EGMONT POLICY BRIEF 319

- OCTOBER 2023 -

The EU and Taiwan: Normalizing the Status Quo

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When I read Egmont colleague Sven Biscop's "My Summer in Beijing,"¹ I was just about to depart to a little-recognized political entity off the Chinese coast that – constitutionally, at least – still claims Beijing as part of its territory: The Republic of China (ROC/ Taiwan). Unlike my colleague, I was not questioned on the academic desirability of my stay – Taiwan has over the last few decades consistently ranked in the higher echelons of academic freedom. I was, however, counselled on multiple occasions to reconsider by concerned family and friends who had seen sensational media reports claiming that the People's Republic of China (PRC) could attack at any moment.

Staying in a serene yet vibrant Taipei, visiting multiple places of interest and meeting with local scholars, I have noticed that confusion reigns not only in Europe toward Taiwan, but also in Taiwan toward Europe. Especially the cross-Strait position of the EU, which does not recognize Taiwan due to 'its "one China" policy' but has over the last two decades increased the scope of engagement with Taiwan, is little understood. As exchanges between Brussels and Taipei intensify, there is an increasing urgency to consolidate the EU's position on Taiwan.

THE EU AND TAIWAN BEFORE 2000: MODEL FOR PEACEFUL UNIFICATION

After relocating to Taiwan in face of defeat by the forces of the Chinese Communist Party (CCP) in 1949, the ROC, led by the Chinese Nationalist Party (KMT) of Chiang Kaishek (r. 1928/1950–1975), aimed at regaining the Chinese mainland by force. Chiang had little tolerance for countries that recognized the CCP-led PRC as 'China,' and severed bilateral relations with any nation that did so. Despite a significant loss of recognition after 1971, when the ROC was exchanged for the PRC in the UN,² Chiang's position that the ROC was China's legitimate ruler never wavered. However, in line with the UN's decision and the prevailing trend within western Europe, also the European Economic Community (EEC) recognized the PRC as 'China' in 1975.

While retaining an assertion to represent 'China' despite diminishing international recognition, the belligerent approach to the Chinese Mainland was dropped by Chiang's son and successor Chiang Ching-kuo (r. 1978–1988). This shift occurred after the CCP under Deng Xiaoping (r. 1978-1989) had adapted its strategy from seizing Taiwan by force to achieving 'peaceful reunification' (heping tongyi) in 1979, a slogan soon conjoined with the 'one country, two systems' (yi guo liang zhi) formula.3 In 1981, Ching-kuo opted to counter Deng's approach by proclaiming that the implementation of the Three Principles of the People (San min zhuyi)⁴ of KMT founder Sun Yat-sen (1866–1925) were a prerequisite for unification - essentially a clear refusal of CCP overtures as democratization and de-communization were listed as requirements. Ching-kuo nevertheless showed less diplomatic rigidity abroad than his father by pursuing 'flexible diplomacy' (tanxing waijiao).⁵ This, for instance, led to Taiwan regaining membership of the International Olympic Committee (IOC) as 'Chinese Taipei' (Zhonghua Taipei) despite PRC membership of the organization.6

After Lee Teng-hui (r. 1988–2000) succeeded Chiang Chingkuo, the democratization of Taiwan commenced in earnest.



Royal Institute for International Relations During this era, Taipei proposed 'pragmatic diplomacy' (*wushi waijiao*)⁷ – essentially a broadened version of 'flexible diplomacy' that deemphasized representing 'China.' While initially still echoing some of the Chiangs' rhetoric to appease the pro-unification conservatives in the KMT, Lee started exploring more gradualist approaches and strove for 'eventual reunification' (*zhongji tongyi*)⁸ instead. In 1994, a year after the Maastricht Treaty came into force, Lee hailed the EU's integration process as a potential model to achieve cross-Strait reconciliation.⁹

