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The reciprocal relationship between the United States and the People's Republic of China regarding Taiwan and arms sales

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by

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Introduction

The historic visit of U.S. President Richard Milhous Nixon to the People's Republic of China in 1972 solidified a growing diplomatic position in the context of a possible Sino-Soviet split. This visit was a monumental accomplishment in terms of establishing American diplomatic relations with mainland China. At the end of the visit the two governments issued a unique foreign policy document named the Shanghai Communiqué. Within the document the two governments discussed various topics, most importantly the Taiwan Question.

Within the Shanghai Communiqué both governments acknowledged and reviewed their "long-standing and serious disputes" (US-PRC, 1972). The Taiwan Question was outlined as the most "crucial question obstructing the normalization of relations" between the two countries" (US-PRC, 1972). The policy decisions outlined within the Shanghai Communiqué are laid out in Table 1.

Since this declaration, China has longed for a concise and resolute conclusion to the Taiwan Question. The American government has stated in numerous publications that a resolution to the Question is necessary but must be conducted peacefully. While in pursuit of a peaceful answer to the Taiwan Question, the United States has shown that it will stand by its Taiwanese ally and act in its defense. The Chinese government views America's support of Taiwan as an infringement on its sovereignty due to the territorial claims placed on Taiwan and has over time vehemently protested continued American support.

The American-Chinese relationship has been one of careful, strategic, exasperating maneuvers. These two governments' foreign policy efforts and the resulting relationship are similar to a playground. Both governments act like school children teasing each other with

pokes and prods for the whole school (international community) to see. But within this "game" of reciprocal poking there are nearly 2 billion people, countless nuclear weapons, and vast armies. The best description of the US-Chinese relationship in regards to the Taiwan Question is "tit-for-tat."

Literature Review

The U.S.-Taiwan-China trilateral relationship initially formed during the 1950s. In 1954-1955 the American government and the Taiwanese government (the Republic of China (ROC)), solidified their relationship with the Sino-American Mutual Defense Treaty following the First Taiwan Strait Crisis. This treaty was developed with a Cold War mindset and called for collective defense in East Asia to preserve the peace against "communist subversive activities" (Taiwan and America, 1954). This treaty stood unchanged until 1978, when the US activated Article 10 of the treaty.

Article 10 stipulated the treaty could be terminated with a one-year notice from either party. In 1979, the United States withdrew from the Sino-American Mutual Defense Treaty and moved its formal relations more in line with the international community. On January 1, 1979, the United States joined the People's Republic of China (PRC) in the publication known as the Joint Communiqué on the Establishment of Diplomatic Relations. This communiqué effectively transferred diplomatic relations between the American and Chinese people from Taipei, Taiwan (ROC) to Beijing, China (PRC).

Following the 1979 Joint Communiqué and the official declaration of formalized relations, there were two major unresolved issues that hampered efforts to build a relationship between the two countries. The first sticking point between the American government and the PRC was the American policy of arming the Taiwanese government. Throughout the process of establishing formalized relations, the issue of arms sales to Taiwan had not been resolved (US-China, 1982). Additionally, by April of 1979, the US

Congress sought the preservation of the American government's relationship with Taiwan (ROC).

To preserve the U.S.-Taiwan relationship, the United States Congress passed the Taiwan Relations Act (TRA). Its intended purpose was to preserve a strong relationship with a vital Asian ally. The TRA reiterated the American policy regarding the defense of Taiwan as stipulated within the Mutual Defense Treaty. The Taiwan Relations Act also recognized the formalized relationship between the U.S. and China (PRC) following the Joint Communiqué. However, the Act established "informal" relations with Taiwan via the Taiwan Institute. The Taiwan Institute was intended to provide (as it still does) the Taiwanese government with de facto diplomatic relations with the United States. This American action seemingly acted strongly against the Diplomatic Relations Communiqué produced four months earlier.

Three years elapsed, and the Chinese and American governments followed their predecessors' footsteps and met to develop a third joint communiqué. The August 17 Communiqué of 1982 is the modern capstone for the U.S.-Taiwan-Chinese relationship regarding arms sales to Taiwan. As is common for diplomatic messages, both governments provide grandiose proclamations supporting previous joint diplomatic actions. Within this particular Communiqué, however, the U.S. government stated four important issues: it had no long-term intentions of selling arms to Taiwan, the arms sold would not exceed previous levels of arms sales in "either qualitative or in quantitative terms," the U.S. government would not increase the amount of arms sold to Taiwan, and the U.S. sought a peaceful resolution to the reunification process (U.S.-China, 1982). China provided one important

phrase: during the possible reunification process between mainland China and Taiwan, the PRC would "strive" for a peaceful solution but would not guarantee it (U.S.-China, 1982).

The August 17 Communiqué was celebrated by China and the United States, but it was extremely ambiguous. Both sides believed they came away from the conference with a victory. The Chinese government walked away feeling they had achieved a firm agreement in regards to state sovereignty and on a One-China policy (Kan, 2011). The United States government believed the agreed-upon terms were only applicable if the Chinese accepted a peaceful reunification policy (Kan, 2011).

