

行政院及所屬各機關出國報告

(出國類別：進修)

外 31

派赴美國喬治華盛頓大學艾略特國際事務學院進修報告

服務機關：外交部國際組織司

出國人職稱：薦任秘書

姓名：何震寰

派赴國家：美國

出國期間：九十二年元月五日至
九十二年十二月廿三日

報告日期：九十三年六月廿五日

A7/ 0930-612

系統識別號:C09302612

公 務 出 國 報 告 提 要

頁數: 26 含附件: 是

報告名稱:

派赴美國喬治華盛頓大學艾略特國際事務學院進修報告

主辦機關:

外交部

聯絡人/電話:

羅美舜/23482012

出國人員:

何震寰 外交部 薦任秘書

出國類別: 進修

出國地區: 美國

出國期間: 民國 92 年 01 月 05 日 -民國 92 年 12 月 23 日

報告日期: 民國 93 年 06 月 25 日

分類號/目: A7/國際組織 A7/國際組織

關鍵詞: 國際政策暨實務碩士

內容摘要: 本報告書共分下列六個部分:(1)進修院校及計畫簡介,(2)進修目的,(3)進修過程,(4)進修心得,(5)進修建議,(6)結語。

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摘 要

本報告書共分下列六個部分：(1)進修院校及計畫簡介，(2)進修目的，(3)進修過程，(4)進修心得，(5)進修建議，(6)結語。

本報告書另包含下列三份附件：(1)書評：The Commanders，(2)預測報告：The Outlook of China in the Coming Decade，(3)研究報告：Behind Taiwan's Economic Modernization。

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- 二、預測報告：The Outlook of China in the Coming Decade
- 三、研究報告：Behind Taiwan's Economic Modernization

一、進修院校及計畫簡介：

出國人員係奉派於九十二年元月至十二月赴美國華府參加喬治華盛頓大學（The George Washington University, GWU）艾略特國際事務學院（The Elliott School of International Affairs, ESIA）開設之「國際政策暨實務碩士」課程（Master of International Policy and Practice, MIPP）計畫。喬治華盛頓大學之校本部位於華府之美國聯邦政府辦公特區，鄰近白宮、國務院、財政部等重要政府機關，以及世界銀行（IBRD）、國際貨幣基金（IMF）、美洲國家組織（OAS）、美國紅十字會等國際組織，並與該等機構有密切之教育訓練合作往來。整體而言，GWU 具有良好之學術研究環境，校內圖書館擁有豐富之實體藏書及先進之電子圖書設備，係美國各學術機構中極少數擁有大量全球冷戰時期相關美國官方解密文件者（由該館「國家安全檔案室」蒐藏）；另該館內亦設有「中國文件中心」（China Documentation Center），蒐集了豐富之兩岸三地相關學術文件，顯示該校對研究台海兩岸內部發展及外部關係等問題之重視。GWU 與華府地區其他

七所大學建立有圖書館合作關係（稱之為 Washington Research Libraries Consortium），教員及學生可自由跨校相互調借所需書刊及使用電子圖書資料庫，使彼等研究課業時擁有更多之學術資源及便利。此外，ESIA 更與十二個國家盛名大學（包括倫敦政經學院、上海復旦大學、香港大學、國立新加坡大學、日本早稻田大學等）之國際關係研究部門締有「交流夥伴」計畫，顯示 ESIA 在拓展國際學術合作之成就及積極態度。有鑒於此，美國教育部自一九九七年起指定 GWU 擔任全美「國際關係研究資源中心」（National Resource Center in International Studies，全美僅有十一個，GWU 係中大西洋地區唯一者）之一，以肯定主其政之 ESIA 在全美國際關係研究領域之地位。

MIPP 計畫係 ESIA 近年來新開設之兩項國際事務碩士課程之一（另一為專供相關領域碩士後進修之「國際研究碩士」課程—MIS 計畫），目前結業人數尚不及百人，出國人員係我政府人員中首名參加該項進修計畫者（按台視公司前駐華府特派員葛傳宇先生亦曾參加該項進修計畫）。歷年參加 MIPP 計畫者殆以外交、

國際商務、軍情、新聞及國際組織領域之在職人員為主，該計畫除美國本地學員外，迄有來自全球數十個國家及國際組織之國際學員參加。以出國人員同期間進修 MIPP 課程之同學為例，美國本地學員主係在國務院、商務部、國防部、中情局等政府部門工作，其中乙名來自國務院之學員並將於九十三年八月來台至美國在台協會台北辦事處政治組服務；至國際學員中，歷年來有來自日本、韓國、中國大陸、新加坡、馬來西亞、泰國、菲律賓、印尼、越南、尼泊爾、印度、孟加拉、阿拉伯聯合大公國、義大利、斯洛維尼亞、羅馬尼亞、匈牙利、衣索匹亞、維德角共和國、賴比瑞亞、牙買加、巴西、貝里斯、蓋亞納等遍及五大洲國家，以及世界銀行、國際貨幣基金、世界自然基金會（WWF）、中美洲銀行、西非開放社會計畫（OSIWA）、美國紅十字會等國際組織之人員參加，其中並不乏知名之國際人士參加進修。例如衣索匹亞前任參謀總長（1995-2001）Gebre Tsadkan Gebretensae 中將及 Hellman/Hammett 國際人權獎（2002）得主賴比瑞亞籍 Musue N. Haddad 女士等均是；另中共官方

(均為其外交部之正、副處長級人員)及民間(包括新華社、南華早報等大陸媒體人員)近年來亦陸續派有近十名人員參加進修。

二、進修目的：

MIPP 計畫係 ESIA 為美國及世界各國從事國際事務領域相關工作之中高階人員所開設之在職密集進修課程，其旨在提昇該等人員在全球化時代下因應各項可能挑戰之能力。由於參加 MIPP 計畫者需先具備八年以上之相關實務工作經驗，故其在學生來源、修習科目選項及學業要求等方面均與一般學士後即可申請就讀之「國際事務碩士課程」(MA in International Affairs)有所不同。例如 MIPP 學員皆需修習「美國外交政策研討會」(MIPP Seminar)，該項針對 MIPP 性質設計之科目可使原來已富實務工作經驗之學員於課堂中直接與不同領域之國際事務專家進行座談交流，並相互切磋工作心得，此與一般課程之授課方式厥有差異。

出國人員參加是項進修計畫，主要係盼充實自我之本職學能。另因出國人員於外交部及奉調在國外服

務期間均曾承理雙邊及多邊外交業務，並深刻體會到我外交工作不論是在加強與邦交國之邦誼及拓展與無邦交國之實質關係，抑或爭取參與新的國際組織及捍衛我已入會國際組織之權益，均無法避免中共之打壓阻撓，出國人員爰將本次進修重心置於研習台、美、中三邊關係之走向、兩岸關係之發展及中共在全球與亞太事務角色之演變及其對我國之影響等議題，以期對中共之外交及兩岸事務決策思維有更深入地瞭解，尋求我方有利或兩岸雙贏之道，結業後並能將所學結合於未來實務工作中。此外，出國人員亦盼藉由參加 MIPP 計畫及在華府出席其他相關學術活動之機會，建立及強化與 GWU 及其他美國亞太問題專家之聯繫交流關係，爭取彼等對我之瞭解與支持，以期使未來承理實務工作時能獲得更多助力。

