

# COMPARATIVE

## CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL RELATIONS IN THE INDO-PACIFIC

CHINA-TAIWAN RELATIONS

# STARK CHOICES CONFRONT TAIWAN VOTERS

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Taiwan's presidential election campaign has begun. Lai Ching-te, Taiwan's vice president and Democratic Progressive Party (DPP) candidate, Hou Yu-ih from the Nationalist (Kuomintang, or KMT) Party, Ko Wen-je of Taiwan People's Party (TPP), and independent Terry Gou offer Taiwan voters four different visions of Taiwan's future relationship with China. As senior US and Chinese officials resumed long-stalled face-to-face meetings, China warned once again that it has no room for compromise or concession on Taiwan. Yet, when Lai completed almost invisible transits through the US en route to Paraguay and back, China's military response seemed almost pro-forma. When US, Japanese, and South Korean leaders reiterated at the trilateral Camp David summit their staunch opposition to China's intimidation, China chose to interpret their words as one more promise to support Taiwan. The US accelerated weapons deliveries to Taiwan and expanded training for Taiwan's military, and Taiwan announced that its defense budget will increase by 7.5% in 2024. Taiwan's TSMC moved forward on constructing its Arizona factory despite some hiccups, and the US and Taiwan signed a long-awaited trade deal—the first part of their 21st Century Trade Initiative.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 2, September 2023. Preferred citation: David Keegan and Kyle Churchman, "China-Taiwan Relations: Stark Choices Confront Taiwan Voters," *Comparative Connections*, Vol. 25, No. 2, pp 95-104.

As Taiwan's presidential and legislative election campaigns enter the home stretch, the DPP's Lai continues to lead the race. How will Beijing respond? Will Taiwan voters choose caution and vote for the KMT, or will they again interpret Chinese intimidation as one more reason to give four more years to the DPP with its insistence on de-facto independence?

#### **And Now There Are Four**

Our four-month reporting period has seen four candidates join the race to be president of the Republic of China. Their sharply contrasting platforms and party postures toward China and cross-Strait issues mean that the election on Jan. 13, 2024, will set Taiwan's approach for the next four years.

First out of the gate was incumbent Vice President William Lai Ching-te, designated successor of President Tsai Ing-wen, who was confirmed by the Democratic Progressive Party (DPP) as its presidential candidate on April 12. All political commentators immediately focused on Lai's description of himself as "a politician who supports Taiwanese independence." Would Lai take the step that divides Taiwan political opinion like no other? Would he declare Taiwan independence and risk a Chinese invasion? Lai sought to undercut this concern by saying that there was no reason to declare independence because Taiwan, as the Republic of China, was already independent. In making this assertion, Lai was repeating Tsai's approach, articulated in her first inaugural address in May 2016—"I was elected President in accordance with the Constitution of the Republic of China, thus it is my responsibility to safeguard the sovereignty and territory of the Republic of China." Lai set off alarm bells when he told an audience in Taiwan in early July that his goal was an independent Taiwan formally recognized by others including the US: "when a Taiwan president can walk into the White House, we have achieved the political goal that we are pursuing." This language seemed to suggest that Lai might upend the cross-Strait status quo and the balancing act that the US has maintained since 1979.



Figure 1 Current Taiwanese VP and DPP candidate Lai Ching-te maintains the lead in 2024 election polls. Photo: CNA

emphasis Lai's repeated on Taiwan independence worried officials in Beijing. China's Taiwan Affairs Office said that the DPP's talk of "Taiwan independence" was the real source of war anxiety among the Taiwan people, and it disqualifies them from talking of peace. Lai, despite occasional rhetorical flourishes, appears to be carefully using a formulation that President Tsai has made familiar, as had Taiwan presidents before her-that the Republic of China has never been subordinate to the People's Republic of China and independent-but he is upending it. This formulation sounds very much like a one-China formulation that is secondarily an independence formulation. Lai has reversed the emphasis. Taiwan is independent, and secondarily it is called the Republic of China. Taiwan's independence is no longer tied to a one-China framework. While making this shift, Lai has insisted that he will adhere rigorously to Tsai's disciplined approach, cross-Strait retaining her national security team. By doing this he has signaled that he will seek to continue Tsai's policies that the US has welcomed as "responsible."