Tit-For-Tat Overview

Tit-for-tat, or reciprocal actions, have been studied within many contexts, including business and international relations. The U.S.-China tit-for-tat relationship has played out for a substantial amount of time. A tit-for-tat relationship is one of actions taken and proportional retaliations to said behavior (Ward, 1990). Stated by another, "Any stimulus by one actor may be expected to bring about a proportionate response in kind from the other" (Richardson, 1981). Here, the definition I utilize is the *Oxford English Dictionary*'s definition of reciprocal; "expressing mutual action" (*Oxford English Dictionary,* 2012).

Reciprocal responses by nations are not always sector-determined. That is to say, a military stimulus can be met with economic or verbal retaliation (Pruitt, 1969). Reciprocal responses may not be achieved for a substantial set of time. To summarize Ward's research, "The literature does not clearly distringuish between short and long term conceptions of reciprocity" (Ward, 1990). Ward also concluded that reciprocity appears on an "expanded time scale" (Ward, 1990). That is to say, interactions tend to ebb and flow over time.

International Pariahs

The term "international pariah state" has been successfully congealed with the idea of a rogue state. The definitions of both are abstruse and defined differently depending on place, time, and author. Within this context an international pariah state is labeled the same as a rogue state and thus interchangeable. The definition of a pariah state can be defined as a "hostile or seemingly hostile Third World state with large military forces and nascent WMD capabilities" (Klare, 1995). Here, a rogue state acts outside of American interests and values within their specific region as well as the international system. The definition of "pariah states" essentially depends on the eye of the beholder, but includes human rights violations, lack of democratically-elected governments and democratic institutions, sponsoring terrorism, pursuing nuclear weapons, and being so isolated internationally that communication is done by multilateral talks.[1]

The reasoning behind selecting pariah states to investigate and not "adversaries" is due to the level of difficulty in accurately measuring the term "adversary." The term "adversary" has a duelist definition: either friendly rival or hated enemy. For example, during the U.S.-French dispute over NATO dominance in the late 1950s the French could be characterized as an adversary of the United States; when in reality they were allies engaged in a heated foreign policy dispute. The United States viewed the French as a friendly rival. During the same time period, the USSR was becoming an ever-increasing enemy. Both were adversaries but neither were pariahs. Defining the adversary concept would be a formidable obstacle and is beyond the scope of this essay.

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[1] For more information on multilateral talks reference 6-Party talks with North Korea, Iranian P-5 plus 1, etc.

Action-Reaction

I feel that the tit-for-tat game can be traced all the way back to President Harry Truman's commitment of the Seventh Fleet to the Taiwan Straits in June of 1950. The 1955 Formosa Resolution allowed President Truman to, "employ the Armed Forces of the United States to Protect Formosa, the Pescadores, and Related Positions and Territories of That Area" (US Congress, 1955). The congressional actions allowed the President to defend the island of Taiwan and "neutralize" the area (Tatum, 2002). At the time there was a great frenzy and fear of another Chinese civil war (Tatum, 2002). Beyond supporting the Taiwanese, this action of direct and overt intervention may have started this tit-for-tat relationship.

Jumping ahead 50 years, the game is still being played. This is expected because, "superpower interactions are comprised of many, many repeated plays of the same or similar games (Ward, 1990)." The Chinese government does not hesitate to act against American stimuli in multiple policy domains. A recent military response by the Chinese can be found in their decision to stalk an American battle group (Peck, 2006). A Chinese submarine stalked the USS Kitty Hawk and its battle group and surfaced within firing distance before being detected. The battle group at the time was in Southeast Asia along the coast of Okinawa, Japan.

The Chinese government also trumpets their stance against US-Taiwan arms sales by: publishing White Papers, allowing government officials to cause a publicized racket, and having government officials threaten sanctions against U.S. corporations that manufacture the weapons. A 2000 White Paper proclaims U.S.-Taiwan arms deals are: an infringement on their sovereignty, a threat to their national security, an imperilment of the possibility of

unification, as well as an endangerment of regional security (People's Republic of China (PRC), 2000).

Sovereignty Threat

Chinese claims of infringement of state sovereignty by the United States due to its support of Taiwan fall within internationally recognized norms of a state system that were accepted during the Treaty of Westphalia. The PRC claims the island of Taiwan as a province of the mainland according to its One China Policy. China feels strongly that U.S. intervention and the sale of arms to Taiwan are actions to support a secessionist movement. This overt action violates their state right to territorial integrity. The action also is a violation of the hallowed belief that a state's border shall not be altered by interventionist means. If Taiwan successfully secedes from the mainland due to American support, China's border will be drastically altered.

American policy makers have felt a One China Policy is acceptable only if conducted in a peaceful manner. The American policy stance relates to China's hesitance to accept peaceful measures to accomplish their reunification efforts. The U.S. decision to protect Taiwan during the First Taiwan Strait Crisis, subsequent interventions, and arms sales could be described in terms of violating state sovereignty.