三、進修過程：

參加 MIPP 計畫之學員應修習「國際經濟學」、「國際關係理論」、「美國外交政策研討會」三項必修課目及其他至少六項專業選修課目。其中必修課目「國際經濟學」主在強調研究國際事務或從事外交實務工作

者均應具備一定之國際貿易暨財務金融知識，以因應全球化時代之各項變遷；「國際關係理論」則強調實務工作應佐以理論分析之協助，兩者實相輔相成；「美國外交政策研討會」安排學員與國際事務專家進行經驗交流，以交換實作心得。在選修專業課目方面，出國人員主要係依據前述之進修目的修習有關台、美、中三邊關係、兩岸關係及中共內政、外交等主題之相關課目，包括「獨立專題研究—亞太經濟整合」、「美國外交政策制訂」、「美國外交政策機構」、「中共外交政策」、「中共政治」及「台灣之國內發展暨涉外事務」等六項。其中較值得一提的是「美國外交政策機構」課程係 ESIA 院長何漢理 (Harry Harding) 大力推動之特別課目，其授課對象除 GWU 本身之國際事務學生外，亦開放予各國相同領域之學生及從業人員經過申請及甄選程序後參加修習。該課目除一般講課外，亦邀請多位專家到課作專題演講，安排實地參訪美國國務院、美國國會、聯合國新聞處 (UN Information Office)、國際貨幣基金 (IMF)、美洲國家組織 (OAS)、泛非論壇 (Trans-Africa Forum) 等機構、並接受「場

景建立暨模擬訓練」(Scenario Building and Simulation, 旨在測試及提升學員臨場處理危機之能力, 係美國務院遴選新進人員時之必考項目)。另「中共外交政策」係由何漢理院長授課, 「中共政治」係由ESIA所屬之Sigur亞洲研究中心中國政策計畫主任沈大偉(David Shambaugh)授課, 「台灣國內發展及涉外事務」則係由前美國國會圖書館國際政治資深專家薩特(Robert Sutter)授課, 彼等均係美國知名之亞太問題專家, 亦曾多次訪台及赴大陸訪問。出國人員不僅在課堂間與彼等就兩岸關係等議題充分交換意見, 亦與彼等建立了良好之聯繫關係。

另大華府地區因大學、智庫、基金會等學術機構數目眾多, 經常舉辦各類學術研討會及座談會等活動, 出國人員亦利用課餘時間參加若干與進修領域相關之該類學術活動, 以補強個人專業知識, 並與其他旅美或赴美之我國學者、媒體人士等交流。例如在GWU校內活動方面, 出國人員曾參加Sigur研究中心舉辦之「Taiwan and the Chen Presidency: The First Three Years and Beyond」研討會, 與會之我國學者有

中央研究院裘兆琳博士、政大國關中心徐斯儉博士、鄭端耀博士（是時正在 Sigur 中心參加乙項為期一年之研究計畫）等人；另亦參加 Sigur 中心舉辦之「East Asian Economic Integration: A Taiwan Perspective」研討會，與會之我國學者有政大外交系鄧中堅博士（是時頃接替鄭端耀博士參加在 Sigur 中心之研究計畫）；至校外活動方面，出國人員曾參加華府智庫「布魯金斯研究所」（The Brookings Institution）舉辦之淡江大學東南亞研究所林若雱博士專題演講會等多項活動。

四、進修心得：

整體而言，出國人員此次赴 GWU 進修所獲甚豐，不論在強化個人專業知識、建立與美方學者專家之聯繫關係及與各國學員之交流互動等方面均有相當裨益。尤其出國人員對於 GWU 授課師資之優良、圖書館設施之先進以及校內各類活動之多樣至感印象深刻。其中有關圖書館設施部分前已述及，由於 GWU 圖書館蒐集之學術資源甚為豐沛，使用上亦十分便捷，使得出國人員不論就蒐集研究資料或撰寫課程報告時均獲致甚大便利；此外，GWU 教師素質之高及

教學態度之敬業亦令出國人員感到佩服。由於出國人員所習各課目之教師均具相當學識，授課方法亦極多元、活潑，使得出國人員進修時甚感收穫豐富。

在修習各項課目之心得部分，出國人員將修習「中共外交政策」、「中共政治」及「台灣國內發展及涉外事務」三項與兩岸事務相關課目之心得要述如下：

- (1) 「中共外交政策」(Foreign Policy of the People's Republic of China)：如前述，是項課目係由 ESIA 院長何漢理授課。何氏為史丹福大學政治學博士，過去曾在「布魯金斯研究所」擔任資深研究員，一九九五年開始在 ESIA 任教。鑒於何氏係美國研究兩岸問題學者中之佼佼者，過去曾主張兩岸進行談判並簽署「臨時性協議」(modus vivendi，一般稱之為「中程協議」)將愈有必要，引起廣泛討論，出國人員爰選修是項課目，以更深入學習何氏學識。

是項課程之目的主要係在分析中共之國際行為及其與全球主要強國之關係，並預測未來中共外交關係之可能發展。課中在探討台、美、中三邊關係時，

何氏曾表示台灣已有降低統一及增加獨立之傾向，而中共因長期經濟及軍事實力之成長而更有信心處理兩岸問題，美國則因同情台灣之民主制度而或將不允台灣落入中共此一戰略競爭者之手；未來預料中共將續向美施壓，迫美遵守「一中」政策及減售武器予台灣，並遏阻美方干預及以使用武力脅迫台灣，以阻止台灣尋求獨立；此外，中共亦可能繼續侷限台灣之外交選項，並不容國際多邊組織納入台灣，以增強台灣孤立之處境。何氏另析稱，中共之國際地位已由冷戰初期之社會主義陣營資淺成員，演變為冷戰末期之第三世界領袖，再演變為後冷戰時期之新興強權；中共參與國際事務之態度，亦由最初的「疏遠」(alienation，包含主、客觀之因素)階段，演變為其後之「參與」(participation，包含主、被動之作為)階段，再演變為「社會化」(socialization，即學習如何有效參與)階段，乃至逐漸演變為目前之「領導」(leadership，如主導六方會談等)階段，該等演變頗值吾人續加觀察。

(2)「中共政治」(Politics of China):是項課目係由 Sigur

中心中國政策計畫主任沈大偉授課。沈氏為密西根大學政治學博士，過去曾在美國國務院及國家安全會議任職，目前仍兼任「布魯金斯研究所」資深研究員。沈氏亦係美國知名之兩岸問題專家，尤其對中共之軍事發展有其獨到論述，渠最新之著作即係描述、評論中共軍事現代化之相關問題（書名為 Modernizing China's Military）。