After the democratization of Taiwan matured by the late 1990s, EU integration has continued to garner considerable attention in Taiwan's KMT-led pan-Blue camp as potential model to achieve unification. However, as fewer and fewer people in Taiwan identify as Chinese and even less support unification,¹⁰ proposed frameworks such as the implementation of a cross-Strait customs union, freedom of movement, or even a constitution drafted in the spirit of the Lisbon Treaty, by those that politically can be situated in the darker shades of pan-Blue, are little more than chimeras. Most Taiwanese nowadays content themselves with provisionally or indefinitely maintaining the status quo and preserving Taiwan's *de facto* existence without actively pursuing *de jure* independence, a stance that the EU also subscribes to.¹¹

THE EU AND TAIWAN AFTER 2000: NORMATIVE EXAMPLE

In 1999, a year before it first took power, the Democratic Progressive Party (DPP) led by Chen Shui-bian (r. 2000– 2008) proposed 'new internationalism" (*xin guoji zhuyi*)¹² as a foreign policy guideline for Taiwan in the 21st century. 'New internationalism' essentially further expanded the scope of Lee Teng-hui's 'pragmatic diplomacy' by aiming to obtain goodwill through voluntary adherence to international norms and bolstering unofficial ties.¹³ Ever since, Taipei has de-emphasized its dwindling official diplomatic ties,¹⁴ and has sought to expand its international space without pursuing *de jure* recognition.

The policy of Brussels toward Taipei shifted considerable over the last few decades. In the 1990s and early 2000s, the

EU still followed the PRC's universal 'one-China principle' (*yi ge Zhongguo yuanze*).¹⁵ This implied recognizing the PRC as a Taiwan-inclusive 'China' and acknowledging its position to constrain Taipei's international space. By extension, the EU also endorsed the PRC's 'one country, two systems' formula, which by then had been implemented in Hong Kong (1997) and Macau (1999), as an eventual solution to the Taiwan question.¹⁶ By 2003, however, the flaws of 'one country, two systems' had become apparent in Hong Kong; shifting Taiwanese identity started to take shape; and the SARS outbreak exposed the necessity of including Taiwan in at least some specialized multilateral contexts like the World Health Organization (WHO).¹⁷

The EU thereafter proposed it had 'its "one China" policy,' the usage of 'policy' stressing its departure from the PRC's 'principle.' The most central difference with the PRC's 'one-China principle' was the EU's backing for finding pragmatic solutions to facilitate Taiwanese engagement abroad and maintaining the status quo instead of supporting unification efforts. In line with 'one China,' Brussels did nevertheless equally condemn Chen Shui-bian's government when it started pursuing *de jure* Taiwanese independence during its final two years in power.

Silence on Taiwan prevailed in Brussels during the warmer cross-Strait ties of the KMT-led Ma Ying-jeou administration (2008–2016). Consequently, the EU essentially left a 'window of opportunity' unexploited to further normalize Taiwanese engagement abroad.¹⁸ It would take until the 2016 *Elements for a New EU Strategy on China* before support for Taiwan would become more apparent – just when said 'window' closed with the election of the DPP's Tsai Ing-wen (r. 2016–) to the Taiwanese presidency and hostile cross-Strait relations returned.

Elements for a New EU Strategy on China reaffirmed the EU's desire for practical solutions to facilitate Taiwanese engagement in multilateral frameworks. It also emphasized the "shared values underpinning [Taiwan's] system of governance."¹⁹ This was in line with the external action guideline of 'principled pragmatism' released earlier in 2016, which called to advance the Union's principles while pragmatically assessing strategic circumstances abroad.²⁰ In

the 2019 *EU-China – a Strategic Outlook*, this affirmative stance on Taiwan was confirmed and prominently contrasted with the PRC through the denomination of the latter as not only a partner and a competitor, but also as a systemic rival.²¹ In general, pronouncements on Taiwan by all EU organs became considerably more affirmative after 2016, while the opposite has been the case for the PRC. Since 2019, Brussels and Beijing have failed to agree on joint statements and strategic guiding agendas.