Regional Flash Points

This issue of arms sales in the Asia-Pacific region is of great importance because of the growing focus of the American government on the Asia-Pacific region. "The future of politics will be decided in Asia" (Clinton, 2011). The Pacific and Asia currently hold U.S. interests economically, militarily, and socially. The U.S. is interested economically due to the vast market potential of the region and militarily because of the growing security risks in

Asia.[2] Additionally, America will continue to be drawn to the region because of our long-standing and prosperous relationships and alliances.

These long-standing relationships have caused the vision of the United States foreign policy establishment to be fixed on the Asia/Pacific region since the Korean War. Today, the South China Sea is a hot-button issue within the realm of foreign policy decision-making. Nearly all of the nations in the region have extensive land disputes. The Southeast Asia neighborhood consists of China, Cambodia, Japan, South Korea, North Korea, the Philippines, Vietnam, Malaysia, and Indonesia. All these countries, besides Cambodia and Indonesia, stake a claim to the Paracel Islands, the Spratly Islands, or both.[3] The Paracel Islands dispute rests with only China and Vietnam (Pham, 2010).[4] The Spratly Islands are disputed multilaterally by Brunei, Taiwan, Malaysia, China, the Philippines, and Vietnam (Pham, 2010).

The issue regarding these territorial disputes is founded in what is known as the "hydrocarbon factor" (Schofield, 2012). The South China Sea has been tagged as the next Saudi Arabia (Mogato, 2012). These disputes are exacerbated by the current occupation policies by most of these countries. The occupation of these islands has caused tense relations in the region for decades. Tensions have escalated in recent years following the discovery of untapped petroleum resources.

Currently, the Paracel Islands are occupied by China and the Spratly Islands are occupied by Vietnam, the Philippines, China, Taiwan, and Malaysia (Pham, 2010; USA

[2] Security risks include countries with unstable governments or pesky terrorist insurgencies: Philippines, North Korea, Myanmar, etc.

[3] The *CIA Factbook* does not acknowledge Indonesian or Cambodian claims to either of these island chains.

[4] The *CIA Factbook* states Taiwan also stakes claim to the Paracel Islands.

Central Intellignce Agency, 2012). Recently, Vietnam's Prime Minister, Nguyen Tan Dung, stated the occupation of the Paracel islands was done by military force during the end of the Vietnam War, which caused the Vietnamese on the island to flee Chinese repression (*The Philippine Star,* 2011). Each country's claims and disputes are based on historical arguments, international definitions, and a whole host of other issues.

Each country is trying to expand its boundaries as far into the South China Sea as possible. These claims are at times even beyond UNCLOS standards in hopes of establishing Exclusive Economic Zones (Beckman, 2010). The South China Sea has become a competitive marketplace for natural gas and petroleum. The countries located within the South China Sea neighborhood are labeled as emerging economies and are attempting to establish a sense of energy security to feed those economic demands (Schofield, 2012).[5] According to the 2010 U.S. Geological Survey (USGS), the South China Sea has the potential for 1400 Mb to 5000 Mb of petroleum to be extracted (USGS, 2010).

The occupational policies and the related tit-for-tat policies implemented by these countries are additional examples of potential flash points in the region.[6] Due to this increasingly unstable environment so close to Taiwan, there is American concern about events in the region. Additionally, any series of actions or stimuli could cause the U.S.-China-Taiwan reciprocal actions to spiral out of control into uncivil territory (Pearson, 1999).

The threat of instability is compounded due to the increased military expenditures of those in the region. Between 1979 and 1989, the combined Gross National Product (GNP) of

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[5] It should be mentioned that the available data for total reserves within the South China Sea are chaotic at best.
[6] In recent years there have been a series of ship seizures in the South China Sea due to territorial infringement claims.

China, Japan, Indonesia, Malaysia, Singapore, Taiwan, and others in the region increased by 166 percent (Klare, 1993). The funds necessary for dramatic increases in military expenditures can be linked to the South China Sea's economic growth (Klare, 1993). During the same time period the military expenditures for those listed above increased by $20 billion (U.S. Arms Control and Disarmament Agency, 1991). Additionally, the North Koreans and South Koreans have recently engaged in tit-for-tat exchanges that compound the potential for regional flashpoints.

Foreign Policy

Why does China continue to pursue this tit-for-tat policy in regards to the United States? The answer lies in the domestic policy rhetoric of both countries. According to David Shambaugh, China has an international identity crisis. Those in a position to affect the government's policy directions and decisions do not have a shared identity but belong to different schools, or "tendencies" (Shambaugh, 2011). Shambaugh outlines seven schools of thought that are active in policy discussions within China: Nativist, Realist, Major Powers, Asia First, Global South, Selective Multilateralism, and Globalism. He indicates the Realist school is the most dominant and centerpiece for policy decisions, but a large, growing, and vocal population of Nativists must be catered to as well.

