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REPOSITIONING TAIWAN IN SOUTHEAST ASIA: STRATEGIES TO ENHANCE PEOPLE-TO-PEOPLE CONNECTIVITY

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In the 1990s, Taiwan advocated its first Go South Policy as a strategic move to construct regional links with Southeast Asian countries. Since President Tsai Ing-wen came to power in 2016, Taiwan has begun to redefine itself as well as its relations with regional neighbors. In the past, public discourse paid close attention to Taiwan’s interaction with Southeast Asia. In the present, Taiwanese society is more concerned with its role and networks in Southeast Asia and its contributions to the region. This shift reflects the fact that the multiple existing linkages between Taiwan and neighboring societies have already matured, and that prior iterations of the New Southbound Policy acted as a catalyst for these linkages.

FEATURES OF PEOPLE-TO-PEOPLE CONNECTIVITY

At the core of these multiple linkages are bidirectional interpersonal exchanges. Taiwan has made its impact felt in Southeast Asia in several waves—from the early immigrants of Chinese descent who settled in Southeast Asia to the *taishang* (Taiwan business people) who moved there in the 1980s to break new ground. The “first wave” Go South Policy was proposed by President Teng-hui Lee in 1994 and spread investment across the region. Currently more than 8,300 corporate members belong to Taiwan’s chambers of commerce throughout the ten member countries of the Association of Southeast Asian Nations (ASEAN).¹

Likewise, Southeast Asia has left its mark on Taiwan over the past three decades through transnational marriages, migrant labor, and student exchanges. According to the National Immigration Agency, as of

¹ The actual number of *taishang* is far more than those registered as members of these chambers of commerce. See Bureau of Foreign Trade (Taiwan) and Taiwan External Trade Development Council, *New Southbound Policy: Service Guide* (Taipei, 2016).

August 2017, 174,839 foreign spouses from Southeast Asian countries resided in Taiwan, including 99,146 from Vietnam.² In addition, as shown by the Workforce Development Agency, there are 663,233 migrant workers from four Southeast Asian countries, including 256,342 from Indonesia and 199,546 from Vietnam.³ Migrant workers from Southeast Asia have long become an important part of Taiwanese society, starting families with Taiwanese spouses, contributing to economic growth, and increasing the flow of human and intellectual capital in the region.

Taiwan's lanes and alleys are home to many Southeast Asian communities, such as the 40,000 third-generation ethnic Chinese returnees who were living overseas in Myanmar and resettled in the area of Huaxin Street in New Taipei City, the Indonesian community near the Taipei railway station, and the weekend Filipino Town in the vicinity of St. Christopher's Church. Initially catering to the everyday needs of immigrants, these Southeast Asian communities have developed distinct cultural and economic characteristics and reshaped the human landscape of Taipei. They are no longer secluded corners that exist independently from the city but instead move forward in concert with Taiwanese society through open cultural exchanges.

The two-way exchanges between Taiwan and Southeast Asia have thus changed the street scene in the cities and are in the process of gradually shaping a new collective identity. This is a community consciousness that brings together immigrant life and culture at both local and regional levels. New

residents, as well as the second generation of earlier waves of immigrants, are deepening linkages between Taiwan, Southeast Asia, and other parts of Asia. In the near future, it is conceivable that there will be more than a million ethnic Southeast Asians who have put down roots in Taiwan. The country will no longer be a lonesome Asian offshore isle but instead become part of the ASEAN Community as a contributing stakeholder based on a solid partnership and further regional integration.

The timely launch of the New Southbound Policy not only underlines the soft connectivity between Taiwan and Southeast Asia but also strengthens the partnerships between Taiwan and the region. Between January and August 2017, 1,553,362 Taiwanese visited Southeast Asia, while 1,308,143 tourists from Southeast Asian countries visited Taiwan, representing an increase of 38.4% over the same period in 2016.⁴ These people-to-people exchanges and existing interpersonal relations do not constitute the “community of common destiny” (*ming yun gong tong ti*) that China envisions, but are a kind of mutual caring, a natural connection that exists due to a pan-Asian identity and affinity led by ASEAN. Given that in the not-too-distant future one in ten Taiwanese residents will likely hail from Southeast Asia or have relations in the region, it will be even harder for Taiwan to stay on the sidelines of regional integration.

