

Issue Paper



**Fragmentation and Convergence of International Institutions
– Paradox between Low Politics and High Politics**
- Shunyo Liao, Research Fellow, CTPECC

Japan's Indo-Pacific Strategy and Its Inspirations for Taiwan
- Tsun-yen Wang, Associate Research Fellow, Institute for National Defense and Security Research

On the Path to CPTPP: Taiwan's Journey and Action Plan
- Ingrid Wang, Assistant Research Fellow, APEC Study Center



Issue Paper

CTPECC holds a number of forums and seminars annually based on current issues in the global political economy. Inspired by these events, the *CTPECC Issue Paper* seeks to address opportunities and challenges in future regional development. *Issue Paper* also provides valuable information and perspectives, delivering the insightful views of experts.

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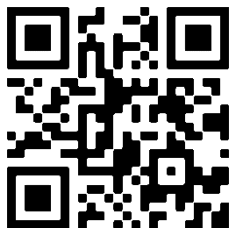
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Published online in June 2024
Cover Photo from Pixabay

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Editorial

Fragmentation and Convergence of International Institutions - Paradox between Low Politics and High Politics

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The concept of relative gains conveys the idea that the “gains” of a rival state equates to the relative loss of another state. In this context, notwithstanding the sustained growth of the U.S., the higher continuous growth rate of China implies a shift of the global balance of power. Following the end of WWII, the U.S. wielded its military and economic might to support international institutions across the globe in hopes of fostering a liberal world order. However, with the dissolution of the USSR and the ascent of China, coupled with the relative disadvantage of U.S. dominance, there have arisen doubts regarding the perpetuity of these institutions. How will this shift in power affect these institutions, previously bound to the West, now that the great Western hegemon is facing increasingly dire straits?

Hegemony and Global Order

Charles P. Kindleberger in his seminal work – *The World in Depression* – discusses the relationship between hegemonic powers and global order; he argues that a single stabilizer needs to be present and willing to provide essential collective goods in the form of international economic stability for the liberal economic order (common interests) to flourish and benefit all nations.¹ This viewpoint, now coined Hegemonic Stability Theory, was later adopted by scholars such as Robert Gilpin and Steven Krasner who added the concept of relative gains to the theory.²

1. Charles P. Kindleberger, *The World in Depression, 1929-1939* (Berkeley: University of California Press, 1986).
2. Michael C. Webb and Stephen D. Krasner, “Hegemonic Stability Theory: An Empirical Assessment,” *Review of International Studies*, Vol.15, No.2 (1989), pp.183-198.



They believed that economic relative gains under an open economic system hinder cooperation since a greater gain by one state can be viewed as a loss by another; therefore, they argue that states do not have a common interest in international economic liberalization and stability, and only through hegemony can an open liberal economic order be stabilized.³

In the view of these scholars, a single hegemonic power must be present to supply public goods via international economic regimes, thus establishing an open liberal economic order; the inverse of this logic may hint that with the absence or decline of said hegemonic power, the same regimes would collapse. Despite this, the liberal international order, which emerged from the ashes of WWII, still thrives, with some institutions even growing in scope and influence. Can this contradictory result simply be chalked up as a theoretical fluke, or perhaps, there are other variables at play?

High Politics vs. Low Politics

In the realm of international politics, public affairs are often divided into two subcategories: high politics, which discuss traditional security matters such as alliances, and low politics, encompassing a broader spectrum of topics ranging from trade, health, and culture, to human rights. As it currently stands, a budding new trend has appeared following the relative decline of U.S. power. Within the domain of high politics, there has been a convergence as states increasingly coalesce around a dominant power. Examples include the recent enlargement of NATO, the formation of both AUKUS and QUAD and the possibility of a future U.S.-South Korea-Japan or China-Russia-Iran alliance. A possible explanation for this pattern would be the nature of high politics itself; security alliances require the presence of great power(s) to act as a deterrence and to provide the technology, personnel, and logistics for such an alliance to function. The increasing tension between China and the U.S., alongside regional conflicts in Europe and the Middle East has driven smaller states to seek protection; thus binding them ever closer to the U.S. security alliance system. On the contrary, the ever-growing number of U.S. alliances and NATO members have served to unease both China and Russia, who view the U.S. alliances in Asia and Europe as a collective effort of containment by the West. This has further strengthened the cooperation between these two great powers and has had the effect of drawing in revisionist states such as North Korea and Iran to their quasi-alliance. In the realm of high politics, the strong have the most bargaining power, the options of the weak are limited, and the number of members in such institutions are usually few; all of these characteristics may also serve as an explanation for this pattern.

