

# VIMY PAPER

TIME TO RE-THINK  
CANADA'S RELATIONSHIP  
WITH TAIWAN

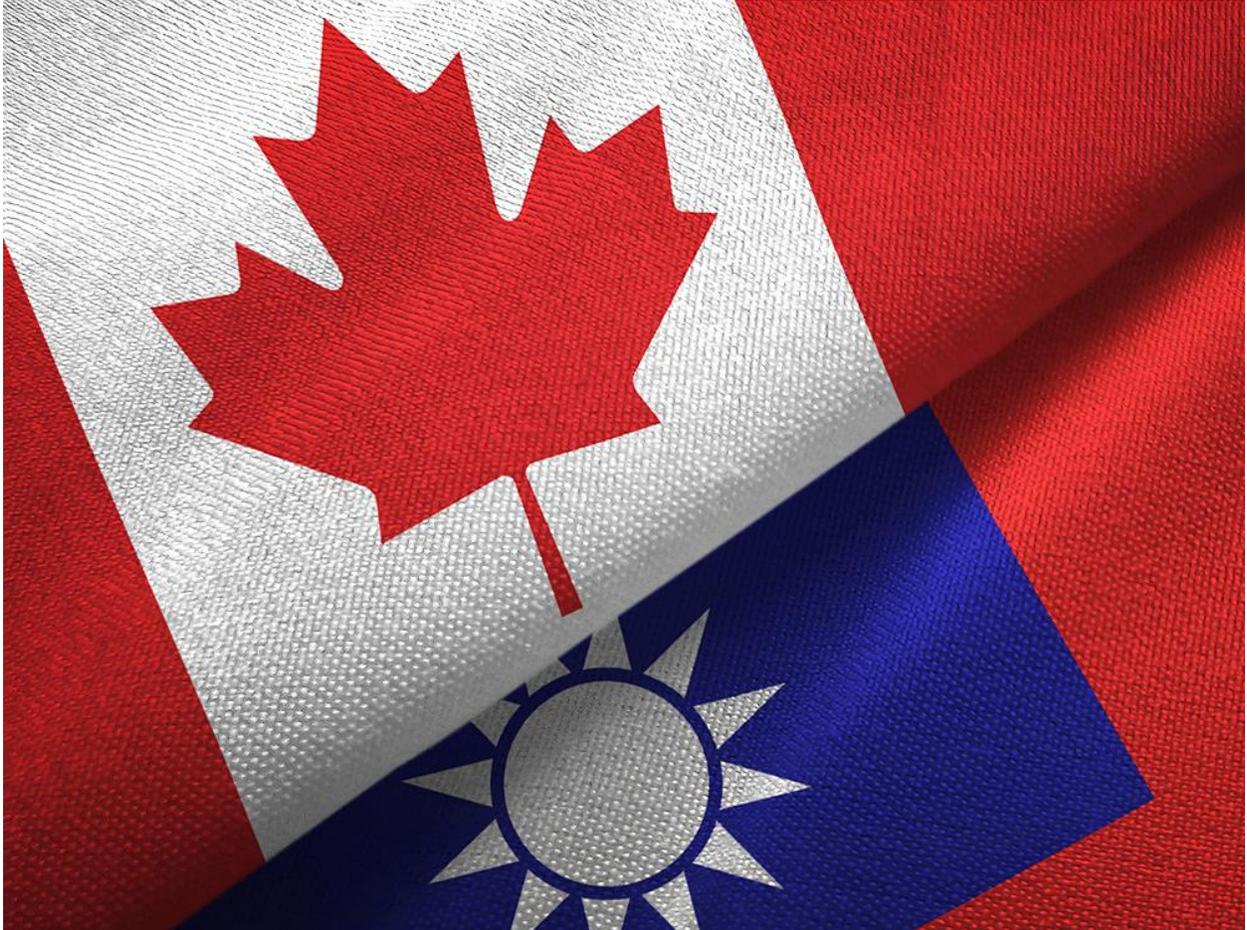
ANDRÉ LALIBERTÉ AND  
SCOTT SIMON

OCTOBER 2020 – VOLUME 45



CDA INSTITUTE

# **TIME TO RE-THINK CANADA'S RELATIONSHIP WITH TAIWAN**



**BY: ANDRÉ LALIBERTÉ AND SCOTT SIMON**

## TIME TO RE-THINK CANADA'S RELATIONSHIP WITH TAIWAN

On 2 January 2019, General-Secretary of the Chinese Communist Party (CCP) Xi Jinping expressed his will to annex Taiwan in his “Second Message to the Compatriots of Taiwan”: “We do not renounce the use of force and reserve the option of taking all necessary measures.”<sup>i</sup> On 17 January, Taiwan’s Indigenous Historical Justice and Transitional Justice Committee responded that “the national future of Taiwan will be decided by self-determination of the Taiwanese Indigenous peoples and all the people who live on our motherland.”<sup>ii</sup> This volley of words already shows the political reality that separates the Taiwan Strait. Xi claims to speak for the entire Chinese nation. However, democratic and multi-cultural Taiwan entertains a multiplicity of voices from rejection of Xi’s message by President Tsai Ing-wen<sup>iii</sup> and Indigenous leaders to Taipei Mayor Ko Wen-je who, at the July 2020 Taipei-Shanghai Twin City Forum, said “family harmony is better than family hostility.”<sup>iv</sup>

Taiwan is important on its own merits. It defends a territory larger than Belgium, hosts a population similar to Australia’s, and ranks 22<sup>nd</sup> in GDP.<sup>v</sup> There are about 60,000 Canadians in Taiwan, making it home to the fourth largest Canadian diaspora community, and 200,000 Taiwanese in Canada. As the centre of the world’s semiconductor industry, it is strategically important as the heart of our interconnected society.

