

TSR Interview with Douglas Paal*

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The East China Sea Peace Initiative (ECSPI) is one of President Ma Ying-jeou's major foreign policy initiatives. On August 5, the Taipei-based Prospect Foundation (遠景基金會) hosted the second East China Peace Forum to mark the second anniversary of the ECSPI. *Taiwan Security Research's* Kristian McGuire** speaks with Douglas Paal, vice president for studies at the Carnegie Endowment for International Peace and former director of the American Institute in Taiwan, about his participation in the event, the current state of the ECSPI, Taiwan's place in the United States' Asia strategy, and more in this TSR exclusive interview.

Kristian McGuire: Last month, you participated in the second East China Sea Peace Forum in Taipei. Would you please tell us a little bit about the event and what you took away from it?

Douglas Paal: The event, for me, represents a celebration of a very constructive approach to dealing with the issues that trouble the disputed territorial claims in the East *and* South China Sea. Most of these disputes have origins in sovereign claims which are very difficult to resolve and often only get resolved in warfare. Only the tiniest group of claims seems to end up getting resolved in the international arbitration institutions. Therefore, finding a way of dealing with the fuel for the flames of these conflicts in the disputes over marine resources and hydrocarbons or seabed minerals, I think, is a way to go because we're not going to have a war in the region, and we're very unlikely to get arbitrated settlements on these various claims.

And so, what are we going to do about the resources? Some countries will start to exploit them, others will feel unhappy, and then we'll get into competitive exploration which could, in the case of marine resources, deplete fish stocks and, in the case of minerals and hydrocarbons, create real competition in a run for drilling in areas that may even not be worth much in the way of drilling relative to the cost of what it would take to drill in some of these places and the political heat that would come with it. So, I thought that the proposal of President Ma and then his success in achieving a fisheries agreement with the Japanese was really emblematic of a constructive approach. That's my interest in this conference.

Kristian McGuire: So, you mentioned developing resources, maintaining peace in Taiwan's neighborhood, but does Taiwan have anything else to gain from this if it is successful?

Douglas Paal: Well, having the ability to employ the fishermen. The East China Sea fisheries have long been dominated by fishermen from Taiwan. It's the wrong direction into the wind and into the current from Okinawa and the Ryukyu chain, and it's very far from China, from China's traditional fishing industries, but it's very important to fishermen in northern Taiwan. And so, I think Taiwan stands to gain employment, marine resources for consumption by the population, in addition to these other things you mentioned.

Kristian McGuire: Seeing as the Peace Initiative only requires the parties involved to shelve their territorial disputes, not renounce their sovereignty claims, why have Japan and China been so reluctant to support it?

Douglas Paal: I think the problem is that, in Japan at the time of the "nationalization"—as the Chinese call it—of the Senkaku Islands, Japan took an interpretation of the record of its dealings with China on this subject and came up with the idea that they have an undisputed claim and therefore can acknowledge no dispute. I would disagree with that judgment by the Japanese. I would say that you can have a claim that you think is indisputable based on your records and physical control, etcetera, but that others can still dispute them. You can acknowledge there is a dispute without acknowledging that there is something wrong with your claim. I have not understood why the Japanese couldn't do this.

The Chinese record, as they assert, said that this issue was discussed and that the dispute was agreed and shelved back in 1972 with Prime Minister Tanaka. The Japanese say no such record exists. And so, we have a real difference between the two sides. They are not likely to easily engage in things that suggest that there is another way of dealing with the claims other than total assertion of their own rights to the area.

I still think that they could be moved in that direction, but it would take a lot more effort to do it, to get them to see the merits. One of my pet projects would be to start doing scientific surveys of what's happening to the fish in that part of the world, and the shrimp, and other things, and see whether the stocks are being depleted so fast by aggressive fishing that if we don't do something of a compromise nature in the near future, there won't be any fish to fish for. I think that might motivate these governments to be a little more accommodating.

Kristian McGuire: As you mentioned, in April of last year, Taiwan and Japan signed an East China Sea fisheries agreement. And, just this past May, the Philippines and Indonesia resolved a maritime border dispute that the two sides had been negotiating for some 20 years.

Douglas Paal: And Singapore and Indonesia just did one, as well.

Kristian McGuire: And Taiwan and the Philippines now look to be on the verge of reaching yet another East Asian maritime agreement.

Are all of these bilateral agreements in the region putting some pressure on Beijing to negotiate on these maritime issues?

Douglas Paal: I doubt Beijing feels any pressure, honestly. The pressure that officials in China claim they feel is pressure from the public to hold up all these sovereign rights and be unyielding. Even a man like Wu Jianmin (吳建民), who is a retired diplomat, is often the voice for reason by China as a retired diplomat on the speakers circuit, in an interview with *Asahi Shimbun* said that China lost these territories to unequal treaties during a period of humiliation in its history and it wants to get them back one by one. Now that's, by any definition, irredentism, trying to rewrite history. And that could lead to a lot of trouble. I don't know whether Wu Jianmin was properly reported to have said that, or really meant to say it, but it gives you a sense of the dominant mood in China which is that these things are schooled into the population as theirs, and their right, and they don't want to have anybody in leadership yield their rights to, what they consider to be, inferior neighbors.

