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## **Diplomacy by People:** Taiwan's Opportunities for Engagement in Southeast Asia

**Zoe Weaver-Lee**  
East-West Center

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# DIPLOMACY BY PEOPLE: TAIWAN'S OPPORTUNITIES FOR ENGAGEMENT IN SOUTHEAST ASIA

**ZOE WEAVER-LEE<sup>1</sup>**

East-West Center

**ABSTRACT**

*The long-standing regional ties between Taiwan and Southeast Asia have evolved to adapt to shifting geopolitical circumstances. Despite pushes for official diplomatic recognition for Taiwan, non-diplomatic engagement with Southeast Asia is not new. The region's diverse position on great power conflict, cross-strait relations, and its own domestic political complexities creates a significant challenge for Taiwan. However, if it can build on these pre-existing relationships to create an adaptable, partner-by-partner approach to Southeast Asia, Taiwan can forge more substantial long-term ties. Taiwan should leverage private enterprises to build human capital, official development assistance to foster a more positive image, and nongovernmental organizations to better connect its people. After all, if the population of Southeast Asia has an increasingly positive view of Taiwan as an active and influential player in the international community, it is more likely to support its survival.*

**KEYWORDS:** DIPLOMACY, SOUTHEAST ASIA, TAIWAN, NEW SOUTHBOUND POLICY, ALTERNATIVE DIPLOMACY

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<sup>1</sup> Zoe Weaver-Lee is a Programs Coordinator at the East-West Center in Washington and previously served as a program associate at the Global Taiwan Institute. After she graduated from Stetson University in 2019, Zoe received the Huayu Enrichment Scholarship to study Mandarin in Taipei. She is currently co-authoring a book chapter on Taiwan's aid programs under President Tsai Ing-wen to be published in 2025.

## INTRODUCTION: A NEED FOR DIPLOMACY BY OTHER MEANS

This special series of *EWC Occasional Papers* is the result of the 2023 *Taiwan & Asia Program Conference* entitled “Washington-Taipei-Beijing Relations at a Crossroads: the 2024 Elections and Geostrategic Implications from the Individual, Domestic, and International Levels of Analysis,” which was hosted by Ramapo College of New Jersey and sponsored by the Taipei Economic and Cultural Representative Office (TECRO) in Washington, DC. The conference organizers gratefully acknowledge the intellectual contributions of the speakers and discussants in providing their views, research observations, and comments to improve the manuscripts as well as the East-West Center in Washington and its editors for reviewing and publishing this series.

Due to long-standing regional ties through linguistics, business exchange, conflict, and migration, Taiwan shares an intertwined history with Southeast Asia that is both complex and dynamic. In fact, as argued by Ja Ian Chong, it is this shared history and geographic proximity that lays the foundation for contemporary engagement.<sup>2</sup> The two face similar existential threats, are connected through economic links, and share common interests for national and regional security. While forces have worked to shift this relationship over time, the state of Taiwan-Southeast Asian relations today can largely be sourced to this long-standing connectivity.

Alongside these shifts, a consistent emphasis in the field of Taiwan policy, and among the domestic population in Taiwan, is establishment of formal diplomatic allies to assert legitimacy in the region. For Taiwan, its decreasing number of diplomatic allies since 2016 symbolizes the greater threat of isolation. In response, Taiwan still greatly emphasizes the importance of the small number of countries with which it does share official relations. As can be seen in Southeast Asia, however, the over-emphasis on official diplomatic ties undermines the opportunities offered by engagement with the international community beyond formal diplomatic recognition.

This analysis will flag specific modes of diplomacy by other means in Southeast Asia for Taiwan policymakers, such as leveraging the private sector, official development assistance, and public opinion. Described by the Taiwan-Asia Exchange Foundation as Taiwan’s “warm power,” these connections play a central role in making Taiwan indispensable to the everyday life of its partners. This use of alternative diplomacy in Southeast Asia can expand Taiwan’s space as a sovereign international actor with support from the international community.

