country, two systems" was an attempt to register the separate political existence and identity of the island. To that extent, President Lee Teng-hui's remarks to *Deutsche Welle* should not have come as any surprise, although both domestic political factors and the matter of his historical legacy should be borne in mind in interpreting them.

That offensive began unsurprisingly in Singapore where the foreign minister, Lien Chan, paid an unpublicized visit in December 1988, which

8. *Ibid.* p. 159.

paved the way for a state visit by President Lee in March 1989. It was unsurprising in so far as Lee Kuan Yew, while prime minister, had made countless visits to Taiwan, some to discuss defence co-operation. Pragmatic diplomacy was, in effect, a *de facto* two China policy without articulating that political reality. Although given a new name with the assumption to high office of Lee Teng-hui, it represented continuity in substantive terms but also a measure of change in as far as economic and other informal relations were developed with the government in Hanoi, once viewed as a close ally of that in Beijing.

Vietnam's great need for foreign investment provided an opportunity for Taiwan whose first trade mission was welcomed in Hanoi in 1988. That dimension of the relationship was readily tolerated in Beijing, including a visit by a vice-minister of economic affairs in September 1993. Indeed, by the end of 1991, Taiwan had already become the leading foreign investor in the Socialist Republic. The limits of the relationship were pointed up, however, in 1993 when China's intervention in objecting to China Airlines, Taiwan's official carrier, flying directly to Ho Chi Minh City with the Republic of China flag on the tail of its aircraft, led to the suspension of the service. It was resumed the following year by Eva Air, a private Taiwanese carrier without the national flag. The episode pointed to the importance of symbolism in the extent to which relationships between Taiwan and South-East Asian states could be developed. It demonstrated the difficulties of revising a policy described as one of "calculated ambiguity" in favour of one that sought clarity of international status.[9]

In the interim, opportunities for developing new relations within South-East Asia, such as with Vietnam, and building on established ones were taken by Taipei with special attention given to publicized exchanges of visits of political leaders in the face of objections from Beijing. From the South-East Asian point of view, however, such visits have tended to be driven by economic considerations with the exception of Singapore which, in its own interest, has sought to contain tensions across the Taiwan Strait. Its defence co-operation links with the government in Taipei are well known and have been tolerated grudgingly in Beijing. It is notable that in March 1996, during the crisis precipitated by China's attempt through live-firing missile exercises to intimidate Taiwanese voters in advance of the first popular elections for the office of president, Singapore's was the only regional voice willing to urge caution on the government in Beijing through a public statement by Lee Kuan Yew. Ironically, two Singaporean naval vessels had dropped anchor in the port of Kaohsiung in early March 1996 after exercises with the Taiwanese navy concurrently with China's acts of intimidation.

9. See Yui-sang Steve Tsang, "Calculated ambiguity: the ROC in international politics today," in Marie-Luise Nath (ed.), *The Republic of China in International Politics* (Frankfurt: Peter Lang, 1998), and also Samuel C.Y. Ku, "The political economy of Taiwan's relations with Vietnam," *Contemporary Southeast Asia*, Vol. 21, No. 3 (December 1999).

Irrespective of the material interests of many regional governments in their relations with Taiwan, they all formally acknowledge the government in Beijing as the government of China. While for the most part not disposed to welcome the end of Taiwan's separate existence, they would also prefer that its international status be clouded by ambiguity because its clarification through, for example, membership of the United Nations would be a virtual act of separatism. Within the socially diverse states of South-East Asia, separatist sentiment is endemic, albeit frustrated. Support for an independent Taiwan could have domestic consequences for governments that have still to overcome fully the lack of congruence between state and society within inherited colonial political boundaries. Ambiguity is favoured also because any clarification of Taiwan's international status could pose problems that South-East Asian governments would prefer not to face.