On May 17, the KMT nominated Hou Yu-ih as its presidential candidate, citing poll data to support its assessment that Hou has a better chance of defeating Lai than Terry Gou, who had also sought the KMT nod. Even before the nomination was final, Hou found himself trying to articulate a sustainable cross-Strait position that could bridge differences among KMT factions. According to his campaign advisor, King Pu-tsong, Hou's policy boils down to

"three if's": support the 1992 Consensus if it accords with the ROC constitution; return military conscription to four months from the one-year period announced by President Tsai if the cross-Strait situation is stable; and finish the fourth nuclear power plant if it can be done safely. Hou's attempt to present those highly qualified positions in a TV interview with KMT stalwart and television personality Jaw Shaw-kong left many feeling that Hou was muddled. During a trip to Japan at the beginning of August, Hou said he would return to the "three no's" advocated by former President Ma Ying-jeou—"no unification, no independence, and no use of force." Hou promised he would seek to be a "risk reducer" as president. Thus far, Hou has done little to clarify the confusion, and his standing in the polls has drifted lower.

Former Taipei City Mayor Ko Wen-je was also confirmed on May 17 as the presidential candidate of the Taiwan People's Party he created. He promised that he would seek "harmony, reconciliation, and peace" as president although he has offered few details about how he would do that beyond insisting that he will bring the same pragmatism to cross-Strait relations that he applied during his two terms as Taipei mayor. He has promised to eschew the rhetorical posturing that he argues has characterized the DPP and KMT approaches toward China.

The last to throw his hat into the ring, on Aug. 28, was Terry Gou (Guo Tai-ming), the founder of Foxconn, who had competed in the spring to win the KMT presidential nod, only to be told by KMT party chairman Eric Chu Li-lun that party polling indicated he was less likely to win than Hou Yu-ih. Gou had promised to support whomever the KMT selected, but he made no secret of his opinion that Chu's choice of his protégé, whom Chu had groomed to replace him as mayor of Greater Taipei, was unfair. Announcing his independent candidacy for president on Aug. 28, Gou promised to make Taiwan a center of regional prosperity and saying that, like the youngest of the three little pigs, he would build Taiwan's house of sturdy bricks that the (China) wolf could not blow down, although he has yet to give any indication of the bricks he might use.

### **Lai Manages Transit Politics**

Shortly after Lai's remarks about entering the White House, <u>Taiwan's Foreign Ministry</u>

announced that Lai would attend the inauguration of the new president of Paraguay, one of Taiwan's few remaining allies, in early August. This would enable Lai to visit the US under the guise of a transit, a visit Lai would otherwise be unable to make as Taiwan's vice president. The US insisted that Lai's transit was in accordance with previous Taiwan transits, that the US would not interfere in Taiwan's elections, and that it expected China to show the same restraint. China's new ambassador to Washington, Xie Feng, announced that China's priority was to stop Lai's transit. Why Xie chose to set himself a task at which he was sure to fail is unclear. Speculation swirled as to whether Lai and the DPP would seek some upgraded treatment by the US during his transit, perhaps a stop near Washington. Would the US seek to downgrade Lai's treatment to signal its discomfort Lai's with position independence?

Lai's two stops—in New York City on Aug. 13-14 and in San Francisco on Aug. 16—proved to be low-key, without any contact with US government officials. Lai's remarks at welcome banquets in both cities emphasized Taiwan and his commitment to democracy, peace, and stability, as he thanked the United States and the American Institute in Taiwan (AIT), the unofficial US representative to Taiwan, for their support. Perhaps because the chairperson of AIT, Laura Rosenberger, who met with Lai in San Francisco, had been the senior China director at the National Security Council until she became AIT chairperson on March 1, both sides were comfortable that the White House and NSC could use the AIT channel to have a dialogue with Lai.

Lai's transits appeared to thread the needle exactly as the DPP might have wished. His treatment by the US was respectful, his response was grateful, and it appeared that the two sides had worked cooperatively on the transit. This cooperation may help to persuade the US that it could work with Lai if he is elected president next January, although US doubts will remain and Washington officials will be monitoring his every word.