是項課程之目的在藉由探討中共之政治演變及制訂政策之機制，瞭解目前中共政治之各項相關內涵，並強調研析中共領導人及國家所面臨之長久問題。沈氏在評論中共軍事發展時表示，中共之國防預算約佔其國內生產毛額（GDP）之 1.6%，與美國佔其 GDP 之 3.9% 相較，比重雖非顯著，惟近年來中共軍事預算每五年即約增加一倍，顯示其正積極推動軍事現代化。促使中共進行軍事現代化的原因極為複雜，其中較重要者包括維護本身經濟利益、建立榮譽感（如發射神州五號火箭）、應對區域強權（印度、俄羅斯、美日同盟等）、處理台灣問題（沈氏認為此項並非主要因素）、遵行中共最新軍事理念（即

「在高科技條件下之有限戰爭」)等。中共計劃於二〇〇七年間完成對台之優勢現代軍力，惟進度似有落後。擁有現代化之軍事裝備並非代表軍隊已達成現代化，軍隊之人事、情治、教育訓練等亦須同時搭配改進，方能達成現代化之目標。對中共及台灣而言，均是如此。

- (3) 「台灣國內發展及涉外事務」(Taiwan: Domestic Development and External Affairs): 是項課目係由喬治城大學外交學院(School of Foreign Service)教授薩特授課。薩氏為哈佛大學歷史暨東亞語言學博士，過去曾在美國中央情報局、國務院、參議院外交關係委員會及國會圖書館等政府機構任職，目前每半年在GWU開設是項課程乙次。相較之下，薩氏對台灣問題之瞭解似較何漢理及沈大偉為多，渠不僅較常來台訪問(出國人員七十九年底在外交部服務時即曾接待過薩氏參加之訪團)，亦較常就兩岸問題表達看法，對兩岸關係之評述有一定之影響力。是項課程之目的主在探討影響台灣發展之因素以及台、美、中三邊關係之演變等。薩氏在課堂中曾表

示，目前美國與中共間較敏感之議題不外有貿易、人權及台灣問題等。儘管近年來中共經貿快速成長，儼然已有「世界工廠」之實，惟渠認為中共欲成為區域強權仍需待以時日。理由包括：①中國大陸並無全球性之金融中心、②美國雖係中共之最大投資者，惟其在大陸之投資額僅係其投資日本之三分之一或澳洲的五分之一、③日本之經濟實力仍不可小覷，日本之經濟規模仍為中共之三至四倍、④中共對東協、朝鮮半島雖有一定影響力，惟其對中亞、南亞之影響力則尚屬有限、⑤美國始係亞太地區之真正主導力量，中共暫無意挑戰其地位。薩氏認為，事實上，中共亦一直在設法促使美國瞭解其興起並不會對美方造成威脅，其背後因素如下：①美國係包括中共在內許多亞洲國家之主要貿易夥伴、②美國與中共間建有戰略夥伴關係、③美、中之人權問題爭議已漸趨緩和、④亞洲國家間相互猜忌，使美國有可趁之機、⑤亞洲國家較偏重國內事務，對國際事務較不願費心、⑥美國強力主導反恐合作等。

五、進修建議：

誠如前述，出國人員此次赴 GWU 進修所獲甚豐，不論在強化個人專業知識、建立與美方學者專家之聯繫關係及與各國學員之交流互動等方面均有正面助益，相信經過此次進修，對出國人員未來承理相關公務當有裨益。為期使此類進修計畫能發揮更大功效，出國人員提出個人建議如下：

- (1)應儘量鼓勵政府人員參加是類出國進修計畫：針對全球化及知識經濟時代之到來，政府人員實有必要抱持「終身學習」之理念隨時強化個人本職學能，以有效辦理交付公務。目前政府提供之各類訓練計畫項目繁多，出國人員認為出國進修仍係其中較值得鼓勵者，因其不僅具有參加國內各類訓練計畫之大多數優點，尚可增加進修者之國際閱歷、透過課堂或其他學術活動場合瞭解外國學者專家之理念、適時向外國師生說明我國發展現況及立場等，此皆係在國內參加訓練時不易達成之處。
- (2)應鼓勵出國人員藉機建立與各國兩岸問題專家之聯繫關係：以何漢理、沈大偉及薩特三人為例，彼等

均屬美國新一代的中國問題專家，與老一代學者相比，彼等更重視將個人研究成果滲入政府決策過程中，故經常透過不同方式影響美國的對華政策。例如彼等可應邀到國會作證，就對華相關問題提出建言，或是以主要智庫成員之身分，藉參與撰寫提交政府之政策報告來影響對華政策；有些專家甚至還出任公職，直接參與政府之決策，或透過教導學生來間接影響美國對華政策之制訂及執行。故與此類專家建立良好關係實有利於我外交工作，值得鼓勵推動。

(3)應鼓勵出國人員進修時多選取與未來職務範圍相關之課目；由於是類在職進修均係使用國家資源為之，進修者選課時應儘量選取與未來職務相關之課目，以強化本個人本職學能，並能將所學有效應用於未來公務，不應僅考量為較輕易獲取學位而選修一些較易通過但卻與職務範圍無關之課目。

(4)應設法善用出國人員習獲之專業知識及人際關係：出國人員結訓返國後似應有相關設計安排供彼等貢獻所學或作經驗傳承，以有效運用人力資源。

六、結語：

出國人員進修期間修習之各項課目多需撰寫數篇不同形式之書面報告，以供教授評量學習成果。該等報告可區分為專題研究報告、書評、備忘錄、學習心得報告、預測報告、摘要等不同體裁，以訓練學員多角度之研究及寫作能力。由於出國人員按規定完成之各科報告共約有卅篇，無法全部檢附，茲以出國人員在「美國外交政策制訂」、「中共外交政策」、及「台灣之國內發展暨涉外事務」三課目撰寫之三篇不同體裁報告為代表併附於本進修報告內，以供參閱。

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PSC 246.11 (U.S. Foreign Policy - Making)
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April 29, 2003

THE COMMANDERS

By Bob Woodward

AUTHOR

Bob Woodward is a Pulitzer prize-winning journalist. Named one of the best investigative reporters in America by the New York Times, Woodward was teamed with Carl Bernstein at the Washington Post to investigate the burglary at the Watergate office building. The newspaper was awarded the Pulitzer Prize in 1973 for their reporting of the Watergate scandal in the Nixon administration.

Woodward is the only contemporary American writer to author or co-author seven number one best-selling non-fiction books. Newsweek magazine has excerpted five of Woodward's books. Three of his books have been made into movies.

Woodward joined the Washington Post in 1971 from the Montgomery County, Maryland, Sentinel, where he had been a reporter. In 1979, Woodward became assistant managing editor of Metropolitan News before assuming his current position in 1982. Previously, he served as a communications officer in the U.S. Navy.

OVERVIEW

- * This book is an account of U.S. military decision making during the 800 days from 11/08/1988, when George Bush was elected President, through 01/16/1991, the beginning of the Persian Gulf War. It is about how the U.S. decided to fight its wars before shots were fired.
- * The end of Cold War suggested a quiet time for the military. But the Dec. 1989 Panama invasion and the 1990 Gulf crisis told that the military was not going to play a smaller role in the new world. It was moving to the center stage.
- * At that time, the Pentagon is not always the center of military decision making:

Panama invasion: before action, the heads of Pentagon had a great role in the process when the attention of the White House was turned elsewhere.

