Foreign Policy Report

I. Foreword

It is an honor for me to have been invited to this committee to brief you on current foreign policy. I want to take this opportunity to express my appreciation to President Wang, Vice President Chung and members of the Foreign and Overseas Chinese Affairs Committee of the Legislative Yuan for receiving foreign guests, promoting congressional exchanges and providing this ministry with many precious opinions. All of these efforts are very helpful for enhancing our relations with other countries.

Since you all have a detailed written report in your hands, I shall limit my briefing today to the "current international situation", "foreign policy guidelines" and "direction of future endeavors". As for the "development of external relations", please refer to the written report for details on our interactions with other countries and the efforts that we have made in joining governmental and non-governmental international organizations over the past six months. Please also feel free to comment as your thoughts are much appreciated.

II. The Current International Situation

Looking at the current international situation, two major themes - globalization and China's emergence - are dominating the existing international order. They form the two main challenges faced by our country in our international interactions.

1. The Wave of Globalization

Current globalization has already shaken up the traditional barriers to the international community, and has diversified the international power structure and issues. International organizations, NGOs, Multinational Corporations (MNCs) and even individuals have started to play increasingly important roles in the international arena. So-called 'soft power' — the economy and trade, democracy, culture and information — has become important assets for states in expanding their influence in international affairs and in further reshaping the make-up of the foreign policy of various countries.

Thus, global issues are no longer limited to the political and military. Indeed, issues closely linked to every aspect of people's lives are gradually receiving more attention. As a result, international political norms need to be reviewed and defined from a new perspective. The international community urges governments, international organizations, NGOs, MNCs and individuals to come together to find solutions to all kinds of issues.

While the US still maintains its superpower status, the wave of globalization has brought increasing challenges. <u>Small- and medium-sized countries</u> that share common values and ideas, that have close economic and trade relations with countries that are major players, or actively participate and make appropriate contributions to transnational issues, can play an active role in the international community. The Republic of China (Taiwan) is a case in point.

However, during the process of globalization, various developments at different stages are worthy of our attention:

First of all, on July 27 this year, the WTO officially suspended the Doha Development Agenda which had been underway for almost five years. This symbolizes a major setback for multilateral trading agreements and, in the short term, we will instead see even more of the already popular regional and bilateral trading accords. In the long run, global trade protectionism will again be on the rise. To prevent Taiwan's economy and trade from being marginalized, Taiwan will continue to make participating in global trade liberalization a priority. It will also continue to strengthen its interactions and connections with major economic and trade blocks around the world.

As globalization brings with it more rapid integration in the international community, regional integration is following suit. With the rise of East Asia's strategic and economic importance internationally, the process of integration in this region has gained significant momentum, while also encountering uncertain changes. As the Second East Asia Summit will be held at the end of this year, its future development deserves our close attention.

In direct contrast to the rapid integration occurring around world, regional conflicts and security threats are increasingly common. In particular, North Korea's nuclear testing and nuclear issues in Iran continue to affect the international climate. Similarly, terrorist attacks

in London, Mumbai (formerly Bombay), and Malegaon illustrate that terrorist attacks still pose a severe threat to international peace and need to be contained. Our country firmly maintains that all international disputes need to be solved through peaceful means. In the face of the military threat that more than 800 Chinese missiles pose to Taiwan, we want to urge the international community to scrutinize the security issue across the Taiwan Strait rather than simply ignore it. Moreover, China's willful actions toward harming international peace should no longer be appeased.

2. The Rise of China

Under the banner of "peaceful development", an increasingly powerful China has been attempting to play a more influential role in international affairs through "major power diplomacy". In fact, its rapid and expansive development is having a serious impact on the global economic and trade environment, and brings many challenges to the world. Likewise, the purpose and direction of China's military modernization lack transparency, which poses a potential threat to many countries in the region.

As China's international influence grows, its obstructionism against our country, based on Cold War 'zero-sum' thinking, is increasingly harsh. China is repressing Taiwan internationally more than ever by stifling our breathing space in the international community. In order to safeguard our national interests and the well being of the people of Taiwan, our government will continue to fight for its rightful status

and space for maneuver in the international community and will not withdraw simply because of China's repression against us.