China had warned it would respond to a Lai transit with military activity around Taiwan. The day before Lai departed Taipei for his trip, China announced it would conduct military drills in the East China Sea overlapping his stop in New York, although press reports from

Taiwan's Ministry of National Defense indicated there was no noticeable uptick in aircraft or ships from the People's Liberation Army (PLA) operating near Taiwan on those days. During his return stop in San Francisco, the PLA's Eastern Theater Command released a video showing the readiness of PLA forces to respond to Lai's successionist attitudes and stops in the US The numbers of PLA aircraft and ships near Taiwan on Aug. 19 spiked to multi-month highs as Lai returned to Taiwan—45 aircraft near Taiwan, 27 crossing the Taiwan Strait median line, and nine naval vessels in the vicinity. Overall, however, China's military response seemed muted, especially when compared to its response to the visit to Taiwan by Speaker of the House of Representatives Nancy Pelosi a year earlier, and it was not entirely clear whether the PLA military signaling was in response to Lai's travel or to the trilateral Camp David summit happening at the same time.

#### Blinken's Beijing Visit Shaped by US-China Discord over Taiwan

Antony Blinken traveled to Beijing in mid-June, the first visit by a US Secretary of State to China in five years. Blinken's visit came soon after a PLA Navy ship cut immediately in front of a US destroyer transiting the Taiwan Strait and the US and Taiwan signed a trade agreement that irked Beijing.



Figure 2 US Secretary of State Antony Blinken (L) shakes hands with China's President Xi Jinping at the Great Hall of the People in Beijing on June 19, 2023. Leah Millis | AFP | Getty Images

According to US officials, Taiwan received more time than any other topic during Blinken's consecutive meetings with Foreign Minister Qin Gang and Director of the CCP's Central Foreign Affairs Office Wang Yi. Qin told Blinken that Taiwan is the "core of China's core interests" and warned about this "pronounced risk" getting out of hand. Wang took a more lecturing

tack, having "specially analyzed" the Taiwan question for his US counterpart and saying "China has no room for compromise or concession." Blinken <a href="mailto:emphasized">emphasized</a> the importance of peace and stability in the Taiwan Strait and said the US's longstanding One China policy has not changed.

Blinken's visit to Beijing did very little to smooth over US-China disagreements over Taiwan, but it did afford a more in-depth airing of views beyond *ad hoc* phone calls and side meetings at international summits. Blinken's visit also helped to re-open communication channels between Washington and Beijing, enabling tensions in and around the Taiwan Strait to be discussed more frequently by officials within the two governments.

# Taiwan and China Issue Front and Center at Camp David Summit

At the conclusion of their trilateral summit on July 18, Japan's Prime Minister Kishida Fumio, the Republic of Korea's President Yoon Suk Yeol, and President Biden announced the Camp David **Principles**, which included "we strongly oppose any unilateral attempts to change the status quo in the waters of the Indo-Pacific...We reaffirm the importance of peace and stability across the Taiwan Strait as an indispensable element of security and prosperity in the international community. There is no change in our basic positions on Taiwan, and we call for a peaceful resolution of cross-Strait issues." Their language clearly tied China's efforts to change the status quo in the Taiwan Strait to its broader infringement on the regional status quo. If there were any doubt that China was a principle focus of the leaders' concerns, the vehement response of the Chinese government and official media China's Foreign Ministry dispelled it. spokesman said that the three leaders "smeared and attacked China on Taiwan-related and maritime issues."



Figure 3 South Korean President Yoon Suk Yeol, left, speaks during a joint news conference with President Joe Biden, center, and Japan's Prime Minister Kishida Fumio on Friday, Aug. 18, 2023, at Camp David, the presidential retreat, near Thurmont, MD. (AP Photo/Andrew Harnik)

This trilateral summit took place shortly after Japan <u>issued its 2023 Defense White Paper</u>, which said that the military balance between China and Taiwan is "rapidly tilting in China's favor" and that "the overall international community's concerns [about China's threats to Taiwan] are rapidly increasing." Former Japanese Prime Minister <u>Aso Taro echoed those concerns</u> during a speech in Taipei on Aug. 8. Aso said that Japan, the United States, and other likeminded countries must make it clear that they would be prepared to go to war to defend Taiwan in order to deter a Chinese invasion.

## US Arms Transfers to Taiwan Have Novel Adjustments

On June 28, President Biden authorized the transfer of weapons from US stockpiles to Taiwan. This use of presidential drawdown authority, a mechanism used by the Biden administration to rush arms to Ukraine, will ensure the selected weapons reach Taiwan on a much faster timeline than under conventional arms sales. Biden's directive does not specify which weapons systems are to be delivered to Taiwan but caps the total amount at \$345 million. Delays in US weapons deliveries to Taiwan under the Foreign Military Sales process and increasing Congressional pressure to shore up Taiwan's defenses likely weighed on Biden's decision to use this fast-track tool generally reserved for US allies and partners in an active military crisis. The FY 2023 NDAA, for instance, authorized \$1 billion in weapons transfers to Taiwan using presidential drawdown authority.