NEW SOUTHBOUND ENGAGEMENT: THE RATIONALE AND NEW ACTORS

The New Southbound Policy emphasizes a people-centered development agenda. Unlike its past iterations, the policy does not stress profit-centered

² National Immigration Agency (Taiwan), “Foreign Spouses by Nationality and Sex,” September 2017, <https://www.immigration.gov.tw/public/Attachment/79181613865.xlsx>.

³ Workforce Development Agency (Taiwan), “Foreign Workers in Productive Industries and Social Welfare by Nationality and Sex,” National Statistics, September 2017, <http://statdb.mol.gov.tw/html/mon/212060.htm>.

⁴ “Visit Arrivals by Residence, January–August 2017,” Tourism Bureau, Ministry of Transportation and Communications (Taiwan), <http://admin.taiwan.net.tw/statistics/month2.aspx?no=194>.

or state-centered strategic considerations and policy arrangements per se. Instead, it constitutes an integral segment of Taiwan's "regional strategy for Asia" as proposed by President Tsai Ing-wen in her remarks at the Yushan Forum on October 11, 2017.⁵ Over the past two years, the people-centered rationale has been formally incorporated into the New Southbound Policy. This agenda is not solely concerned with the interests of political or social elites, but places greater attention on the development needs of the people and civil society in Southeast Asia and represents Taiwan's response to the core value of a people-centered ASEAN Community.

The Presidential Office issued guidelines to set strategic goals for the New Southbound Policy, while the Executive Yuan subsequently announced a series of promotion plans and work plans. These aim to realize a people-centered collaborative agenda on four fronts: trade cooperation, talent exchanges, sharing resources, and regional links.⁶

Most importantly, the New Southbound Policy does not stop at the government level. On top of these efforts, the leadership and involvement of civil society is crucial for the success of southward engagement. In Taiwan, several social enterprises and NGOs are concerned with Southeast Asian migrant worker issues. For example, One-Forty represents a new type of engagement and capacity-building program. Its mission is to help Southeast Asian migrant workers in Taiwan acquire knowledge and skills so that they can improve their own lives and the welfare of their families upon returning to their home countries. One-Forty hosts the Open Sunday

cultural exchange at the Taipei railway station at the end of each month. The purpose of the program is to improve understanding of the lives of migrant workers, generate empathy, and create a friendlier social environment for them in Taiwan society.

In addition to migrant worker advocacy and capacity-building projects, private enterprises in Taiwan spare no effort in supporting young entrepreneurs and startups from Southeast Asia. AppWorks is the largest startup network in Asia with 323 active startups, most of which are from Taiwan and Southeast Asia, and US\$1.3 billion in annual revenue.⁷ The company provides training to fledgling startups in the online and e-commerce sector and helps them with networking in the regional industry. With a Taiwanese team at its core, AppWorks is a global network for cultivating talent at Asian startups that radiates through the region.

The business model of both One-Forty and AppWorks caters to the new regional configuration of "Southeast Asia plus Taiwan," while forming links between the island country, Asia, and the world. They constitute the best private-sector experiences and highlight Taiwan's unique soft power. Although their success will not be easy to replicate, it can serve as a reference for the implementation and further evolution of the New Southbound Policy.

FLAGSHIP PROGRAMS AND THE SECOND PHASE OF THE NEW SOUTHBOUND POLICY

In August 2016, Taiwan's Executive Yuan announced a detailed blueprint for the five flagship programs of the New Southbound Policy, focusing on innovative industries, medical cooperation and supply chains, talent cultivation, regional agriculture, and policy forums and youth exchange platforms.

⁵ Tsai Ing-wen, "President Tsai's Remarks at Yushan Forum: Asian Dialogue for Innovation and Progress," Office of the President (Taiwan), October 11, 2017, <http://english.president.gov.tw/News/5232>.

⁶ Office of Trade Negotiations of Executive Yuan and Bureau of Foreign Trade (Taiwan), *Taiwan's New Southbound Policy: An Introductory Guide* (Taipei, 2016).

⁷ See the AppWorks website, <https://appworks.tw>.

