Executive Summary

The sale of arms and military services to Taiwan represents one of the most important ways in which the U.S. Government interacts with and demonstrates its support for the government of Taiwan. The United States is by far the largest foreign supplier of weaponry to Taiwan and is the source of its most sophisticated weaponry; for this reason, U.S. arms sales to Taiwan are a major irritant in U.S. relations with the People’s Republic of China (PRC), which views Taiwan as a renegade province that rightfully belongs under its control. After the U.S. established diplomatic relations with the PRC government in January 1979, ending official ties with Taiwan, Congress passed the Taiwan Relations Act (TRA), which provides the legal basis for continuing U.S. arms transfers to the island, for the stated purpose of bolstering its self-defense. In response to growing Chinese concerns over such transactions, the United States, in a joint statement 1982 with the PRA (commonly called the “Arms Sales Communiqué”) agreed to limit its military sales to Taiwan, saying that its deliveries would “not exceed, either in qualitative or 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.”

Over the course of the ensuring decades, the United States essentially abandoned its commitment to China under the 1982 Arms Sales Communiqué by selling the Taiwanese growing numbers of increasingly sophisticated weapons. In the most serious breach of the agreement up until to that point, President George H.W. Bush announced a $5.8 billion sale of 150 F-16A/B fighters to Taiwan in September 1992. Other major deliveries, including of Patriot anti-missiles systems, Harpoon anti-ship missiles, and AH-64D Apache Longbow attack helicopters, followed in the years that followed. The Trump administration, which made increased support of Taiwan one of its major objectives, announced other large arms packages, including the $8 billion sale of 66 advanced-version F-16C/D fighters in 2019.

United States officials have long argued that the sale of increasingly sophisticated weapons to Taiwan enhances Taipei’s self-defense capabilities and so deters China from using military force to resolve the political status of the island. However, given that China’s military capabilities have expanded much faster than Taiwan’s in recent years, it is evident that no amount of U.S. arms transfers can enable Taiwan to resist a Chinese invasion if Beijing chooses to mount one, and so any Chinese reluctance to do so rests on other factors, including fear of international reprobation.
and the continuing risk of U.S. military intervention. For this reason, it makes no sense to keep selling Taiwan increasingly costly and sophisticated weapons; instead, the United States should work with Beijing to reduce tensions in the area and help facilitate a peaceful resolution of the Taiwan dispute. In the meantime, U.S. arms sales should be limited to spare parts needed for the upkeep of weapons already delivered and assistance in maintaining a modest homeland defense corps.

**Background**

The sale of arms and military services to Taiwan represents one of the most important ways in which the U.S. Government interacts with and demonstrates its support for the government of Taiwan. The United States is by far the largest foreign supplier of weaponry to Taiwan: according to the Stockholm International Peace Research Institute (SIPRI), the U.S. provided 77% of all conventional arms delivered to Taiwan by foreign suppliers by dollar value between 1979 and 2018[1]. Taiwan is also among the leading foreign recipients of U.S. arms deliveries, often ranking among the top five such recipients.[2] For these reasons, U.S. arms sales to Taiwan are a major irritant in U.S. relations with the People’s Republic of China (PRC), which views Taiwan as a renegade province that rightfully belongs under its control. By providing the Taiwanese with advanced weaponry, the PRC asserts, the United States is interfering in the PRC’s internal affairs, and so should desist. The United States, for its part, argues that in the absence of such sales, the PRC might be tempted to resolve the Taiwan issue through force, possibly inviting U.S. military intervention and so initiating a major U.S.-China war that both seek to avoid; by providing arms to Taiwan, however, the U.S. helps bolster Taiwan’s self-defense capabilities and so reduces the risk of a Chinese invasion and possible U.S. involvement in a major conflict.[3]

The United States has been providing arms to Taiwan since 1951. At that time, the island was ruled by Generalissimo Chiang Kai-shek of the Nationalist, or Kuomintang (KMT) Party. Chiang, who had governed large parts of China during World War II, fled to Taiwan with a million of his followers in December 1949 after being defeated in a civil war with the forces of Mao Zedong’s Chinese Communist Party (CCP). Once ensconced on the island, Chiang claimed that Taipei was the new capital of the Republic of China (ROC) and that it remained the government of all of China, including the mainland. When Communist China entered the Korean War on North Korea’s side in late 1950, the U.S. commenced military aid to Chiang’s regime and in 1954 signed the U.S.-ROC Mutual Defense Treaty, the legal basis for continuing arms deliveries. For the next 24 years, the United States continued to embrace the ROC’s claim to be the legitimate government of all China, refused to recognize the legitimacy of the PRC government, and maintained a defense alliance with the Taiwanese government.[4]

When President Richard Nixon made his historic visit to mainland China February 1972, the United States reconsidered its relationship with both Taiwan and the PRC. Rather than prioritize Taiwan’s continuing claim to represent all of China, Washington came to view Beijing as a strategic asset in its continuing struggle with the Soviet Union, and so began the process of recognizing the mainland government. It was not until December 1978, however, that the Carter administration announced its decision to recognize the PRC as the legitimate government of
China and to sever America’s official relations with the ROC government on Taiwan, with the changeover occurring on January 1, 1979.

