Written by Taipei Times Wednesday, 30 June 2010 08:18 -

The president of the US-Taiwan Business Council yesterday confirmed a report in a US-based defense magazine that the US State Department had frozen US congressional notifications for new arms sales to Taiwan "until at least spring next year."

Citing sources in Taipei and Washington, Defense News on Monday wrote that the suspension was the direct result of "effective lobbying by Beijing."

"The Chinese are ramping up the pressure and engaging us in disinformation to complicate our review, particularly in the context of a vulnerable process for arms sales," a defense analyst in Washington told the magazine.

US-Taiwan Business Council president Rupert Hammond-Chambers told the Taipei Times that so far, three notifications had been frozen, with more expected to "stack up" as the year progresses. He said the freeze has been in force for "at least a month," but would not confirm the content of the notifications.

A multibillion-dollar program to upgrade Taiwan's aging F-16A/B fighter aircraft is not included in the freeze, as the program has yet to enter the notification stage. However, as Beijing regards this program as an arms sale, Hammond-Chambers said he expected notification, which is months away, to face similar pressure. He said he was not aware of other notifications scheduled for this year.

Plans to acquire more advanced F-16C/Ds — which have become a "red line" for Beijing — have been on hold since 2006.

"Washington is as vulnerable as it's ever been to pressure by Beijing since the switch in diplomatic relations in 1979, and this has raised Beijing's willingness to pressure Washington," he told the Taipei Times.

With the US hosting the APEC summit next year, contact between US and Chinese officials will increase and create more opportunities for China to exert pressure on the administration of US President Barack Obama, he said.

The stacking-up of notifications, which would result in multibillion-dollar packages, he said, also compels Beijing to turn up the rhetoric.

"I have never seen the US have so little ambition in the Taiwan Strait," he said, adding that it was essential to have balance in the strait, with Taipei engaging both Beijing and Washington in a "sustainable" fashion.

If that triangular relationship gets out of balance, it becomes "inherently destabilizing in the long term," he said, alluding to Washington's failure to counterbalance the just-signed

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Economic Cooperation Framework Agreement (ECFA) between Taiwan and China.

While the retaliatory risks from Beijing remain ambiguous and uncertain, Washington is taking them seriously and as a consequence arms sales have been frozen for this year, Hammond-Chambers said.

"It is difficult to conceive the Obama administration releasing anything this year," he said.

Asked for comment yesterday, Premier Wu Den-yih ([]]]) said he had no information on the matter and would ask government agencies to look into it. Wu said Taipei would proceed with planned procurement requests and continue to negotiate with the US.

Minister of Foreign Affairs Tim-othy Yang ([]]]) said by telephone that he had yet to read the report and would look into the matter.

The American Institution in Taiwan was unavailable for comment.

Source: Taipei Times - 2010/06/30