Chinese Nativists are nationalistic voices that cater to the growing xenophobic sentiments within the country. This school's philosophical cornerstones are distrust, sovereignty, and isolation. Nativists also hold strong ties to Marxism and feel the recent "open door policy" in regards to China has eroded traditional teachings. They also hold a strong proclivity toward anti-Americanism and distrust of the international system.

Within the essay, Shambaugh distinguishes between the offensive and defensive sects of Chinese realism. Chinese Realists generally "take the nation-state as their core unite of analysis, uphold the principle of state sovereignty above all else, and reject arguments that transnational issues penetrate across borders" (Shambaugh, 2011). Offensive Realists within China follow the landscape drawn out by Mearsheimer's 2001 account, wherein the international system is chaotic, and consequently states act in a primal nature to ensure their survival, should possess military capabilities, and should use said capabilities to pursue security. Chinese Defensive Realists want a strong military but feel it should be used as a deterrent (Shambaugh, 2011). This policy adherence does fall in line with the universal umbrella theory of defensive realism outlined by Jervis (1978).

American realists generally hold the same if not extremely similar views on the international system. U.S. policymakers similarly feel public pressure to answer calls for action. Recently, policymakers have called for action due to alleged unfair trade practices by China within the solar energy sector (Hoffman, 2012). Shambaugh issues a warning to those American policymakers who want to fight China fire with U.S. fire: "A realist U.S. response will only contribute to an inexorable action-reaction cycle" (Shambaugh, 2011).

China's dominant policy analysts, the Nativists and Realist schools, are obsessed with power and security concerns. American analysts are equally concerned with similar issues. Since both countries are ratcheting up their focus on security concerns there may be an increase in strategic competitiveness that hovers around the numerous flashpoints discussed earlier. "Escalating strategic competition could emerge quite unpredictably" and is thus extremely dangerous (Commonwealth of Australia, 2009). Due to this unpredictability, "uncertainty about intentions is unavoidable, which means that states can never be sure that

other states do not have offensive intentions to go along with their offensive capabilities"
(Mearsheimer, 2001).

 This uncertainty can cause a security dilemma between two states. A security dilemma occurs when two or more states are in conflict with each other and are simultaneously attempting to increase their own security. While one state increases its security the other(s) will feel as though the action is threatening, thus leading the threatened state(s) to engage activities leading to perceived security increases. This can develop into an action-reaction cycle of ratcheting up security actions that can lead to war.

Theory

The Chinese government could respond in any number of ways to U.S. arms sales to

Taiwan, including economic, military, or social actions. China potentially could:

- Pressure North Korea into action against South Korea

- Pressure North Korea into actively violating sanctions

- Increase the price of the precious metal tungsten

- Narrowly focus on military actions

- Violently crack down on democratic or Tibetan dissidents

- Sell arms to pariah states

The following is a discussion of these policy options.

In response to U.S.-Taiwan arms sales China could pressure North Korea into some

level of action against South Korea such as shelling islands, sinking navy vessels, testing

nuclear weapons, or launching test missiles.[7] Pressuring North Korea to poke and prod at the

South would move American attention away from Taiwan but could cause an international

incident into which China could be drawn.

China has been North Korea's greatest supporter in terms of food and fuel since the

Korean War. China is interested in stability and border security, and pressuring North Korea

to provoke South Korean could cause the outbreak of war. A South Korean response to a

Northern provocation may be opportune because the North is in the beginning stages of a

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[7] Recently, the North has been accused of sinking a South Korean Navy ship as well as launching an artillery barrage on a South Korean controlled island. They have also tested a string of ballistic missiles.

power transition following Kim Jung-Il's death. If the South reacted militarily, China could be dealing with a refugee problem in Manchuria as well as a collapsed government as its neighbor. The international community as well as America will look harshly on China for either causing or failing to prevent war.

The North Korean regime has been subject to sanctions by the international community regarding numerous issues including nuclear testing, arms sales, etc. The North is also sanctioned unilaterally by the United States and others.[8] China could pressure the North in an attempt to violate international and unilateral sanctions as a response. If China successfully pressured the North without the U.S. or the international community's knowledge, China would be called upon to assist the international community wrangle the North Koreans through conferences such as the 6-party talks.

If the North begins to stockpile nuclear weapons China would lose its position as the only nuclear power in the region. China's government definitely does not want a strong nuclear presence in the North because they would have to make room at the head of the table for North Korea for regional decision-making. China's policy of non-intervention in the internal affairs of another country could be threatened if they are seen meddling with a sovereign country (Lewis, 2010). This would draw even more attention toward China because of their long and harsh opposition to such actions and would raise questions about their stance on Taiwan.

