AIT Chairman James Moriarty
Keynote Speaker Introduction
US-Taiwan Business Council Defense Industry Conference
2022

Rupert, members of the Council --

Thank you for inviting me to say a few words as Chairman of the American Institute in Taiwan. It is an honor to introduce the Keynote Speaker, Vice Minister (Armaments) General Wang Hsin-Lung. I also greatly appreciate this opportunity to discuss matters with those who care about Taiwan's security.

We have witnessed in recent months an intensified PRC pressure campaign against Taiwan, which we expect to continue to unfold. The goal of this campaign is clear: to intimidate and coerce Taiwan and undermine its resilience.

Our approach has remained consistent for decades and across administrations. We remain committed to our "one China" policy guided by the Taiwan Relations Act, the Three Joint Communiques, and the Six Assurances. And as President Biden reiterated in his address to the United Nations General Assembly this year, we oppose any unilateral changes to the status quo from either side, and we expect cross-strait differences to be resolved by peaceful means.

While our policy has not changed, what has changed is Beijing's growing coercion, and its increasing military, economic, diplomatic and technological power to do it. As Secretary of State Blinken put it in May of this year: "Rather than using its

power to reinforce and revitalize the laws, the agreements, the principles, the institutions that enabled its success ... Beijing is undermining them. Under President Xi, the ruling Chinese Communist Party has become more repressive at home and more aggressive abroad."

This includes launching missiles into the waters around Taiwan, sending warships to surround Taiwan, and eroding the centerline between the PRC and Taiwan, which has been respected by both sides for more than 60 years as a stabilizing feature. Beyond the military space, it includes Beijing's efforts to cut off Taiwan's relations with countries around the world and blocking it from participating in international organizations. For example, the PRC has been intensifying efforts to misuse UN resolution 2758 to preclude Taiwan's meaningful participation in the UN system.

The PRC's words and actions are deeply destabilizing. They risk miscalculation and threaten the peace and stability of the Taiwan Strait. Maintaining peace and stability across the strait is not just a U.S. interest; rather, it is a matter of international concern critical to regional and global security and prosperity.

As one example, the Taiwan Strait is the primary route for ships from China, Japan, South Korea, and Taiwan heading to Europe, the United States, and all markets along the way. Almost half of the global container fleet – 48 percent – and 88 percent of the world's largest ships by tonnage passed through the Taiwan Strait this year.

In his remarks, Secretary Blinken made clear that competition with China need not lead to conflict. The United States does not

seek it and we will work to avoid it. But we will defend our interests against any threat, be it in the Taiwan Strait or in the Indo-Pacific region writ large.

We will continue to fulfill our commitments under the Taiwan Relations Act. That includes supporting Taiwan's self-defense and maintaining our own capacity to resist any resort to force or other forms of coercion that would jeopardize Taiwan's security, economy, or its society. And we will continue, consistent with our one China policy, to deepen our ties with Taiwan, including through continuing to advance our economic and trade relationship.

And as you can imagine, each of your companies—and the defense industry as a whole—has a significant role to play in ensuring Taiwan has the deterrent capabilities it needs. We continue to work with Taiwan to prioritize asymmetric systems that have longer-ranges, are harder to find, and easier to move; mobile, resilient, and lethal are the characteristics that will ensure survival and effectiveness. I commend the Tsai Administration for its excellent partnership on defense matters and for undertaking ambitious and necessary reforms.

In addition, Secretary Blinken stated that the U.S. needs to lean into our natural strengths at home, namely, our competitiveness and our innovation. Your companies have demonstrated again and again how the United States' industrial complex is the world leader in military equipment and technology. Now, more than ever, we need to lean into the R&D investments that your companies and the industry as a whole have committed over the

years to sustain, and even expand, this innovative advantage given increasing instability around the world.

This Administration is investing in our core sources of national strength, starting with a modern industrial strategy to sustain and expand our economic and technological influence; to make our economy and supply chains more resilient; and to sharpen our competitive edge.

Because our industrial strategy centers on technology, we are investing in research, development and advanced manufacturing. Congress recently passed the CHIPS Act to bolster investment in research and innovation, including the areas where your companies excel, such as AI, cyber, space, and drones.

The cross-Strait context is complex, dynamic, and will have no simple solutions. We welcome the ongoing debate with all of you, who each have stake in ensuring Taiwan's security, on the best path forward. That is one of the many reasons why I am so pleased to have the opportunity to introduce a critical voice in this discussion as the Keynote Speaker today: Taiwan Ministry of National Defense Vice Minister Wang. I thank you for your time, and now ask that you give this gentleman your undivided attention. Vice Minister Wang, the floor is yours.