

Speech delivered at CALD Conference

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Introduction

As we gather here today, on the one hand, we want to celebrate CALD's anniversary and reflect on our achievements over the past three decades, but on the other hand, we need to have a serious discussion of the challenges we are facing. On balance, we have to examine the progress of democracy, as well as the regression or recession of democracy. Of course, there are many factors that contribute to democratic regression. I will focus today only on China's authoritarian expansion and the threat it poses to democracies.

Before we talk about China's rising influence and continued expansion, we need to understand the very nature of our relationship with China. Simply put, it's a competition or even a war between democracy and autocracy and Taiwan is standing at the forefront of the two opposing camps.

Challenges

The threats and challenges encountered by Taiwan may take place and some are already happening in other countries. In the past, we had long believed that through our engagement with China, we could change China. The traditional paradigm also suggests that as a consequence of modernization and development of the Chinese economy, China will gradually and eventually move towards a more open, free and even democratic society. But obviously and unfortunately, the result is not the case or even the opposite. China has in fact become less free and more authoritarian. To make things worse, China has become more revisionist and more aggressive, not only challenging the regional and world order, but also attempting to influence the domestic politics of other countries.

It is worth noting that military intimidation is not the only tactic that China uses to coerce or subdue Taiwan. In the face of a rising China,

Taiwan and other democracies are facing a whole range of common challenges. For instance, our dependence on China as a trading and investment partner has given China political leverage in our relations with China. Over the past few years, China's trade sanctions against Taiwan have impacted our industry after industry. Taiwan's agricultural products and tourism are often the targets of CCP's sanctions. Our government is very aware of the economic risks and political costs that may be caused by our dependence on China's market.

For another example, as democracies, our free and open societies offer some vulnerabilities for Beijing to implement its influence operations. China's influence operation is a strategy used by the Chinese government to shape opinions, perceptions, and policies in foreign countries. The CCP has been implementing covert, coercive, or corrupting tactics to influence and shape the public discourse and political outcomes within targeted countries. Some of the key elements of China's influence operation include cognitive warfare, disinformation campaign, economic coercion, cyber espionage, cultural influence, military intimidation and so on.

In the case of Taiwan, the methods of China's influence operations have included monetary inducements to politicians, business leaders, academics, local grassroot organizations, media, cyberspace influencers and so on. One of the goals of China's influence operations is to promote and support narratives and policies in Beijing's favor. The CCP has consistently cultivated networks of influence, developed long-term dependencies, and shaped discourse on China across many facets of politics, business, academia, and society in Taiwan. Apparently, China knows the vulnerabilities and opportunities it can exploit in our free and open society. In short, we, democracies, are in a defensive position in the face of authoritarian China's expansion.

Counter-measures

As I mentioned earlier, the challenges we face are multi-faceted. So, what should be our counter-strategy or counter-measures? I am very pleased to see that China's influence operation has raised concerns among foreign governments and policymakers, who see it as a threat to national security

and sovereignty. More importantly, some countries have already taken actions to respond to such challenges. For instance, some governments have shut down the Confucius Institutes as their counter-measures against China's influence operations. Also, lawmakers in some countries are now calling for actions and passing legislation against Beijing's "United Front" activities, which are designed to interfere in our politics and society in very subtle and sophisticated ways.

Here, let me share with you my own views about how we can do more to cope with China's authoritarian expansion in general and influence operations in particular. But obviously, coping with China's influence operations involves a multifaceted approach

First, we have to understand that China is a revisionist power. China not only does not accept the *status quo* in the Indo-Pacific, but also takes actions to challenge and change the *status quo*. The so-called "*new normal*" CCP regime wants to create is an internal and external environment conducive to its authoritarian rule. And the very existence of democracy in Taiwan is a challenge to China's authoritarianism. That is why China is using Taiwan's freedom and openness to undermine our democratic way of life. Taiwan is not the troublemaker, China is. In this war of democracy against autocracy, we must act in self-defense.

The second countermeasure I am hoping to suggest today is *de-risking*. The economic dependence on China increases our sensitivity and vulnerability to Chinese influence operations. The way to de-risk our dependence on China is to diversify our investment and trade markets. But don't get me wrong, I am not proposing *de-coupling*. I'm simply arguing that we can't put all our eggs in one basket, because it's very risky economically and politically. On the contrary, we have to make good use of China's dependence on us and demand that China must abide by the rules of the game. We have not and will not change China easily, but at least we should ask China not to challenge these existing political and economic orders. In short, a healthier economic relationship between China and the outside world should be one of interdependency.

My third suggestion for democracies in the face of authoritarian

challenge is to pass legislation to strengthen our democracy and security. As mentioned earlier, China is using the openness and freedom of our democratic society to undermine our democratic life. But we must not sacrifice our freedom and democracy in the name of national security. Because doing so will fall into what China wants. So, the best way to strengthen our defense mechanism and to strike a balance between democracy and security is through democratic legislative procedures.

We need to enact and enforce laws and regulations that require transparency in foreign lobbying and funding, as well as restrictions on foreign interference. We may need to pass legislation that imposes restrictions on some Chinese activities within our territory. Whether these activities are in the name of NGOs or academics, we may have to make special provisions. To be sure, such legislation will be quite controversial in many countries. So, to pass such legislation, we must engage dialogue with the public in order to obtain social support. We also need to encourage civil society organizations to promote democratic values and human rights, counteracting China's influence. We have to let the people understand the seriousness and urgency of the problem. Raising public awareness is the key to effective legislation. And this responsibility lies with the government.

Finally, we need to strengthen international alliances and partnerships to collectively address China's influence on a global scale. We must understand that any democratic country that wants to stand alone against China's influence offensive is doomed to fail. All like-minded countries should unite to cope with the threat of authoritarian expansion. We have many possible areas where we can cooperate, such as the joint study of China's influence operations, the sharing of information and intelligence, the implementation of countermeasures, the exchange of experience with relevant legislation, and so on. That's why I think forums like we have here today are very timely and important. With your wisdom and experience, I believe that more creative and effective methods can be proposed to counter China's influence operations.

Conclusion

To conclude, China challenges not only our national interests, but also our democratic way of life. Allow me to stress once again that China's influence warfare is a clear and present danger. Military or economic threats are just the more visible ones. China's penetration and infiltration into other democratic societies is actually more threatening. To counter that, we need a whole-of-government and whole-of-society response. So, my dear colleagues, at this important historical moment, to defend democracy, let's work together. We have to work together because we all know "united we stand, divided we fall." Thank you very much for your listening.