While this paper does not argue that “pragmatic” or alternative diplomacy is new to the Southeast Asia-Taiwan relationship, it will attempt to emphasize the flexible and powerful nature of diplomacy by other means. By using alternative means of diplomacy, Taiwan can build substantial ties in Southeast Asia on a state-by-state basis that provide concrete, mutually beneficial outcomes, build people-to-people ties, and raise support for and the stakes of Taiwan’s survival in the region. Considering the region’s diverse position on great power conflict, cross-Strait relations, and its own domestic political complexities, a more tailored approach is necessary.

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<sup>2</sup> Ja Ian Chong, “Rediscovering an Old Relationship: Taiwan and Southeast Asia’s Long, Shared History,” The National Bureau of Asian Research, January 11, 2018.

## TAIWAN'S STRUGGLE FOR LEGITIMACY AND INFLUENCE IN SOUTHEAST ASIA

Contemporary engagement between the Republic of China (ROC), based on Taiwan, and Southeast Asia began to take shape during the 1970s, at a time when the ROC struggled for political legitimacy in the face of rising tensions between Washington and Beijing. While some analysts view Taiwan-Southeast Asia engagement during this period as relatively insignificant, others note that both top-down and bottom-up interactions shaped this relationship. As argued by Samuel C.Y. Ku, with the exception of Singapore and Indonesia, most Southeast Asian states recognized the People's Republic of China (PRC) diplomatically and maintained various versions of the "One-China Policy" during this period, which significantly limited Taiwan's interactions with the region prior to 1987.<sup>3</sup> Yet, as explored by Hsiao-ting Lin in his examination of archived papers by Wang Sheng, foundational interactions did take place.<sup>4</sup>

According to Lin, the Cold War greatly influenced Taiwan's interactions with Southeast Asian states—namely through a lens of the ROC's anti-communist convictions, which yielded few official partners in the region willing to be swayed by exogenous political forces. For leaders in Malaysia, Thailand, Indonesia, the Philippines, and Cambodia, diplomatic engagement with the island was best conducted below the radar and through informal means.<sup>5</sup> Particularly under anticommunist General Lon Nol, Phnom Penh was determined to implement Taipei's proven political warfare system. Indeed, military resources and security assistance were common modes of bilateral cooperation in the region at this time. Philippines President Ferdinand Marcos advocated for strengthened munitions exports, training, and intelligence-gathering with Taiwan following his declaration that his people were "staunchly anticommunist."<sup>6</sup> Despite the loss of its seat in the United Nations, and the subsequent dissolution of diplomatic ties with many Southeast Asian states thereafter, Taiwan utilized its political values and national security concerns as a platform for alternative diplomacy in the region.

As such, diplomacy without diplomatic recognition is not new for Taiwan in Southeast Asia. Following Taiwan's democratization, shifts in the Taiwan-Southeast Asia relationship could be categorized as mainly economic in nature. As the island's business environment blossomed with the appreciation of the Taiwan dollar, Taiwanese investment into the region also began to rise. Accompanied by the relaxation of economic barriers by ASEAN members, President Lee Teng-hui implemented the "Southward" or "Go South Policy" to boost business engagement with Southeast Asia in 1994. According to pioneers of the policy's second iteration years later, Lee's "Go South Policy" hinged on the promotion of diversified economic engagement outside of China. Such efforts were largely successful, as Taiwan's investment into the region outpaced China's at the time, maintaining a volume of over \$4 billion in the policy's first four years of implementation.<sup>7</sup> As argued by Ku, it was this strengthening of economic relations that "upgraded" Taiwan's diplomatic position in Southeast Asia. Specifically, this upgrade included various high-level visits, the refinement of Taiwan's representative offices in Southeast Asia, and the opening of its borders for migrant laborers.

<sup>3</sup> Samuel CY Ku, "Taiwan and Southeast Asia since Ma Ying-jeou's Presidency," *East Asian Policy*, June 2010.

<sup>4</sup> Hsiao-ting Lin, "Taiwan's Cold War in Southeast Asia," *CWIP e-dossier* no. 70, Wilson Center, April 2016.

<sup>5</sup> *Ibid.*

<sup>6</sup> *Ibid.*

<sup>7</sup> Ku, 2010.