Globalization brings with it both enormous challenges and ample opportunities; it is those countries that seize upon these opportunities shall be the winners of the globalization era. China's emergence is causing severe challenges to our diplomatic work. To overcome China's diplomatic offensive, we must be strong willed and think creatively, and use flexible and pragmatic strategies. In encountering the strong impacts caused by globalization and China's emergence, our diplomats need to constantly be thinking of how best to seize the opportunities that arise and how best to move forward to meet the expectations of our people in elevating Taiwan's profile in the international community.

III. Foreign Policy Guidelines

In the context of the harsh international reality, we need to consolidate our roots in Taiwan yet maintain a global view by following current trends and work in concert with international mainstream values. At the same time, we should construct sustainable diplomatic strategies to guarantee Taiwan's position and tol create a favorable environment in which to win the support of the international community.

1. Working in Concert with Mainstream International Values

"Democracy, human rights, humanitarianism, mutual interest and peace" are current mainstream values internationally. These values form the central part of our national policy and are crucial for connecting us with the mainstream international community.

(1) Democracy

Through democracy and human rights, we can appeal for Taiwan's sovereignty to be strengthened, and give prominence to Taiwan against a background of the Taiwan Strait issue. We can also emphasize that the fundamental difference between Taiwan and China is that of democracy versus authoritarianism, and explicitly point out that the threat and repression democratic Taiwan faces from authoritarian China is tantamount to a direct challenge on the values of democracy and freedom. At the same time, through such forums as the Taiwan Foundation of Democracy, Taiwan can play an active role in the "democratic community" around the world by promoting democracy and human rights, which will publicize Taiwan's democratic achievements and improve our standing in the world.

(2) Human rights

In Taiwan's last two bids to join the UN, we have stressed that including Taiwan in the UN system would help to promote the universal value of human rights. In this year's bid, our appeal included the idea of 'UNHuman Rights' to stress that the UN exclusion of Taiwan is an infringement on the fundamental human rights and dignity of the people of Taiwan.

In order to actively win the support of various countries to allow Taiwan to become an observer at the WHA, we also made the case that medical health is a fundamental human right. The WHO subsequently shifted its original position of declining to have any contact with Taiwan to that of interacting with the relevant departments based on professional medical considerations. Many countries have also changed their positions from one of opposition or indifference, to one of willingness to help Taiwan participate meaningfully. This achievement is a result of many years of efforts and legitimate appeals.

(3) Humanitarianism

In order to fulfill its responsibility as a member of the global village and show its humanitarianism, our government and the private sector actively participate in international medical cooperation and emergency humanitarian rescue work. Besides continuing to send volunteer medical missions to provide free medical treatment around the world, Taiwan has yet to be absent in any international emergency rescue missions. After many years of devotion and contribution, these efforts have painted Taiwan in a positive light internationally. In February, TaiwanIHA, an inter-agency task force, was officially established to effectively integrate various government and private sector resources to contribute further to international medical health and humanitarian rescue work, and thus enhance the international community's understanding of our country.

(4) Mutual Interests

Taiwan continues to provide foreign aid to assist, and cooperate with, developing countries in eradicating poverty and overcoming the difficulties they face with national development. Incentives for investment are put in place to assist friendly allies in developing their economies through dependable economic and trade cooperative projects. This is done in the hope of achieving global positioning for Taiwan, and thus creating a win-win situation where mutual interests are served and mutual prosperity is obtained. Our government also provides various preferential measures, hoping to encourage our businesses to consider investing in allied countries to <u>create a situation that is favorable</u> all round. (create a win-win-win situation that is favorable to the government, our businesses, and our allies)

We also actively promote signing FTAs with our strategic trading partners to keep abreast of the regional institutionalization of economic integration in East Asia, and to continue to eradicate trade and investment barriers through the WTO and APEC. This also allows us to effectively advance interactions with related members to further elevate Taiwan's profile in the international community.

(5) Peace

As of last year, Taiwan adopted a new strategy of submitting two

proposals to the UN in response to the international community's hope for both sides of the Taiwan Strait to engage in peaceful dialogue. Besides the proposal for Taiwan's participation submitted by our allies at the UN, the proposal that the UN play a proactive role in maintaining peace in the Taiwan Strait is an attempt to make inroads into gaining the attention and support of the international community on the issue of peace across the Taiwan Strait from the moral high ground of peace. This year, the peace proposal was expanded to include "the peace in East Asia as a whole", and has resonated among many countries.

