

Indo-Pacific Development and Stability as Context for Taiwan's New Southbound Policy

By Michael Hsiao

The importance of Southeast Asia is supported by the dynamic energy of its emerging markets (ASEAN is now the world's 5th largest economy and 3rd largest market), the integration of the transnational development hinterland (via the advancement of the Master Plan of ASEAN Connectivity), and its institutional arrangements in maintaining regional stability (the so-called ASEAN-led long peace). These three aspects are all closely related to the ASEAN-led regional integration processes, which is yet another overarching effort supporting the growth of the region.

The rise of India and South Asia symbolizes another important market and demographic opportunity. The total population of South Asia — around 1.75 billion — accounts for over 22% of the global population. Among these South Asian countries, India's mounting influence in the global economy and distribution of power cannot be ignored.

Michael

Hsiao, Chairman of the Taiwan-Asia Exchange Foundation, explains that “[For Taiwan] the stability of regional order are in line with national interests.”

South and Southeast Asia along with Northeast Asia are the main geographic areas that make up the Indo-Pacific. For the region, there are two key objectives, one is development and the other is stability. Development represents economic and social prosperity, while stability denotes regional peace and security. While positive development and enduring stability can give the Indo-Pacific region and its member countries progressive dividends, uncontrolled development and regional instability may bring various challenges to regional countries, jeopardizing Asia's hard won growth and peace in recent decades.

Taiwan is Also Paying Attention to the Indo-Pacific

In this Indo-Pacific context, countries such as the United States, Japan, South Korea, and even the European Union have invested a greater degree of attention to the region. The Indo-Pacific strategies of these stakeholders are not necessarily targeted at a particular foe; rather, the ultimate aim is to promote the overall growth, prosperity, and stability of the region and take part in it. No single country can face regional and global challenges on its own; it is only through cooperation that common visions and collective progress can be achieved.

For Taiwan, the socio-economic prosperity of the Indo-Pacific region and the stability of regional order are in line with national interests, as well as the expectations of Taiwan's society and people. The New Southbound Policy is Taiwan's specific contribution to the region, and its articulated long-term vision for regional prosperity. As President Tsai Ing-wen said in her 2018 Yushan Forum opening speech, the spirit of Taiwan's New Southbound Policy is “Taiwan can help Asia, and Asia can help Taiwan”, in which Taiwan will assist regional countries in building their agriculture, public health, education, and ICT capacities through long-term partnerships.

The New Southbound Policy's Contributions to the Indo-Pacific

Started in 2016, Taiwan's New Southbound Policy has now entered its third year. The policy emphasizes a people-centered development agenda that closely links Taiwan with Asian society through bidirectional exchange and cooperation. The New Southbound Policy has made at least three contributions to the development and stability of the Indo-Pacific region.

First, Taiwan is continuing to focus on substantial developmental cooperation with Southeast Asia, South Asia, and New Zealand and Australia through the sharing of its own development experience and resources. The scope of these collaborations is not only limited to economics, but also includes higher education, talent cultivation, public health, and agriculture. Today, for instance, with an ongoing African Swine Fever crisis in Asia, Taiwan's experience combating epidemics will certainly become an important asset that can be shared with neighboring countries and governments.

The second contribution is that Taiwan's civil society is an important force in maintaining stability and facilitating progress in Asia's civil societies. Long suppressed by different One-China Policies, it has been extremely difficult for the Taiwanese government to develop formal diplomatic relations with neighboring countries. However, the political pressures of the One-China Policies will only prompt the Taiwan government and civil society to turn to developing more flexible cooperative relations, and accumulate "informal formal" partnerships with assistance from civil society networks. From commerce, investment, trade, society, culture, and higher education, these institutional cooperation mechanisms — for example the recent Taiwan-India Bilateral Investment Agreement (BIA) and the Taiwan-Indonesia MoU on Comprehensive Economic Cooperation — will continue to guarantee the interests and cooperation of Taiwan and its respective partners.

The third contribution of Taiwan's New Southbound Policy to the Indo-Pacific region is its policy and practice of combining efforts towards regional prosperity with those of regional stability. Through its current New Southbound Policy, Taiwan has continued to promote responsible stakeholders with various cooperation plans in areas such as non-traditional security, economic security, food security, health, and safety. These plans are in the interest of all parties, and can also contribute to the development and consolidation of "soft security" in the Indo-Pacific region.

Strategizing the NSP in the Indo-Pacific

In the past three years, Taiwan has been striving to make its New Southbound Policy succeed. Through its people-centered development and common prosperity agenda, the pluralistic institutional linkages with other civil societies, and its stability-aimed practice, Taiwan's interests in the Indo-Pacific region will be strengthened while enabling more flexible partnerships with neighboring states.

For Taiwan, as articulated by President Tsai Ing-wen, the New Southbound Policy is its "regional strategy for Asia" which promotes Taiwan's participation in the regional community. This is no longer the economic approach of the "Go South" policies of Presidents Lee Teng-hui and Chen Shui-bian, but a new and more comprehensive engagement with Asia. It is also a key agenda that involves the long-term investment and hard work of both the government and civil society organizations, and represents Taiwan's concern for and possible contribution to the overall development of Southeast Asia, South Asia, and the Indo-Pacific region.

Taiwan recognizes and remains optimistic about the Indo-Pacific strategic visions of like-minded countries. But regarding South and Southeast Asian counterparts, Taiwan also hopes to convey that the New Southbound Policy does not advocate for limiting the region to any single country's specific vision of the Indo-Pacific strategy. The New Southbound Policy will continue to combine Taiwan's developmental experience and networks with the agendas of South and Southeast Asia countries to promote a common prosperous future for the entire region.

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