These programs are jointly aimed at cultivating the talent to achieve the development required for Asian integration and thereby serve as an important pillar for Taiwan's southward collaboration with its neighbors. This is exactly the kind of policy orientation that centers on people and prioritizes their needs. Its goal is not only to foster people-to-people exchanges but to deepen contacts based on mutual interests and common good, guiding Taiwan into the ASEAN-led regional integration network and turning the country into an indispensable partner and important node.⁸

Regarding functional cooperation in nourishing regional talent, the agriculture flagship program draws on Taiwan's experience to promote national development in the target countries. Advances in agricultural materials, equipment, facilities, and technology ensure that new talent can be cultivated in regional agriculture and food security for the target countries. The flagship program on medical cooperation shares Taiwan's capabilities in medical care, public health, and disease prevention; assists Southeast Asian nations in establishing prevention systems and governance modalities; and trains local public health talent. The promotion of bilateral or multilateral collaboration on agriculture, food security, and public health not only aids in establishing a strong foundation for economic growth of the regional community; it also further secures Taiwan's nontraditional security interests in Southeast and South Asia.

Regarding economic cooperation, the flagship program on talent cultivation combines Taiwan's comparative advantages in technology, education, trade, commerce, and industry to develop the technical and managerial talent that individual

countries need. The flagship program on innovative industry collaboration seeks to promote regional industry links in solar power, smart cities, and green energies in combination with Taiwan's domestic industrial restructuring schemes. These two programs merge the island's advantages from both the microeconomic side—its talented workforce—and the macroeconomic side in Taiwan's key industries. They are designed not only to provide capacity-building programs for Southeast Asian people but also to connect the regional industrial network with Taiwan's economic reforms. By facilitating mutual support for the development of talent, capital, resources, and technology, these programs can install a solid people-to-people partnership between Taiwan and the region.

Finally, Taiwan needs to launch a new platform for regional dialogue with a specific focus on deepening its partnership with the leaders of the next generation in Asia. In October, civilian groups such as the Prospect Foundation, Taiwan AID, and the Center for Southeast Asian Studies at National Chengchi University organized the Yushan Forum. This forum promotes dialogue on bilateral and regional collaboration in trade, the cultivation of human resources, technological innovation, the participation of think tanks and civil society groups, and youth development. These issues are prioritized as part of the process of shaping a consolidated regional community in Asia.

Seeking a more stable and prosperous future for the region, the major powers in Asia, such as the United States, Japan, and China, have prioritized their own regional strategies and initiatives focused on providing the financial resources and infrastructure needed for the development of regional countries.

⁸ Alan H. Yang, "Strategic Appraisal of Taiwan's New People-Centered Southbound Policy: The 4Rs Approach," *Prospect Journal*, no. 18 (2017): 1–34.

In contrast, the underlying rationale of the New Southbound Policy is not money diplomacy but the honest exchange of governance and development experiences and resources with Taiwan's counterparts in the region and like-minded countries around the globe for the purpose of solving existing problems and tackling future difficulties. Taiwan hopes that its experience can serve as a practical reference for both regional and national governance in Asia.

CONCLUSION: INCORPORATING TAIWAN AS AN INDISPENSABLE LINK IN ASIA

Taiwan's New Southbound Policy is not a simple economic diplomacy strategy. It is even less focused on achieving economic independence for Taiwan to minimize cross-strait relations, as China has suggested.⁹ Instead, this policy builds on existing connections to pursue a new vision of regional co-prosperity through the enhancement of people-to-people connectivity across more areas. This starting point differs from that of past policies in that it respects people-to-people partnerships and emphasizes regional community awareness and identity.

Of course, the practice and implementation of the New Southbound Policy so far also reflect some of the challenges that Taiwan faces. It is certainly not a short-lived presidential campaign slogan, and much less a quick fix for Taiwan's predicament regarding

international participation. The policy's successful implementation hinges on whether the current administration led by the Democratic Progressive Party will be able to forge a long-term political commitment. Taiwan is facing both domestic and external pressure to figure out how industry chains and talent networks could be formed with neighboring countries through the policy to advance the co-prosperity vision.

Some may argue that Taiwan's current situation could be Southeast Asia's future, including adapting to an aging society or developing the capacity to deal with nontraditional security threats. This is also where Taiwan's experience could best contribute to the regional integration of Asia. However, we believe that interpersonal exchanges and bidirectional, deep contacts can consolidate Taiwan's survival and its national interest in Asia. The New Southbound Policy needs to incorporate local benefits of development in the ASEAN-led regional community to ensure that Taiwan remains an indispensable link in regional integration. ∞

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⁹ Sutirtho Patranobis, "Follow One-China Policy": Beijing Warns India over Taiwan Delegation," *South China Morning Post*, February 15, 2017.

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