Under Chen Shui-bian, Taiwan's first president elected from the Democratic Progressive Party (DPP), the region witnessed significant economic stagnation following the 1997 financial crisis. At the same time, China's relatively stable renminbi and low production costs attracted Taiwanese investors. By 2007, Taiwan was the fifth-largest investor to China, while investments to Southeast Asia dipped. While the 2008 financial crisis also impacted investments between Taiwan and Southeast Asia, Taiwan witnessed an era of "flexible diplomacy" under President Ma Ying-jeou that prioritized re-establishing links to China. Ku argued in 2010 that, considering "improved" cross-strait relations, official relations with Southeast Asia may also see a promising improvement. The continued improvement of cross-strait relations meant Taiwan's greater participation in international organizations and therefore enhanced bilateral cooperation.<sup>8</sup>

Until recently, Taiwan's involvement in international organizations has been in those primarily focused on trade and economics. In the era of Lee Teng-hui's "Go South" policy, Taiwan resumed its participation in the Asian Development Bank's annual meeting and joined the Asia-Pacific Economic Cooperation in 1991. Taiwan later joined the World Trade Organization in 2002 and established a free trade agreement with Singapore in 2013. In an earlier analysis published in 2001, Michael Leifer described the limitations of this "pragmatic diplomacy" fueled purely by economic interest.<sup>9</sup> According to Leifer, these efforts in Taiwan's post-democratization were undermined by the now seemingly "separatist" nature of recognition. Despite Taiwan's efforts to improve economic relations, Southeast Asian states' maintenance of a One-China Policy and continued contention in the South China Sea indicated a failure of Taiwan's non-official "diplomacy" in the region.<sup>10</sup>

## TAIWAN'S EFFORTS AND OBSTACLES FOR ENGAGEMENT IN SOUTHEAST ASIA

### *The New Southbound Policy*

The scope of Taiwan's engagement with Southeast Asia has since grown beyond economic relations, namely in the fields of people-to-people ties and development assistance. From the onset of President Tsai Ing-wen's election in 2016, consolidated engagement with Southeast Asia was a priority for her administration. With the introduction of the New Southbound Policy, Taiwan began to revamp a central strategic approach to the region—one that emphasized integration beyond economic relations, leveraging cultural, educational, and technological exchanges.<sup>11</sup> With this revived platform for mutual exchanges, the Tsai administration laid a foundation for comprehensive cooperation among ASEAN members, six South Asian states, Australia, and New Zealand. Of course, creating an economic community still stood at the center of the policy, managed by the Office of the President, National Security Council, and the Office of Trade Negotiation. Within the first two years of implementation,

<sup>8</sup> Ibid.

<sup>9</sup> Michael Leifer, "Taiwan and South-East Asia: The Limits to Pragmatic Diplomacy," *The China Quarterly*, 2001.

<sup>10</sup> Ibid.

<sup>11</sup> Bonnie S. Glaser, Scott Kennedy, and Derek Mitchell, "The New Southbound Policy: Deepening Taiwan's Regional Integration," Center for Strategic and International Studies, 2018.

Taiwan's exports to Southeast Asia grew by 15 percent.<sup>12</sup> On the people-to-people side, tourism and student exchanges also saw a boost in 2017.<sup>13</sup>

While the NSP has fostered growth in trade, investment, and tourism between Southeast Asia and Taiwan, the island has undeniably encountered challenges along the way. Lack of consensus in Southeast Asian public opinion regarding China's role in the Indo-Pacific has posed challenges to Taiwan's one-size-fits-all strategy toward the region. While countries like Thailand and Indonesia tend to hold relatively positive feelings toward China, countries like Vietnam have a higher percentage of those with "very negative" views.<sup>14</sup> Yet, when faced with a decision between alignment with the United States or China, many Southeast Asians prefer the United States, although to varying degrees.

These public opinion trends may not fully reflect China's influence on Southeast Asia's elite and decision makers, however, as Beijing has continued to assert economic power over the region through the Belt and Road Initiative (BRI) and the Regional Comprehensive Economic Partnership (RCEP). Despite the impacts of the COVID-19 pandemic, even China-skeptic countries in the region have seen an influx of Chinese infrastructure investment through these initiatives.<sup>15</sup> For Taiwan, it is nearly impossible to match these efforts dollar-for-dollar, leaving its long-held diplomatic crutch of economic relations in a vulnerable state.