TAIWANESE INTEREST IN THE EU

Many Taiwanese yearn for more interaction with the EU, albeit often for different reasons than the aforementioned minority still invoking European integration as a model for unification. This was evident, for instance, in the observation that my audience at the National Taiwan University (NTU) in a course on the Economic Monetary Union (EMU) was more than double than my audience for a lecture in the China Studies – a stark contrast with the past, according to the professor in charge. I also noticed this during discussions with younger Taiwanese who displayed a considerable lack of acquaintance with Taiwan's 'Chinese' past – I had anticipated disagreement, not unfamiliarity, with some of my talking points on father and son Chiang.

In contrast, many Taiwanese have taken note of the recent upsurge in visits by EU Parliament delegations and, particularly, the pronouncements in 2021 on sustaining liberal democracy in Taiwan and establishing a Bilateral Investment Agreement (BIA).²² Indeed, as earlier in 2021 negotiations over the extremely hard-fought EU-China Comprehensive Agreement on Investment (CAI) stalled after a series of tit-for-tat sanctions over Xinjiang, the idea of a BIA as an alternative - or even a punishment - to the PRC has gained traction in the Parliament. The actions of EU member states like the Czech Republic, which has sent high-level delegations to Taipei, and Lithuania, which has opted to recognize Taiwanese *de jure* statehood on an unprecedented level by tolerating a 'Taiwanese Representative Office' instead of the customary 'Taipei Representative Office' in Vilnius, have also reached a considerable audience in Taiwan. As one of my interlocutors at the NTU aptly summarized: "While all these visits have

brought us little beyond infuriating Beijing, at least more Europeans are now aware we exist."

Few Taiwanese, however, understand that the EU Parliament is not on the same page as the Council and, especially, the Commission. Fewer understand that the Czech Republic – which has a values-based foreign policy tradition since the presidency of Václav Havel (r. 1989–2003) – and Lithuania – which arguably now recognizes the existence of Taiwan on a level Taipei does not even recognize itself – remain outliers within the Union, as many in the Council and Commission are still trying to find a balance between both sides of the Taiwan Strait in line with principled (supporting the *de facto* existence of democratic Taiwan) pragmatism (safeguarding substantial economic ties with the PRC).

BRUSSELS: A THIRD FORCE IN THE MIDDLE OF THE TAIWAN STRAIT

So, what can the EU do? The reality is that upholding 'one China' inevitably entails that a Taiwan strategy has to be considered in the light of the PRC. Despite the missed opportunities during the Ma administration, one might argue that the gradual creation of a Taiwan policy over the last few decades can also be Brussels' strength, as it has yet to make any moves that would permanently push it to one side. Unlike the US or Japan, the EU is viewed by the PRC as neither a stakeholder nor an impediment to its quest for unification due to its geographical remoteness to Taiwan. Significant military assistance in case of PRC belligerence is not expected of Europe either. What many Taiwanese do desire, however, is Brussels' assistance in further expanding Taiwan's *de facto* international space.

Two important elections shall likely decide how much leeway Brussels will enjoy in this matter. Firstly, the Taiwanese general elections of January 2024 that will, among other things, decide whether another 'window of opportunity' might take shape. Secondly, the European elections of June 2024, which, as Sven Biscop also noted during his visit to Beijing, could provide an opportunity to the PRC to show some goodwill and let the sanctions against European MEPs lapse to eventually reboot negotiations on CAI – or start with a blank slate on a more comprehensive investment treaty.²³

However, the outcome of these two elections and the PRC's response should not influence the EU's policy of increasing Taiwan's international space per se, and merely decide the scope of its ambitions. If the circumstances allow i.e., warmer cross-Strait ties and an EU-PRC thaw prove to be forthcoming – and in line with upholding principled pragmatism, the approach should not be a zero-sum choice between reviving trade and investment negotiations with the PRC (be it through CAI or a new treaty) or increasing Taiwan's international space (be it through BIA or other formulas), but pursuing both objectives simultaneously. Beijing has made more significant concessions before in return for agreements buttressing its trade balances, such as tolerating Taiwanese WTO membership as 'Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu' in return for its own admission in 2001. The bilateral trade agreements that New Zealand (ANZTEC) and Singapore (ASTEP) signed with Taiwan in 2013 under WTO-formulas did not incur the PRC's wrath either. Meaningful Taiwanese participation (as observer) in specialized organizations like the WHO, the International Civil Aviation Organization (ICAO), and the UN Framework Convention on Climate Change (UNFCCC), should also be feasible under a new 'window of opportunity.' Promotion of such participation is in line with the EU's interests and, as shown, its historical position on Taiwan.