China's resource base is massive and has allowed the country to be relatively self-sufficient in terms of raw materials. China has access to the world largest minable reserves of

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[8] For a complete list of unilateral sanctions regarding North Korea on the part of the United States, the U.S. Department of the Treasury compiles and updates a list. The lists can be found on this website: http://www.state.gov

the valuable metal tungsten. Currently, China produces about 85% of the world's tungsten materials (Saefong, 2006). This material is a strategic necessity for two reasons:

- Usage within the economy

- Usage in the military

Tungsten is used by every industrialized economy in nearly ever sector for hard-metal applications, light bulbs, tools, dies, armor-piercing bullets, etc. If the U.S. were cut off from, or experienced drastic increases to the price of, tungsten, there would be drastic ramifications (Lifton, 2006).

China would be hard-pressed to increase the price of tungsten so greatly that it could be used as a tactic against Taiwan arms sales. Commodities in the past have been used as diplomatic leverage, such as the Oil Embargo of 1973. Tungsten, however, is utilized by so many industrialized countries that this policy would not only threaten America but also would provide a challenge to China's relationships with other world economic powers. China lacks petroleum and uranium resources, and increasing the price of tungsten could cause a ripple effect that could haunt them.

As a response to U.S.-Taiwan arms sales, China may chose to focus narrowly on military actions. China's military is the world's largest, with 2.8 million in uniform (CNN World News, 1999). In recent decades the PRC has allocated resources to modernize the military with retrofitted aircraft carriers and newly-developed stealth technology. To continue to overhaul the military the PRC must increase its expenditures. According to a new report, the Chinese military will spend over $100 billion for the first time in 2012 (Richburg, 2012). However, China's military is still largely old and outdated.

In 2006, China almost caused an international incident when a PRC submarine stalked the USS Kitty Hawk and its battle group. The United States' military size is far from the 2.8 million-strong Chinese military, but what it lacks in size it makes up for in technology and operational capacity. The likelihood of a military engagement will increase exponentially each time the two militaries cross paths.

China also could elect to crack down violently on domestic dissidents similar to recent actions taken on human rights lawyers, Tibetans, and other anti-government protesters. The crackdown would be a show of strength and government control against alleged subversive activities, but this decision would demonstrate continued violent tendencies by the central government. These crackdowns could be counterproductive and reinforce the U.S.-Taiwan relationship because of American policy favoring peaceful resolutions to conflict.

I feel China responds to American arms sales to Taiwan with in-kind arms sales to pariah states for a number of reasons:

- Solidify their stance as a dominant world power

- Build international relationships

- Counter America's global influence

- Stimulate its domestic arms industry

The world's greatest international players are also some of the world's largest exporters of military hardware. The top twenty weapons manufacturers by country are outlined in Table 2 (SIPRI, 2012). For a country like China not to host a perennial arms manufacturer illustrates the need to increase sales to join this world powers club.

China, like other nations, uses arms sales to establish and/or maintain relationships with recipient governments. Creating and maintaining a healthy relationship with people

relies on accommodations, needs, and desires. The same characteristics are looked upon for building relations between countries and governmental leadership. One of the services China offers to build relationships with resource-abundant nations is to provide them with opportunities to purchase arms. This is advantageous for the People's Republic of China to open its doors to nations looking for arms.

America's global influence has been dominant for decades. Militarily the United States has the largest defense budget of any country in the world and has been referred to as simply "impressive" (Nye, 2011). For decades the U.S. has spent between $500 billion and $700 billion on defense budgets alone (*The Economist,* 2011; Cloud, 2012). The U.S. also spends between $21 and $28 billion on foreign aid assistance per year (Wroughton, 2010). Recently, however, both budgets have been slashed due to Congressional "efforts" to decrease the US budget deficit.

U.S. foreign aid may be decreasing in the short term. If assistance is cut it is not mathematically possible for all of the bases (interests) to be covered with fewer resources on hand. Some countries may lose resources or have them cut completely. China is not oblivious to America's situation; it sees an opportunity to gain influence where gaps open. China can use arms sales to bolster its global stance and to open doors previously closed to them.

For the last three to four decades the Chinese government has pursued economic advancement, and riding on these coattails has allowed the military to prosper. The People's Liberation Army (PLA) has taken advantage of this policy. Today, the PLA is essentially a commercial conglomerate with close ties to international corporations like Huawei Technologies (Gertz, 2011; USCC Research, 2011). They have become not only a formidable military but also a savvy business operation. The PLA has invested in arms

manufacturing, pharmaceuticals, transportation, food production, and other lucrative business operations intended to expand their financial capabilities including the selling of arms (Bickford, 1994). Utilizing the PLA to sell arms in response to Taiwan arms purchases from the United States would not only bring positive political windfalls domestically but also increase the resources flow to Norinco and other Chinese arms manufacturers.

These policy options would cause American decision-makers to train their eye away from Taiwan, but these actions would not follow in the traditional footsteps of PRC self-assurance. The reciprocal responses outlined above would cause negative or even negligible results. China's reaction to the American government selling arms to Taiwan must have the least amount of residual effects and the most positive outcomes. The only policy response that fits these characteristics is to sell arms to international pariah states.

Hypothesis

Arms sales by the U.S. government to the Taiwanese government will cause a reciprocal response, in terms of arms sales, from the Chinese government to an international pariah state.