3. Robert Gilpin, *The Political Economy of International Relations* (New Jersey: Princeton University Press, 1987), p.72.



Notably, the realm of low politics is currently facing a new age of fragmentation with international institutions either locked in internal stalemates or facing criticism regarding their efficiency. The WTO-Appellate Body crisis has effectively neutered the WTO Dispute Settlement Body, preventing it from handling trade disputes. The WHO has recently faced backlash regarding the distribution and management of vaccine distribution, as developed countries have stockpiled much more vaccines than the number of their population. The IMF has recently faced criticism, regarding its quota wager. Critics claim that for decades the IMF's quota has not reflected the real distribution of financial power amongst nations; in particular, only the U.S. holds the veto power. Finally, the humanitarian crisis within Gaza and the migrant crisis faced by the European Union seem to have no end in sight. As put by Amitav Acharya, "a fragmented system of global governance means more pluralization and the erosion of the dominance of the US and Western governments of that order."⁴ Although great powers play a crucial role in both realms, within the realm of low politics, smaller states have a significant deal of bargaining power and often form coalitions, thus vastly increasing their influence. IOs, no matter the issue, exist to fulfill the interests of its members, however, what happens when the interests of its most powerful members diverge? From a realist viewpoint, security issues reign supreme, and thus the sphere of low politics holds less weight and states are less willing to compromise. The lack of compromise, alongside the divergence of interests and the significant bargaining power of smaller states, points towards fragmentation; each country with enough bargaining power puts national interest above organizational interest.

The Optimum Policy for States

Neither convergence nor fragmentation has strictly positive or negative implications; one could easily argue that convergence leads to over-dependence and that fragmentation promotes regional integration. The paradox between the convergence of high politics, and fragmentation of low politics is not a critique of the current state of international institutions, but an observation. States should differentiate between the issue areas of high politics and low politics, and adjust their tactics when seeking cooperation within institutions. Hegemonic decline is a historical trend; within both the spheres of high and low politics, states have learned and will continue to learn to adapt not accept.

4. Amitav Acharya, "The Future of Global Governance: Fragmentation May Be Inevitable and Creative," *Global Governance*, Vol.22, No.4(2016), p.454.



1. Introduction

Amidst the shifting tides of global politics, this edition turns its focus to the strategic and economic dynamics of the Pacific region, which have assumed increasing significance. This volume offers a detailed examination of the multitude of factors influencing the region, drawing on insights from esteemed researchers. The Pacific region, with its diverse political landscapes and burgeoning economies, stands at a critical juncture where strategic decisions and economic policies will profoundly shape its future.

Beginning with Tsun-yen Wang, Associate Research Fellow at the Institute for National Defense and Security Research, presents “Japan’s Indo-Pacific Strategy and Its Inspirations for Taiwan.” Wang's piece offers a deep dive into Japan’s strategic maneuvers within the Indo-Pacific region, offering invaluable insights into how Taiwan can glean lessons from Japan’s strategies to fortify its own strategic stance amidst escalating regional tensions. This analysis not only highlights the intricate balance of power in the region but also underscores the importance of strategic foresight and adaptability in navigating complex international relations.

Following this, our focus shifts to the economic domain with Ingrid Wang, Assistant Research Fellow at the APEC Study Center, who delves into Taiwan’s economic strategies in “On the Path to CPTPP: Taiwan’s Journey and Action Plan.” Wang outlines Taiwan’s endeavors to join the CPTPP, elucidating the economic reforms and diplomatic endeavors underpinning this ambitious pursuit. Her article provides a comprehensive overview of Taiwan's economic policy adjustments, international negotiations, and the potential economic impact of CPTPP membership, offering readers a clear understanding of Taiwan’s strategic economic initiatives and their broader implications for the region.