Although most members of Congress supported the shift in recognition from Taiwan to the PRC, a majority opposed eliminating all U.S. ties with the island. Accordingly, Congress passed, and President Carter signed, the Taiwan Relations Act (TRA) of 1979 (P.L. 96-8), which established the legal mechanisms for continuing U.S. relations with the Taiwanese government – a measure which remains in effect today. Under the TRA, the U.S. Government would replace formal relations with the ROC regime with a quasi-governmental mechanism, the American Institute in Taiwan (AIT), which would handle issues between the two governments that ordinarily would be handled by the Department of State. At the same time, Taiwan was empowered to create a similar quasi-governmental agency in the United States, which came to be known as the Taipei Economic and Cultural Representative’s Office (TECRO). In essence, the TRA enabled the U.S. Government to treat Taiwan as it would any other friendly nation, while maintaining the fiction that it no longer recognized the island’s government. And while the TRA does not guaranty that the United States will come to Taiwan’s aid in the event of a Chinese invasion, it states that any such move would be viewed as a matter of “grave concern by the United States” and affirms that it is U.S. policy to “maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security” of Taiwan.[5]

Aside from establishing the quasi-governmental structures for U.S.-Taiwanese relations and extending this vague assurance of support in the event of a Chinese invasion, the TRA provided the basis for continuing U.S. arms transfers to the island. Section 3 states that it is U.S. policy to “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.” (Emphasis added.) All transfers of U.S. arms and military services from 1979 and to the present have been justified on this basis. Exactly what types of weaponry and in what quantities are needed to enable Taiwan “to maintain a sufficient self-defense capability have been debated ever since the Taiwan Relations Act became law. Some presidents and Members of Congress have interpreted this provision to mean that the U.S. should supply Taiwan solely with limited numbers of low-tech defensive weapons; others have viewed Section 3 broadly, saying it allows the sale of virtually anything short of nuclear munitions. Generally speaking, the trend over time has been toward interpreting the TRA in broader, rather than narrow terms.[6]

Passage of the TRA and the continuation of U.S. arms deliveries to Taiwan in accordance with the Act naturally generated deep concern and resentment in Beijing, where senior officials complained that such activities violated the spirit of the 1978 joint communiqué on the establishment of U.S.-PRC diplomatic relations. In an effort to improve U.S. ties with Beijing, the Reagan administration signed a new communiqué with the PRC in 1982, the United States-China Joint Communiqué on United States Arms Sales to Taiwan, more commonly known as the August 17 Communiqué. Noting China’s quest for a peaceful resolution of the Taiwan issue, it affirms 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 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.”[7]
Like Section 3 of the Taiwan Relations Act, the 1982 communiqué has been subject to considerable interpretation by U.S. officials over time. As a joint statement, it did not have the force of law (as does a treaty), and so successive U.S. administrations have chosen to interpret it rather liberally, approving sales that exceeded in both quantity and quality those delivered to Taiwan in the 1979-82 period. This, in turn, has infuriated Chinese officials, who regularly accuse Washington of violating the August communiqué and undermining Sino-American relations. At the same time, China has deployed an ever-increasing number of ballistic missiles in coastal areas facing Taiwan and enhanced its capacity to invade the island should a decision be made to do so.

Key Developments in U.S. Arms Sales to Taiwan

As indicated, the flow of U.S. arms to Taiwan has experienced ebbs and flows, depending on the outlook of the administration in office, the views of Congress, and the demand from Taiwan itself. On some occasions, a strong U.S. preference to aid Taiwan has coincided with a strong demand for new weaponry from Taipei, leading to a high level of sales; on others, the opposite has been the case. Pressure from U.S. arms manufacturers to approve sales has also been a factor, with some firms viewing Taiwan as an attractive outlet for their products. In 2010, for example, Lockheed Martin stressed the urgency of a new sale of F-16 fighters to Taiwan as it would help keep the production line open when the F-16 program was drawing to a close.[8] And while it might appear to many Americans that Taiwan’s appetite for U.S. arms is insatiable, that has not always been the case: since Taiwan became a fully functioning democracy in 1992, the island’s parliament, the Legislative Yuan, has on occasion voiced concern over excessive arms spending and has blocked funds for major acquisitions.[9]