In the special case of Singapore, without expressing sympathy for President Lee Teng-hui's policies, former prime minister and now senior minister, Lee Kuan Yew, as indicated above, has spoken out publicly to Beijing against its display of force in approaching unification though not in favour of a separate international status for Taiwan. Such an intervention has been the exception and not the rule within South-East Asia despite a general concern over China's willingness to use force in settling conflicts. Moreover, visits to Taiwan by regional political figures, in the face of Beijing's objections, have been driven by economic considerations. Such was the case, for example, in November 1997, when Malaysia's prime minister, Dr Mahathir Mohamad, and Singapore's prime minister, Goh Chok Tong, made successive visits within 24 hours to Taipei to meet the prime minister, Vincent Siew. These visits are best interpreted in the context of the acute economic adversity that had begun to afflict industrializing countries in East Asia from the middle of that year.

The South China Sea

Irrespective of the degree of success of Taiwan's pragmatic diplomacy, it may be argued that its assertion of sovereign jurisdiction over islands and other features in the South China Sea, initially on behalf of the government of China, works in direct contradiction to the aims of that policy. It has been pointed out that Beijing and Taipei "assert Chinese sovereignty identically as based on history."[10] Indeed, it was the government of the Republic of China which in 1947 produced the controversial dotted-line map of historic waters in the South China Sea, which has been taken up as its own by the government of the People's Republic to register national claims. Although the government in Taipei has deployed

10. See Chen Hurng-yu, "A comparison between Taipei and Peking in their policies and concepts regarding the South China Sea," *Issues and Studies*, September 1993; Kuan-ming Sun, "The Republic of China's policy toward the South China Sea: a review," *Issues and Studies*, March 1996; and Cheng-yi Lin, "Taiwan's South China Sea policy," *Asian Survey*, April 1997.

troops on its sole occupied Taiping (Itu Aba) Island, it has never engaged in any physical competition with its counterpart in Beijing over sovereign jurisdiction. Moreover, when in December 1988, Cheng Wei-yuan, the Republic of China's defence minister, was asked by journalists what his government would do in the event of an armed clash between Beijing and Hanoi in the Spratly Islands, he answered that Taipei would stand side by side against Vietnam as the people on both sides of the Taiwan Strait were Chinese.[11] Such a statement was hardly in keeping with a pragmatic diplomacy aimed at encouraging governments in South-East Asia to lend greater recognition to the independent political identity of Taiwan.

Taiwan has only a toehold in the Spratly Islands that fall beyond its immediate strategic environment. Taiping Island, on which Taipei has maintained a small garrison, lies some 860 nautical miles south-west of Taiwan and poses a problem of power projection. The most immediate defence priority is against persistent military threats from across the Taiwan Strait. For this reason, above all, Taiwan has avoided engaging in the kind of creeping assertiveness that has distinguished the policy of Beijing, Hanoi and Kuala Lumpur. Indeed, in November 1999, Taiwan's defence minister, Tang Wei, confirmed that marine units stationed on Taiping Island would be replaced by coastguards to avoid possible conflict.

Taiwan's representatives, ostensibly in a personal capacity, and subject to politically demeaning titles, have been engaged since the early 1990s in "track two" preventive diplomacy workshops on the South China Sea sponsored by Indonesia and Canada, but without any notable success. Pressure from Beijing, which also sends participants to the workshops, has prevented Taiwan from sponsoring a technical working group on the safety of navigation, which shows its diminished status. Beyond these less than satisfactory workshops, Taiwan cannot engage in substantive negotiations over its island claims because the lack of full diplomatic status denies it any interlocutors or, for example, the right to approach the International Court of Justice. It has been pointed out that "it is clear that Taipei has adopted a policy of self-restraint with regard to the South China Sea and it has done this simply because it does not have the military capability to back up its historical claim."[12]

It may be argued additionally that such a policy serves Taiwan well, *faute de mieux*, in that it prevents its claims coming into practical conflict with its policy of pragmatic diplomacy directed at the states of South-East Asia. The matter interposes primarily in some of the relationships in principle only. Moreover, it has been pointed out that restraint towards Taiwan's occupation of Taiping Island by South-East Asian claimants may well be governed by a fear of provoking retaliation from Beijing, which tends to regard Taipei as its trustee in the matter.[13]

11. Chen Hurng-yu, "A comparison between Taipei and Peking," p. 50.
12. See Cheng-yi Lin, "Taiwan's South China Sea policy," p. 329.
13. *Ibid.* p. 337.