Chinese threats against Taiwan jeopardize Canada. As we learned from COVID-19, a break-down in international supply chains weakens our economy. If China were to blockade Taiwan, Canada would have logistical problems of repatriating Canadians. A full-blown refugee crisis would require even greater Canadian mobilization. How can Canada continue to benefit from Canada-Taiwan relations, and contribute to the prevention of cross-strait conflict? This is one of the most urgent issues we face.

## CANADA-TAIWAN RELATIONS

Canada’s relationship with Taiwan, like that with neighboring China and Japan, emerged from the missionary experience. George Leslie Mackay, born in Ontario, served in Taiwan with the Canada Presbyterian Church from 1871 until his death in 1901, founding schools and what is now one of Taiwan’s largest hospitals. Canadian missionaries witnessed China’s Qing Dynasty belatedly claimed sovereignty over all of Taiwan in 1875, failed to subdue the Indigenous-controlled territories, and handed the island to Japan in 1895. After 1929, when Canada set up an Embassy in Tokyo, relations with Taiwan were managed as part of the Canada-Japan relationship.

Canada established relations with the Republic of China (ROC) in 1942, opening an Embassy in Chongqing, and moving to Nanking in 1946. After the 1949 establishment of the People’s Republic of China (PRC), diplomats remained in Nanking, as Ottawa debated recognition of the PRC. After the outbreak of hostilities in Korea, Canada closed the delegation. The ROC, after withdrawing to Taiwan, maintained an Embassy in Ottawa, but Canada under both liberal and conservative administrations did not send a delegation to Taiwan.<sup>vi</sup>

The Pearson government would have liked a two-government policy recognizing both the PRC and a government holding authority only over Taiwan, but this was equally unacceptable to both the PRC and the ROC. When the PRC demanded Canada to recognize their sovereignty over Taiwan, Canadian negotiators demurred, saying that these negotiations could not determine the size of China. The result was a compromise in the joint communiqué establishing Canada-PRC relations, in which Canada only “took note” of Chinese assertions about Taiwan. Mitchell Sharp explained to the House of Commons: “The

Canadian Government does not consider it appropriate either to endorse or to challenge the Chinese Government's position on the status of Taiwan." In October 12, 1970, after Canada had negotiated diplomatic relations with the PRC, the ROC broke relations with Canada.<sup>vii</sup>

Even in the absence of diplomatic relations, however, economic and social relations between Canada and Taiwan continued to develop. In 1970, Taiwan founded the China External Trade Development Council (CETRA) and opened an office in Montréal. The administration of Brian Mulroney signaled a desire to improve economic relations with Taiwan, which has emerged in the 1980s as one of the four "Asian tigers". In 1986, Canada opened the representative office that eventually became the Canadian Trade Office in Taipei (CTOT). In 1991, the Taipei Economic and Cultural Office (TECO) opened in Toronto and Vancouver, followed by Ottawa in 1992. In 1993, the representative office moved to Ottawa. Both delegations are staffed with professional diplomats and carry out nearly all the functions of an Embassy.

During these years, Taiwan democratized decisively, with the 1987 founding of the Democratic Progressive Party (DPP) a major milestone. In response to popular pressures, President Lee Teng-hui (1988-2000) and reformist supporters in the KMT ended martial law and passed a series of reforms ensuring that Taiwanese would choose their leaders at all levels.<sup>viii</sup> These changes, entrenched constitutionally now for over thirty years, have made Taiwan a liberal democracy.

When President Lee recognized the existence of the PRC in 1991, he unilaterally announced the end of hostility between the CCP and the KMT. Most importantly, the Chinese civil war lost its *raison d'être* when one of its protagonists, the KMT, lost power in 2000 to the DPP through the ballot box.

Nowadays, an overwhelming majority of Taiwanese do not identify as Chinese but as Taiwanese.<sup>ix</sup> Taiwanese voters have collectively refrained from electing a government that would proclaim independence because they know that for China it is a *casus belli*. Canada and most nations have acknowledged this complicated situation and the status quo that has prevailed since then, under the condition that both sides would arrive peacefully at a mutually agreeable arrangement between them. China, however, has changed the status quo because of its military incursion in Taiwan's airspace in 2020.<sup>x</sup> In sum, Taiwan has transformed from a military dictatorship claiming all of China as its territory to a wealthy democracy that seeks to maintain the status quo, support peace, and deter military aggression. China is now the clear aggressor. Canada must reappraise its relationship with Taiwan in this context.