By exploring these diverse yet interconnected topics, we aim to provide a holistic view of the Pacific region’s evolving landscape. Collectively, these articles provide a comprehensive overview of the strategic, economic, and institutional developments shaping the Pacific region today. They offer readers a nuanced understanding of the current and future trajectory of the region, highlighting the interplay between national strategies and regional dynamics. As the Pacific continues to emerge as a focal point of global interest, the insights presented in this volume will serve as a valuable resource for policymakers, scholars, and anyone interested in the future of this pivotal region.



2-1. Japan's Indo-Pacific Strategy and Its Inspirations for Taiwan

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With the Indo-Pacific increasingly becoming the focus of international attention, some countries have designed strategies to facilitate adjustment to this rapidly changing region. The United States, Japan, South Korea, ASEAN and even such European countries as France and Germany as well as EU have announced their Indo-pacific strategies, increasing their presence and engagement in the Indo-Pacific region. Taiwan's "New Southbound Policy," which aims to enhance relations mainly with Southeast and South Asian, is also identical in nature if not in name. ¹

In this regard, Japan is the first country openly acknowledging the importance of the Indo-Pacific region. In 2016, the late Japanese prime minister Shinzo Abe announced the "Free and Open Indo-Pacific Strategy" (hereafter FOIP), which advocates cooperation in various fields with those countries connecting the Pacific and Indian Oceans, connecting the Asian and African Continents, and sharing common values such as the rule of law and economic freedom. In 2023, the incumbent prime minister Fumio Kishida elaborated FOIP in a speech in India, which actually is a new version of FOIP and thus can be dubbed "FOIP 2.0" with the Abe FOIP "FOIP 1.0."

This paper aims to provide a brief introduction of, and a comparison of, the two FOIPs. It then stresses that Japan's FOIP does not grow out of nothing but is based on Japan's successful foreign policies and relations.

1. New Southbound Policy, International Trade Administration, Taiwan, <https://www.trade.gov.tw/english/Pages/List.aspx?nodeID=4677>.



FOIP 1.0 Under Abe Administration

Abe announced Japan's Indo-Pacific strategy in a speech at the Sixth Tokyo International Conference on African Development (TICAD VI) held in Kenya on August 27, 2016.² The speech highlights three areas that the strategy addresses: fundamental and universal values, economic prosperity, freedom from coercion and security. At the Japan-U.S. Summit held on November 6, 2017, leaders of both countries confirmed the three areas to be pillars of the Indo-Pacific strategy: values, economy, and security.³

1. Promote fundamental values such as rule of law, freedom of navigation, etc;
2. Promote economic prosperity by improving connectivity, which can be achieved through development and improvement of infrastructure;
3. Commit to maintaining peace and stability through means like enhancing maritime law enforcement, etc.

FOIP 2.0 Under Kishida Administration

On March 20 of 2023, Prime Minister Kishida delivered a speech at the Indian Council of World Affairs, explaining a new conception of FOIP.⁴ The new FOIP consists of the following four pillars, which cover fifty-one policies in total:

(I) Pillar I: Principles of peace and rules for prosperity

The first pillar, defined as the backbone of FOIP, advocates building a peaceful international environment, establishing freedom, transparency and the rule of law, and preventing succumbing to force and coercion. It also emphasizes respect for sovereignty and territorial integrity, and resolving conflicts through peaceful dialogues. Economically, Pillar I emphasizes a free, fair and just economic order, which is against unfair practice, economic coercion, or use of force to change the economic order. Specifically, the World Trade Organization rules should be maintained while pursuing high-level liberalization such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

2. Address by Prime Minister Shinzo Abe at the Opening Session of the Sixth Tokyo International Conference on African Development (TICAD VI), August 27, 2016, Japanese Ministry of Foreign Affairs, https://www.mofa.go.jp/afr/af2/page4e_000496.html.

3. Japan-U.S. Working Lunch and Japan-U.S. Summit Meeting, Japanese Ministry of Foreign Affairs, November 6, 2017, https://www.mofa.go.jp/na/na1/us/page4e_000699.html.

4. The Future of the Indo-Pacific: Japan's New Plan for a "Free and Open Indo-Pacific," Japanese Ministry of Foreign Affairs, March 20, 2023, <https://www.mofa.go.jp/files/100477739.pdf>.