In case developments do not allow for such complex negotiations after the two forthcoming elections, the EU should still continue its quest to normalize Taiwan's *de facto* engagement on the world stage under more limited goals. While a BIA and meaningful UN participation could be out of reach under such an outcome, recent moves by the EU Commission – essentially concessions to the Parliament for not heeding its call to negotiate a BIA – to launch annual EU-Taiwan Trade and Investment Dialogues (since 2021) and upgrade the EU-Taiwan Trade and Investment Economic Dialogue from deputy ministerial/ director-general to full ministerial/director-general level (since 2022), are examples of measured approaches that can also be reproduced in other fields like science and

human rights. Further bilateral negotiations on a Taiwanese death penalty mortarium in line with Brussels' prominent advocacy on this topic could, for instance, be explored.²⁴

In contrast, any pronouncement on *de jure* Taiwanese independence by Brussels, explicit or implicit, is counterproductive regardless of the outcome of the two aforementioned elections. Presently, even most within the ruling DPP are not in favor of declaring independence and, at least for the time being, support maintaining the status quo, which was also confirmed by the 2023 Double Ten (October 10) speech by Tsai Ing-wen.²⁵ Goodwill from Beijing is imperative in dissuading it from using its clout to influence PRC-friendly states like Hungary, Romania and Cyprus (which might be especially readily swayed considering Northern Cyprus) in vetoing (anything resembling) a BIA. Attempting to normalize Taiwanese engagement abroad through hawkish policies and rhetoric could thus be counterproductive.

SYSTEMIZE POLICY, DENOTE RED LINES, AND PURSUE THE STATUS QUO

Considering the above (historical) reflections, I do not call for an EU policy change on Taiwan per se, but merely advocate further consolidating the current approach. While standing by a *de jure* 'one China,' the EU's framing of 'its "one China" policy' already offers considerable leeway in increasing Taiwan's *de facto* international space. The fact that Brussels is not a direct party in the Taiwan issue and still enjoys more cordial ties with the PRC than, for example, the US and Japan, should be seen as an opportunity to achieve what others cannot.

No zero-sum choice between Beijing and Taipei should thus have to be made. Explicit clarification of its previously rather implicit position to *de jure* uphold 'one China,' while gradually normalizing the *de facto* existence of Taiwan on the world stage is entirely in line with the Union's foreign policy guideline of 'principled pragmatism.' As shown, it also aligns with Taipei's own historical turn from insisting to represent 'China' and sustaining a thinning crowd of diplomatic allies to embracing unofficial ties and voluntarily adhering to values it shares with the EU. Moreover, it corresponds with the (growing) Taiwanese majority who support maintaining the cross-Strait status quo.

However, clarifying "its" Taiwan policy also requires denoting red lines. To Taiwan, the EU should declare that it cannot depart from 'one China' until the cross-Strait situation significantly changes – read, until the standpoint of Beijing shifts. Any unilateral move toward *de jure* independence can therefore not be supported and will still be condemned in the same vein as during the Chen Shui-bian administration. To the PRC, in turn, the EU should stress more prominently that any unilateral attempt to alter the status quo will be met with credible (economic) threat and will inevitably culminate in its dreaded economic decoupling.