## **ECONOMIC DIMENSIONS OF THE CANADA-TAIWAN RELATIONSHIP**

Canada and Taiwan have much in common economically. Both live in the shadow of a giant. Both stand out as advanced economies ranked by the World Bank as high-income. Taiwan meets all the requirements to join the club of advanced market economies, the Organization of Economic Cooperation and Development, which counts 37 members in Europe, the Americas, Oceania, and East Asia, and of which Canada was one of the 19 founding members.<sup>xi</sup>

Canada is an Indo-Pacific nation whose economy increasingly depends on trade with that region. Taiwan is strategically located in one of the planet's busiest trade routes, between Japan and the maritime routes to the Indian ocean, on whose stability Canada depends for trade with those parts of the world. Taiwan is a key link in the global value chain for strategic industries, such as aerospace, information and communication technology, bio tech and clean technologies. Cooperation in these areas has extended in the most advanced research institutes of top-level Universities in the country. Global Affairs Canada

reports that the bilateral exchanges between Canada and Taiwan has favoured Taiwan for the last five years, with Canada importing almost three times the value of its exports.<sup>xii</sup> Canada has worked fruitfully alongside Taiwan in some multilateral economic contexts. Canadians representatives dealing with Taiwanese counterparts on trade disputes can work with their colleagues because Taiwan is already a signatory to the WTO as the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu; likewise, it discusses issues in the forum of the Asia Pacific Economic Cooperation, as Chinese Taipei. Taiwan is also one of the founders of the Asia Development Bank, and remain one of its members as Taiwan, China. These different alternative naming, always done not to antagonize China, only generate confusion and do not represent the reality of a sovereign state in Taiwan, officially named the Republic of China. Canada and Taiwan also cooperate closely on issues of intellectual property rights and technology transfers. Within most of the international organizations that belong to the UN system, however, Canada cannot work with Taiwan, because China excludes Taiwan even from observer status and cooperation on issues of pragmatic concern. Canada's reliance on the economies of the Indo-Pacific region came to the fore in 2020 like never before, as the COVID-19 pandemic revealed vulnerabilities to the global economy. The outbreak of the pandemic revealed the risks to Canada by over-reliance on supply chains based in China, when the customs of that country held up masks and other PPE after complaints about faulty products.<sup>xiii</sup> This behaviour contrasts with repeat donations of millions of masks and PPE from Taiwan to medical personnel and first nations' communities.<sup>xiv</sup>

Both Canada and Taiwan are party to seven agreements within the WTO and are negotiating two other ones. The agreements already in force includes ones on trade facilitation, trade-related aspects of intellectual property rights, trade-related investment measures, information technology, and government procurements. The agreements under negotiation cover trade in services, and environmental goods.<sup>xv</sup> Taiwan and Canada have also signed a number of Memorandum of Understanding (MOU) for cooperation on a wide range of issues. This includes Cooperation of Telecommunication Technology<sup>xvi</sup>; a working holiday agreement allowing people to travel and work in each other's country since 2010<sup>xvii</sup>; and an arrangement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income reached in 2016.<sup>xviii</sup> A Foreign Investment Protection Agreement (FIPA) between our two countries would be a boon to greater foreign direct investment in both directions. The Comprehensive and Progressive agreement for Trans-Pacific Partnership (CPTPP), which deepens our engagement with Asia, presents us with a major opportunity to deepen our economic relationship with Taiwan. This partnership brings together, except for Vietnam, major market economies. In 2016, Taiwan already announced its interest in signing this multilateral agreement. This is natural: Taiwan is already part of the trans-Pacific value chain, it is a market economy that stands at the cutting edge of technology, and its economic structure and legal system are compatible with other CPTPP member economies.

## **POLITICAL-LEGAL DIMENSIONS OF THE CANADA-TAIWAN RELATIONSHIP**

One of the major strengths of the existing unofficial relationship between Canada and Taiwan is the set of common values shared by both countries. Both have a multi-party system, practice political alternance between political parties, accept the principle of loyal opposition, and enforce accountability. The liberal and progressive values upheld by the political parties in Ottawa's Parliament Hill found echo in those of their Taiwanese counterparts. Taiwan's Democratic Progressive Party (DPP), which is in power in Taipei, is a full-time member of the Liberal International, to which belongs the Liberal Party of Canada; the Chinese Nationalist Party (KMT) belongs to the same international organization as the Conservative Party of Canada, the International Democrat Union.