While the New Southbound Policy has presented a comprehensive strategy for Taiwan's engagement in Southeast Asia, it has also exposed the gaps and shortcomings of a blanket approach to the region. Demand signals vary from state to state, and Taiwan's ability to respond hinges on its political, financial, and logistical adaptability. The domestic response to the policy in Taiwan has also been somewhat muted, and even suffers from negative perceptions of it as a possible prop for illegal immigration.<sup>16</sup> The lack of clarity on the benefits of engagement with Southeast Asia has led Taiwanese voters to question the administration's priorities—with many instead emphasizing opportunities in China. Other factors have soured the reputation of the initiative, including alleged exploitative labor practices and the concentration of economic benefits directly to businesses rather than Taiwan's population at large.<sup>17</sup> Fortunately, Taiwan's efforts within and without the NSP have created a foundational people-centered approach to Southeast Asia.<sup>18</sup> If leveraged properly, Taiwan can greatly improve its relationship with Southeast Asia from the bottom up.

Beyond the New Southbound Policy, Taiwan engages with Southeast Asia in several fora. From collaborative research, mutually beneficial training, and opportunities for face-to-face exchange, Taiwan has developed several avenues for diplomatic engagement which do not require official co-recognition.

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<sup>12</sup> Ibid.

<sup>13</sup> Hunter Marston and Richard C. Bush, "Taiwan's engagement with Southeast Asia is making progress under the New Southbound Policy," The Brookings Institution, July 30, 2018.

<sup>14</sup> Richard Q. Turcsányi et. al., "Public Opinion in the Indo-Pacific: Divided on China, cheering for US & EU," Central European Institute of Asian Studies, November 2022.

<sup>15</sup> Sharon Seah et. al., "The State of Southeast Asia 2022: Survey Report," ISEAS-Yusof Ishak Institute, February 16, 2022.

<sup>16</sup> Ja Ian Chong, "Taiwan's New Southbound Policy: Accomplishments and Perceptions," East-West Center, April 10, 2019.

<sup>17</sup> Ibid.

<sup>18</sup> Hsin-Huang Michael Hsiao and Alan H. Yang, "Repositioning Taiwan in Southeast Asia: Strategies to Enhance People-to-People Connectivity" in *Re-Examining Critical Links Between Taiwan and Southeast Asia: The New Southbound Policy in the Tsai Era*, National Bureau of Asian Research, February 2018.

### *Taiwan-Asia Exchange Foundation*

Founded in 2018 as a supplement to the New Southbound Policy, the Taiwan-Asia Exchange Foundation (TAEF) serves as the island's first Southeast Asia-focused think tank. The organization executes events and publications aiming to strengthen Taiwan-Southeast Asia connections through NGO cooperation, civil society, and people-focused exchange. As its flagship event, TAEF hosts the annual Yushan Forum, which serves as a platform for governmental and non-governmental dialogue between Taiwan and its neighboring countries. Previous gatherings welcomed think tank and government representatives from Vietnam, India, Indonesia, Australia (including former Prime Minister Tony Abbott), the Philippines, Malaysia, and others. Topics of discussion often include regional economic resilience, civil society work, global health, and innovative technology.

### *Global Cooperation and Training Framework*

Established in 2015 as a co-project with the United States, GCTF serves as Taiwan's key platform to engage with the international community, given its exclusion from other global organizations, such as International Civil Aviation Organization (ICAO) and the World Health Organization (WHO). Through the GCTF, Taiwan can cohost workshops with its international partners on key common issues, such as cybersecurity and global health. Participating countries from Southeast Asia include Indonesia, Laos, Malaysia, Thailand, Singapore, and the Philippines. Currently, the platform welcomes 126 participating countries and has convened trainings on maritime disasters, human rights, sustainable aviation, disinformation, and several other issues in 2023.

### *Council for Security Cooperation in the Asia Pacific, CSCAP Taiwan*

CSCAP Taiwan serves as a platform to informally engage with several Southeast Asian states (namely Vietnam and Singapore) on regional security issues. Established by the Institute of International Relations at National Chengchi University at the request of the Ministry of Foreign Affairs, CSCAP Taiwan participates in the internationally chartered CSCAP organization's various conferences and study groups.