Methodology

Results

In terms of the hypothesis, both the U.S. and Chinese governments support nations considered pariahs by the international system. From China's viewpoint, Taiwan is an international pariah propped up by the United States. However, Taiwan falls closely in line with American interests regionally and values domestically. Additionally, the international community could consider the Israeli government as a pariah state for a number of reasons: nuclear ambitions, alleged terrorism/assassinations, and human rights violations in regards to the Palestinian people. The Israeli government however, is of regional, domestic, and moral importance for the U.S. For this essay, Taiwan and Israel are not considered pariahs because both nations hold interests and values that are closely aligned with American foreign policy.

From the United States perspective, the North Korean government is a pariah and is supported by the PRC.[9] The North Korean government is a repressive, brutal, and totalitarian regime that allows few human or political rights. U.S. interest lies with a non-nuclear Korean peninsula, and the North balks at this notion. Thus, North Korea is considered a pariah state because their policies are not aligned with American interests. Along with North Korea, the governments of Syria, Libya, Iran, Iraq, Cuba, Sudan, and Myanmar are considered international pariah states here.[10]

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[9] Utilizing the same US Department of State resources I could not find an exact number of countries that have official diplomatic relations with North Korea but the number is assumed to be relatively low.

[10] North Korea and Cuba were investigated at all levels of my research but no data was available and were subsequently not included in any statistical outputs.

Initially, I wanted my data to stretch as far back as 1982-1983. As you recall this was the time period following the August 17 Communiqué. However, the data I came across were strictly limited to a timeline from 1989-1991 until 2008. Thus, my most prominent data is in line with the fall of the Soviet Union until 2008.

I utilized one of the Stockholm International Peace Research Institute's (SIPRI) databases to accumulate data on international arms sales. Through this particular database I was able to extract arms sales information by supplier nations and specified recipient nations. This search application allowed me to select China and the United States as supplier countries. As for the recipient countries I selected those pariah nations listed earlier with the addition of Taiwan. With these data I was able to calculate the total amount of arms sold by each supplier country per year to all recipient states indicated above.

I felt Gross Domestic Product (GDP) and military expenditures would be the best control variables given the topic of this research. I used a SIPRI database for data on military expenditures by percentage of GDP for each recipient country. I then gathered the GDP, listed in billions of U.S. dollars, for each recipient country from an International Monetary Fund (IMF) database. With these two pieces of information I calculated a weighted average. This weighted average data gave me an estimate of the amount of money, in U.S. dollars, that was available to be spent on arms purchases in any given year by pariah states.

I also gathered information for a placebo test. I decided comparing my hypothesis to another plausible situation would be beneficial. To conduct this test I gathered Russian arms sales totals to pariah states. I used the same list of pariah states and the same databases to switch the Russian government with the PRC as the responding government to U.S.-Taiwan

arms sales. For this placebo test and all other comparisons I used an ordinary least squares regression.

The first statistical framework produced was an attempt to test my null hypothesis. To investigate this I regressed total Chinese arms sales to international pariah states on total American arms sales to Taiwan between 1988 and 2008. The control variables were year of purchase and the weighted average variable discussed above. The statistical output is shown in Table 3.

This regression model is statistically significance due to the F statistic (p=0.009). The adjusted R-square (0.374) is an acceptable outcome but is not magnificent. However, the prediction variables (U.S. arms sales, Weighed Average, and Year) are not statistically significant. The statistical explanation for this outcome may be caused by multicollinearity. I feel the relationship between the data and the Year variable may be strong enough to produce this outcome. The perfect solution for multicollinearity is to obtain more data. If I was able to obtain data for Cuba and Iraq between 1988 and 2003 this problem may disappear. Obtaining more data may be perfect to solving this problem but it is also the most difficult to achieve. To predict this model more accurately in the future I may want to use variables that showcased the domestic environment of Taiwan and mainland China.

In an attempt to overcome this sluggish data I needed to reevaluate the data I was including. I felt the weighted average was an acceptable control variable given the research topic, which led me to the countries I included in the analysis labeled as rogue states. I felt there had to be other governments that I could include. The list of countries I could analyze was limited, but potentially also could include Eritrea, Equatorial Guinea, Zimbabwe, and Venezuela. However, American foreign policy has always tended to act as if Sub-Saharan

Africa or any African country not touching the Mediterranean Sea was of little interest. Thus, including Eritrea and the like would not be useful to testing my null hypothesis. Furthermore, I felt adding Venezuela would be valuable since it is a pariah state in the eyes of the United States and does not act in alignment with American foreign policy goals in the Americas or internationally.

The regression I conducted kept all things constant besides adding Venezuelan data into each variable (Table 4). Adding Venezuela had adverse effects when compared to my initial analysis. My F statistic increased dramatically from $p=0.009$ to $p=0.043$. The adjusted R-squared from this regression dropped from 0.374 to 0.249.