Canada and Taiwan belong to the same club of liberal democracies. China is not unless it changes its political system, something that the CCP rejects. Despite a policy of engagement with China for half a

century, Canada has not seen a convergence with its political values. On the other hand, Taiwan has transformed dramatically in the same timespan from an authoritarian regime to one of Asia's most vibrant democracies. After four decades of martial law, the Taiwanese population has peacefully completed a democratic transition and has achieved constitutional reforms that have eliminated most of the vestiges of the claim to represent all of China, and that affirm the sovereignty of the population in Taiwan. That country today stands out in the vanguard in respecting civil liberties.<sup>xix</sup>

The recognition of the PRC by Canada did not nullify the fact that the ROC remained a sovereign state in Taiwan and its offshore islands, which Beijing has never controlled since 1949. Ottawa's recognition of the PRC merely accepted that it represents the 850 million Chinese under its jurisdiction, while remaining silent about Taiwan. Moreover, when Canada-ROC relations ended, the Taiwanese did not have a say in the matter, no more than they determined their government. When the authoritarian KMT ruled the ROC, it agreed with the CCP that there is one China and that Taiwan is part of it. The only difference was that the KMT thought they were the legitimate rulers of China. Canada faced a zero-sum situation when both sides claimed all of China. This situation changed as subsequent governments in Taiwan have recognized that the CCP rules China.

Since the 1990s Canada deals informally with the authorities in Taiwan that its citizens choose at all levels. The Taiwanese government can claim, rightly, a mandate to represent the population of Taiwan and offshore islands, no more no less. Since the founding of the DPP in 1986 and the repeal of Martial Law a year later, Taiwanese have embarked decisively on a process of democratization, asserting clearly and non-violently their right to self-determination. With every election for local governments, the Legislature, and the Presidency, voters have expressed their rejection of any attempt by China to influence their vote. The resilience of Taiwanese democracy has profound implications: it proves that democracy can grow in a society with a Chinese heritage; it is a rebuttal to the idea that democracy and human rights are not universal values.

Yet, despite the shared values on which Canada and Taiwan could establish stronger bilateral cooperation, pressures exerted by China undermine the full potential of a mutually beneficial relationship. The absence of full diplomatic relations with Taiwan weakens Canada's case to establish itself as a promoter of human rights and respect for democratic values. The same way that Canada gained moral standing by opposing the regime of Apartheid in South Africa and supporting the right of self-determination of East Timorese after Indonesia annexed the former Portuguese colony of Timor Leste, it would win the moral grounds by supporting Taiwanese right to self-determination despite the opposition of its giant neighbor. Canada even pursued full diplomatic relations with Cuba for decades when the US was imposing sanctions on that country and retaliating against foreign companies that invested there.

The current crisis in Canada's bilateral relations with China offers an opportunity to reassess our relation across the board with China and other countries of the Indo-Pacific. Rethinking Canada's relations with Taiwan, however, means forging a way to go forward in that bilateral relation independently of the relation between Ottawa and Beijing. Viewed from the perspective of cooperation between liberal societies, open democracies, and post-industrial market economies, it makes sense for Canada to deepen its relations with Taiwan and its like-minded neighbors South Korea and Japan, who face similar challenges with the global commons such as climate change. In recent years, Canada-Taiwan interactions have increased in substance, in trade, business, technical cooperation, academic exchanges, and tourism. This deepening of contacts, which increase in complexity, inevitably calls for tighter and more integrated exchanges at the political level.

China will oppose the smallest indicator of a move in that direction. But as we suggest below, this need not be the case if Canada depicts that change as a correction to the bilateral relation between Canada and

Taiwan that recognizes the change in the latter. Canada will need to adopt a concerted approach with like-minded actors to conduct this long-overdue reckoning.

## **SOCIAL DIMENSIONS OF THE CANADA-TAIWAN RELATIONSHIP**

The many shared interests on addressing social issues both countries face constitute a third strength in the Canada-Taiwan relationship. Cooperation between Canada and Taiwan rests on more than trade and commonly held respect for human rights and democratic values: they also have a mutual interest on many other issues that matter for the global commons: control of pandemics and climate change mitigation immediately spring to mind. But there are other issues, such as addressing the needs of our ageing societies, humanely managing migration, and reconciliation with indigenous people, in which both countries stand to gain much in learning from each other's best practices.

We are learning the hard way that the first two of these issues, long considered as non-traditional threats to our security, have suddenly become urgent. The COVID-19 pandemic is a clear and present danger, while climate change is a threat that could prove destructive if not addressed in a timely manner. Canada is already cooperating with Taiwan on biotechnology and other cutting-edge sectors such as artificial intelligence, the internet of things, and digital health.<sup>xx</sup> Both countries would benefit from more scientific cooperation receiving full government support. Taiwan stands out on the frontline of fighting the COVID-19 pandemic and has shown the world how a democratic country can implement rapidly a strategy of tracking, isolating, and mitigating the pandemic without sacrificing public liberties. Because such risks know of no frontier, the exclusion of a country on the scope of Taiwan represents an impediment to our health security, as the world could stand to benefit from learning how that country has managed to address this hazard.

The differences in the political structures of the two countries would require creativity in how to organize cooperation, as Taiwan is a centralized and unitary state, while Canada is federal. Taiwan has a national Ministry of Health and Welfare which is also responsible for social insurance and social assistance; in Canada health care and most social programs fall under provincial jurisdiction. To help tackle pandemics, the Taiwan Minister of Health and Welfare supervises both the Center for Disease Control and the National Health Insurance. In Canada, these two key functions are divided between the coordinating authority of the Chief Public Health Officer at the federal level, and the various provincial and territorial health authorities at ministerial level, which are responsible for various health care delivery establishments such as hospitals and clinics. Perhaps the federal government could seek direct cooperation with Taiwan on public health issues, while also facilitating agreements between Canadian provinces and Taiwan on the model of existing agreements such as those to mutually recognize drivers' licenses.