Gulf crisis: Bush and his White House staff devoted great attention to it and ran the show.

SUMMARY

William Crowe and Colin Powell:

- * The law designated the Chairman of Joint Chiefs of Staff as the “principle military adviser” to the President, Secretary of Defense and National Security Council. But the Chairman and 4 service chiefs actually command no military forces. The chain of command ran from the President to SOD to CINCs of the 10 major warfighting commands.
- * Crowe thinks the Chairman had obligation to honestly and fully give the President his views. The Chairman could not be a player unless he disagreed at times and fought the White House, just like he were against Reagan’s proposal of eliminating all ballistic missiles at the 1986 Reagan-Gorbachev summit in Iceland. And he thinks his successor Powell had not defended the administration position.
- * Crowe had bequeathed Powell a Joint Staff that operated as a think tank. And Powell had remade it into an action staff that got things done.
- * Powell more used the term “strangulation” than “containment”.

Key positions of Reagan administration and Bush administration: (members in the National Security team)

* Secretary of State – George Shultz to Jim Baker

* National Security Adviser – Colin Powell to Brent Scowcroft

Powell planned to become commander-in-chief (CINCs) of Forces Command (Atlantic, Central, Southern, Pacific, European, Forces, Space, Strategic Air, Special Operations and Transportation Commands), but since Bush intended to cut a new path in defense and foreign policy, he appointed Scowcroft as NSA, whose differences with the Reagan line were well known.

* Secretary of Defense – Frank Carlucci to Richard Cheney

Bush first nominated John Tower, a former Texas senator, as his SOD. Because Tower’s personality was a heavy drinker and womanizer, his nomination was rejected by the Senate. Consequently, Bush nominated Dick Cheney as the SOD. Cheney was something of an enigma. He reprimanded the Chief of Staff of Air Force Larry Welch (ICBMs - Midgetman or MX) at his maiden press conference as SOD.

* Chairman of Joint Chiefs of Staff – William Crowe to Colin Powell

Plans towards Panama:

- * Elaborate Maze: Secretary contingency plans that the Joint Staff had on the shelf in case the military had to be used in Panama.
- * Prayer Book: an overall code name, 4-part series:
 - “Post Time” was a plan for the US to unilaterally defend the Panama Canal in time of crisis by placing forces along its route so it could continue to operate.
 - “Klondike Key” was called a “non-permissive NEO”, meaning a Noncombatant Evacuation Operation conducted without the permission of the host country.
 - “Blind Logic” was a much smaller plan to provide military specialists with civil affairs skills to assist the Panamanians in setting up a new government.
 - “Blue Spoon” was a plan for offensive US military operations against the PDF (Panamanian Defense Forces).
- * Nimrod Dancer: a plan of sending an additional 1,881 American troops to Panama for possible hostage rescue.
- * Acid Gambit: a special plan for rescuing a CIA operative Kurt Muse.
- * Gabel Adder: the first special operations contingency plan after the PDA coup.
- * Nifty Package: a special deployment of US troops plan after the PDA coup.

Before the Panama Invasion:

- * Maxwell Thurman replaced Frederick Woerner as the Southern Command
- * Thurman chose LG Carl Stiner to execute contingency operations in Panama.
- * Crowe suggested to Cheney that moved the overall Southern Command headquarters out of Panama to some place like Florida. Cheney responded that it’s a big political problem as it looked like the US was running. Just can’t do it.
- * Bush approved Colin Powell replaced William Crowe as the Chairman of Joint Chiefs of Staff. The appointment was soon confirmed by the Senate.
- * Bush approved a tentative plan to apprehend the Colombian drug lord Pablo Escobar Gaviria, who was in Panama. But it wasn’t carried off in the end.
- * There was a coup, led by a PDF major Giroldi, but failed. Both Republicans and Democrats in Congress attacked the administration for failing to exploit the coup attempt.
- * The incidents of Lieutenant Paz shot to death and Lieutenant Curtis and his wife were beaten, Powell recommended Bush to execute Blue Spoon. Bush approved.

The Panama Invasion:

- * H-Hour was set for 1:00 a.m. December 20, 1989.
- * The US decapitated Noriega from the dictatorship but failed to capture him at the beginning of the action.

- * On Jan. 3, 1990, Noriega surrendered to members of Delta Force. He was brought to Miami for trial. In 1992, he was convicted on eight counts of racketeering, drug trafficking and money laundering and is serving a 40-year sentence in a U.S. federal penitentiary.

Plans towards Iraq:

- * Tier One
- * Tier Two: Operations Plan 90-1002

Before the Gulf Crisis:

- * Saddam Hussein requested Saudi Arabia to send someone, who was turned out to be the SA ambassador to the US - Prince Bandar bin Sultan, to Iraq for a meeting because the US were overreacting to his April 1 (1990) speech, in which he discussed his chemical weapons capability and threatened to burn half of Israel if he was attacked by Israel. He wanted Bandar to send a message to Bush that he will not attack Israel and the US would have to work with Israel to ensure Israel would not attack Iraq. He also emphasized the imperialist-Zionist conspiracy was untrue. He did not have designs over his neighbors.
- * On July 16, Pat Lang had found Iraq deployed troops along the Kuwaiti border. On Aug. 1, the Iraqi forces crossed the border into Kuwait. A public statement was soon issued by the US to strongly condemn the invasion and called for immediate and unconditional withdrawal of all Iraqi forces.
- * On Aug. 5, Bush sent Cheney to Saudi Arabia to negotiate with King Fahd. Cheney proposed to Fahd that a two-part strategy: cooperation to defend SA against a future attack and the strangulation of Iraq at once. The US had to have forces in place. After the danger is over, the US forces will go home. Fahd approved of the principle.
- * On Aug. 25, the UN Security Council voted to give the navies of the US and other countries the right to use force to stop trade with Iraq. It was the 1st time in the UN's 45-year history that individual countries outside an umbrella UN command were authorized to enforce an international blockade.
- * Cheney relieved Michael Dugan of his responsibilities as Air Force chief because he made statements about the plans for war against Iraq to media.

The Gulf War:

- * The war lasted 42 days, which the 3 air phases took 38 days and the ground war took 4 days, before Bush declared a cease-fire.

- * The US and coalition forces overran Kuwait and southern Iraq, destroyed Saddam's army, routed the Republican Guard, and dictated the terms of peace. Kuwait was liberated.
- * American casualties were 7 missing and 137 killed in action.

OBSERVATION

- * The cover of this book is different from the 14 other books we read. It puts pictures of those main actors in the book as the cover.
- * This book involves in a great number of people and the subtle interaction among them.
- * This book runs like a day-by-day records with so much detailed depiction. It carries a story-telling style rather than an academic style.
It gives us a "fly on the wall" status. For example, sunshine, antique table, venue with room No., Cheney had a hair cut.
- * Due to the background of the author, this book is also very much emphasized the influence of the mass media.