Due to the lack of statistical or substantive significance of my data I felt it was necessary to rerun the regression again without Iraqi or Venezuelan data points. The Iraqi data I utilized in Table 3 and Table 4 were limited. The data collected were from the end of the Ba'athist regime to the current transition period (following American troop withdrawal). These data and the time period it represented were questionable in regards to Iraq's status as a rogue state. Thus, I removed Iraqi data points from all variables. The statistical results from this regression can be found in Table 5. Removing the Iraqi data improved my coefficients and adjusted r-squared slightly but did not increase the data near statistically significance levels. Removing Iraq and Venezuela did benefit my analysis but the results were weak at best. With the results collected from these three statistical analyses I reject my null hypothesis.

I wanted to conduct another test, essentially a placebo test, intended to investigate the results of another plausible response to U.S.-Taiwan arms sales. I selected the Russian government for this test as the responding actor. I collected the same data and replaced the

PRC with the Russian Federation. The hypothesis for this test is an increase in U.S.-Taiwan arms sales with result in a reciprocal response from Russian in terms of total arms sales to international pariahs. I used the same pariah data and weighted average for this comparison as my initial null hypothesis. The results can be found in Table 6. The results from this analysis were expected. I did not think the Russian government would respond to U.S.-Taiwan arms sales.

Conclusion

The data I collected have a series of limitations. First and foremost the data set has a low number of observations (n=22), which limits the reliability of my results. Second, my scope is narrowly fixated on government-to-government arms sales totals. If I were to categorize or weight each specific type of arms sales the results may be profoundly altered. For example, if America sells Taiwan naval vessels there may be a correlation between China selling naval vessels to pariah states. I also used an American lens to view the world to define who are categorized as a pariah state. Additionally, there may be other indicators that influence arms sales between countries that I did not account for such as diplomatic history, bilateral or multilateral economic ties, and the amount or type of international political unrest. However, given my theory ignoring these variables was acceptable. This study is also limited due to its analysis of overt state-to-state arms sales to pariah states, which results in a relatively low number of observations. If these factors were calculated and accounted for the results may be definitively different.

The U.S.-Taiwan-China relationship has a storied history dating back generations. I discussed at length this history including the three communiqués, the Taiwan Relations Act, and the First Taiwan Strait Crisis. I also laid out alternative policy options the Chinese government could use as responses to U.S.-Taiwan arms sales. Additionally, I provided my theories regarding these options and why they are insufficient responses. I felt U.S.-Taiwan arms sales resulted in the Chinese government selling arms to international pariah states. According to my statistical analysis regarding this reciprocal relationship I failed to reject my null hypothesis.

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Tables

Table 1. Policy decisions outlined within the Shanghai Communiqué.

Table 1	
China's Stance	America's Stance
The PRC is the sole legal government of China	There is only one China
Taiwan is a province of China	Taiwan is part of China
The Liberation of Taiwan is China's internal affair	Taiwan Question concluded peacefully
No other country has the right to interfere in China's internal affairs	A peaceful resolution done by the Chinese people
There will be no Two China's Policy	

Table 2. The top twenty weapons manufacturers separated by country.

Table 2	
Country	Number of Manufacturers
American	13
British	2
French	2
Russian	1
Itialian	1
European	1
Total	20

Table 3. Total Chinese arms sales to international pariah states compared to total American

arms sales to Taiwan.

Table 3						
Source	SS	df	MS		n = 22	
Model	42.046	3	14.015		Prob > F	0.009
Residual	48.624	18	2.701		R-squared	0.464
					Adj R-squared	0.374
Total	90.67	21	4.318		Root MSE	1.644
Total China Sales	Coef.		Std. Err.	t	(95% Conf.	Interval)
Total USA Sales	0.059		0.176	0.34	-0.309	0.428
Standard Weight	-0.292		1.494	-0.2	-3.431	2.846
Year	-0.245		0.14	-1.75	-0.539	0.05
_cons	493.014		283.994	1.74	-103.635	1089.663

Table 4. Adding Venezuela data to the regression as a new pariah state.

Table 4						
Source	SS	df	MS		n = 22	
Model	24.69	3	8.23		Prob > F	0.043
Residual	44.607	18	2.478		R-squared	0.356
					Adj R-squared	0.249
Total	69.296	21	3.3		Root MSE	1.574
China Sales Plus Venezuela	Coef.		Std. Err.	t	(95% Conf.	Interval)
Total USA Sales	-0.063		0.169	-0.37	-0.419	0.293
Weight including Venezuela	0.238		1.374	0.17	-2.648	3.124
Year	-0.146		0.113	-1.29	-0.382	0.091
_cons	294.453		228.184	1.29	-184.945	773.85

Table 5. Table 3 regression with Iraqi data removed.