2. Firmly Establishing the Position of the Republic of China (Taiwan)

The international reality is one of both opportunities and challenges. In this context, we maintain that we should come up with new ways of thinking about diplomacy and apply our resources flexibly to meet the needs of a fickle environment. At the same time, through closer interaction with the international community in areas of common interests, the world can see for itself the importance of Taiwan maintaining its sovereignty and ensuring that it has room to exist and develop. Increased participation in international affairs will bring Taiwan's distinguishing features and strengths into play. Then, in the process of making significant contributions to the world, Taiwan can gradually build up its international influence and firmly establish its position in the international community, and thus earn respect and friendship internationally.

(1) Coming up with New Diplomatic Ideas

We must face the diverse changes to the international environment that globalization brings with it, and find ways to distinguish ourselves from China in the international diplomatic arena. By recognizing our comparative advantages and disadvantages, we can thus pragmatically adjust how we use our diplomatic resources and promote novel action plans, as well as develop new diplomatic strongholds. I would cite the following as relevant focal points for adjustments in our diplomatic strategies:

- 1. As Taiwan's relations with the US and Japan deepen, we should also simultaneously increase interactions with ASEAN, Australia, New Zealand, India, the Middle East and the EU.
- 2. By using the soft power of democracy, human rights and humanitarian assistance more widely, Taiwan can play an active role in the global community of democracies through spreading the idea of democracy and freedom.
- 3. Build a favorable public opinion environment for Taiwan internationally through informational and cultural exchanges and public diplomacy.
- 4. Actively assisting Taiwan's NGOs and private organizations in connecting with the international community puts the idea of "people diplomacy" into practice.
- 5. To enhance Taiwan's capacity to participate in various international issues by training professionals in the private sector and making the best use of think tanks to overcome China's

diplomatic blockade.

We will the concept of "diplomatic-policy apply community" to strengthen the integration of resources government and civil society, well among as intergovernmental agencies. We will implement reforms of relevant diplomatic organizations and related affairs. We will also refine our targets and priorities according to the new diplomatic strategies, and make our moves at the opportune moment internationally. Through flexible strategies, we can better deal with any adverse situations.

(2) Consolidating Sovereignty

Diplomatic relations demonstrate the most concrete symbol of our country's sovereignty. We will not engage communist China, in the face of its relentless attacks on our sovereignty, in a zero-sum diplomatic game. Neither will we get bogged down in the myth of counting the number of diplomatic allies both sides have. However, we must stress that having diplomatic relations are absolutely important still. We will try our utmost to maintain diplomatic relations, but certainly not through the so-called 'dollar diplomacy' that we have been accused of. Rather, we are simply safeguarding our national sovereignty and dignity, and protecting Taiwan's democracy, freedom and economic prosperity. This is an important responsibility for us in promoting foreign relations.

In the future, we will continue to actively consolidate and expand our diplomatic relations through the strategy of "diversified diplomacy" and "sustainable development". We will also use various channels to help the international community to clearly understand that any shift in foreign relations on both sides of the Taiwan Strait seriously affects the balance of power across the Strait, and endangers Taiwan's national security and very existence. This is also closely linked to the regional interests of major countries and even the common interests of the international community.

(3) Strengthening Substantive Participation

As we promote foreign relations, we should firmly grasp the principles of being issue-oriented, pragmatic and multi-tracked, in order to increase substantive participation in international affairs.

Other than participating in government-related international organizations, we need to operate through other channels of international influence such as NGOs, and industrial and academic communities, to shape constructive and substantive agendas that further increase our prominence in international affairs. In the future, this ministry will continue to promote public diplomacy. With Taiwan's development experience as a starting point, we are actively promoting various substantive cooperative exchanges internationally, and are making the best use of Taiwan's strengths in contributing to the global village.