Up until 1992, U.S. arms sales to Taiwan were relatively modest, when compared, say, to U.S. sales to such major purchasers as Israel and Saudi Arabia. Between 1980 and 1992, U.S. Government arms deliveries to Taiwan averaged approximately $400 million per year (in current dollars), and excluded front-line equipment like modern fighter planes and missiles.[10] In 1992, however, the nature of U.S. sales to Taiwan experienced a profound change. In September of that year, President George H.W. Bush, then running for reelection, announced that the United States would sell 150 F-16A/B fighters to Taiwan, a deal worth $5.8 billion, while on a visit to the General Dynamics plant in Fort Worth, where the planes were being assembled; observers at that time largely viewed this decision as a ploy by Bush to win votes in Texas, where his campaign was lagging. The F-16 transaction, by far the largest U.S. weapons sale to Taiwan up until that point, was widely perceived as an incontrovertible violation of the 1982 Arms Sales Communiqué, and naturally produced angry denunciations from Beijing.[11]

Following the 1992 sale of F-16s to Taiwan, U.S. leaders abandoned any pretense of abiding by the 1982 Communiqué, even when they ritually (and hypocritically) stated they were abiding by it. Between 1993 and 2010, U.S. arms deliveries averaged $1.1 billion per year, nearly three times the rate for the previous twelve-year period.[12] As well, the items sold to Taiwan have been of an increasingly sophisticated type, including advanced air-to-air and air-to-surface missiles (to arm those F-16A/Bs), Harpoon anti-ship missiles, and Patriot anti-missile
systems. These were often bunched together in major arms packages that seemed to make a mockery of President Reagan’s 1982 pledge not to exceed, “either in qualitative or quantitative terms,” earlier U.S. sales to Taiwan. In October 2008, for example, President George W. Bush announced a $6.4 billion arms package to Taiwan, comprised of 330 Patriot Advanced Capability (PAC-3) missiles, 30 AH-64D Apache Longbow attack helicopters, and a variety of other munitions. China responded to this sale with predictable fury, canceling meetings between senior military officials of the two countries. Despite this backlash, President Obama followed suit two years later with a $6.4 billion arms package of his own, including 114 Patriot missiles worth $2.8 billion and 60 Black Hawk helicopters worth $3.1 billion. China once again retaliated by canceling military exchange programs that had just been reinstated.

Although agreeing to sell Taiwan many advanced weapons, the Obama administration chose not to sell it the more advanced, C/D variant of the F-16 fighter plane, despite pressure from the manufacturer and many in Congress to do so. Instead, it agreed to offer upgrade packages for its existing fleet of F-16A/Bs, an enterprise said to be worth $5.85 billion. In defending the upgrade, administration officials said it would provide Taiwan with a cheaper and faster option for enhancing its fighter fleet. But Taiwanese officials, Lockheed Martin (which acquired the F-16 assembly line from General Dynamics in 1993), and many in Congress continued to lobby for the sale of the C/D version, and in August 2019 the Trump administration authorized the sale of 66 F-16C/Ds to Taiwan for approximately $8 billion, making this the costliest U.S. sale to the island ever. This followed on the heels of a $2 billion arms package announced two months earlier, consisting principally of 108 M1A2 Abrams tanks – the most advanced in the U.S. arsenal.

In what was described as a stepped-up U.S. effort to support the Taiwanese government, the Trump administration continued to shower the island with advanced arms in 2020. Total sales announced by the administration in that year amounted to $5.8 billion, and included Harpoon anti-ship missiles, MQ-9B drones, artillery rocket systems, and, especially noteworthy, AGM-84H Standoff Land Attack Missiles Expanded Response (SLAM-ER) – air-delivered missiles that would allow Taiwanese fighters to strike targets on the Chinese mainland from “standoff” ranges beyond the reach of Chinese air defenses. In announcing the SLAM-ER sale, the Pentagon’s Defense Security Cooperation Agency stated that it was “consistent with U.S. law and policy as expressed in Public Law 96-8,” the Taiwan Relations Act, although it in no way constituted a weapon intended to ensure a “sufficient self-defense capability,” as authorized under that statute.