Table 5						
Source	SS	df	MS		n = 22	
Model	42.616	3	14.205		Prob > F	0.009
Residual	48.419	18	2.69		R-squared	0.468
					Adj R-squared	0.38
Total	91.035	21	4.335		Root MSE	1.64
China No Iraq	Coef.		Std. Err.	t	(95% Conf.	Interval)
Total USA Sales	0.06		0.175	0.34	-0.308	0.428
Weight Excluding Iraq	-0.325		1.257	-0.26	-2.966	2.316
Year	-0.253		0.137	-1.85	-0.54	0.034
_cons	509.749		276.182	1.85	-70.489	1089.986

Table 6. Placebo test, where Russian arms sales replace Chinese arms sales for comparison to

U.S.-Taiwan arms sales.

Table 6						
Source	SS	df	MS		n = 22	
Model	62.057	3	20.686		Prob > F	0.014
Residual	80.338	18	4.463		R-squared	0.436
					Adj R-squared	0.342
Total	142.395	21	6.781		Root MSE	2.113
Total Russian Sales	Coef.		Std. Err.	t	(95% Conf.	Interval)
Total USA Sales	-0.109		0.226	-0.48	-0.583	0.365
Standard Weight	2.736		1.92	1.43	-1.298	6.77
Year	0.483		0.18	2.68	0.104	0.861
_cons	-968.856		365.044	-2.65	-1735.785	-201.928

Appendix

Tables and Figures

Figure 1. Total arms sales by country separated by year.

Year	USA Sales Total	China Sales Total	Russia Sales total	China Sales Plus Venezuela	Russia sales Plus Venezuela
1979	0	0	308	0	308
1980	120	0	0	0	0
1983	170	0	0	0	0
1986	27	0	0	0	0
1987	12	0	0	0	0
1988	0	136	0	136	0
1989	264	423	0	423	0
1990	314	324	0	324	0
1991	184	165	151	165	151
1992	159	397	0	397	0
1993	22	397	18	397	18
1994	796	58	4	58	4
1995	638	11	7	11	29
1996	196	6	5	6	6
1997	797	12	0	12	0
1998	3487	296	3005	296	3005
1999	1005	0	18	0	18
2000	242	9	228	9	228
2001	25	48	120	48	120
2002	231	17	12	17	12
2003	831	10	46	10	46
2004	186	12	562	12	562
2005	66	50	1101	2008	1106
2006	0	0	754	2013	2673
2007	650	0	290	2007	290
2008	454	0	2	2029	4790
2009	1214	50	191	2009	3161
2010	1104	0	521	2110	2134
2011	180	0	36	2019	2019

Figure 2. Recipient country weighted average of Gross Domestic Product (GDP) and military

expenditures by percentage of GDP.

Year	Standard Weighted Average	Standard Weighted No Iraq	All Pariah Weighted Plus Venezuela	All Pariah Weighted No Iraq
1979	-	-	-	-
1980	-	-	-	-
1983	-	-	-	-
1986	-	-	-	-
1987	-	-	-	-
1988	3.56	3.56	2.91	2.91
1989	3.53	3.53	3.08	3.08
1990	3.70	3.70	3.19	3.19
1991	3.52	3.52	3.28	3.28
1992	3.30	3.30	3.07	3.07
1993	3.62	3.62	3.40	3.40
1994	3.78	3.78	3.49	3.49
1995	3.18	3.18	2.92	2.92
1996	2.85	2.85	2.61	2.61
1997	3.25	3.25	3.03	3.03
1998	3.29	3.29	3.00	3.00
1999	2.98	2.98	2.71	2.71
2000	2.88	2.88	2.62	2.62
2001	2.97	2.97	2.69	2.69
2002	2.38	2.38	2.19	2.19
2003	2.72	2.72	2.31	2.31
2004	2.54	2.46	2.35	2.37
2005	2.54	2.42	2.34	2.33
2006	2.45	2.29	2.29	2.27
2007	2.09	1.91	1.94	1.89
2008	2.13	1.70	1.97	1.74
2009	1.46	1.12	1.42	1.22
2010	0.00	0.00	0.00	0.00
2011	0.00	0.00	0.00	0.00

Figure 3. Arms sales separated by year and supplier nation showcasing Iraq data.

Year	China Pariah Sales Total minus Iraq	Russia Pariah Sales Total Minus Iraq	China all Recipients minus Iraq	Russian all Recipients minus Iraq
1979	0	308	0	308
1980	0	0	0	0
1983	0	0	0	0
1986	0	0	0	0
1987	0	0	0	0
1988	136	0	136	0
1989	423	0	423	0
1990	324	0	324	0
1991	165	151	165	151
1992	397	0	397	0
1993	397	18	397	18
1994	58	4	58	4
1995	11	29	11	29
1996	6	6	6	6
1997	12	0	12	0
1998	296	3005	296	3005
1999	0	18	0	18
2000	9	228	9	228
2001	48	120	48	120
2002	12	12	12	12
2003	10	46	10	46
2004	12	562	12	562
2005	50	1096	53	1101
2006	0	749	7	662
2007	0	285	0	285
2008	0	2	21	2782
2009	50	191	50	1202
2010	0	521	100	124
2011	0	36	8	8

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