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The “Battle” of the Taiwan Straits ^[1]

Without firing a shot, China is winning its "war" to gain de facto incorporation of Taiwan into the mainland orbit. That's a tortuous way of saying that it may not be long until Taiwan is no longer a de facto state.

Beijing's strategy is instructive.

There are only 26 countries left in the world that accord Taiwan full diplomatic recognition as a "nation."

How many can you name?

How many do you recognize?

In the Asia-Pacific region the nations recognizing Taiwan are: The Solomon Islands, The Marshall Islands, Tuvalu, Palau and Kiribati.

Kiribati is an interesting case in point, and one of the rare instances where mainland China lost a diplomatic pull and tug over recognition of Taiwan.

Graham Norris, writing in Pacific Magazine tells the story of the Chinese Ambassador to Kiribati calling the tiny island nation's President Anote Tong so often during his lobbying campaign, the president got himself an unlisted number. The calls didn't work. The prize of recognition went to Taiwan for \$15 million in fishing license fees and an extra \$5 million the island received in negotiating the licenses.

Follow the money.

Money, and the promise of sharing in China's economic growth is what is driving the mainland strategy.

Chinese Prime Minister Wen Jiao Bao has had a good deal more success recently winning converts to the one-China policy*. The Premier's carrot to lure away those countries that still recognize Taiwan is tourism and trade. He has targeted, in particular, the resource rich countries of Latin America and Africa as well as the smallest of countries. The quid pro quo is simple enough: if you want the newest free-spending tourists, the growing upper- and middle-class Chinese mainlanders, then recognize, accept, or agree to the one-China principle. If you want to deal with China economically, if you want China to buy what you have to sell, recognize the one-China principle.

What is at stake?

Approximately 32 million Chinese traveled abroad last year. That compares to about 600,000

in 1985. And looking ahead projections are that 100 million Chinese will be traveling by 2020. The world's hoteliers, airlines, to say nothing of boutiques and restaurants are salivating.

Mark Manier, in a Los Angeles Times article points out that China recently surpassed Japan as the Asian nation with the most tourists. And still less than 10 percent of China's 1.3 billion people have ever traveled outside their country.

Beijing has been careful to manage and keep control of the tourism carrot. It's easy for a Chinese to get a passport, but citizens may only travel to "approved" countries. And how do you get on the approved list if you want the benefit of Chinese tourism? Make sure you agree to the one-China principle.

In April the siren song worked on the Pacific Island of Fiji. Move one from the Taiwan column to the China column. More recently the Caribbean islands of Grenada and Dominica fell into line.

Over the last couple of years 115 countries around the world have been put on the approved list, and Taiwan is down to 26 countries that recognize the island "nation."

The stickiest, and perhaps final prize to fall in this game of recognition chicken is the Vatican, the smallest of the small, yet the biggest in terms of symbolism. The Vatican is the last country in Europe to recognize Taiwan, a post 1949 legacy when the island of Taipei became the refuge for the Chinese who lost their battle with the forces of revolution and Mao Tse Tung.

There are about 300,000 Roman Catholics on Taiwan out of a population of approximately 22 million. That is just 1.5 percent of the population.

The numbers are not significant, but the symbolism is. The Vatican was harshly critical of the new, young communist government in 1949. Beijing has not forgotten those sleights.

The late Pope Paul's Polish roots and his battles against the communists in his home country left him with little appetite to change the Holy See's diplomatic stance on the side of Taiwan. Even so, toward the end of his life, the Pope indicated he would like to "normalize" relations with mainland China. Just what "normalize" meant never got to the talking stage.

But the end game may be near. The Beijing government has said it too would like better relations with the Vatican. The Bishop of Hong Kong has said that there are "discussions" between the Vatican and the mainland.

But there are conditions beyond Taiwan. China has an officially recognized Catholic Church with Bishops appointed by Beijing. The officially recognized Chinese Catholic Church does not recognize the Pope as its leader.

Recent appointments of Bishops by Beijing caused undiplomatic words to fly between the Vatican and Chinese government. A mainland Catholic Church that does not recognize the Pope is a large hurdle.

The Vatican has no oil, or other minerals to sell mainland China. The Vatican does not need the approval of Beijing to draw millions of tourists, the Holy See's unique status that includes an open border in Rome assures that Chinese have ready access to the Sistine Chapel and

the Vatican Museums. This is a tricky diplomatic dance.

There is little doubt that if "discussions" between the Vatican and Beijing turn into negotiations that take the Vatican out of the "recognition" column for Taiwan, the island may be left as just that: an island that will no longer meet the criteria nationhood.

The back story to who "owns" Taiwan is bigger than the diplomatic travels of Premier Wen Jiao Bao. Eighty percent of the Taiwanese economy is linked to the mainland. China has displaced the United States as the island's largest export customer. Taiwanese businessmen and women are all over the mainland with investments in everything from real estate to video games.

In 2001 Taiwanese investments on the mainland stood at 2.2 billion U.S. dollars, about half of the \$4.2 billion that the rest of the world had invested in Taiwan.

By 2003 Taiwanese investment in the first four months of the year in just one province of the mainland -- Jiangsu -- was 2.2 billion dollars. There were 547 separate Taiwanese enterprises in Jiangsu Province that spring.

Beijing is openly romancing Taiwan's opposition Kuomintang party leadership; the same party that staggered to the island in 1949 after its mainland defeat. There is an independence movement in Taiwan. The island's President Chen Shui-bian rode that horse to a slim victory in the last presidential election. He has rattled the independence saber to the irritation, if not the fury of Beijing. The mainland response has been threateningly measured. Warnings of "if you declare independence we will take action," Beijing's own sabre-rattling.

Like some slow-motion choreography, President Chen would back off for a while, only to reappear with another independence threat once the headline writers had moved on.

President Chen may turn out to be his own worst enemy. A growing financial scandal involving charges of insider trading by family members has the Taiwanese president on the defensive, fighting for his political life. The Beijing romance with the KMT opposition continues apace. The KMT party leader made a high profile visit to his mainland birthplace and was feted with the warmest of welcomes as well as unprecedented live TV coverage along the way. The message could not be clearer: You are among friends.

In diplomacy and a rapidly changing world, anything is possible. Wise countries prepare for worst case scenarios while energetically pursuing their diplomatic goals. In the current "battle of the Taiwan Strait," the power of persuasion seems to be overwhelmingly on the side of the mainland. When the British gave Hong Kong back to the Chinese the mantra was: one country two systems. Then Macao returned from its years in the Portuguese orbit. One country three systems. It is not difficult to see a scenario that will see one country, four systems in the future with nary a shot fired in anger.

*The one-China policy means what it says: There is one China and that includes not only Xinjiang, and Tibet, but also Macao, Hong Kong and the island of Taipei. Calling the island "Taiwan" technically implies a separate country and is not acceptable in the Beijing diplomatic lexicon.