In another unprecedented step, the Biden administration informed Congress in late August it would make \$80 million available for Taiwan to purchase US weapons. It was not immediately clear whether this aid, known as Foreign Military Financing, would take the form of grants or repayable loans. The latter appears more likely in the absence of a Congressional appropriation. In its letter to Congress, the State Department identified a long list of potential uses for the aid spanning missile and cyber defenses, drones, ammunition, protective gear, and military training. This suggests the Biden administration is foremost seeking to establish a precedent for providing financial support for Taiwan's military over particular uses for the \$80 million.

The Biden administration also authorized three Taiwan arms sales during this reporting period. In a routine move, the State Department greenlit two sales on June 29, one for ammunition rounds and the other a support package to sustain the lifespan of vehicles and munitions. Of much greater significance, the Biden administration on Aug. 23 approved the sale of infrared tracking systems for Taiwan's F-16 fighter jets, a sale valued at \$500 million. This technology will allow the Taiwan air force to search and monitor PLA aircraft without needing to activate radar. Some observers view this particular arms sale as possible evidence that the Biden administration has softened its stance of only approving weapons needed to deter a PLA invasion, as it upgrades a capability to counter gray-zone challenges.

The US is also reportedly expanding training for Taiwan army battalions in the US and will establish a joint training unit located at AIT Taipei, but subordinated to the US Pacific Command, which could substantially increase AIT's ability to support the growing range of complex US systems, which Taiwan is acquiring. In part to support those acquisitions, Taiwan's Cabinet announced it would seek to increase Taiwan's military spending for 2024 by 3.5% to \$19 billion. With additional spending for major new weapons systems, that budget may go higher still.

## Semiconductors Pose Increasing Test for US-Taiwan Ties

According to media reports, the Biden administration will permit TSMC to continue installing chipmaking equipment at its plant in

China beyond October. TSMC's current waiver was due to expire on Oct. 7, the one-year anniversary of the US Commerce Department's restrictions on the transfer of US chip manufacturing technology and knowhow to China. Washington has yet to announce whether TSMC's waiver will be extended for another year or longer. While this move avoids upsetting TSMC as it seeks further expansion of its Nanjing plant, some see it as diluting the effectiveness of the export controls.

In Arizona, construction of TSMC's \$40 billion semiconductor factory has run into challenges, causing the company to delay the scheduled opening in late 2024 of its semiconductor fabrication factory, or fab. Various media reports have cited worker shortages, higher than expected construction costs, and even safety concerns. TSMC is seeking to bring in 500 engineers and workers from Taiwan to address some of the challenges and has requested accelerated visa approvals from the US government. According to the company, Americans with the requisite technical skillsets have been difficult to find. Some local voices in Arizona dispute this assertion and worry employment opportunities will be undermined. With TSMC's plant serving as the major showpiece of its campaign to revitalize U.S chip production, the Biden administration will likely seek to smooth over these frictions.

The US and Taiwan are looking for other ways to strengthen synergy and cooperation in semiconductors. In late May, the US-Taiwan Science and Technology Cooperation Dialogue (STCD) held its inaugural meeting of scientists and technology developers in Taipei, with a key pillar being semiconductor research and advanced applications. Members of the US Congress also introduced legislation in May to advance a US-Taiwan agreement that would provide relief from double taxation for Taiwan investors in the US and US investors in Taiwan, an idea discussed for several years but which has gained more currency recently because it could incentivize Taiwan semiconductor companies to invest in the United States.

#### Washington and Taipei Clinch First-Ever Trade Agreement

After six months of intensive negotiations, Washington and Taipei signed an 80-page agreement on June 1, the first half of the US-Taiwan Initiative on 21st Century Trade.

Although tariff reductions are not included, the agreement contains substantial provisions on streamlined customs procedures and regulatory best practices that will help to facilitate bilateral trade, if only marginally. For Taiwan this is a major step forward in its efforts over many years to secure a trade deal with its major economic and security partner. PRC Foreign Ministry spokesperson Mao Ning called the agreement a violation of the three US-China joint communiqués because it implies official relations between the US and Taiwan.