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Date: December 16, 2003

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Final Paper: The Outlook of China in the Coming Decade

I. Preface:

China is absolutely the most noticeable rising power over the last decade, yet it is still not powerful enough to compete with those major powers at the world stage. China's further economic growth fundamentally depends on the quality of its external environment, which is manifested not simply by its desire for peace to prevent the distractions of security competition, but more by its need for external markets, capital, and expertise to maintain its present export-oriented strategy of growth. China's President Hu Jintao and Premier Wen Jiabao have calculated that they will need five to ten years of calm for China to become a self-sustaining, global economic power. For reaching the goal, the new leadership has made clear that "the aim of Chinese foreign policy now is to build a long-term peaceful environment for China's economic development".¹ However, to build a peaceful environment needs to preclude military adventures and diplomatic crises over Taiwan. Apparently, this part can not be unilaterally controlled by China. As Taiwan continuing to carry out its democratization, it would more distinct itself from the mainland Chinese communist

regime. This trend would likely lead China to possible diplomatic crises or military campaigns against Taiwan. For Example, Taiwan President Chen Shui-bian's recent claim of pushing for a "new constitution" and a "defensive referendum" forced China to reiterate "the use of force may become unavoidable if Taiwan pursues independence" and "Taiwan independence means war"². In responding to Chen's claim, Wen Jiabao also warned Taiwan that China would "pay any price to safeguard the unity of the motherland" in a media interview³ and then designated Taiwan issue as one of the key issues he wanted to discuss with President Bush during his visit to the United States just a week ago. This example demonstrates that Taiwan issue could be an obstruction to the peaceful environment needed by China. In addition, some researchers, such as the renowned management master Peter Drucker and American lawyer Gordon Chang, predict that China would collapse in the near future because of some serious problems such as corruption, inefficient state enterprises, bad debt of banks, high unemployment, creeping political reform, etc. Their arguments do identify the difficulties China has faced. However, I tend to disagree with their prediction that China would collapse in about ten years time. My sense is that China would continue to focus on its economic development in the next decade. In order to reach a successful economic reform, it would continue its current "Good Neighboring" policy and strengthen its bilateral and multilateral relations. Although

Taiwan issue could be an uncontrollable factor to hinder its development, the war between two sides of Taiwan Strait should be avoidable.

In this paper, I would first like to explore the major internal problems China has faced. Then I will review China's foreign policy and Taiwan policy respectively and make my assessment. In conclusion, I will make my overall comments and give my suggestions.

II. China Will Continue to Grow:

Although China has quite a few internal and external difficulties to cope with in the next ten years, I believe it is more likely to further develop its already prosperous economy and then become more influential in the region. My arguments are as follows:

- (1) The Lesson from the Former Soviet Union (USSR): The sudden demise of the former Soviet Union in the early 1990s not only stunned the world and ended the Cold War, but also shocked the Chinese leadership. At that time, China was still overshadowed by the Tiananmen tragedy. The collapse of the USSR further reminded the Chinese leadership of the importance to avoid the same mistakes that made the former super power collapse. The causes and reasons for the decline and ultimate collapse of the USSR are many and of a vastly varying nature.

I do not intend to spend time on arguing them in this paper. Yet in brief, these causes can generally be placed into two differing scopes - international and domestic. Among those international factors, the Cold War, or the US Government's policy of "containment" is usually cited as a key cause for the dissolution of the former USSR. Among the domestic factors, the rapidly failing economy and an autocratic and rigid one party political system are mostly mentioned by Western observers. Therefore, to learn from the USSR's lesson of collapse, China has endeavored not only to strengthen its bilateral and international relations, but also to develop its economy and even try to pursue a political reform. Obviously, China's relations with the US have been dramatically improved in recent years. Its economic potentiality and achievements are much better than the USSR's in the late 1980s. These advantages would naturally help China to continue to grow in the coming decade.

(2) China's International Relations: Based on the previous argument, I would like to further argue China's efforts in the international field. Since the mid-1990s, China has expanded the number and depth of its bilateral relationships, joined various trade and security accords, deepened its participation in key multilateral organizations, and helped address global security issues. More broadly, the Chinese foreign policy establishment has come to see the country as an emerging

great power with varied interests and responsibilities - and not as the victimized developing nation of the Mao Zedong and Deng Xiaoping eras.⁴ We can easily manifest this view by many of China's recent efforts on international affairs. First, China's new leadership has endeavored to improve its relations with not only the major powers at the global stage, but also its neighboring countries. China's President Hu Jintao has visited the US, Russia, Europe, Southeast Asia, Australia and New Zealand since last years. China's Premier Wen Jiabao also visited Southeast Asia two months ago and just finished his visits to the US, Canada, and Mexico several days ago. These efforts have effectively strengthened China's bilateral relations with those mentioned countries. No wonder the US Secretary Powell expressed that the US has done a pretty good job "in putting in place the best relationship we have had with China in decades".⁵ Second, China has also actively strengthened its relations with its neighboring countries - in accordance with a policy stressed at the 16th National Congress of the Communist Party of China (CPC) in November 2002. To the south, China just held the joint military exercises with Pakistan and India respectively in late October and early November 2003. Pakistan's president also visited China and signed a joint statement for a future cooperation with Hu Jintao in early November. To the west, China has strengthened its relations with some central

Asian countries through heading the Shanghai Cooperation Organization (SCO). To the southeast, Wen Jiabao signed a joint statement for a strategic partnership with ten leaders of the Association of Southeast Asian Nations (ASEAN) in early October. To the east, China has devoted in the six-party talks for stabilizing the Korean Peninsula and has push for signing “Closer Economic Partnership Arrangements” (CEPAs) with Hong Kong, Marco and even Taiwan. Third, China has also actively participated in or led some multilateral institution such as the Asia-Pacific Economic Cooperation (APEC) and the Boao Forum for Asia (BFA). All these efforts have created a favorable external environment for China to develop itself.

Based on these arguments, I would like to further argue that it seems unlikely China would become an aggressive regional hegemon in the coming ten years. I have three reasons for supporting my argument. First, as mentioned, China needs a favorable external environment to develop itself. Any aggressive attempts that might cause regional instability would not be likely initiated (Taiwan may be the only exception. I will make my argument later.). Second, “peace” and “development” have become the essential parts of China’s foreign policy. That should regulate China for not engaging in aggressive actions toward its neighbors. This point can be manifested by a previous announcement of China’s

Foreign Ministry that “China vigorously promotes the just cause of peace and development of mankind in the world, and pushes for the establishment of a just and reasonable new international political and economic order, which has won the understanding and support of more and more countries in the world.” And “China will also continue to adhere to the independent foreign policy of peace and work to create more peaceful and stable international environment for its modernization drive.”⁶ Third, China’s “Good Neighboring” policy can also play an important role in this regard. As Jiang Zemin said at the 16th National Congress of the CPC, “We will continue to cement our friendly ties with our neighbors and persist in building a good-neighboring relationship and partnership with them. We will step up regional cooperation and bring our exchanges and cooperation with our surrounding countries to a new height.”⁷