## **POSITIVE AND PEOPLE-FOCUSED: OPPORTUNITIES FOR TAIWAN'S ALTERNATIVE DIPLOMACY IN SOUTHEAST ASIA**

### *Defining "Positivity" and Creating a National Brand*

The concept of "Nation Branding" is not new but presents an underutilized tool for Taiwan in Southeast Asia. Alternative diplomacy often relies on public trust to succeed, and nation branding can thus be a tool to create a more trustworthy image. Described by Ying Fan as "how a nation as a whole presents

and represents itself to other nations,”<sup>19</sup> scholarship on Taiwan’s national brand is diverse and thorough.<sup>20</sup> Yet, given the debates surrounding what Taiwan’s brand should include, its impact on policy remains to be seen. Nevertheless, available data on Southeast Asian opinion on Taiwan is largely positive. With an international image celebrating its technological successes and robust healthcare system, Taiwan has presented itself as a reliable partner that not only “Can Help” (in their own words)<sup>21</sup> but has helped before. Developing a positive image of its engagement in the region is central to Taiwan’s perceived importance to the international community. This concept is the foundation for the following areas of opportunity for Taiwan’s alternative diplomacy in Southeast Asia.

### *Leveraging Private Enterprises*

One of Taiwan’s current strongholds in Southeast Asia is its private enterprise connections, both through its “overseas Chinese” networks and Taiwanese business expansion in the region.<sup>22</sup> In surveys conducted with businesspeople in Thailand, Indonesia, and Vietnam, Taiwan stands as a positively viewed force for technological change and business opportunity yet lacking in the soft power capabilities to communicate its success.<sup>23</sup> Through business links, many Southeast Asian countries have created a perception of Taiwan as a compliant, trustworthy partner. In Thailand, for example, Taiwan’s image as an active economic player follows only that of Japan and the United States, with many emphasizing its ability to create employment opportunities in the region.<sup>24</sup>

To better leverage its image through business connections, Taiwan can utilize the human capacity-building elements of business to create a positive view of Taiwan as an active and influential player in the international community.<sup>25</sup> Taiwanese investors and their Southeast Asian partners are currently seeking to boost infrastructure development—particularly in transportation, energy, and telecommunications—and elevate manufacturing capabilities, develop renewable energy technology, and amplify the strong agricultural and food processing industries. Each of these sectors require an investment in *people*.

<sup>19</sup> Ying Fan, “Branding the Nation: Towards a Better Understanding,” *Place Branding and Public Diplomacy* 6, no. 2 (2010).

<sup>20</sup> See: Chun-An Chen, Hsien-Li Lee, Ya-hui Yang and Ming-Huang Lee, “Develop Taiwan’s Nation Brand with a Cultural Perspective,” *Chiao Da Management Review* 33, no. 2 (2013); Chen Chun-An and Lee Shang-Ru, “Developing the Country Brand of Taiwan from the Perspective of Exports,” *Asian Journal of Empirical Research* 3, no. 9 (2013); Adina Simona Zemanek, “Nation Branding in Contemporary Taiwan: A Grassroots Perspective,” *Culture, Theory and Critique* 59, issue 2 (2018).

<sup>21</sup> Although not the origin of the slogan, Taiwan’s medical assistance to other countries during the COVID-19 pandemic was often conducted under the auspices of a “Taiwan Can Help” campaign. See: [www.taiwancanhelp.us](http://www.taiwancanhelp.us).

<sup>22</sup> Zoe Weaver-Lee, “Taiwan’s Companies Look beyond China, But Key Challenges Remain,” *Global Taiwan Brief* 8, issue 18, September 20, 2023.

<sup>23</sup> Alan H. Yang (Ed.), “The Image of Taiwan and Taiwanese Businesses in Indonesia,” Taiwan-Asia Exchange Foundation, Research Series 003, August 2021; Alan H. Yang (Ed.), “The Image of Taiwan and Taiwanese Businesses in Thailand,” Taiwan-Asia Exchange Foundation, Research Series 005, December 2021; Alan H. Yang (Ed.), “The Image of Taiwan and Taiwanese Businesses in Vietnam,” Taiwan-Asia Exchange Foundation, Research Series 001, December 2019.

