



U.S.-CHINA ECONOMIC AND SECURITY
REVIEW COMMISSION

**Hearing on Taiwan-China: Recent Economic, Political, and Military Developments
across the Strait, and Implications for the United States**

**Opening Statement of Commissioner Larry M. Wortzel
March 18, 2010
Washington, DC**

Thank you Commissioner Mulloy. And thanks to our witnesses for being here today to help us understand recent developments in the cross-Strait relationship.

In just a few short years, aspects of the relationship between Taiwan and the Mainland have changed noticeably. Official and unofficial meetings between representatives from the two governments occur with some regularity. Taipei and Beijing have signed a dozen accords on various issues ranging from financial security cooperation to food safety. And President Ma has changed the rhetoric on the relationship between China and Taiwan. All of this has played a part in improving cross-Strait relations.

Yet problems remain. China continues to block what is generally known as "Taiwan's search for international space." By this I don't mean diplomatic recognition for Taiwan, rather this refers to Taiwan's participation in some international bodies where de-jure statehood is not a prerequisite. It is unclear whether the improvement in the cross-Strait relationship is durable and could survive a change in leadership on either side of the Taiwan Strait. What is certain, however, is that there is no substantial progress on reducing military tensions between the two sides. The military balance continues to tip in the Mainland's favor as Beijing further develops its military capabilities. It remains to be seen how far Taiwan will move to modernize its military to address the shifting military balance.

Therefore, today the Commission will examine the current cross-Strait military situation and future trends; look at the economic relationship between Taiwan and the Mainland; and assess the developing political aspects of cross-Strait relations. Our major focus, of course, consistent with our legislative mandate, is to explore what these developments mean for the United States and regional stability.

We thank you all for participating, and we'll begin by hearing testimony from Members of Congress.

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