(II) Pillar II: Addressing challenges in an Indo-Pacific way

Pillar II addresses various cross-border challenges, including climate change, environmental degradation, clean energy, global health, food security, disaster prevention and relief, and cyber security.

Understandably, these are long-standing regional or even global challenges, which require swift international cooperation to solve. Japan hereby expresses its will to make contributions in these regards.

(III) Pillar III: Multi-layered connectivity

Pillar III, defined as “core element of the cooperation for FOIP,” focuses on economy. It warns that economic dependence on certain countries will lead to political vulnerability. In that regard, Japan is willing to assist development of those countries in need by establishing international economic connectivity.

Besides, Japan also plans to promote “knowledge” connectivity and “digital” connectivity. The former is to be achieved through providing education and experiences for Indo-Pacific countries, and policy measures include setting up local branches of Japan’s University of Tsukuba in Malaysia. The latter is to be achieved by promoting reliable digital technology through developing information infrastructure in regional countries.

(IV) Pillar IV: Security that extends from sea to air

The last pillar stresses safety in maritime and air domains, supporting enhancement of maritime law enforcement capabilities and transport infrastructure. To these ends, Japan will provide patrol vessels and equipment, and conduct coast guard drills with regional countries. In the air domain, this pillar emphasizes safe use of air space, and the ability to monitor the situation of the air.

It is worth mentioning that Japan decides to create a new legal framework for assistance (later known as “Official Security Assistance”) in order to facilitate provision of related equipment to defense authorities of friendly countries.



Comparing Two Versions of FOIP

A comparison of the two FOIPs finds that FOIP 2.0 covers more issue areas and adopts a more comprehensive approach than FOIP 1.0.

FOIP 1.0 takes a “whole-of-government” approach, mobilizing multiple government ministries to undertake FOIP projects individually or jointly. An instance is Japan’s aid for infrastructure construction in Southeast Asian countries. Japan’s Ministry of Land, Infrastructure, Transport and Tourism undertakes the “ASEAN-Japan Transportation Partnership” project. Ministry of Economy, Trade and Industry and Ministry of Finance are jointly responsible for the “Financial Assistance for Independent Power Producer (IPP) Support Projects.” Ministry of Foreign Affairs is responsible for the “Japan-ASEAN Connectivity Initiative” and the “Asia-Pacific Remote Broadband Internet Project Financing” projects.⁵

For FOIP 2.0, Japan moves forward to adopt the “whole-of-nation” approach, incorporating state and societal dynamism. FOIP 2.0 highlights the role of private funds and technology, believing that cooperation between public and private sectors makes FOIP 2.0 more effective. As for the society, FOIP 2.0 attaches special importance to the roles of private organizations like universities and thinktanks in providing policy suggestions and disseminating information, which has been demonstrated in Track-1.5 international dialogues.⁶

FOIP’s Success Based on Existing Policies and Relations

Noteworthy is that FOIP strategy is based upon Japan’s diplomacy and friendly relations with regional countries. Japan’s Southeast Asia relations can serve as a good instance in this regard.

Geographically, the Southeast Asian region connects Indian and Pacific Oceans, and most regional countries are developing countries and await development. Reasonably, it should be the major goal of any Indo-Pacific strategies.

5. “Japan’s Cooperation Projects on AOIP,” Japanese Ministry of Foreign Affairs, November, 2020, <https://www.mofa.go.jp/mofaj/files/100115874.pdf>.

6. “New Plan for a ‘Free and Open Indo-Pacific (FOIP)’”, Japanese Ministry of Foreign Affairs, March 2023, <https://www.mofa.go.jp/mofaj/files/100477660.pdf>.



For Japan, Southeast Asia is a region that it once invaded. Since the end of World War II, Japan has endeavored to re-establish relations with Southeast Asia. Japan's post-war diplomatic history shows three phases of its return to the Southeast Asia: (1) economic diplomacy; (2) soft-power diplomacy; (3) defense diplomacy.