<sup>24</sup> Yang, “The Image of Taiwan and Taiwanese Businesses in Thailand.”

<sup>25</sup> Zoe Weaver-Lee, “From Aid to Investment: Establishing Taiwan’s Long-Term Presence in Southeast Asia,” *Next-Generation Perspectives on Taiwan*, a report from the German Marshall Fund’s Taiwan-US Policy Program, August 2023.



For example, Taiwanese enterprises can bring Southeast Asian talent to Taiwan for professional training programs, where they not only learn about their industry, but also about Taiwan and its culture.<sup>26</sup> Through locally based initiatives in Southeast Asia, Taiwanese private enterprises can also provide educational opportunities to underserved communities in order to build a more skilled workforce. This would bring financial vibrancy to stalled local economies and support the current skilled labor shortage of specialized sectors in the region.

Specialized organizations may also be able to facilitate investments in targeted sectors, such as STARTBOARD—a Taiwan-based startup incubator that specializes in assisting Taiwanese companies with expanding their business into ASEAN countries and India. The Taiwan External Trade and Development Council (TAITRA) could also assist by promoting Taiwanese industries in Southeast Asia.

### *Utilizing Foreign Assistance*

Taiwan's private sector does not have to work from the ground-up to achieve this level of coordination. As of 2023, Taiwan's leading official development assistance arm—the International Cooperation and Development Fund, or ICDF—collaborates with all 18 New Southbound Policy (NSP) partner countries, six of which have active programs that address issues ranging from solar power grid construction to healthcare personnel training, food security programs, and earthquake medical assistance.<sup>27</sup> Pre-existing programs and connections established by the ICDF already address key issues faced by private sector efforts in the region, such as human capacity building, entrepreneurship training, agricultural product marketing, and women's empowerment. Each of these endeavors contributes to a more stable and vibrant business environment for Taiwanese investment into Southeast Asia.

Taiwan's aid foothold in Southeast Asia thus presents a major opportunity for expanding ICDF's existing programs, which have received praise for their impact on capacity building and small business development. While many argue that Taiwan cannot compete with the sheer sum of assistance that China provides to Southeast Asia and other regions, research suggests that Taiwan's social and economic assistance programs are some of the world's most positively perceived.<sup>28</sup> The people-focused nature of the ICDF's programs, in contrast with large infrastructure projects or grants, allow for volunteers to foster long-term mutually beneficial relationships with their partners.<sup>29</sup> Even if Taiwanese assistance programs in Southeast Asia have a relatively small footprint, they could have significant implications for shaping public opinion.

<sup>26</sup> For example, the first wave of new hires from the Taiwan Semiconductor Manufacturing Company (TSMC) Arizona branch returned from a training trip to Taiwan in March 2023 after spending 12 to 18 months on the island. See: Angelo Paule, "600 US and Taiwanese Semiconductor Employees Return to Arizona from Training in Taiwan," Taiwan Matters for America/America Matters for Taiwan, East-West Center in Washington, March 31, 2023.

<sup>27</sup> Taiwan International Cooperation and Development Fund webpage, as of December 2023.

<sup>28</sup> Samantha Custer et. al., "Listening to Leaders 2021: A Report Card for Development Partners in an Era of Contested Cooperation," Chapter 4, AidData at the College of William and Mary, 2021.

<sup>29</sup> Scott W. Harold, Lyle J. Morris, Logan Ma, *Countering China's Efforts to Isolate Taiwan Diplomatically in Latin America and the Caribbean: The Role of Development Assistance and Disaster Relief* (Santa Monica, CA: RAND Corporation), 2019.

For example, one such program that could be expanded in the region is the ICDF’s “One Town, One Product” project (OTOP, 一鄉一特產). At its core, OTOP is a collection of initiatives aimed at providing grants, training, and selling opportunities to small business owners and craftsmen with the goal of protecting the viability of region-specific goods. Mainly implemented in Central and South America, Taiwan’s OTOP program has generated positive local sentiments due to its success in generating employment opportunities and increasing local income.<sup>30</sup> The foundation for its expansion in Southeast Asia has already been established, as similar projects have already seen success in Vietnam.<sup>31</sup> OTOP can also simultaneously strengthen private sector partnerships between Taiwan and Southeast Asian countries by simultaneously promoting Taiwanese products while also giving SMEs in other countries the platform needed to market their products abroad. Also, connections made between OTOP experts and volunteers with local businesses can create openings for future trade and sourcing partnerships and provide the opportunity to engage in crucial market research on the ground.

