In wake of Pelosi visit, US announces trade talks with Taiwan

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In the wake of the tense military standoff with China provoked by the US House Speaker Nancy Pelosi's visit to Taipei, the Biden administration will hold talks to discuss the strengthening of trade ties with Taiwan. The announcement takes place as growing streams of delegations from the US and its allies make their way to Taipei.

The rapid expansion of official ties with Taiwan undercuts the One China policy adhered to by virtually every country in the world as the basis for diplomatic relations with China. While de facto recognising Beijing as the legitimate government of all China, including Taiwan, various governments are following the US in overturning longstanding diplomatic protocols, undermining the One China policy and raising tensions with Beijing.

The US-Taiwan talks on a pact, known as the US-Taiwan Initiative for 21stCentury Trade, first mooted in June, are due to take place in the northern autumn. Taiwan, as of last year, was the eighth largest trading partner of the United States, while the US is Taiwan's second largest trading partner after China.

A broad range of American corporations are heavily dependent on Taiwan for the supply of semiconductors. The Taiwan Semiconductor Manufacturing Company produces more than half the world's computer chips and has a virtual monopoly—over 90 percent—on the manufacture of the most advanced semiconductors. Taiwan relies on American agricultural imports as well as the purchase of American military hardware.

The announcement last Wednesday by the Office of the US Trade Representative stated that the talks will cover 11 trade areas, but will particularly focus on agriculture and digital industries. The US Commerce Department is also preparing to hold talks, including on measures to secure semiconductor supply chains, underscoring the vital strategic importance of Taiwan's chip manufacturing.

The talks will take place under the auspices of the American Institute in Taiwan (AIT), which functions as Washington's de facto embassy in Taipei. During the Trump administration, the AIT moved to new premises in June 2018 on a site covering 6.5 hectares, more than twice the size of the previous compound, and has a staff of more than 450.

Shu Jueting, a spokesperson for China's Ministry of Commerce, criticised the US-Taiwan trade talks, saying China opposed any form of official exchanges with Taiwan, including on "agreements with sovereign connotations or an official nature." Beijing regards Taiwan as a renegade province which it will forcibly reunify if Taipei ever declares formal independence from China.

The pace of delegations arriving in Taipei is accelerating. A third US group headed by Indiana Governor Eric Holcomb landed in Taiwan yesterday for trade talks—just three weeks after Pelosi's visit and a week after a US congressional delegation headed by Senator Ed Markey.

The *Financial Times* reported that a group of Japanese lawmakers led by Keiji Furuya of the ruling Liberal Democratic party is due to arrive today in Taipei. Next week a Lithuanian delegation is expected to be present when the country opens its representative office in Taipei—a move that provoked economic retaliation by Beijing. Canadian parliamentarians and two German delegations plan to visit in October.

The US announcement of trade talks last week was clearly not just a routine matter. Also present was Daniel Kritenbrink, US assistant secretary of state for East Asian and Pacific affairs, who praised what he called "an ambitious road map for trade negotiations"

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with Taiwan. At the same time, he declared the US would continue "to deepen our ties with Taiwan" and, in particular, to support "Taiwan's self-defence" and maintain "our own capacity."

In reality, the US, under Trump and now Biden, has greatly increased the sale of arms to Taiwan, including offensive weaponry. Moreover, under Biden, Washington is pursuing a strategy—as it has already done in provoking its proxy war with Russia—of goading Beijing into attacking Taiwan in a war aimed at weakening and destabilising the Chinese regime.

Drawing on the Ukraine war, US is pressing Taiwan to pursue a "porcupine" military strategy, featuring the stockpiling of weaponry such as shoulder-launched anti-tank and anti-aircraft missiles and attack drones, to inflict maximum damage on Chinese forces. A *Wall Street Journal* video on August 12 reported that Taiwan was considering expanding training in the use of such weaponry, with President Tsai Ing-wen pictured holding a Taiwanese-made Kestrel anti-armour rocket. The US is also selling Taiwan the more sophisticated mobile HIMARS missile system that has a far greater range and has agreed to sell MQ-9 Reaper drones.

The flurry of diplomatic activity is taking place amid heightened military tensions across the narrow Taiwan Strait separating the island from the Chinese mainland. While the Chinese military has wound back the extensive live-fire drills staged in the immediate aftermath of Pelosi's visit, it continues to mobilise its forces, with the Taiwanese defence ministry reporting 17 Chinese aircraft and five Chinese ships operating around Taiwan on Saturday.

Last Thursday the Taiwanese military staged its own drills at the Hualien Air Base on the country's east coast to simulate a response to a Chinese missile attack, using Taiwanese-made Sky Bow 3 anti-aircraft missiles and 35-millimetre anti-aircraft cannon. Defence ministry spokesperson Sun Li-fang condemned Chinese military exercises, then added that they "provide us with the opportunity for combat-readiness training."

Though not immediately related, China announced last week that it is sending military forces to take part in large-scale "Vostok" exercises being staged by Russia from August 30 to September 5. The joint military exercises, which are held every four years, have in the past involved hundreds of thousands of troops. Other countries taking part include India, Belarus, Mongolia and Tajikistan.

While Beijing declared that China's participation was "unrelated to the current international and regional situation," the US-NATO proxy war against Russia and Washington's menacing confrontation with China are driving the two countries together. A year ago, Russia and China held joint military exercises in north-central China involving more than 10,000 troops. Last October, the two countries held joint naval drills in the Sea of Japan, then engaged in their first joint patrols in the western Pacific.

The US, which mobilised the nuclear-powered aircraft carrier USS Ronald Reagan and its battle group in waters off Taiwan during Pelosi's visit, has indicated that it is preparing another provocation against China by sending a warship through the Taiwan Strait. Such an operation can only further heighten tensions with China and raise the danger of an incident that becomes the starting point for a far wider and more dangerous conflict.

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