(1) Economic diplomacy refers to war reparations, which Japan conducted mainly by providing goods and labor. It led Japan's first path back to the region and laid foundation for later economic advances. Nowadays, economic ties between Japan and Southeast Asian countries are strong. The Japan-ASEAN trade value of 2022 is more than \$211.6 billion, and Japan is ASEAN's third largest source of foreign direct investment (FDI).⁷

(2) Based on its swift economic rise, Japan utilized its soft power to further develop its Southeast Asia relations. Japan has performed prominently in such areas as promoting Japanese tourism, education and culture in Southeast Asia. The 1980s finally witnesses Japan's elevation to be a model for development of Southeast Asian countries. This was exemplified by the former Malaysian Prime Minister Mahathir Mohamad's "Look East" policy which places Japan at the center.⁸ A recent instance is Vietnam Japan University in Hanoi, which was co-established by Japanese and Vietnamese governments.⁹

(3) Defense diplomacy is the recent success of Japan-Southeast Asia relations. Japan has boosted defense ties with Southeast Asian countries, with its Self-Defense Forces joining military exercise in the region, and defense ministers of Japan and Southeast Asian countries holding discussions over defense equipment and technology cooperation.¹⁰

Various polls have persistently showed Southeast Asian countries' view of Japan has remained steadily very positive. A 2024 poll by Singapore's ISEAS-Yusof Ishak Institute even indicates Japan is the most trusted major power to the eyes of Southeast Asian opinion leaders.¹¹ It is arguable that Japan's economic diplomacy laid a foundation for soft power diplomacy, which then successfully soothed regional suspicion and smoothed the road to politically sensitive defense diplomacy.

7. A Special ASEAN Investment Report 2023, ASEAN & United Nations, December 2023, <https://investasean.asean.org/files/upload/AIR%20Special%202023.pdf>.

8. "The Malaysian Look East Policy," Embassy of Japan in Malaysia, <https://www.my.emb-japan.go.jp/English/JIS/education/LEP.htm>.

9. Vietnam Japan University, <https://vju.ac.vn/en/home/>.

10. Japan Defense Focus, Japanese Ministry of Defense, <https://www.mod.go.jp/en/jdf/no128/activities.html>.

11. The State of Southeast Asia: 2024, ISEAS-Yusof Ishak Institute, p. 5, <https://www.iseas.edu.sg/wp-content/uploads/2024/03/The-State-of-SEA-2024.pdf>.



In addition, a comparison of these three types of diplomacy with the FOIP finds it that “economic diplomacy” corresponds to FOIP’s stress on economic prosperity, and “defense diplomacy” corresponds to FOIP’s emphasis on safety and security. All this reflects a reality that FOIP did not emerge out of nowhere but has its root in the Japan’s existing external policies and relations.

Some Inspirations for Taiwan

Short of diplomatic ties with almost all regional countries, it is absolutely not easy for Taiwan to learn Japan’s experiences for promoting its New Southbound Policy. This is especially obvious in those security-related issue areas such maritime security enhancement (Pillar IV). However, there should be other areas that Taiwan can emulate.

For example, Taiwan’s New Southbound Policy claims to be a “people-centered” policy and emphasizes exchanges of scholars, students and industry professionals.¹² Japan’s establishing a university campus in Malaysia is something Taiwan can do. This is because Taiwan has been experienced and successful in providing high-quality education, and Taiwanese education should be competitive in international education market.¹³ Setting up branches or campuses in foreign countries can not only facilitate importation of Taiwan’s education but also is effective in raising Taiwan’s soft power presence in the region.

Besides, security is one of the issue areas covered by FOIP. Nevertheless, it is neglected by New Southbound Policy. The negligence may be due to Taiwan’s caution that a security element may cause regional countries to hesitate in cooperating with Taiwan for fear of China’s retaliation.

However, the relationship between China and the Southeast Asian region has been changing. With the China’s shadow cast in the region, some regional countries have actually demonstrated opposition to Beijing. The transfer of Japan’s security-related equipment has indicated that the regional countries are in need of foreign security-related assistance. In this case, Taiwan can serve as a counterweight needed by those bullied by China. Even if traditional (military) security cooperation remains sensitive, Taiwan’s capabilities in humanitarian assistance and disaster relief (HA/DR) should be a contribution. All in all, with Japan’s FOIP in mind as an example, Taiwan may add to New Southbound Policy some new elements that it has so far hesitated to try.

12. “New Southbound Policy,” Executive Yuan, Taiwan, <https://english.ey.gov.tw/nsp/CAC73DBF53D44C22>.