### *Engaging People*

At the core of alternative diplomacy is the exchange and interflow of people between Taiwan and Southeast Asia. Cultural diplomacy, educational exchanges, and tourism have become central modes of Taiwan’s efforts to engage Southeast Asia both within and without the New Southbound Policy. Between 2009 and 2015, the Southeast Asian student population in Taiwanese universities grew from under 13,000 to over 26,000.<sup>32</sup> Similarly, Taiwan saw over 218,000 tourists from Southeast Asia in 2023 (the majority of whom reside in Vietnam), with over 250,000 Taiwanese tourists traveling to the region in the same period.

Yet, this enhanced interflow of people has created obstacles for Taiwan’s efforts to create positive messaging. Taiwan’s migrant labor policy flaws have led to substantiated accusations of workplace rights abuses and sub-par working conditions—especially during the chaos of COVID-19.<sup>33</sup> While various bureaucratic institutions have worked to rectify these issues in step with the New Southbound Policy, the vast majority of Southeast Asian migrant workers in Taiwan work in low-wage and strenuous industries. The NSP, on the other hand, has mainly targeted high-wage, educated “talent.” Meanwhile, six Taiwanese universities were recently found guilty of funneling hundreds of Southeast Asian students to work in factories illegally. Under the New Southbound Policy Industry-University Cooperation Special Class program, the universities applied for funding to pay a broker who would recruit and bring students to Taiwan under the pretense that they would be enrolled in a university.<sup>34</sup> While some students could attend classes twice per week, some were not permitted and were even paid less than their promised salaries. *New Bloom Magazine* founder and activist Brian Hioe writes: “This was always a possibility of the New Southbound Policy to begin with, by which Taiwan simply tries to insert

<sup>30</sup> Zoe Weaver-Lee and Adrienne Wu, “Beyond Aid: Using ‘One Town, One Product as a Mutual Partnership,” *The News Lens*, July 26, 2022.

<sup>31</sup> Long Hoang Thanh et. al., “One Village One Product (OVOP)- A Rural Development Strategy and the Early Adaption in Vietnam, the Case of Quang Ninh Province,” *Sustainability* 10, 2018.

<sup>32</sup> Bo-jiun Jing, “Taiwan and Southeast Asia: Opportunities and Constraints of Continued Engagement,” *Contemporary Asian Studies Series*, August 2016.

<sup>33</sup> Adrienne Wu, “Revisiting Taiwan’s Response to Migrant Workers Issues, and Recommended Reforms,” *Global Taiwan Institute* 7, issue 5, March 9, 2022.

<sup>34</sup> Brian Hioe, “Southeast Asian Students Made to Work Illegally in Factories in Six Taiwanese Universities,” *New Bloom Magazine*, December 30, 2018.

itself into [S]outheast Asia as a capitalist exploiter while touting the claim that these are people-to-people relations.”

Somewhat ironically, these contemporary criticisms of Taiwan’s renewed interest in Southeast Asia mirror those of the Cold-War era use of values-based diplomacy. Despite the democratization of Taiwan bringing about developments in technology, environmental movements, and civil society, much of its engagement with Southeast Asia—intentionally or not—could be perceived through the lens of the “China alternative” narrative. Contrary to the widespread belief that Taiwan’s democracy is its “exportable brand,” popular opinion data indicates that this narrative is unconvincing in Southeast Asia.<sup>35</sup> Rather, Taiwan’s strategy to use people-led diplomacy should leverage the concept of mutual efforts rather than imported ideals. For example, while Taiwan’s vibrant civil society would be a valuable resource and meeting place for NGOs in the region, Taiwan should aim to work in partnership with Southeast Asia to address common issues. Rather than lecture Southeast Asian states on internal values, Taiwan should work to address transnational crime, forced labor, human trafficking, economic inequality, and other regional challenges. Similarly, Taiwanese NGOs can familiarize the Taiwanese domestic population with issues in Southeast Asia that impact the region as a whole.