Figure 4 A demonstrator holds flags of Taiwan and the United States in support of Taiwanese President Tsai Ing-wen during a stop-over after her visit to Latin America in Burlingame, California, on Jan. 14, 2017. Reuters/Stephen Lam

The US Congress, while strongly supportive of trade negotiations with Taiwan, felt the Biden administration did not properly seek its input on this agreement and, as a result, crafted <u>legislation</u> to require greater consultation from USTR under future trade negotiations. In a further assertion of its authority over trade policy, Congress also made sure to give ex post facto approval to the trade deal signed on June 1. The Senate promptly sent this piece of legislation, Initiative on 21st-Century Trade First Agreement Implementation Act, to Biden's desk in early August. Biden signed the bill on Aug. 7, even though the White House chafed at some of the transparency requirements. Now codified in US law, the 21st Century Trade Initiative and its agreements will enjoy stronger durability. US and Taiwan trade negotiators have already pivoted to addressing other components of the trade initiative, with an in-person negotiating round held on Aug. 14-18.

Looking Ahead—The Campaign Sets the Agenda

Over the next four months, Taiwan's presidential election campaign will likely Taiwan-China dominate relations. mid-September, KMT candidate Hou Yu-ih will visit the US for what has become an obligatory stop for presidential candidates. As President Tsai's stops in Washington during her 2012 and 2016 campaigns demonstrated, any signal from US—direct, indirect, or simply inferred-can have a real impact on a candidate's prospects. Hou will tread carefully, and US officials will likely avoid any comments that might be misread by the Taiwan electorate. Whether US media and China watchers will be as cautious is less certain.

As of late August, public opinion surveys indicated that DPP presidential hopeful Lai Ching-te maintains a double-digit lead over his opponents and that Lai's lead has been strengthened by Terry Gou's entry into the race. At the same time, Lai faces headwinds as the campaign heads into the home stretch. Those same opinion surveys indicate that, although voters favor Lai, they may hesitate to give his party the same control over Taiwan's executive branch and legislative Yuan that Tsai enjoyed. Does that indirectly reflect concerns about Lai or Tsai that may cost him votes in the presidential balloting? The KMT suggested that it may introduce its platform for Hou in October, perhaps enabling the candidate to offer a clearer vision of his campaign priorities. If Lai continues to hold his current lead as the election approaches, will Hou, Ko, and Gou regroup and combine their efforts? Since none of them have announced their vice presidential running mates, perhaps one of them will take the second slot to strengthen their challenge to the front runner, a move Beijing would likely welcome. Will voters blame the incumbent DPP for Taiwan's flagging export economy, which is feeling the effects of the global slowdown? Lai's final headwind, or perhaps a tailwind, may come from Beijing. The Communist Party has made clear its discomfort with the DPP candidate, and perhaps it will take overt or covert steps to weaken his campaign. If they do, will it backfire, as Xi's Jan. 1, 2019 speech did so famously, resuscitating Tsai Ing-wen's then-flagging reelection bid? Looking beyond the election, is Beijing preparing to intensify its coercion of Taiwan should Lai win, as seems likely?

## CHRONOLOGY OF CHINA-TAIWAN RELATIONS

### MAY—AUGUST 2023

May 1, 2023: US Defense Security Cooperation Agency (DSCA) <u>announces sale</u> of two MQ-9B unmanned aerial vehicles (UAVs) and associated equipment with a value of \$217.6 million.

May 2, 2023: Paraguay President-elect Santiago Pena pledges to strengthen ties with Taiwan.

May 3, 2023: Taiwan's Ministry of National Defense (MND) announces it will receive the first delivery of F-16Vs almost a year later than scheduled.

May 4, 2023: Multinational <u>companies add</u> <u>China-Taiwan risk clauses</u> to contracts as tensions rise.

May 4, 2023: China's <u>Global Times announces</u> that People's Liberation Army (PLA) drones have circled Taiwan.

May 6, 2023: <u>Warren Buffet says</u> the threat of a Chinese invasion of Taiwan makes him prefer investment in Japan.

May 10, 2023: Japanese Prime Minister Kishida Fumio says peace in the Taiwan Strait concerns both Japan and the entire international community.

May 11, 2023: Taiwan MND announces it will begin receiving US High Mobility Artillery Rocket Systems (HIMARS) M142 launchers in 2026, a year earlier than originally scheduled.

May 11, 2023: Head of the Communist Party's Taiwan Work Office Song Tao met Sean Lien, vice chair of Taiwan's Nationalist (Kuomintang, KMT) party in Xi'an.

