

U.S. Conventional Arms Sales to Taiwan

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Since the United States switched diplomatic recognition from Taiwan to China in 1979, U.S. arms sales to Taiwan have been one of the most contentious issues in U.S.-China relations. Beijing wants control of the island and has not ruled out military action to achieve its goal, threatening to use force if Taiwan indefinitely refuses negotiations on reunification, declares independence, or is occupied by another country. Washington has urged the two sides to settle Taiwan's future peacefully and warned that it would view efforts to coerce reunification with "grave concern."

The value of annual U.S. government arms sales agreements with Taiwan varies, ranging in the past 20 years from a low of \$135 million in fiscal year 2000 to a high of nearly \$6.3 billion in fiscal year 1993. (See chart on reverse side.) The United States also authorizes private U.S. arms companies to conclude weapon deals with Taiwan. The value of reported arms deliveries through these commercial channels has varied between roughly \$15 million and \$350 million each year.

The United States justifies these sales under the Taiwan Relations Act, which declares that the United States "will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability." Passed by Congress in March 1979 after the United States changed its diplomatic recognition from Taipei to Beijing, the act became law on April 10, 1979.

China, which claims Taiwan is the "most crucial and most sensitive issue" in its relations with the United States, maintains that U.S. arms sales to Taipei infringe on China's sovereignty because Washington acknowledges that Taiwan is part of China. Beijing also charges that sales contradict the U.S.-China joint communiqué issued August 17, 1982. That document stated that the United States

"Does not seek to carry out a long-term policy of arms sales to Taiwan, that its arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China, and that it intends gradually to reduce its sale of arms to Taiwan, leading, over a period of time, to a final resolution."

China had demanded in October 1981 that the United States set a fixed date for ending arms sales to Taiwan, but Washington refused. A strong supporter of Taiwan, President Ronald Reagan made the August 1982 commitment because he wanted better relations with China as a counterweight to the Soviet Union and because his administration believed the level of arms supplied by the Carter administration in its last years set the bar relatively high for future U.S. transfers.

Reagan assured Taiwan that the communiqué did not spell out a date for cutting off U.S. arms supplies and that Washington would not consult with Beijing about what U.S. arms would be provided to Taipei. In addition, Reagan and subsequent U.S. presidents interpreted the U.S. pledge to gradually reduce sales as conditioned on the maintenance of a military balance between China and Taiwan. The United States also contends the 1982 communiqué is a political document that is not legally binding, whereas the Taiwan Relations Act is U.S. law.

Current Status

During his first year in office, President George W. Bush sought to minimize attention paid to U.S. arms sales to Taiwan by revising how transfers are carried out. In the 1990s, the United States had decided each April what arms it would make available to Taiwan. Bush has replaced that annual process, which permitted China to regularly prepare for and scrutinize any proposed deals, with one that calls on the United States to review Taiwan's arms requests on an ad hoc basis like any other country's requests.

Bush, who also vowed that the United States would do "whatever it took" to help Taiwan defend itself, signaled that he would continue arming Taiwan. In 2001, he offered Taiwan four destroyers, eight diesel-electric submarines, and up to a dozen anti-submarine aircraft. This package was estimated at being second in value only to former President George H.W. Bush's 1992 offer of 150 F-16 fighters. Taiwan is still evaluating this package and has not yet signed any agreements. For its part, the United States has not determined how it might provide the promised submarines since it last built a conventional submarine in 1959. China vehemently criticized the proposed sales as breaking the 1982 communiqué.

Specific Weaponry

According to U.S. data voluntarily reported to the United Nations, the United States between 1995 and 2003 has delivered 440 tanks; 171 combat aircraft, including 150 F-16 fighter jets; 28 heavy artillery pieces; 66 attack helicopters; 15 warships; and 1,115 missiles to Taiwan. China has protested these voluntary U.S. reports by suspending its own annual arms trade reports to the United Nations.

**U.S. Arms Sales to Taiwan Since 1980
(values not adjusted for inflation)**

FISCAL YEAR	U.S. GOVERNMENT ARMS AGREEMENTS	U.S. GOVERNMENT ARMS DELIVERIES	U.S. COMMERCIAL ARMS DELIVERIES
2002	\$71 million	\$1.5 billion	\$135 million
2001	270 million	1.18 billion	29 million
2000	135 million	923 million	15 million
1999	559 million	2.5 billion	15.5 million
1998	440 million	1.5 billion	173 million
1997	353 million	2.5 billion	261 million
1996	451 million	834 million	20 million
1995	208 million	1.3 billion	28 million
1994	361 million	845 million	262 million
1993	6.3 billion	815 million	346 million
1992	478 million	711 million	96 million
1991	474 million	548 million	160 million
1990	508 million	460 million	150 million
1989	525 million	353 million	85 million
1988	501 million	484 million	195 million
1987	507 million	368 million	210 million
1986	509 million	243.5 million	228 million
1985	697.5 million	338 million	54 million
1984	704 million	298 million	70 million
1983	695.5 million	389 million	85 million
1982	523 million	386 million	75 million
1981	286 million	373 million	67 million
1980	455 million	209 million	58 million
TOTAL	\$16.011 billion	\$19.057 billion	\$2.817 billion

Sources: Defense Security Cooperation Agency, China's Feb. 2000 White Paper on Taiwan, UN Conventional Arms Register