Next, I would like to argue that China would be likely to become a more responsible regional power in the next ten years. The most persuasive example is that China has continued to contribute to the six-party talks, which has helped the Korean Peninsula to maintain its stability. Another good example is China’s efforts on strengthening counter-terrorism work in Central Asia through heading the SCO. The establishment of the BAF is also a good example to explain this view. East Asia has never had a multilateral mechanism for regional economic

cooperation until the BAF was established in 2001 because of international reality and political wrestling. Malaysia used to push for the establishment of a similar mechanism called the “East Asia Economic Caucus” (EAEC), or initially known as the “East Asia Economic Group” (EAEG), in 1990 but finally failed. China’s success in establishing the BAF has not only demonstrated its power at the world stage, but also made East Asia become more independent from the US’s and other Western powers’ influence. Moreover, I think China’s leadership in SCO and BAF is different from its leadership in other international or regional organizations. Take APEC as an example, it is the only inter-governmental grouping in the world operating on the basis of “non-binding” commitments, open dialogue and equal respect for the views of all participants. Unlike the WTO or other multilateral trade bodies, APEC has no treaty obligations required of its participants. Decisions made within APEC are reached by “consensus” and commitments are undertaken on a “voluntary basis”. Therefore, it is not easy and meaningless for an individual member or a few members to dominate APEC because of its “non-binding” and “consensus” characters. Besides, APEC has been hosted annually by taking turns among its members. Since its establishment in 1989, this principle has been practiced without any exception. In the future, Taiwan (referred as “Chinese Taipei” in APEC) and Hong Kong may

have difficulties in hosting APEC's annual Ministerial Meeting (AMM) and Leaders' Meeting (AELM) because of China's obstruction, but this situation has not happened yet. Also, APEC has been very responsive to the region's major crises, such as the Asian Financial Crisis, the East Timor Incident, the September 11 Tragedy, etc. Nevertheless, in order to avoid the negative impacts from those crises, APEC's discussing issues have been expanded to semi-political field such as counter-terrorism. China used to host APEC's 2001 AMM and AELM and push for a leaders' statement for counter-terrorism with joint efforts of the US and all other members. But soon after the 2001 AELM, its leadership in APEC was taken over by the next host economy – Mexico. Not like the SCO and the BAF, China's leadership in APEC is quite limited.

Finally, I would like to point out that China also has used the opportunities of hosting some international major events to develop its local economy and hang together its people. In about ten years time, China will be hosting two major international events in its two biggest cities - the 2008 Olympic Games in Beijing and 2010 Expo in Shanghai. Borrowing from the previous experience of hosting the 2001 APEC/AELM in Shanghai, these major international events can not only bring economic prosperity to the local, but also increase China's international

influence in the world scene and make its people feel proud of themselves. This is another reason to support my views in this regard.

(3) China's Rapid Economic Growth: According to the constitution of the CPC, the party "must persist in taking economic development as the central task, making all other work subordinated to and serve this central task." Apparently China has done an excellent job for meeting this principle so far. Now let's briefly review China's economic achievements in recent years from various aspects. First, China has made substantial progress in improving some of its long-term problems in the state-owned manufacturing sector. There has already been an up-turn in profitability in the state-owned sector for the first time ever in the Reform Period.⁸ Second, China has done extremely well in maintaining reasonably rapid economic growth. According to the "Global Economic Prospects 2004" announced by the World Bank on September 3, 2003, the economic growth in East Asia will be raised from 6.1% in 2003 to 6.7% in 2004, and the main contributor to this progress is China for its continuing strong growth. Third, China's trade growth has also been very robust. From 1977 to 2001 China's trade has grown from about fifteen billion dollars to five hundred and ten billion dollars. No country has increased its role in the international trading system as fast as China did in the last twenty-five years. Another noteworthy point is that China has successfully

attracted a huge amount of foreign direct investment so far. By the end of 2001 China had attracted about one third of all foreign direct investment in place in developing countries, and most of it came into China in the last ten years.⁸ No wonder the President of the World Economic Forum (WEF) Klaus Schwab⁹ and the Director General of the World Trade Organization (WTO) Supachai Panitchpakdi¹⁰ both said that China is qualified to join the Group of Eight (G8). My view is that China's excellent economic performance in recent years should be the main contributor for the CPC to maintain its power. Chinese people, especially those on mainland, have suffered from chaos and poverty since late 1800s. This long-time poverty has made Chinese people be used to ask "Have you eaten yet?" when they meet each other. Until today, the CPC still list one of its important tasks is to "encourage some areas and some people to become rich first, gradually eliminate poverty and achieve common prosperity, and continuously meet the people's ever-growing material and cultural needs on the basis of the growth of production and social wealth".² However, the recent overall economic prosperity has already made them feel hope and pride. This sentiment has also made China become more confident in participating in the global affairs. I believe people of China would treasure their current economic achievement and continue to make it grow in the next decade.

III. Problems Ahead:

Although I have argued that China would continue to grow in the next ten years, I do not mean to underestimate those serious problems China has faced during its development. As a matter of fact, those problems might be still possible to cause China's collapse in a longer time or under their worst scenarios. But in ten years time, I believe the worst scenarios of those problems are unlikely to happen. I would like to make my arguments in 4 major aspects as follows:

(1) China's Political Reform and the Power Succession: With the political system it has carried out for more than 5 decades, China has had some difficulties for developing itself in this modern world. As a matter of fact, the authoritarian political system should be the main factor for causing China's serious problems, such as rampant corruption, inefficient state enterprises, bad debt of banks, a widening gap between rich and poor, growing unemployment, and other social problems mentioned by some Western observers. China knows that it cannot sustain its economic miracle without a successful political reform agenda and thus has tried to overcome these problems. For example, since Jiang Zemin's years, China has already put lots of efforts on the counter-corruption work. Although the third plenum of the 16th National Congress of CPC in mid October 2003 was quite disappointing because it did not get much progress on the political reform as

expected, the new leadership is still likely to continue to push for it in the future.

We can manifest this view by some meaningful practices of China's new leadership, such as Hu Jintao's report to the Political Bureau of the CPC Central Committee – first time ever by the party Secretary General for showing his responsibility to the Committee.

Another point I want to make is the power succession in China. In most democratic countries, the political leaders are selected through democratic elections, no matter directly or indirectly by people's voting. They also have the legislative branch to check and balance the executive branch's power for preventing authoritarianism. But in a communist country like China, the political leaders have been designated before the previous leaders passed away. These pre-designation by the previous leaders might result in a political instability because of peers' or political enemies' challenges and some other causes. The incumbent leader Hu Jintao was designated by Deng Xiaoping ten years ago. This arrangement has made the fourth-generation's power succession smoothly. But the arrangement for selecting the next (the fifth) generation leader has not been clear so far. This reality might result in a political instability in the future. My sense is that since Hu Jintao has shared political power with his political peers such as Wen Jiabao and Zeng Qinghong, it is likely that China's next generation leader

would be selected under the compromise of those major political leaders without serious confrontation.