## A TAILORED APPROACH TO ALTERNATIVE ENGAGEMENT

While the above approaches address several demands for Taiwan-Southeast Asia engagement, the diversity of the region itself still calls for a more partner-by-partner approach. Indeed, global economic pressures, political pressures, and public opinion shifts have shaped Southeast Asian states’ willingness and capacity to engage with Taiwan on a state-by-state basis. To best utilize its long-standing interconnection with the region and leverage its overall positive image, Taiwan needs to engage with the right partners in the right way. Of course, a comprehensive review of the opportunities and challenges for each states’ diplomatic potential for Taiwan is not possible without first assessing several factors: elite demand, public demand, political space, and public perception.

### *Assessing Demand and Political Space*

For Taiwan to begin implementing a more partner-based approach to Southeast Asia, it must first understand what its partners want and expect. As suggested by Hsiao, Wang, and Limaye, a cross-regional working group which brings together relevant agencies to address common issues is a great place to start developing a shared vision for the future of Taiwan-Southeast Asia relations.<sup>36</sup> Of course, many Southeast Asian leaders will be hesitant to make these efforts public for fear of retribution from China. As such, finding the “sweet spot” space where collaboration is productive yet discrete will be key.

<sup>35</sup> Yang, “The Image of Taiwan and Taiwanese Businesses in Indonesia”; Yang, “The Image of Taiwan and Taiwanese Businesses in Thailand”; Yang, “The Image of Taiwan and Taiwanese Businesses in Vietnam.”

<sup>36</sup> Satu Limaye, Robert Wang, Russell Hsiao, “Trends in Taiwan’s New Southbound Policy and Impacts, Southeast Asia’s Demand Signals for NSP, and Building a US-Taiwan Development Assistance Coordination Mechanism and Programs,” Taiwan-Asia Exchange Foundation and Global Taiwan Institute, Research Series 010, December 2022.

## *Finding the Pulse on Taiwan in Southeast Asia*

As data collection currently stands in Taiwan, available metrics on Southeast Asian public opinion of the island democracy are limited. While several surveys have measured the region's positions on great power conflict,<sup>37</sup> the business community's perceptions,<sup>38</sup> and states' willingness to sever economic ties with China in an event of a Taiwan invasion,<sup>39</sup> examinations of Southeast Asian opinion on Taiwan as a society, its people, or its position in the international community is virtually non-existent. The availability of such data would be invaluable for the creation of a more tailored approach to Taiwan's state-by-state diplomacy.

## CONCLUSIONS

The long-standing regional ties between Taiwan and Southeast Asia have evolved to adapt to shifting geopolitical circumstances. Despite pushes for official diplomatic recognition for Taiwan, non-diplomatic engagement with Southeast Asia is not new. Values-based engagement and economic ties have been central to Taiwan's strategy across several administrations, with varying degrees of success. These efforts, although comprehensive and pragmatic, have yielded limited tangible shifts in support for Taiwan on the international stage. The region's diverse position on great power conflict, cross-Strait relations, and its own domestic political complexities create a significant challenge for Taiwan. However, if it can build on these pre-existing relationships to create an adaptable, partner-by-partner approach to Southeast Asia, Taiwan can forge more substantial, long-term ties.

In particular, Taiwan should leverage private enterprises to build human capital, official development assistance to foster a more positive image, and nongovernmental organizations to better connect its people. After all, the end goal is to increase the stakes of Taiwan's participation in the international community. If the population of Southeast Asia has an increasingly positive view of Taiwan as an active and influential player in the international community, it is more likely to support its survival.

<sup>37</sup> Turcsányi, 2022.

<sup>38</sup> Yang, "The Image of Taiwan and Taiwanese Businesses in Indonesia"; Yang, "The Image of Taiwan and Taiwanese Businesses in Thailand"; Yang, "The Image of Taiwan and Taiwanese Businesses in Vietnam."

<sup>39</sup> Alliance of Democracies and Latana, *Democracy Perception Index 2022*, May 30, 2022.