13. “Chinese Taipei,” Education GPS, OECD, <https://gpseducation.oecd.org/CountryProfile?primaryCountry=TWN&treshold=10&topic=PI>.



2-2. On the Path to CPTPP: Taiwan’s Journey and Action Plan

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Introduction

Formerly known as the Trans-Pacific Partnership (TPP), the CPTPP emerged as a pivotal trade strategy under former U.S. President Barack Obama’s administration. Initially conceived as a means to counterbalance China’s growing influence in the Asia-Pacific region, the TPP aimed to establish a robust regional trade agreement among 12 member countries.

However, concerns regarding its potential impact on U.S. manufacturing, wages, and inequality prompted former U.S. President Donald Trump to withdraw the United States from the agreement via executive order in 2017. Despite this setback, the remaining TPP countries proceeded to negotiate and ultimately ratified a revised version of the pact, known as the CPTPP, which came into effect on December 30, 2018.

Taiwan’s Application Process

In September 2021, Taiwan formally submitted its application to join the CPTPP, marking a significant step in its integration into the global economy. Following the release of the official CPTPP text, Taiwanese government agencies diligently conducted a regulatory “gap analysis” to identify any disparities between domestic laws and CPTPP obligations. ¹

1. President Obama: The TPP would let America, not China, lead the way on global trade, Office of the United States Trade Representative, May 2016.



This meticulous process identified twelve laws requiring amendments,² all of which were successfully revised by 2022.³ These efforts underscore Taiwan's unwavering commitment to meeting CPTPP standards and enhancing its standing among member countries.

Action Plan for Taiwan in 2024

Taiwan's Ministry of Foreign Affairs (MOFA) has unveiled a comprehensive action plan to push Taiwan's bid to join the CPTPP in 2024, comprising three actions. Firstly, Taiwan seeks to establish informal communication channels with CPTPP members to foster understanding and cooperation. Secondly, Taiwan aims to engage with influential countries such as Japan, Canada, and the U.K. to garner support for its CPTPP bid. Lastly, Taiwan plans to conduct exchanges with think tanks and industry representatives in countries less predisposed to Taiwan, aiming to dispel misconceptions and build trust.

Taiwan has been actively engaging with CPTPP member countries through informal consultation processes, however, it's not a smooth journey. Taiwan's requests have been rejected under the pretext of requiring the existing memberships' consensus for informal consultation processes. In fact, according to CPTPP regulations, informal consultation processes do not require consensus. The Canadian think tank, the Institute for Peace and Diplomacy (IPD), also acknowledges that CPTPP member countries' pressure from China has led to Taiwanese officials being rejected when seeking informal consultations.⁴

Despite the challenges, Taiwan has not been deterred from advancing its pursuit of CPTPP membership. It has proactively engaged with Canada, the CPTPP Commission chair for 2024, through various initiatives aimed at strengthening bilateral ties and advancing its CPTPP aspirations. In March, IPD hosted the Canada-Taiwan Forum on Economic Security in Ottawa, talked about the bilateral Foreign Investment Promotion and Protection Agreement signed between Taiwan and Canada last year has further strengthened the already robust connection between the countries.⁵

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2. The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership: Overview of Taiwan, Penghu, Kinmen and Matsu's Trade Regime and Current Preparatory Work, Office of Trade Negotiations, Executive Yuan, September 2021.
 3. The CPTPP Bids of China and Taiwan: Issues and Implications, Asia Pacific Foundation of Canada, November 2022.
 4. It's Time for Canada to Break the CPTPP Accession Logjam, The Institute for Peace and Diplomacy, April 2024.
 5. Deputy MOFA Minister Hsieh speaks at economic security forum in Canada, Ministry of Foreign Affairs, Republic of China (Taiwan), March 2024.