(2) The Economic Problems: As I mentioned earlier, some observers like Peter Drucker and Gordon Chang have identified China's serious problems such as rampant corruption, inefficient state enterprises, bad debt of banks, widening gap between rich and poor, growing unemployment, and other social problems, which might cause China's collapse in a short period of time.¹² Although this view does reflect the difficulties China has encountered for its further development, I tend to disagree with it based on the following major reasons. First, China's overall economic performance is much better than the USSR's and the former East European communist countries' before they collapsed in the late 1980s and early 1990s. Second, China's current international relations are also much better than the USSR's and the former East European communist countries' before they collapsed. Not like the USSR, which was contained by the US and its allies, China's bilateral and multilateral relations are much favorable to its future development. Third, China has already tried to solve those difficulties step by step and the effects have already appeared. The continuing counter-corruption work is one of the evidence to this view.

(3) The International Relations: China also has some problems in this regard. First, some issues such as the human rights, the currency exchange rate, the unfair trade, etc. have gotten in the way of the Sino-US relations. Second, Chinese people's special negative feeling toward the Japanese due to the previous history has also obstructed the Sino-Japan relations. Third, as China is growing, there is suspicion that China would become an aggressive power to the region and the world. My sense is that the Sino-US and the Sino-Japan relations are still largely moving forward based on their mutual interests, especially the economic interests. The above-mentioned difficulties are not likely to become a fatal factor for causing China's collapse in the next ten years. Lastly, I have already argued that China is unlikely to become an aggressive power. So I do not repeat my arguments here.

(4) Taiwan Issue: I think this is the most possible factor for interrupting China's current development in the coming decade. It has been a long time for China to threaten to use force against Taiwan. From "liberating Taiwan by force" in the 1950s, to "the peaceful unification" and "one country, two systems" after it normalized its relations with the United States in 1979, then to "one China principle" since 1990s, using force has never been expelled from China's Taiwan policy. We may easily manifest it from what said in China's latest "white paper"

for Taiwan issue. We may also demonstrate it by China's recent claims of "the use of force may become unavoidable if Taiwan pursues independence", "Taiwan independence means war", and "we would pay any price to safeguard the unity of the motherland" as mentioned earlier. No wonder the International Crisis Group (ICG) has listed Taiwan Strait as an area in "deteriorated situations".¹³ This new development across the Taiwan Strait has shown not only how Taiwan issue would influence the region's stability, but also how China is determined to stop Taiwan independence. My sense is that, as the democratization and economic development continuing, Taiwan would distinguish itself from the mainland Chinese regime and seek for a more independent status (Ironically, China has also helped it to be realized with its military threats against Taiwan) in the future. But I also believe that Chen Shui-bian would ultimately stop his efforts of pushing for the "new constitution" and "defensive referendum" in order to avoid the war because it is unreasonable for Chen to get involved in a war once he is reelected. Besides, I believe China would not want a war against Taiwan, either. As stressed by Wen Jiabao in his previous visit to the US, "China would try its best with its utmost sincerity to achieve the peaceful reunification of the motherland." "The Chinese government respects the desire of people in Taiwan for democracy," "To maintain peace and stability of the Straits is in the interests of peoples on both sides

of the Straits.” “As long as there is a glimpse of hope, we would never forsake our efforts to maintain peace.”¹⁴

IV. Conclusion:

In conclusion, I would like to reemphasize that, objectively, China has advantages over its further development in the next decade. Its current strong economic power and good international relations would definitely accommodate its future growth. Also, subjectively, China has endeavored to further develop its economy and strengthen its bilateral and multilateral relations and overcome those serious problems step by step. These efforts would guarantee China's continuing growth in the next ten years.

In addition, I would also like to make three suggestions. First, the US and other major powers should actively lead China to become a more responsible regional or global power in the future through cooperation and other effective means. After all, a stable environment is needed by all parties concerned. Second, China should put more efforts on its political reform. This reform could not only resolve those serious problems China has faced, but also assure the continuity of its regime. Last but not the least, China should open its mind to consider a bold change of its Taiwan policy. It should consider a wiser strategy for resolving the Taiwan issue other than threatening Taiwan by using force. The previous history has proved that the more

threats and warnings of using force initiated from China, the more supports of independence gain in Taiwan. If China stays on its current strategy of using force against Taiwan, it might be able to unify Taiwan in the future, but in an extremely hard way. And this result is definitely inconsistent to China's, Taiwan's, US's and the region's interests.

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Course: IAFF 281.10 (Taiwan: Domestic Development and External Affairs)

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Date: October 27, 2003

Behind Taiwan's Economic Modernization

I. Preface:

As a follow-up work of my previous study on Taiwan's economic modernization, I would like to further explore the meanings behind this ongoing process. In this paper, I will try to find out answers of three important questions, which are closely related to Taiwan's economic modernization, as my approach to identify the meanings behind it. These questions are: (1) what are the factors which make Taiwan's success on its economic modernization in the past five decades, (2) what difficulties has Taiwan encountered on its economic modernization in recent years, and (3) what are the better alternatives Taiwan should adopt for a better future? Instead of reviewing the views of those authors of the assigned articles and books, I will basically try to use a comparative and analytic approach to argue my points to this topic.

II. Questions and Answers:

- (1) What are the factors which make Taiwan's success on its economic modernization in the past five decades?

The scope of “economic modernization” is actually ambiguous and difficult to define. We can certainly get some sense that Taiwan has done splendidly on its economic modernization from a few familiar-terms such as “Taiwan Miracle”, “Asian Tiger”, “Asian Little Dragon”, and “Asian Newly Industrializing Economy”; etc. But if we check some major economic indicators in the past, we may realize why Taiwan’s economic modernization has been recognized as a “success”. For example, Taiwan’s per capita GNP was US\$ 443 in 1971, but rocketed to US\$ 13,167 in 2003¹, which ranked 23 in the world. Taiwan has also been one of the major trading entities in the world in recent years. In 2001, Taiwan was the 14th largest exporter and 16th largest importer in the world. Furthermore, Taiwan has also possessed one of the largest foreign exchange reserves in the world.² No matter basing on the facts that with a small land area and poor nature resources, a state of devastating economy in 1949, a heavy burden of national defense, or a complicity of internal politics, Taiwan did create a miracle on its economic modernization. That could be the reason why Thomas Gold argued it was “a remarkable record by any absolute or relative standard”³ and Christopher Howe called it “one of the most remarkable economic performers of the 20th century”.⁴

But what we want to know is how. How after all did a defeated and corrupted Nationalist government lead Taiwan to an economic miracle since 1949? Gold

argued it was the mainland émigré elite rapidly revived production to prewar peaks, and American aid also helped to rebuild the economy.⁵ However, Tun-jen Cheng, a professor of East Asian studies at the College of William and Mary and a native Taiwanese, more emphasized the Nationalist government “only had to restore, not create,”⁶ education, market, etc. Howe also listed some arguing factors to explain Taiwan’s economic performance between 1950s to mid-1980s. Among them, the Japanese colonial legacy was also depicted as a most agreed factor by scholars. Other factors also included Taiwan’s rich endowment of agricultural and water resources and central geographical location in the East Asian trading region, institutional and organizational policy.⁷ These views are very enlightening, but I do not agree them all.

