

## POLITICS

# Panama's wake-up call for Taiwan

Taipei should abandon claims to China and forge its own identity



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The decision by Panama on June 12 to sever diplomatic ties with Taiwan should ring alarm bells for the island territory that is officially known as Republic of China. With just 20 countries left that recognize Taipei, its fight to win official international support for its sovereignty appears to be in danger of collapsing.

Taiwan was once acknowledged by most member states of the United Nations as representing China, including the mainland. In 1969, the ROC was recognized by 71 countries, while its communist rival, the People's Republic of China, had diplomatic relations with 48 countries.

But once the PRC was admitted to the U.N. as the legal representative of China in 1971 and was recognized by the U.S. in 1979, Taiwan saw a precipitous decline in diplomatic status. The history of the last 40 years is the saga of one country after another abandoning Taiwan, as each accepted the reality of a more powerful China. By 1990, only 28 countries recognized Taipei, while 139 had ties with China, and that number has since increased to 175.

Beijing has been able to entice countries to switch their support from Taiwan because of its pervasive economic clout which enables "checkbook diplomacy" to reward defecting nations from the Taiwan camp with aid or investments.

With a population of only 23 million, Taiwan is a much richer territory than China on a per capita basis, but lacks the foreign exchange reserves to purchase continued loyalty. The last holdouts supporting Taiwan have been in Central America and the Pacific islands. But Beijing has been active in wooing them with generous economic aid packages. Panama, for example, decided to switch its support to Beijing after being promised \$1 billion for infrastructure upgrades around the expanded Panama Canal.

For a long time, Taiwan was able to compete with China when it came to gaining the support of mini-states because the sums involved in buying their support were not daunting. This led to back-and-forth swings in recognition. For example, Nauru derecognized Taiwan in 2002 and then restored ties in 2005. Nicaragua cut ties with Taiwan in 1985 before returning to the fold in 1990. But Taiwan can no longer afford to maintain this bidding war.

Recent developments are forcing Taiwan to rethink its strategy, core identity and role in the world. Dependence on the U.S. for protection against an invasion by China remains the cornerstone of Taiwan's security doctrine. The implied promise that the U.S. military would come to Taiwan's defense has helped deter China and preserved the island's freedom.

### **A weak hand**

But the defection of Panama is a reminder to Taiwan that the U.S. cannot halt China's diplomatic offensive to isolate Taiwan. Washington has not pulled strings with Central American or Pacific countries to keep them in Taiwan's camp, and will be even less inclined to do so under President Donald Trump.

Trump briefly raised hopes in Taipei just before his inauguration when he called the Taiwanese president in a move that suggested he might use the "one-China policy" as a bargaining chip in winning concessions from Beijing. But he quickly backed down after meeting Chinese President Xi Jinping and affirmed respect for China's core concerns, including Taiwan, in return for Chinese cooperation to curb North Korea's nuclear and missile programs.

The best that Taiwan can expect from the U.S. is a continuation of Washington's "strategic ambiguity" of supporting Taiwan's military defense while not challenging China's usurpation of Taiwan's diplomatic space.

As it loses international diplomatic support, Taiwan has no choice but to recalibrate its approach to the sovereignty question. First, the claim since Taiwan was ruled by Chiang Kai-shek that it is the only genuine representative of all of China is now obsolete and lacks credibility.

There is no hope that Taiwan will ever reconquer the Chinese mainland. Unless China collapses due to an internal revolution against the Chinese Communist Party, the idea that Taiwan's leaders would come back to rule the mainland is dead and buried.

As a result, it is wiser for Taiwan to shed the historic title of the Republic of China and simply call itself "Taiwan" or the "Republic of Taiwan," a territory that has a distinct identity different from China. As early as 2001, 70% of Taiwanese told pollsters that they would be happy to accept a name change to Taiwan.

As Taiwanese society has undergone generational shifts, "Chinese nationalism" (wanting Taiwan to take over mainland China) has been replaced by "Taiwanese nationalism" (abandoning the concept of reunification with China). By 2016, polls showed that a whopping 78% of the island's population identified themselves as exclusively Taiwanese and only 20% felt they were both Taiwanese and Chinese.

### **Dealing with threats**

Beijing, of course, has repeatedly threatened Taiwan with dire consequences if it unilaterally declares independence. China will impose further diplomatic isolation on Taiwan if it opts for independence and has frequently threatened to "recover Taiwan by force" in that case.

But Taiwan can perhaps retain diplomatic recognition among its few remaining international supporters by changing its name while avoiding the path of independence. Recognizing Taiwan as "Taiwan" rather than as a claimant to all of China would make it relatively easier for small countries to resist arm-twisting from Beijing.

As a democratic territory that must adjust to changing global and domestic popular opinion, the time is right for a shift by Taiwan toward simplifying its cause by breaking free of the contradictions of being known as the ROC. A Republic of Taiwan, even while lacking the prerequisites of full legal statehood by being recognized by two-thirds of U.N. General Assembly members and approved by the U.N. Security Council, can continue to play a meaningful role in world affairs.

Taiwan's advanced state of technical and economic development, as well as its established democracy, are all products of an openness to international markets and ideas. These attributes distinguish Taiwan from China even though it shares the same cultural roots as China. Singapore is an example of a Chinese-majority society that is still politically independent of China. Taiwan should likewise aim to accept the idea of being a 70-year-old nation while belonging to a greater China cultural zone that goes back millennia.

It should be remembered that as its *de jure* sovereignty dream fades, Taiwan still enjoys unofficial, non-diplomatic relations with 47 countries through representative missions known as Economic and Cultural Centers. Taiwan Education Centers, smaller in scale but similar to China's Confucius Institutes, have flourished in many Asian countries. Taiwanese companies successfully operate around the world.

By switching its identity from the ROC to Taiwan, Taipei could enhance these non-formal foreign ties and bolster its international status, although not as a recognized nation-state. Taiwan must first jettison its obsessive quest to achieve legal statehood. It should then move on with a mission of being itself and broadening its foreign outreach as a separate nation with all the features short of statehood.



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