

# Southeast Asia's tight little island

**R**ich, snug Taiwan is suddenly being buffeted by the cold winds of change. They began to blow on Jan. 13 when Taiwan's long-ruling president Chiang Ching-kuo died. Everyone is now wondering just how much these winter winds will buffet the tight little island of 20.2 million.

Chiang was the son of China's legendary World War II leader, Chiang Kai-shek, who fled to Taiwan in 1949 when his Kuomintang army was defeated by Mao's communists. The younger Chiang's death brings to an end not only a political dynasty but, quite likely, the end of dominance of Taiwan's establishment by mainland Chinese, who make up only 14% of the population. Vice President Lee Teng-hui has assumed the presidency, the first native-born Taiwanese to hold the office.

Quite clearly, the old charade that Taiwan was the legitimate government of China and that someday the Kuomintang would retake the mainland can now be laid to rest. But the threat of reunification still exists—from the direction of mainland China.

Taiwan is strategically located at the confluence of the South China and East China Seas, separated from mainland China only by the narrow Formosa Strait, a major artery for world commerce and naval movement. Equally important, hard-working Taiwan has become one of Asia's wealthiest nations and is second only to Japan in foreign currency reserves. Taiwan's booming industries, hi-tech development and razor-sharp entrepreneurial spirit stand in dramatic contrast to China's backward economy and threadbare lifestyle.

Not surprisingly, most Taiwanese are unmoved by China's calls for reunification. Hong Kong, which China will take over in 1997, was to have been an example for Taiwanese of how Beijing would allow free enterprise to

## Eric IV ARGOLIS in New York



flourish under the "two-systems, one-nation" slogan. But nervous Hong Kongers and their money continue to take refuge in North America, a fact carefully noted in Taiwan. Rejoining mother China does not seem to offer many attractions to Taiwan's citizens.

China, on the other hand, is dead set on recovering its prodigal province, even if the process takes another 50 years. If the example of Hong Kong fails to inspire Taiwanese into reunion, then there is always the threat of forced reunification. China has explicitly refused to rule out the use of military action.

Studies done by the U.S. Navy suggest that China could mount a highly damaging blockade of Taiwan by using a large portion of its 100-plus submarine force or even its numerous but obsolescent surface ships. Such a blockade could cut off Taiwan's exports and, more significantly, all oil, food and raw material imports upon which the island nation depends.

Taiwan's navy is weak in anti-submarine warfare capability. Only the U.S. Seventh Fleet could break such a blockade, but this would mean war with China, something the U.S. wants at all costs to avoid.

No one knows just how far China would go to get back Taiwan. It does maintain large numbers of troops, air-

craft and naval transports along its coast opposite Taiwan that could be used to invade the island—provided that the U.S. Navy would not block the way. Taiwan's 424,000-man armed forces stay at a high level of readiness in case China tries a surprise attack, particularly on the forward islands of Matsu and Quemoy.

There is another disturbing, though also more remote possibility. Should U.S. support of Taiwan wane, the Taiwanese might turn to the Soviet Union. It's worth recalling that Russia was always a strong supporter of Chiang Kai-shek and the Kuomintang. During the 1920s, Moscow actually backed Chiang against Mao's communists. Could these historical links be revived?

The Soviets would dearly like to acquire a naval base on Taiwan. This would give them not only dominance of the South and East China Seas. It would also isolate the Philippines where the U.S. has its main air and naval bases that project American power onto the Asian mainland. Soviet bases in Taiwan would complete the grand strategic encirclement of China and link up neatly to the major Russian military complex at Vietnam's Cam Ranh Bay. For the Soviets, getting a foothold on Taiwan would be like taking over Gibraltar.

Of course, this scenario is a long shot. Taiwan would not readily risk its rich U.S. market for the dubious benefits of Soviet strategic support. Nor would the Soviets want to anger China at a time when Moscow is hard at work trying to improve relations with Beijing.

Still, stranger things have happened in our unpredictable world. Suppose China threatened to invade Taiwan and Washington did nothing? Might Taiwan not then turn to Moscow? This rich prize floating in the China Seas bears a great deal more watching.