As a matter of fact, “modernization” in a country is a very complex process. Even we try to single out the economic work alone, it still can not expel the influence from history, politics, domestic society, international society and many others. For instance, Kuo-ting Lee, former Finance Minister of Taiwan, argued that it was the human factor push forward Taiwan’s economic modernization.⁸ Similarly, Tzong-shian Yu, a respected economist and a member of the Academia Sinica, also argued that Taiwan miracle is a result of hard work by the people of Taiwan.⁹ I think a successful economy usually needs the support from the industrial,

governmental and academic sectors, and certainly the general public. Also, economic modernization has to interact with the international society, especially in a globalization era. Foreign aid, foreign investments, international economic environment and other factors are also very important. Consequently, as I mentioned in my previous presentation, the "Taiwan miracle" is not driven by a single factor, nor is a miracle. Each and every factor mentioned above may contribute to Taiwan's economic modernization. And it is also a result of a collective work from a credible government, industrious people and friendly international allies. As to Taiwan's central geographical location in the East Asian trading region, I think it is a minor factor to Taiwan's economic development. Just a political interference from China, such as blocking Taiwan's efforts on signing Free Trade Agreements (FTAs) with its trading partners, can easily offset it.

(2) What difficulties has Taiwan encountered on its economic modernization in recent years?

I also expressed my worry on Taiwan's economic development in recent years in my previous presentation. Let's first have a look on some major indicators. Unemployment rate, went up from 2.92% in 1999 to 5.17% in 2002. That means almost 600 thousand laboring people do not have jobs. Annual changes of central government debts, went up from -3.9% in 1999 to 14.7% in 2001. Economic growth

rate, went down from 5.42% in 1999 to -2.18% in 2001. Manufacturing production, went down from 8.1% in 1999 to -8.0% in 2001.¹⁰ No wonder Economy Daily News, a major news paper focusing on economic issues, recently warned that Taiwan's economic development has been pushed to the bottom list among those Asian Dragons in the last three years.¹¹ But why? What are the factors which have brought Taiwan to such an economic slump?

This part does not actually mention too much in those assigned readings. But it is so crucial to Taiwan's economic development. Only Denis Fred Simon mentioned the impact of "globalization" and "regionalization", poor intellectual property rights (IPR) protection, and challenge of business strategic partnerships.¹² On the other hand, Richard Louis Edmonds mentioned environmental degradation issue.¹³ Also, Howe pointed out that Taiwan's economic development bears the marks of its special, historically determined relationships with mainland China, Japan and the United States.¹⁴

Indeed, those above-mentioned factors are truly eroding Taiwan's economic foundation in recent years. For example, the termination of constructing the 4th nuclear power plant has damaged Taiwan's international business credibility. The recent resignation of former Minister for Environmental Protection Lung-bin Hao due to opposing non-professional and unlawful referenda was also a negative impact to

Taiwan's economic development. Moreover, as Howe concerned, the special relationships with a rising China do entangle Taiwan's economic future. China has not only attracted a very large portion of Taiwanese investment capital, but also became one of Taiwan's top trading partners in the last decade. In details, the total trade between Taiwan and China together with Hong Kong was US\$ 9,391,818,395 in 1989, and rocketed to US\$ 50,484,576,698 in 2002.¹⁵ China and Hong Kong were Taiwan's 4th and 3rd largest trading partners respectively in 2002. The total trade with them was over one fifth of Taiwan's total trade with all countries.¹⁶ Such an economic close tie and dependent relationship, combined with hostile political relationship, is really a hindrance to Taiwan's economic development. As to the prevalence of "regionalization", even Taiwan has put its full efforts on participating in the World Trade Organization (WTO), Asia-Pacific Economic Cooperation (APEC) and some other regional mechanisms, and try to build up cooperation relationships with some other countries through signing FTAs, the achievements are limited due to China's political obstruction. Without building up strong economic ties with other countries, Taiwan's economic development will be definitely in deep trouble in the future. That is why Taiwan's Foreign Minister Eugene Chien recently emphasized that being pushed to the corner of the world stage is Taiwan's most obvious crisis on its development.¹⁷

(3) What are the better alternatives Taiwan should adopt for a better future?

This is also a very crucial part of Taiwan's economic development. But before I argue my views, I would like to identify the current economic advantages of Taiwan. I think the most cited advantage Taiwan has would be the strong information technology (IT) industry. Taiwan has been one of the largest producers of computer components in the world for some years. Its semi-conductor industries of Taiwan definitely play an important role in the world. This is a very important asset for Taiwan to develop its future economy. Also, as mentioned in the previous class, biotechnology industry is another field for Taiwan to strengthen. In the same field, Taiwan's agricultural biotechnology is fairly advanced compared to other countries. So biotechnology is also a high potential industry to develop in the future. Besides these two industries, I think Taiwan also has some other advantages. First, Taiwan's human resources are relatively good. Despite some arguments on education reform, Taiwan's education system has successfully far elevated its citizens' quality at large over the past few decades. Especially its higher education has been very much emphasized in recent years. A great number of people have gone abroad for further studies (of master or Ph.D. degrees). With this abundant high-educated manpower, Taiwan can certainly try to remain its economic advantages. Second, Taiwan's experience of developing small and medium size enterprises (SME) is also precious.

Based on this experience, Taiwan's venture capital system is also one of the best practices in the world. Therefore, Taiwan has shared this experience with some countries through bilateral and multilateral cooperation. For example, under Taiwan's and other economies' efforts, APEC established an SME working group in year 2000 for promoting this practice. Third, besides a major producer of IT industry, Taiwan is also relatively capable on applying modern IT technology and R&D work. As the globalization era is coming, the so-called "digital divide" problem is also becoming very dramatic within some countries or among different countries. For example, students in the remote Gansu Province of China usually do not have the same IT knowledge or even computers as students do in a big city like Shanghai. Similarly, students in Japan may have more IT equipments or knowledge than students in Papua New Guinea. This IT capability divide nowadays would be easily widened if we do not try our efforts to "bridge" it. With the advantage of IT industry, I believe Taiwan can certainly play an important role in this field. And it has actually push forward some relative initiatives in APEC.

III. Conclusion:

Economic modernization is extremely important to Taiwan's existence and development. Undoubtedly, a strong economy and a democratized society are like two pillars of Taiwan's development, and both of them are precious assets for Taiwan

to compete with China and other countries. But Economic modernization is truly an endless and complex process. Taiwan should not be content with its previous economic achievements. It should face the challenge of China and other developing countries such as members of Association of Southeast Asian Nations (ASEAN) and other Asian Dragons. Also, Taiwan has spent too many resources on its domestic political wrestling in recent years. Even it could be explained as a phenomenon of democracy, the cost is too high. As I mentioned earlier, all the major economic indicators show that Taiwan has gradually come to an economic slump. But my observation is that many people recognize and criticize the trouble, but few of them put into actions to solve it. Most people in Taiwan seem more concern politics than economy nowadays. They may not know (or even care) that without a strong economy, Taiwan just like a one-wheel bicycle. It will dodder its way, and maybe alone.

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