**Assessment**

Since the passage of the Taiwan Relations Act in 1979, the United States has provided Taiwan with large quantities of increasingly sophisticated weapons, in clear defiance of the pledge made to Beijing under the Arms Sales Communiqué of August 1982. These sales have largely been justified on the grounds that Taiwan needs to bolster its self-defense capabilities in response to the growing might of China’s military, the People’s Liberation Army (PLA). It has long been understood, however, that Taiwan will never be able to resist a full onslaught by the PLA, given its weakness in wealth and numbers when compared to mainland China. Its defense against
invasion largely rests on the assumption – never stated explicitly – that the United States will come to its aid in the event of a Chinese assault. What this has meant in practice is that U.S. officials expect Taiwan to mount a “credible” defense – enough to hold off a Chinese invasion for a few days or a week – until the United States comes to its rescue, but without any expectation of successfully resisting such an assault without U.S. intervention.[21]

As reasonable as this proposition might sound, it is fundamentally unsound and unsustainable. Given China’s increasing wealth and power, Taiwan will never be able to keep pace with the PLA’s growing military might and so must devote an ever-increasing share of its GDP to arms purchases merely to mount a “credible” defense – something the Legislative Yuan has consistently refused to do. Indeed, Taiwan’s defense budget has barely risen over the years, from $9 billion in 1991 to $11 billion in 2018, while China’s defense budget soared from an estimated $6 billion to $168 billion over that period.[22] As demonstrated by the International Institute of Strategic Studies in its annual roster of both state’s arms capabilities, China has used these ever-increasing defense expenditures to acquire a wide range of modern ships, aircraft, and missiles, many of which could be used in an invasion of Taiwan. There is no way that increased arms sales from the United States can overcome China’s military advantage in this regard, and any attempt to do so would prove increasingly costly for the Taiwanese people.

Ultimately, China’s reluctance to invade Taiwan rests not on the island’s self-defense capability but rather (a) its fear of international condemnation should it do so; (b) the likelihood that the Taiwanese people, once conquered, would resist Chinese occupation in a very public and embarrassing fashion (with repercussions for the mainland); and (c) the risk of U.S. intervention. None of these are affected by the scale and sophistication of U.S. arms sales to Taiwan.

**Recommendations**

Clearly, the issue of U.S. arms sales to Taiwan is subsumed in the larger problem of U.S.-China-Taiwan relations. Until the status of Taiwan is resolved in a manner satisfactory to the people of both the island and the mainland, there will be continuing cross-strait tensions and the risk of war – a war that could easily involve the United States and provoke a major conflict, even a nuclear conflict. The ultimate solution to the arms sales issue, then, is the peaceful resolution of the long-standing dispute over Taiwan’s status. The United States can help facilitate such a process, but it cannot play a central role – that can only be performed by the leaders of China and Taiwan. As this process unfolds, however, the risk of a war between the U.S. and China over Taiwan will remain significant, and so Washington and Beijing should do all they can, via direct negotiations, to reduce that risk.

When and if the U.S. and China undertake negotiations aimed at reducing tensions over Taiwan, U.S. arms sales to the island can be part of the agenda. As excessive U.S. sales to Taiwan have long been viewed by China as a violation of U.S. assurances to Beijing under the 1982 Communiqué and as a divisive issue in Sino-American relations generally, the United States could offer a reduction or freeze in sales to Taiwan in return for comparable measures on the Chinese side, such as a reduction in China’s deployment of ballistic missiles aimed at Taiwan. In fact, then Chinese supreme leader Jiang Zemin is said to have made such an offer in 2002.[23]
Alternatively, the U.S. could offer to freeze such sales in return for a freeze on incursions by Chinese military ships and planes into air and maritime territory claimed by Taiwan – incursions which have increased significantly in recent years.

In the absence of such negotiations, and until such time as Taiwan and the PRC reach a peaceful resolution to the island’s status, prospective U.S. arms sales to Taiwan should be viewed with pronounced skepticism, with the understanding that no such transfers can provide the island with a truly effective defense against Chinese invasion. Consistent with the August 1982 U.S.-China Joint Communiqué, only those sales that are needed for the upkeep of weapons already delivered or to sustain a modest, low-tech homeland defense corps should be authorized. Weapons that could be used to attack the Chinese mainland or coastal facilities, such as the AGM-84H SLAM-ER, should be strictly prohibited.

References:

3. For ibid for background on the arguments used over time to justify U.S. arms sales to Taiwan.
12. ACA, “U.S. Conventional Arms Sales to Taiwan 1980-2010.”
13. For a complete list of U.S. arms sales to Taiwan between 1990 and 2011, see Kan, *Taiwan: Major U.S. Arms Sales Since 1990*, Table 2, pp. 56-59.