Concerning the pro-Taiwanese efforts of the EU parliament and some member states like Lithuania, clearer pronouncements to both sides of the Taiwan Straits should be made that their actions do not always represent the position of Brussels' executive power. To Beijing, which often misconstrues actions by the Parliament - which is by its very definition a diverse body striving for electoral gain – and some member states into EU-wide support for Taiwanese independence, this should be supplemented by reminders that a plethora of Taiwan policies exist between Lisbon and Helsinki. As European integration is an ongoing project and the days of implicit cross-Strait consensus on 'one China' under father and son Chiang are long gone, a singular Europe-wide Taiwan position is simply a pipe dream. The fact that member states still enjoy considerable sovereignty in the area of foreign policy has in July 2023 been buttressed by the Parliament and Council's agreement on the Anti-Coercion Instrument (ACI),²⁶ which allows for tariffs, export controls, quotas or market entry freezes when third parties interfere in the foreign policy choices of the EU or its member states.

However, more power also comes with more responsibility. As part of the EU Council, member states like Lithuania and the Czech Republic do have an obligation to at least abide by the Union's 'one China' baseline and not unduly trigger economic outfall by pursuing national agendas that go far beyond the broadest scope of the EU's cross-Strait position. Inter-European dialogue should be intensified to find shared opinions that can more actively be pursued, and all parties should be reminded that steady results outweigh hollow news headlines. If sufficient consensus cannot be reached, hawkish Taiwan policies by member states can at least be condemned within the Council, which in doing so can also draw some much-needed (red) lines where support of frameworks like ACI ends and "pursue at one's own peril" starts. This would not only delineate the outer limits of protection for EU member states, but it would also further elucidate the EU's Taiwan policy to both sides of the Strait.

In conclusion and playing on Winston Churchill's famous words on democracy, it should be remembered that no one is pretending that maintaining the cross-Strait status quo is a perfect solution. Normalizing the status quo is nevertheless a much better approach than any other path that can presently be pursued. Anyone who strolls through Taipei's peaceful yet buzzling streets can observe people enjoying a high level of individual and political freedom under a *de facto* existing and well-functioning nation. Consolidating the cross-Strait status quo while gradually normalizing warranted Taiwanese engagement abroad should be concretized as Brussels' Taiwan policy.

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The author warmly thanks Egmont colleagues prof. Sven Biscop and prof. Bart Dessein for their helpful comments when drafting this policy brief and expresses gratitude to prof. Yeh Kuo-chun for his hospitable reception at the NTU.

