

Congressional Caucus Adopts Taiwan

by William Jones

The creation of the “Taiwan Caucus” in the U.S. Congress on April 9, on the anniversary of the passage of the Taiwan Relations Act, is only one of several steps in the last few months aimed at provoking a confrontation with the People’s Republic of China (P.R.C.) over the most sensitive issue in U.S.-China relations—the status of Taiwan. The caucus, now with 85 members, is to serve as an “official channel for legislators from both the United States and Taiwan.” Its real purpose, in the words of China-basher Rep. Dana Rohrabacher (R-Calif.), one of the leading forces behind the caucus, is to send a message “to those dictators who control the mainland . . . keep your bloody hands off Taiwan!” In fact, a good number of the U.S. proponents of “Taiwan independence” may be on the take.

In the wake of the furor created by the unprecedented meeting of Deputy Defense Secretary Paul Wolfowitz with Taiwan Defense Minister Tang Yiau-ming in early March, reports in the Taiwan and Hong Kong press indicate that a secret \$100 million fund was established by the Republic of China’s former President Lee Teng-hui to buy influence among foreign governments, institutions, and individuals, first and foremost in the United States.

According to the reports, the fund operated from 1994 until 2000 under the National Security Bureau, Taiwan’s main intelligence agency, without legislative oversight. The disappearance of one of the fund’s senior accountants, Col. Liu Kuan-chun, who allegedly embezzled \$5.5 million, led Taiwan’s President Chen Shui-bian to close down the account. While it had been set up by his predecessor, the current President, who is the leader of the Democratic Progressive Party (DPP), which promotes Taiwan independence, has been the account’s chief beneficiary. Although coming into office as a minority President, he has toned down his party’s independence rhetoric. But such restraint has not been observed by his U.S. backers at the Heritage Foundation and the American Enterprise Institute (AEI), who have been vociferous in promoting Taiwan independence.

The Recipients

According to reports in the Hong Kong press, there is extensive incriminating evidence circulating about the fund, including the names of the U.S. recipients of the money. Neo-conservative Republican organizations such as the Heritage Foundation and AEI have been named, according to the April

5 *Washington Post*. Assistant Secretary of State James Kelly, who once served as president of the Pacific Forum, a Honolulu-based affiliate of the Center for Strategic and International Studies in Washington, is said to have received two \$50,000 donations, in 1999 and 2000. John Bolton, Undersecretary of State for arms control and international security, and close to Sen. Jesse Helms (R-N.C.), was also named.

The lobbying firms of Shandwick Public Affairs Inc., Cassidy & Associates, and Powell Tate also received funds. Cassidy had helped mobilize Congress to pressure President Bill Clinton to grant then-President Lee Tung-hui a visa to the United States, ostensibly to attend a class reunion at his alma mater, Cornell University. Although billed as a “private” visit, Lee gave a major political speech, proclaiming the sovereignty of the Republic of China on Taiwan. The trip enraged China, which conducted a practice missile firing off the Taiwan coast. In response, the United States dispatched two aircraft carrier battle groups to the region, the closest the two nations have come to blows since President Dwight Eisenhower sent the Seventh Fleet into the Taiwan Strait in 1958 during the crisis over Quemoy and Matsu. Cassidy was also prominent in lobbying for increased arms sales to Taiwan. On April 24, 2001, the Bush Administration approved an arms package for Taiwan that included destroyers, anti-submarine aircraft, and submarines worth more than \$4 billion, the biggest military transaction with Taiwan since President George H.W. Bush sold 150 F-16s to Taiwan in 1992.

Most of the revelations which appeared in the Taiwan weekly *Next* and the Hong Kong-based *Sing Tao Daily* have yet to appear in the U.S. press. But, implicated in the slush fund are the neo-conservative propaganda machines at Heritage and AEI that are now attempting to foment a new Middle East war. The revelations also throw into question the real motivation of the Taiwan Caucus on Capitol Hill.

Even before its formal announcement on April 9, the formation of the caucus was already causing some concern among Chinese authorities. An editorial in *China Daily* on April 3 warned that the formation of the caucus “will obviously overshadow the renewed Sino-U.S. relations” and “provide fodder to Taiwan’s military forces.” While Taiwan independence has long been a pet project of a small group of political activists on Taiwan, Republican Party China-bashers beating the drums on Taiwan independence have churned up the issue on the island, using the power of the United States to provide it credibility.

Under investigation by *EIR* is the real impetus for “Taiwan independence.” With the Perle-Wolfowitz “utopian” strategists at the Pentagon pushing for the creation of a U.S.-dominated “New Roman Empire” as the ultimate arbiter of world affairs, Taiwan and “Taiwan independence” serve merely as a convenient foil for creating a new imperial satrapy in the Asia-Pacific region, specifically aimed at the P.R.C. As these hare-brained schemes lead, as they must, to war, the people of Taiwan will find themselves on the front lines.