Kristian McGuire: So, switching gears now: ever since the first Obama administration outlined the "pivot" or "rebalance" to Asia, people have been asking what, if any, effect the strategy would have on

U.S.-Taiwan relations. In your view, has the Obama administration's rebalance strategy significantly impacted Taiwan?

Douglas Paal: I would say the impact is indirect and not direct. The fact that the administration said that, as priorities shifted in the post-Iraq post-Afghanistan War phase, priority would be assigned to East Asia so that the U.S. could protect its economic interests in the most rapidly growing part of the world and its long-term role in providing the stability and security to permit the prosperity that's taken place since World War Two in that region. In that sense, Taiwan can only be a beneficiary of renewed American involvement. But if you look at the specifics of the rebalance, it's a new submarine to Guam, training in Australia, a couple littoral combat ships periodically deployed to Singapore. These are not big changes. They are very modest. And I think that, to be fair to the administration, at the very outset it said that it was not going to *lower* what it did in Asia it *didn't say* it was going to *raise* everything. And they're swapping out one ship, an older ship, for a newer ship—things like that. There might be some small qualitative change but the quantitative change is hard to measure. And Taiwan is not receiving anything from that in a direct sense but only the indirect climate of greater attention to providing security and stability.

Kristian McGuire: Seeing that there haven't been that many great changes—at least not direct changes—so far, the Obama administration has a lot on its plate right now both domestically and abroad. Moreover, the president is coming up on his final two years in office which for American presidents usually means they're lame ducks. Is it possible for Obama to breathe new life into the rebalance, or might we have to wait until 2016 to see some major follow-through on that initiative?

Douglas Paal: Well, the president tried to go on that make-up diplomacy trip to Asia in April, having had his previously planned trip postponed because of the government shutdown, and he really worked hard to sell the rebalance.

What was unfortunate about the trip was that afterwards few in the region outside China were persuaded that he really is committed to the rebalance and everyone in China was convinced that the rebalance is energized and is really aimed at containing China. So it ended up having a kind of failure of the message to reach the intended audiences.

Kristian McGuire: Over the long term, looking ahead to the next two years of this administration and, possibly, the next president after Obama, what more can the U.S. do to involve Taiwan in this new focus towards Asia?

Douglas Paal: Adding Taiwan materially to the rebalance is not the goal because we know the reaction of the PRC would be entirely negative. What we're trying to do is get China to move from a more negative to a more neutral or positive response to the rebalance. I admit that's a long way to go, but you can't simultaneously hope for that and try to engage Taiwan in the operational aspects of this. But in the same way the U.S. providing stability and security in the region helps Taiwan indirectly, so Taiwan taking care of its own security and defense helps the rest of the region indirectly. But if Taiwan were able to overcome the high hurdles of technology, the politics in building some submarines, Taiwan could make a very material contribution to patrolling the sea lines of communication in the region for the benefit of Taiwan's own prosperity and security, but also for the benefit of like-minded countries and trading partners.

Kristian McGuire: Lastly, our readers would be interested in hearing about any projects you or your colleagues are working on related to Taiwan or East Asia in general.

Douglas Paal: We're doing a lot of things on trying to anticipate crises that might occur based on the festering tensions and points of *moca* (摩擦, friction). In other words, China and the U.S. are rubbing against each other—surveillance flights, naval activities—and we need to try to learn how to manage that.

Carnegie has been running a crisis management program now for a decade which has made, I think, quite substantial contributions to anticipating crises and to understand the very different approaches to crises that the U.S. and China or the U.S. and our allies and China have from each other. They're quite different concepts of how to manage crises. Understanding that will help us to get through the next crisis or two. That's a long-running, continuing project at the Carnegie Endowment.

I'm interested, in the next few months, in exploring what can be done to help Taiwan in its representation in NGOs. The international space issue for Taiwan has been slightly accommodated through participation as observers at the World Health Assembly and ICAO (International Civil Aviation Organization). And we would like to see Taiwan in other organizations where statehood is not a requirement, the Taiwan people to be active. I would love to see Taiwan's very prominent capacity in medical care be better represented in the World Health Organization over time. Taiwan has many civic groups that contribute to NGO activities around the world, but they tend to be given very limited scope by the PRC participants in those operations. And I think that China should be persuaded to be a little more accommodating on these matters. And of course we're going to be looking at the nine-in-one elections this year, what that means for the follow-on elections for the legislature and the president in 2016.

Kristian McGuire: Thank you very much for your time. We at TSR greatly appreciate it.

* Douglas H. Paal is vice president for studies at the Carnegie Endowment for International Peace. He previously served as vice chairman of JPMorgan Chase International (2006–2008) and was an unofficial U.S. representative to Taiwan as director of the American Institute in Taiwan (2002–2006). He was on the National Security Council staffs of Presidents Reagan and George H. W. Bush between 1986 and 1993 as director of Asian Affairs and then as senior director and special assistant to the president.

Paal held positions in the policy planning staff at the State Department, as a senior analyst for the CIA, and at U.S. embassies in Singapore and Beijing. He has spoken and published frequently on Asian affairs and national security issues.

** Kristian McGuire is an independent, Washington-based researcher and volunteer with Taiwan Security Research. He recently earned his master of international affairs degree from George Washington University's Elliott School of International Affairs. His research interests include U.S.-Taiwan relations, cross-Strait relations, East Asian regional security, and two-level games in alliance politics. You can contact Kristian at kris_mcguire@gwu.edu.