**May 17, 2023:** KMT nominates Hou Yu-ih, second-term mayor of New Taipei City, as its candidate for president.

May 17, 2023: Taiwan People's Party nominates its founder and former Taipei City Mayor Ko Wen-je as its candidate for president.

May 24, 2023: US House of Representatives Select Committee on the Chinese Communist Party issues "Ten for Taiwan: Policy Recommendations to Preserve Peace and Stability in the Taiwan Strait."

**June 1, 2023:** Taiwan and the American Institute in Taiwan (AIT) <u>sign the first agreement</u> under the US-Taiwan Initiative on 21st Century Trade.

June 8, 2023: Ministry of Finance (MOF) said on Wednesday that <u>Taiwanese exports fell</u> for the ninth consecutive month in May, down 14.1% from a year earlier to \$36.13 billion.

June 8, 2023: Financial Times reports that the US to link up with Taiwan and Japan drones to share real-time data.

**June 10, 2023:** Taiwan's KMT party announces that Vice Chair Andrew Hsia will lead a delegation to the China-organized Straits Forum in Fujian.

June 27, 2023: Taiwan's <u>unemployment rate</u> <u>fell</u> to 3.46% in May, the lowest in the month of May since 2000 according to data released by Taiwan's Directorate General of Budget, Accounting and Statistics (DGBAS).

July 4, 2023: Taiwan Vice President and Democratic Progressive Party candidate for president <u>Lai Ching-te</u>, <u>publishes an opinion</u>

<u>column</u> in the *Wall Street Journal* promising to defend Taiwan's democracy against Chinese coercion.

**July 4, 2023:** A spokesman for China's Taiwan Affairs Office (TAO) <u>welcomes</u> Hou Yu-ih's statement the previous day that he will support the 1992 Consensus.

**July 5, 2023:** Taiwan's Ministry of Foreign Affairs (MOFA) announces it will open a new representative office in Mumbai, India.

July 6, 2023: President Tsai Ing-wen makes a very unusual appearance at the US July 4 celebration hosted by the American Institute in Taiwan (AIT). All three of the then declared presidential candidates—Lai Ching-te, Hou Yu-ih, and Ko Wen-je—also attended.

**July 15, 2023:** A group of 37 Chinese university students and faculty arrive in Taiwan for a nine-day exchange program hosted by former President Ma Ying-jeou's foundation.

July 18, 2023: Liu Pengyu, spokesman for the PRC embassy in Washington responds to Lai Ching-te's op-ed in the Wall Street Journal, saying "The DPP's attempt to sell out Taiwan is despicable. Seeking independence is doomed to fail."

July 24, 2023: Taipei Economic and Cultural Representative Officer (TECRO) in Washington responds to the PRC Embassy's criticism of Taiwan Vice President Lai Ching-te's opinion column in the Wall Street Journal, saying "Beijing's diplomats, who have never voted in a free and fair election, have no grounds to criticize the democratic system that the Taiwanese people cherish."

**July 27, 2023:** Taiwan businessman <u>Lee Meng-chu leaves China</u> after completing a prison term for "activities endangering national security."

**Aug. 7, 2034:** President Biden signs legislation approving US-Taiwan trade agreement.

**Aug. 8, 2023:** Taiwan's TSMC approves an investment of up to \$3.83 billion to establish a semiconductor fabrication plant in Dresden, Germany.

**Aug. 10, 2023:** Lloyds of London is reported to be <u>tightening coverage requirements</u> for insurance on trade with Taiwan.

**Aug. 13, 2023:** Taiwan Vice President Lai Ching-te lands in New York transiting en route to Paraguay.

**Aug. 16, 2023:** Lai Ching-te lands in San Francisco, transiting en route from Paraguay back to Taipei.

Aug. 21, 2023: Chinese customs suspends the import of mangoes from Taiwan, saying it had detected pests on the fruit. Taiwan announces it will challenge the ban at the World Trade Organization Phytosanitary Measures Committee.

**Aug. 21, 2023:** Central American parliament expels Taiwan, replacing it with China at the behest of Nicaragua, which switched diplomatic recognition from Taiwan to China in December 2021.

Aug. 28, 2023: Terry Gou (Guo Tai-ming), founder of the iPhone manufacturer Foxconn, declares he is a candidate for president of Taiwan.

**Aug. 30, 2023:** KMT Taipei City Mayor Chiang wan-an visits Shanghai to participate in the Taipei-Shanghai City Forum