Later in April, Taiwan hosted two seminars in Canada, marking the first-ever events of their kind outside Ottawa. These seminars, titled “Canada-Taiwan Economic Cooperation: Opportunities for Western Canada” and “Bridging Economies: Exploring Canadian-Taiwanese Trade Ventures,” showcased Taiwan’s eagerness to forge mutually beneficial partnerships within the CPTPP framework.⁶

Furthermore, the Asia-Pacific Economic Cooperation (APEC) serves as another avenue for contact with CPTPP members. Since Taiwan submitted its application to join in 2021, Dr. Morris Chang, founder of Taiwan Semiconductor Manufacturing Company (TSMC) and Taiwan’s APEC Leader’s Representative, emphasized in his remarks at the APEC Economic Leaders’ Meeting that Taiwan plays an irreplaceable role in the global high-tech supply chain. He highlighted Taiwan’s highly transparent market economy and its capability and willingness to adhere to the high standards of the CPTPP. In the subsequent years of 2022 and 2023, Dr. Morris Chang continued to serve as Taiwan’s APEC Leader’s Representative and reiterated Taiwan’s active engagement with APEC partners to collaboratively establish secure, reliable, and resilient supply chains, particularly in semiconductor supply chains.

At the recently concluded APEC Ministers Responsible for Trade (MRT) Meeting in Arequipa, Peru, held in May, Taiwan’s representative from the Office of Trade Negotiations emphasized the imperative need for Asia-Pacific economic integration initiatives to encompass regulations capable of addressing contemporary trade challenges. These challenges include issues related to state-owned enterprises, labor, the environment, and inclusivity, among others. This emphasis is crucial for effectively countering trade distortions stemming from unfair competition measures adopted by non-market economies. By doing so, it fosters genuine promotion of trade, investment, and regional well-being within the Free Trade Area of the Asia-Pacific (FTAAP).⁷ Taiwan’s advocacy reflects its commitment to joining the CPTPP, aiming to collectively fortify regional economic resilience among its members and safeguard economic prosperity and stability across the Asia-Pacific.

Additionally, Taiwan’s delegation seized the chance to converse with CPTPP members on the sidelines, reaffirming to their counterparts Taiwan’s readiness and eagerness to adhere to the rigorous standards of the CPTPP. They also conveyed their anticipation for the prompt initiation of Taiwan’s accession process to the CPTPP.

6. Taiwan holds first Canadian seminars outside capital to promote CPTPP bid, Focus Taiwan, April 2024.

7. Taiwan seeks to join CPTPP at APEC meeting, Ministry of Foreign Affairs, Republic of China (Taiwan), May 2024.



All these actions demonstrate Taiwan's indomitable spirit in utilizing various international and academic platforms to foster a sense of friendship and awareness among existing members of the CPTPP. Additionally, Taiwan must continue engaging with academic, business, and official stakeholders in Canada before the annual CPTPP Commission meeting in November. This effort aims to maintain strong relations with Canada based on shared principles and values, particularly in defending the values of freedom and democracy.

Future Challenges

In the future, as Taiwan pursues its desire to join the CPTPP, it will face even more challenges, especially pressure from China, which is unlikely to diminish but rather increase. However, given that a majority of CPTPP members also overlap with APEC members, it would be advantageous for Taiwan to utilize APEC-related meetings and activities for both the public and private sectors. Through these engagements, Taiwan can convey to the members that it is capable and prepared to join the CPTPP, thereby helping to stabilize the resilience of the regional supply chain.



3. Conclusion

The Pacific region is currently undergoing significant strategic, economic, and institutional transformations that are reshaping its future trajectory. One key aspect of these changes is the dichotomy between low and high politics, which influences the coherence and fragmentation of international institutions. This dichotomy impacts global governance and highlights the complex interplay between various nations, shedding light on how global and regional policies are crafted and implemented. Strategically, the Indo-Pacific region is witnessing heightened maneuvers, with Japan playing a pivotal role, particularly for Taiwan, which faces escalating regional tensions.

Economically, Taiwan is making concerted efforts to join the CPTPP. This pursuit involves substantial economic reforms aimed at aligning Taiwan's economic policies with the standards set by the member countries. Taiwan's endeavors also include robust diplomatic initiatives designed to gain support from existing CPTPP members and to demonstrate its commitment to the principles of free and fair trade. Institutionally, the region is experiencing shifts that require a nuanced understanding of how various political dynamics influence the stability and functionality of international organizations. The interplay between domestic policies and international cooperation is critical in shaping the policies that govern economic and security alliances. Collectively, these strategic, economic, and institutional developments provide a comprehensive overview of the current state and future prospects of the Pacific region. This holistic understanding is crucial for policymakers, scholars, and stakeholders who are engaged in shaping the future of the Pacific region.