Generally speaking, sustainable development makes up the backbone of our foreign policy. It is a concept that we abide by and also a goal that we pursue. We do not want to operate a short-term, speculative diplomatic strategy, but to adopt far-sighted, long-term pragmatic methods that are firmly rooted in substantive diplomacy. These will allow us to develop responsible, respected and comprehensive cooperative partnerships with other members of the international community. In view of the changeability of the modern era, we need to get a firm grip on global trends, claim our position in the international community, and lay the foundations from which to realize the comprehensive diplomatic goal of sustainable development.

IV. The Direction of Future Endeavors

In the unpredictable era of globalization, diplomatic work must adapt to the times, and we must draw up a diplomatic blueprint based on Taiwan's sovereignty, that conforms to the Taiwan's characteristics and focuses on Taiwan's national interests and international responsibilities. We should stop engaging China, with its relentless diplomatic attacks, in a zero-sum game. Rather, we should identify where to concentrate our efforts in international affairs, and devote ourselves to making substantive contributions to the global community. As such, the future direction of our foreign policy endeavors is to implement sustainable "substantive diplomacy" that conforms to the fundamental interests of our country.

Promoting "substantive diplomacy" has implications at two levels:

One is to hope Taiwan can become the "little sun" of the international community: Taiwan is already able to play a confident role in the international arena and can be called a developed country. However, our country once received long-term international financial assistance. Having gone through tough times, we have ultimately made some remarkable achievements. Since we now have the means to give back to the international community, we should take it upon ourselves to be a net contributor to the global community.

"Those who love others will be loved; those who help others will be helped." This is the essence of substantive diplomacy. If we want to win the support of our international friends, we need to go back to basics, and continue to promote amicable cooperation with other countries to assist with improving the lives of their people. We must also actively participate in, and make contributions to, issues of international concern. As long as we are unselfish in our contributions, and bring more 'sunshine' and energy to our diplomacy, Taiwan can become a respected country, a "little sun", that is known by an increasing number of countries as a sincere, friendly, passionate, warm and beautiful country. As such, they will be more willing to help us in every corner of the world; and with more assistance, Taiwan can make great strides towards realizing sustainable national development and prosperity.

The other implication of promoting "substantive diplomacy" is to find Taiwan's diplomatic "blue ocean". In response to communist China's provocation and threats, we need to avoid direct confrontation in our diplomatic fight with it. If our diplomatic work is to evolve and transform, we need to be farsighted and keep the bigger picture in mind. We do not want to take part in a zero-sum game with China by attempting to lure away one another's allies; rather, we need to lay emphasis on engaging in sustainable relations with our current diplomatic allies. Furthermore, in order to be an indispensable member in the international community, we need to be active in raising substantive issues and in constructing comprehensive partnerships. In other words, our foreign policy needs to be clearly differentiated from China's.

While China's diplomatic moves revolve largely around plundering resources and dumping merchandize around the world, we need to go from the traditionally passive means of coping with China's offensives to adopting an active foreign policy, and conduct, that have Taiwan's special attributes at its core. These include humanitarian and agricultural assistance, the prevention and treatment of diseases, technological exchanges, economic and trade cooperation, and the cultivation of talent. We need to be active in developing new diplomatic strategies and strongholds from which we can find our diplomatic "blue ocean". Once we look beyond the haze of the cross-strait fight-to-the-death struggle, we will suddenly discover that there is a vast blue ocean in which we can roam.

V. Conclusion

We face an international environment where ideals are pitted against reality, and opportunities co-exist with challenges. People in Taiwan have high expectations for Taiwan elevating its profile in the international community and accelerating its national development. Foreign policy should be carried out by all people regardless of political affiliation – we all share the same goal of increasing our national interests. Promoting international relations is not simply the duty of the government. It requires the combined effort of all people working together. I am convinced that future relations with other countries can continue to be steadily enhanced on the foundation of national consensus and solidarity.

I want to take this opportunity to again express my appreciation to the committee for your assistance and precious comments for the ministry. I hope that all of you will continue to provide the ministry with your comments and support, and naturally my colleagues and I must spare no effort. We face unprecedented challenges in the international community. I think we as diplomats can draw hope from the fact that life springs from sorrow and calamity and, as such, I am convinced that with the joint efforts of all my colleagues at the Ministry of Foreign Affairs, we can widen our diplomatic breathing space. This is my briefing on foreign policy for today. Your comments will be very much appreciated. Thank you!