How Pragmatic is Pragmatic Diplomacy?

Pragmatic diplomacy in Taiwan's case is a euphemism for trying to overcome a fundamental impediment to separate international status, which is inherent in the concept of sovereignty that is the organizing principle of international society. In pursuing such a diplomacy in and beyond South-East Asia, the government in Taipei has sought to use economic engagement as a way of securing degrees of recognition which would give it greater freedom of international manoeuvre and thus deny the claim of the government in Beijing that it is no more than a renegade province. The problem for Taiwan is that while it has made considerable advances in securing a quasi-diplomatic association with the more important regional states on a bilateral basis, none of them, with regional security in mind, has been willing to offend the government in Beijing over the indivisible matter of sovereignty.[14] For example, Taiwan failed to generate any South-East Asian support for its initiative from 1993 to seek a place at the United Nations, with its bid being made on behalf of the Republic of China on Taiwan, a distinction indicating separate jurisdictions on either side of the Taiwan Strait. That lack of support was replicated from August 1999, when 12 states in diplomatic relations with the ROC presented another proposal to the UN Secretariat that Taiwan be admitted to the world body.

Such lack of support has not been reflected in an unwillingness to sustain a fruitful economic association with Taiwan which, ironically, may be said to be in Beijing's interest because of its dependence on investment capital from both Taiwan and overseas Chinese business networks within South-East Asia. That economic association, while of considerable importance in Taipei, does not go far enough to satisfy its underlying objective of pragmatic diplomacy. It is one thing for the governor of Taiwan's Central Bank of China to be invited to attend an annual meeting of ASEAN's central bankers as an observer, it would be another for its foreign minister to be able to attend the Association's annual ministerial meeting in the same capacity. It has been suggested that, in the wake of the Cold War and with a greater international attention to economic development, and also taking into account Taiwan's economic importance to ASEAN, Taiwan has been put in "a strong bargaining position to extract the maximum political and diplomatic mileage from its economic prowess."[15] However, events have not borne out such a sanguine prognosis in the interest of pragmatic diplomacy, judged by the unwillingness of the South-East Asian states to compromise the one China formula which they have all adopted and reiterated. The difficulties inherent in such an approach were well articulated before President Lee Teng-hui moved away from pragmatism.[16]

14. See Michael Yahuda, "The international standing of the Republic of China on Taiwan," in David Shambaugh (ed.), *Contemporary Taiwan* (Oxford: Oxford University Press, 1992), pp. 292–93.

15. See Chen Jie, "The Taiwan problem in Peking's ASEAN policy," p. 111.

16. See Linjun Wu, "Limitations and prospects of Taiwan's Informal Diplomacy," in Jean-Marie Henckaerts (ed.), *The International Status of Taiwan in the New World Order* (London: Kluwer Law International, 1996).

One authoritative and reasonable explanation of President Lee Teng-hui's interview with *Deutsche Welle* is that it "simply provides a clearer definition of the state of relations between the two sides of the Taiwan Strait, and accurately reflects current political realities. It does not constitute a change in the ROC's policy toward the mainland."[17] The problem with that explanation is that it highlights the notion of "clearer definition," which has not been the basis of pragmatic diplomacy either in South-East Asia or beyond. Taiwan enjoys a fruitful relationship with most of the states of South-East Asia, which is expressed, in part, in quasi-diplomatic links which have served to give the government in Taiwan a greater international profile. From the perspective of the South-East Asian states, however, these links are mainly intended to facilitate a fruitful economic association without prejudicing conventional diplomatic ties with the government in Beijing.

President Lee Teng-hui's "clearer definition" of the state of relations between the two sides of the Taiwan Strait has not really interfered with the pragmatic diplomacy between Taipei and governments in South-East Asia. The reason is that pragmatic diplomacy as practised by those governments has not been allowed to prejudice relations with Beijing to the extent of helping to resolve Taiwan's abiding problem of international legitimacy and lack of full membership of international society. That situation cannot be expected to change with the presidency of Chen Sui-bian, which is even more offensive to Beijing than that of Lee Teng-hui.

17. *The Free China Journal*, Taipei, 23 July 1999.