

## *Biden's China Visit and U.S.-China-Taiwan Relations*

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In mid-August, U.S. Vice President Joe Biden paid his first visit to China since taking office. Ahead of his visit several events drew international attention: Washington and Beijing conducted intensive high-level military exchanges over the past months, Washington's international credit rating was downgraded over the U.S. treasury bond crisis, and the administration of U.S. President Barack Obama promised under pressure from Congress to announce arms sales to Taiwan before Oct. 1. All these are important issues pertaining to the U.S.-China-Taiwan triangle. These changes were also behind the strategic objectives that Biden sought to achieve during his visit:

1. Continue to deepen U.S.-China high-level dialogue and interaction and implement the consensus that Obama and Chinese President Hu Jintao reached early this year on building a U.S.-China Cooperative Partnership.
2. Pave the way for a returned visit to Washington by Chinese Vice President Xi Jinping, who will formally succeed Hu as president in spring 2013.
3. Demonstrate that the U.S. economy and its credit remain unaffected by the recent downgrading of the country's international credit rating. Convey to China as the largest creditor of the U.S. the message that it "can rest assured." In June this year the total amount of U.S. treasury bonds held by major foreign creditors declined by US\$16.8 billion from the previous month, whereas the

total value of U.S. treasury bonds held by China increased by US\$5.7 billion. Against this backdrop the Biden visit was meant to demonstrate "confidence."

4. Regarding security issues in sensitive regions such as the South China Sea, strengthen the two sides' ability to correctly judge the other side's strategic intentions, mutual trust and their tacit understanding to respect the rules of fair competition.
5. Placate Beijing ahead of Obama's upcoming decision on arms sales to Taiwan.

When Biden met Xi for the first time on Aug. 18 he emphasized that U.S.-China cooperation is of great importance for a stable world economy and that the U.S. welcomes continued growth of the Chinese economy. When Xi responded he reemphasized appeals to the U.S. to respect China's "core interests" with regard to Taiwan and Tibet. In response Biden said that Washington firmly stands by its "one China policy," will not support Taiwan independence, and fully "understands" China's core interests. Biden, however, merely emphasized that Washington acknowledges that Tibet is an inalienable part of the People's Republic of China.

Before Biden's visit it was rumored that he would probably forewarn Chinese leaders about the Oct. 1 decision on the U.S. arms package for Taiwan and that he would probably even seek to make Beijing accept the upgrading of Taiwan's F-16 A/B fighter jets as the bottom line, while

promising that Taiwan will not get new F-16 C/D fighters, which are a red rag for Beijing. Regarding this rumors, Daniel Russel, National Security Council senior director for Asian affairs, said in a briefing ahead of Biden's visit that Biden was not planning to bring up the Taiwan issue during his trip and that he would also not discuss U.S. arms sales to Taiwan with Chinese leaders. Russel stressed that U.S. policy toward Taiwan is based on the Taiwan Relations Act and remains unchanged. On Aug. 18, Ileana Ros-Lehtinen, chairperson of the House Foreign Affairs Committee, urged Biden to respect the Taiwan Relations Act and the Six Assurances (given to Taiwan by President Ronald Reagan) during his visit and that he must not discuss the arms sale issue with China.

While Biden refrained from publicly taking a stance on the Taiwan issue or U.S. arms sales to Taiwan, his visit still created several political after effects:

1. Biden's visit coincided with the anniversary of the third U.S.-China Joint Communiqué of Aug. 17, 1982, which naturally gave Beijing a propaganda opportunity by highlighting that Washington had stated in the Communiqué that "it intends to reduce gradually its sales of arms to Taiwan." Even if Washington didn't care about the timing, a number of particular considerations quite favored accepting such a sensitive date.

2. Biden chose to visit China in mid-August, because Obama's announcement of the arms package for Taiwan on Oct. 1 is drawing closer, the APEC leaders' summit will be hosted by the United States in Hawaii in November, Xi is likely

to visit Washington in December, and Taiwan will hold combined presidential and parliamentary elections in January. There was a strong intention of trying to placate Beijing and deliberately drawing attention to Xi. If the United States indeed announces the upgrade program for Taiwan's F16 A/B fighter aircraft, Beijing will likely only voice symbolic protests instead of taking drastic retaliatory measures such as breaking off U.S.-China military exchanges, or postponing Xi's visit to the U.S.

3. Since Biden's visit focused on Xi and U.S.-China economic and commercial relations, and U.S. opinion makers had aggressively reported about the sensitivity of U.S. arms sales to Taiwan, Washington had early on decided to play down the Taiwan issue. Consequently Biden toed the line when responding in public settings to Chinese assertions of its "core interests. It is impossible to find out whether Biden's statements were more flexible in closed door meetings. The benchmark to watch is Beijing's reaction when Obama notifies Congress of the arms package to Taiwan on Oct. 1. Should Beijing refrain from overreacting, this suggests tacit understanding between China and the U.S. If the F16 A/B upgrade package does not cause a severe downturn in U.S.-China relations, this would also be a shot in the arm for Ma's presidential campaign and prevent a flaring up of anti-Chinese sentiment among the Taiwanese in response to an excessive backlash from Beijing.

Biden's China visit and Washington's subsequent announcement of the arms sale on top of the Obama-Hu meeting on the sidelines of the APEC meeting and Xi's

year-end visit to the U.S. will create external effects just as Taiwan's presidential campaign is heating up. Tsai Ing-wen, presidential candidate for the opposition Democratic Progressive Party (DPP), is scheduled to visit the U.S. in mid-September. She should seize this opportunity to clearly tell Washington that a decision on arms sales to Taiwan must by no means be influenced by Beijing. But even if Biden did not raise the arms sales to Taiwan in his talks with Chinese leaders during his just concluded visit, the Ma government must still prevent Beijing from using the anniversary of the Aug. 17 Communiqué and Biden's visit for a massive propaganda campaign to deepen the impression in the international community that "Taiwan is a part of China."

Finally if, as widely expected, the Obama administration indeed eventually decides to sell Taiwan an "F16 A/B upgrade package" instead of new F16 C/D fighter jets, the Taiwanese government still has no reason to be pleased with itself. Ma cannot gloss over the fact that he has weakened Taiwan's defense capabilities during his past three years in office. 