As countries concerned by climate change's consequences for their welfare, Canada and Taiwan have every incentive to cooperate, despite the differences in climate. Cities and local governments in both countries have a lot to gain in cooperating for developing better infrastructures that mitigate the consequences of more violent storms and longer periods of heat waves. This cooperation, in particular, implies the development of public transit, a domain in which Canada and Taiwan already have a well-established record of cooperation, with Bombardier gaining a contract more than a decade ago to prolong the rapid transit system in Taipei.<sup>xxi</sup>

Canada and Taiwan face similar challenges with respect to the ageing of their society, which will require more than an expansion of elderly and long term care but also greater attention to labour force trends, in coordination with ministries responsible for immigration and citizenship, as labour shortages in both societies in the care sector constitute a powerful pull factor in the recruiting of an international workforce.

Canada and Taiwan have also had fruitful exchanges on policies of recognition and reconciliation with indigenous peoples.

Many things remain missing in the social dimension of the Canada-Taiwan relations. Without diplomatic recognition, cooperation between Ministries and Departments are difficult, especially in the context of multilateral fora where China imposes its will. The actions of China in the latest World Health Assembly (WHA) is a patent example of that problem. Taiwan has achieved one the lowest number of confirmed cases and deaths in the world during the current pandemic, demonstrating the efficiency of its strategy of quarantine, containment, and treatment to achieve these results.<sup>xxii</sup> And yet, China has blocked Taiwan's participation in the WHA. This kind of obstruction hurts the health of the global community.

## **SECURITY DIMENSIONS OF THE CANADA-TAIWAN RELATIONSHIP**

Canada has an interest in ensuring safe passage of civilian ships in the Taiwan Strait and the waters north and south of Taiwan. Due to geography, demographics, and global trade, Canada is an Indo-Pacific country, and the security of the region is a matter of national interest as important as the North Atlantic. Freedom of navigation in the South China Sea is important to Canada. In 2016, Canada's trade value through the South China Sea was valued at US\$21.8b, 2.67 per cent of all our trade in goods.<sup>xxiii</sup>

China and Russia have both been challenging the status quo in the region, with an increase in "grey zone" actions that challenge existing arrangements, while stopping just short of triggering military reaction. To give two examples from Japan's Defence White Paper 2020, Chinese government vessels intruded into Japanese territorial waters 282 days in 2019; and 83 days in the first three months of 2020. In 2019, Japan's Air Self-Defence Force had to scramble 947 times to monitor suspicious aircraft near Japan's territorial airspace.<sup>xxiv</sup> China's PLAF fighters circled Taiwan 15 times since December 2016 as a show of force. Although Chinese fighters formerly avoided crossing the Strait median line, they have since March 2019 regularly done so, to be repelled by Taiwanese forces. Chinese fighters entered Taiwan's southwestern airspace nine times in June 2020, plus one approach via Japan's Miyako Strait. There were five incursions in July, including two at night. On August 10, Chinese fighters crossed the median line (timed to coincide with US Health Secretary Alex Azar's meeting with President Tsai).<sup>xxv</sup> This one-sided escalation of military activities is a clear sign that China intends to change the status quo; and that the risk extends beyond Taiwan. Taiwan is a stabilising force in the area, more precisely in the South China Sea, the Taiwan Strait, and the East China Sea.

In the South China Sea, Taiwan claims sovereignty over the Spratly and Paracel Islands (Prata, or Dongsha Island). These claims date historically to ROC claims. In 1947, the ROC declared its maritime borders with the creation of a map with an "eleven-dotted" or "U-shaped" line which now forms the basis of PRC claims to the area. In 2007, Taiwan created the Dongsha Atoll National Park. The 0,51 km<sup>2</sup> Taiping Island was garrisoned by ROC Marine Corps until 1999, when the Marines were replaced with Coast Guards. An airstrip was completed in 2007.<sup>xxvi</sup> Since 2007, Kaohsiung has maintained a turtle reserve there; and since 2009, Taiwan has monitored greenhouse gases in a project with the US National Oceanic and Atmospheric Administration. It can potentially become a haven for international scientific research.<sup>xxvii</sup> Taiwan's continuing presence here prevents China from completely enclosing the South China Sea.

Taiwan itself is in a strategic place for other Indo-Pacific powers because of the Taiwan Strait which separates it from China. This is currently the shortest and most practical route between Southeast Asia and Northeast Asia; and is considered international waters by most countries, including Canada. In June 2019, Canada's HMCS Regina and replenishment ship MV Asterix transited the Strait as part of Operation Neon for surveillance and enforcement of UN sanctions against North Korea.<sup>xxviii</sup> This exercise

was followed in September by the passage of the HMCS Ottawa.<sup>xxix</sup> China considers the Taiwan Strait to be a domestic waterway; and closely monitors the passage of all foreign ships. Only the effective independence of Taiwan, which also monitors such passages with its own military, keeps the Taiwan Strait open for international maritime use. Freedom of navigation there, which Canada uses as part of its security cooperation in the area, thus relies on maintaining the status quo.