Endnotes

- 1 See, Sven Biscop, <u>My Summer in Beijing</u> (Egmont Policy Brief No. 315, September 2023).
- 2 A US-sponsored motion that pursued "dual representation" and would have allowed Chiang's delegation to retain representation under a different formula while the PRC would take the 'China' seat was defeated by 59 votes to 55 with 19 abstentions. On October 25, 1971, this led to a roll-call vote on an Albanian draft to grant the 'China' seat to the PRC instead, which passed by 76 votes to 37 with 17 abstentions. See, United Nations General Assembly Resolution 2758 (last accessed September 24, 2023).
- 3 和平統一, 一國兩制
- 4 三民主義. The Three Principles of the people consist of 'nationalism' (*minzu* 民族), 'democracy' (*minquan* 民權) and 'people's livelihood' (民生). Both the English translation and true connotations of Sun's ideology, which has been incorporated by both the KMT and CCP in their political programmes, remain heavily contested until this very day. Interpretations vary from proto-communism to neo-Confucianism.
- 5 彈性外交
- 6 中華臺北. Note the untranslatable connotational difference between this appellation, which 'merely' implies a culturally Chinese Taipei and stands opposed to the PRC's preferred formula of *Zhongguo Taipei* (中國臺北), which implies Chinese political sovereignty over Taipei. An official translation into French, the second official language of the IOC, was never made for similar reasons as both *Taipei de Chine* and *Taipei Chinois* do not sufficiently cover the connotation of *Zhonghua Taipei*.
- 7 務實外交.
- 8 終極統一. For the 1991 text that formed the basis for Lee's gradualist unification strategy, see, National Unification Program (國家統一綱領) (last accessed October 6, 2023).
- 9 Lee stated: "The European Community has evolved from a customs union and a single market to forming a European homeland. The rational thinking it upholds is another example worth learning from." (original text: "歐洲共同體從關稅同盟 、單一市場到組成一個歐洲大家園, 其所秉持的理性思考, 是另一個值得學習的成例"). See, <u>A Manual on Cross-Strait Relations (臺海兩岸關係說明書)</u> (last accessed October 6, 2023).
- 10 Yearly polls by the National Chengchi University show (note that figures do not add up to 100 percent due to non-respondents) that in 1992 25.5 percent of the people in Taiwan identified as Chinese; 46.6 percent as both Chinese and Taiwanese; and 17.6 percent as Taiwanese. By 2023, this had shifted to 2.5 percent Chinese; 30.5 percent both Chinese and Taiwanese; and 62.8 percent Taiwanese. As for attitudes toward reunification during the same timeframe, support for (immediate or long-term) unification with the PRC fell from 20 to 7.4 percent; support for (immediate or long-term) independence grew from 11.1 to 25.9 percent; while support for maintaining the status quo (temporarily or indefinitely) has increased from 48.3 to 60.7 percent. Within the majority 'status-quo' group most still wanted to decide on Taiwan's status eventually in 1992. By 2023, however, those who seek to maintain the status quo indefinitely outnumber those who desire a solution on the long-term. For graphical overviews of both evolutions, see, respectively, <u>Changes in the Taiwanese/Chinese identity of Taiwanese (臺灣民眾 臺灣人/中國人認同趨勢分佈)</u> (both last accessed October 11, 2023).
- 11 See, for instance, the webpage of the European Economic and Trade Office in Taiwan (last accessed October 12, 2023).
- 12 新國際主義
- 13 See, <u>White Paper on Foreign Policy for the 21st Century</u> (last accessed October 13, 2023).
- 14 After Honduras changed its recognition to the PRC in March 2023, Taiwan's remaining thirteen diplomatic allies that still recognize it as 'China' are: Belize, eSwatini (formerly known as Swaziland), Guatemala, Haiti, the Holy See (the Vatican), the Marshall Islands, Nauru, Palau, Paraguay, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Tuvalu. This stands in contrast to the 182 UN members that recognize the PRC as 'China.' Taiwan is only able to still participate as '(Republic of) China' in the few international organizations the PRC has never sought membership of. An example of this is the World Organization of the Scout Movement.
- 15 一個中國原則.
- 16 This is, among others, apparent through the joint statements after the Fourth (2001) and Fifth (2002) EU-China summits (both last accessed October 18, 2023).
- 17 "Multilateral contexts" was the wording found in the EU Commission's 2003 policy paper <u>A Maturing Partnership Shared Interests and</u> Challenges in EU-China Relations (last accessed October 13, 2023).
- 18 The phrasing of 'window of opportunity' is inspired by Sigrid Winkler. See, Winkler (2013). "A question of sovereignty? The EU's policy on Taiwan's participation in international organisations," *Asia Europe Journal* 11, p.16.
- 19 See, Joint Communication to the European Parliament and the Council: Elements for a New EU Strategy on China, p.4–5 (last accessed October 12, 2023).
- 20 See, <u>Shared Vision, Common Action: A Stronger Europe: A Global Strategy for the European Union's Foreign and Security Policy</u>, p.8 and p.16 (last accessed October 12, 2023).
- 21 See, <u>EU-China a Strategic Outlook</u>, p.1 (last accessed October 12, 2023).
- 22 See, points 30, 39 and 40 of <u>On a New EU-China Strategy</u> (last accessed October 12, 2023).
- 23 Sven Biscop, <u>My Summer in Beijing</u> (Egmont Policy Brief No. 315, September 2023), p.2.
- 24 The EU already maintains regular human rights consultations with Taiwan. See, <u>the joint statement after the fifth consultation in 2022</u> (last accessed October 12, 2023).
- 25 For an English translation, see, Full text of Tsai Ing-wen's Taiwan National Day address (last accessed October 11, 2023).
- 26 See, Political agreement on new Anti-Coercion Instrument to better defend EU interests on global stage (last accessed October 16, 2023).

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