Taiwan's role in the East China Sea, in appearance at least, is complicated by the fact that Taiwan claims five islets, known as Diaoyutai in Taiwan and Senkaku in Japan, that were administered from 1895 to 1945 from Taiwan as part of the Japanese Empire. After the SFPT, the US took trusteeship of the islets as part of Okinawa; and subsequently transferred them to Japan in 1971.<sup>xxx</sup> Since 2013, Taiwan and Japan have had mechanisms to permit fishing by both parties in overlapping maritime territories under the supervision of a joint fishing commission. This agreement proves that, when political will is present, it is possible to shelve disputes over sovereignty and create new mechanisms for cooperation on practical issues, even in the absence of official diplomatic relations. It could be a model for dealing with other disputed areas. China, however, has proven itself to be the aggressive actor in the region, with repeated military and armed fishing fleet incursions near and into Japanese-administered areas.

To summarize, Canada and Taiwan share a common interest in keeping freedom of navigation and peace in the Indo-Pacific. Taiwan plays a key role in achieving our goals there that we cannot ignore.

## CONCLUSIONS

The relationship between Canada and Taiwan is part of the Indo-Pacific framework that has guaranteed our prosperity and security, as well as that of China and Taiwan, since 1952. Since 1970, even in the absence of official diplomatic relations, our economies and societies have grown closer together. And, Taiwan has transformed into a democracy, respectful of human rights, even the most progressive in Asia on LGBT and Indigenous rights. A Taiwan free from tyranny is the status quo that is in our own best interests to protect. We are not alone in supporting Taiwan. The United States is Taiwan's strongest ally. Japan, Australia, New Zealand, and the European Union have also increased their support for Taiwan in recent years.

Canada's long-standing approach to Taiwan, as promised by the government to Canadians in Parliament in 1970, is to neither endorse nor challenge the Chinese government's position on Taiwan. In 1970, Canada-Taiwan relations were constrained by the fact that the government in Taipei claimed to be the government of China. Moreover, Taiwan was under martial law and the Taiwanese people had no say in the matter. Neither side gave us the option of a "one China, one Taiwan" policy, even if that would arguably conform most closely to the reality on the ground. For decades, Canadians hoped that both sides would eventually democratize and resolve their differences peacefully in the spirit of the UN Charter. In this essay, we have reviewed Canada-Taiwan relations, concluding that Canada benefits from a close relationship with Taiwan for economic, political, social, and security reasons. It has become more than one of the diplomatic *relations* we have with countries around the world due to economic and political necessity. Rather, even in the absence of formal diplomatic relations, it has become an important *relationship* based on shared values and complementary needs.

It is not the goal of this essay to provide detailed policy advice, a project which began well with Eric Lehre's policy paper for the Macdonald-Laurier Institute.<sup>xxxi</sup> Nourishing a relationship with any country, however, requires that we refuse to let the terms of that relationship be set by a third country. If we wish to assert our own sovereignty, we should conduct affairs with Taiwan independently from China; just as we have historically dealt with Cuba in the face of US sanctions. This includes an assiduous policy of avoiding self-censorship or self-imposed limitations on relations with Taiwan out of fear of somehow

offending China. Canada has already done well by supporting Taiwan's meaningful participation in the WHA and ICAO, and we can do more. Negotiating a FIPA and supporting Taiwan's entry into the CPTPT would be good next steps. Likewise, we can promote scientific cooperation on pragmatic issues like climate change and biodiversity.

Security relations, highlighted by Lehre, should be a priority. As a small country, we best support Taiwan as part of our security commitments for a Free and Open Indo-Pacific by strengthening our military relations with Japan, Australia, India, the US, and other allies. It is a good sign that we participate in bilateral exercises with Japan (KAEDEX) and the multilateral RIMPAC exercise near Hawaii. We exercise leadership when our navy carries out Freedom of Navigation actions in the region. The goal is to be prepared for the possibility of a Chinese military actions, but it is even better to prevent it through collective deterrence with our allies.

China will surely protest even the smallest changes, as they did when the Netherlands changed the name of their delegation in Taiwan from the "Netherlands Trade and Investment Office" to the "Netherlands Office Taipei" in April 2020. As a sovereign state, Canada has a right to make similar decisions; it is the work of our diplomats to explain them. We need to encourage China to continue in a win-win scenario of peace, dialogue, and mutual respect, while we stand firm on our own goals. We can agree to disagree, just as we do on certain issues with the US. On occasions, we may have to remind China gently and privately that we have never endorsed their position on Taiwan. We should let Chinese leaders know that we appreciate their restraint so far; but make it clear that our policy of not challenging them depends on the maintenance of peace across the Taiwan Strait.

Most importantly, we need a serious, long-term discussion among Canadians about the future of Canada-Taiwan relations in the changing circumstances of Taiwan's democratization, China's military assertiveness, and the novel situation of pandemics and climate change. We need serious discussions with government officials, elected political leaders, scholars, and private sector actors. This is the time when flexible Track II discussions with Taiwanese counterparts would also be productive. If we wish to deter Chinese aggression while maintaining the status quo of prosperity, security, democracy and human rights in the Indo-Pacific, Taiwan has a crucial role to play. We should do our best to seize the opportunity and nourish that relationship as best as we can.

---

<sup>i</sup> Xi Jinping, "Working Together to Realize Rejuvenation of the Chinese Nation and Advance China's Peaceful Reunification," Speech at the Meeting Marking the 40th Anniversary of the Issuance of the Message to Compatriots in Taiwan, accessed 23 August, 2020, [http://www.gwytb.gov.cn/m/news/201904/t20190412\\_12155846.htm](http://www.gwytb.gov.cn/m/news/201904/t20190412_12155846.htm)

<sup>ii</sup> Staff, "Indigenous peoples of Taiwan tell Xi Jinping that they've never given up their rightful claim to sovereignty," *Georgia Straight*, accessed 23 August, 2020, <https://www.straight.com/news/1189736/indigenous-peoples-taiwan-tell-xi-jinping-theyve-never-given-their-rightful-claim>

<sup>iii</sup> Tsai Ying-wen, "Statement on China's President Xi's 'Message to Compatriots in Taiwan'," Office of the President, ROC, accessed 23 August, 2020, <https://english.president.gov.tw/News/5621>

<sup>iv</sup> Liang Pei-chi, Li Wan-yu and Matthew Mazzetta, "Cross-strait harmony better than hostility: Taipei mayor," *Focus Taiwan*, accessed 24 August, 2020, <https://focustaiwan.tw/cross-strait/202007220019>

<sup>v</sup> Central Intelligence Agency, "Taiwan," *The World Factbook*, accessed 24 August, 2020, <https://www.cia.gov/library/publications/the-world-factbook/docs/rankorderguide.html>

<sup>vi</sup> John Hilliker, *Canada's Department of External Affairs, vol. 2*. (Montréal: McGill-Queen's University Press, 1995), 55-56.

<sup>vii</sup> Mitchell Sharp, *Which Reminds Me: A Memoir* (Toronto: University of Toronto Press, 1994), pp. 204-205.

<sup>viii</sup> Linda Chao and Ramon h. Myers, *The First Chinese Democracy: Political Life in the Republic of China on Taiwan*, Baltimore, MD: Johns Hopkins University Press, 1998; Bruce Jacobs, *Democratizing Taiwan*, Boston: Brill. 2012.

- 
- <sup>ix</sup> Lu Yi-hsuan and Dennis Xie, “New high of 83.2% see themselves as Taiwanese: poll”, *Taipei Times*, 25 February 2020, p. 1, <https://www.taipetimes.com/News/front/archives/2020/02/25/2003731565>
- <sup>x</sup> J. Michael Cole, “Taiwan: Between the Extremes of War and Abandonment”, *MLI Commentary*, [https://macdonaldlaurier.ca/files/pdf/20200922\\_Cole\\_COMMENTARY\\_FWeb.pdf](https://macdonaldlaurier.ca/files/pdf/20200922_Cole_COMMENTARY_FWeb.pdf)
- <sup>xi</sup> Judith A. LaRocque, “OECD and Canada: Celebrating 50 years of co-operation,” *OECD Observer*, [https://oecdobserver.org/news/fullstory.php/aid/3520/OECD\\_and\\_Canada:\\_Celebrating\\_50\\_years\\_of\\_co-operation.html](https://oecdobserver.org/news/fullstory.php/aid/3520/OECD_and_Canada:_Celebrating_50_years_of_co-operation.html)
- <sup>xii</sup> Government of Canada, “Canada-Taiwan fact sheet,” *Canada and the world*, accessed 24 August, 2020, [https://www.international.gc.ca/country-pays/fact\\_sheet-fiche\\_documentaire/taiwan.aspx?lang=eng](https://www.international.gc.ca/country-pays/fact_sheet-fiche_documentaire/taiwan.aspx?lang=eng)
- <sup>xiii</sup> The Canadian Press, “China says faulty masks a 'contractual' matter that has been fixed,” *CTV News*, accessed 24 August, 2020, <https://www.ctvnews.ca/health/coronavirus/china-says-faulty-masks-a-contractual-matter-that-has-been-fixed-1.4924148>
- <sup>xiv</sup> Sean Boynton, “Coronavirus: 500,000 surgical masks donated to Canada from Taiwan,” *Global News*, accessed 24 August, 2020, <https://globalnews.ca/news/6909700/coronavirus-canada-taiwan-masks/>
- <sup>xv</sup> The other two agreements are the General Agreement on Tariffs and Trade, and the General Agreement on Trade in Service. Government of Canada, “Trade and investment agreements by country,” *Business and industry*, accessed 24 August, 2020, <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/index.aspx?lang=eng>
- <sup>xvi</sup> Taipei Economic and Cultural Office in Canada, “MOU on Cooperation of Telecommunication Technology between Taiwan and Canada renewed,” *Events*, accessed 24 August, 2020, [https://www.tmeccc.org/ca\\_en/post/7980.html](https://www.tmeccc.org/ca_en/post/7980.html)
- <sup>xvii</sup> Central News Agency, “Taiwan, Canada ink working holiday MOU,” *Newsroom Formosa*, accessed 24 August, 2020, <http://newsroomformosa.blogspot.com/2010/04/taiwan-canada-ink-working-holiday-mou.html>
- <sup>xviii</sup> Department of finance Canada, “Arrangement Between the Canadian Trade Office in Taipei and the Taipei Economic and Cultural Office in Canada for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income,” *Tax Treaties*, accessed 24 August, 2020, <https://www.canada.ca/en/department-finance/programs/tax-policy/tax-treaties/country/taiwan-arrangement-2016.html>.
- <sup>xix</sup> Freedom House, “Global Freedom Scores,” *Freedom in the world report*, accessed 24 August, 2020, <https://freedomhouse.org/countries/freedom-world/scores>
- <sup>xx</sup> Government of Canada, “Canadian Technology Accelerator – Taiwan,” *Trade Commissioner Service*, accessed 24 August, 2020, <https://www.tradecommissioner.gc.ca/cta-atc/taiwan.aspx>
- <sup>xxi</sup> Bombardier, “Bombardier finalise un contrat de fourniture d’un système de métro à Taiwan d’une valeur de 729 millions \$,” *Media*, accessed 24 August, 2020, <https://www.bombardier.com/fr/media/nouvelles/detail.1451-bombardier-finalizes-contract-for-the-supply-of-a-729-million-rapid-transit-system-in-taiwan.bombardiercom.html?filter-bu=transport&f-year=all&f-month=all&f-type=pr&show-by-page=50&page=1> .
- <sup>xxii</sup> At the time of writing the Johns Hopkins Center for Disease control counted 487 cases and seven deaths attributed to COVID-19 in Taiwan. Johns Hopkins University Center for Systems Science and Engineering, “COVID-19 Dashboard,” *Coronavirus Resource Center*, accessed 24 August, 2020, <https://coronavirus.jhu.edu/map.html>
- <sup>xxiii</sup> Anon., “How much trade transits the South China Sea?” *China Power*, accessed 24 August, 2020, <https://chinapower.csis.org/much-trade-transits-south-china-sea/>.
- <sup>xxiv</sup> Japan Ministry of Defense, *Defense White Paper 2020*, 3, accessed 24 August, 2020, [https://www.mod.go.jp/e/publ/w\\_paper/wp2020/DOJ2020\\_Digest\\_EN.pdf](https://www.mod.go.jp/e/publ/w_paper/wp2020/DOJ2020_Digest_EN.pdf)
- <sup>xxv</sup> Tan Chuanyi, “Jiefangjun junji raotai shi yizhong xiaohaozhan: Taiwan neng hao duojiu (PLA military aircraft bypassing a war of attrition: How long can Taiwan manage?),” *Duowei xinwen*, accessed 24 August, 2020, [https://blog.dwnews.com/post-1367191.html?fbclid=IwAR1dDq6QRsX3SsfMLxDwQ60kSsf1bNlxgtu0qRM\\_bc2IqC2tbJCIema\\_o](https://blog.dwnews.com/post-1367191.html?fbclid=IwAR1dDq6QRsX3SsfMLxDwQ60kSsf1bNlxgtu0qRM_bc2IqC2tbJCIema_o)
- <sup>xxvi</sup> Chen Mu-Min Chen, “Taiwan and the South China Sea,” in *Handbook of Contemporary Taiwan*, ed. Gunter Schubert (London: Routledge, 2016), 499-512.
- <sup>xxvii</sup> Leonard Hamme, “Taiwan and Itu Aba (Taiping): Creating an ‘Island for all’ in the South China Sea,” *International Journal of Taiwan Studies* 3, no. 1 (2020), 93-111.
- <sup>xxviii</sup> Mathew Fisher, “Canada’s Transit of the Taiwan Strait,” *Commentary*, Canadian Global Affairs Institute, accessed 24 August, 2020, [https://www.cgai.ca/canadas\\_transit\\_of\\_the\\_taiwan\\_strait](https://www.cgai.ca/canadas_transit_of_the_taiwan_strait)

---

<sup>xxix</sup> Steven Chase, “For second time in three months, Canadian warship transits Taiwan Strait,” *The Globe and Mail*, accessed 24 August, 2020, <https://www.theglobeandmail.com/politics/article-for-second-time-in-three-months-canadian-warship-transits-taiwan/>

<sup>xxx</sup> Kimie Hara, *Cold War Frontiers in the Asia-Pacific : Divided Territories in the San Francisco System* (London: Routledge, 2007), 168.

<sup>xxxi</sup> Eric Lehre. *Rethinking the Taiwan Question: How Canada can Update its Rigid “One-China” Policy for the 21<sup>st</sup> Century* (Ottawa: MacDonald-Laurier Institute, 2018).