

Chapter 4: The case study on Ukraine and Belarus vs. Taiwan (1990 - present)

As early as 1988, the Taiwanese had set their eyes on developing closer ties with Belarus and Ukraine. This interest was promoted by the republic's economic potential and its UN membership. High hopes notwithstanding, Taipei lost a battle for diplomatic recognition of the post-soviet Belarus and Ukraine. It subsequently decided to develop 'substantive' relations with Belarus, expecting that, given Belarusian size and importance in CIS, Belarus would not be easily deterred by Chinese objections from developing semi-official relations with Taiwan. Moreover, having gained independence, they were in dire economic straits and Taiwanese financial assistance could facilitate their willingness to interact with Taiwan. Having just abandoned communism, Belarus should also be inclined to sympathize with the Taiwanese struggle against communist China.

This chapter will examine an interaction between Belarus and Taiwan, as well as Ukraine and Taiwan from the very end of 1990s up to present; the process of establishing Taiwanese mission in Kiev and Minsk.

4.1. Background on Ukraine and Belarus

Belarus

The Republic of Belarus geographically is situated in the centre of Europe. The capital is the city of Minsk. Belarus borders on Poland, Lithuania, Latvia, Russia and Ukraine. The territory of Belarus totals 207.6 thousand sq km.

The industrial potential of Belarus includes 20 thermoelectric power stations, 17 metallurgical works, 70 petrochemical plants (the concern "Belneftekhim"), 29 machine-tool construction enterprises, 36 automakers, 37 tractor and agricultural engineering plants, 11 construction, road and municipal engineering plants, 20 food and light industry engineering enterprises, 3 research-and-production associations of

electronic industry, 41 enterprises of electrical industry, 36 instrument-makers, 70 research-and-production associations, plants and institutes of radio industry, 1 416 producers of light and textile industries. The share of mechanical engineering and metalworking in the total country's industrial output constitutes 25%. In 2004 the number of small-scale enterprises exceeded 30 thousand with 290 thousand people employed in the sector. 6 economic zones are established. 2,650 joint ventures and foreign enterprises with foreign investments are registered in the country. They are created with participation of 80 overseas countries.

The financial market is represented by the National bank of Belarus, 29 commercial banks and 10 representative offices of foreign banks.

The country's agro industrial complex includes agriculture, processing industry and service sector. The share of agriculture in the country's economy is 9-10%. The processing industry comprises 4,741 enterprises and manufactures.

Belarus is a presidential republic, governed by a president and the National Assembly. In accordance with the constitution, the president is elected once in five years. The National Assembly is a bicameral parliament comprising the 110-member House of Representatives (the lower house) and the 64-member Council of the Republic (the upper house).

Since 1994, Alexander Lukashenko has been the president of Belarus. The government includes a Council of Ministers, headed by the prime minister.

Western countries have described Belarus under Lukashenko as a dictatorship; the government has accused the same Western powers of trying to oust Lukashenko. The Council of Europe has barred Belarus from EU membership since 1997 for undemocratic voting and election irregularities in the November 1996 constitutional referendum and parliament by-elections. In response, the Belarusian government called the assessment quite far from reality.

Belarus was a founder member of the Commonwealth of Independent States (CIS). Belarus has trade agreements with several European Union member states (despite other member states' travel ban on Lukashenko and top officials), as well as with its neighbours Lithuania, Poland and Latvia.

Belarus and Russia have been close trading partners and diplomatic allies since the break up of the Soviet Union. The Union of Russia and Belarus was established in a 1996–99.

Bilateral relations with the United States are strained because of the United States Department of State's support for various pro-democracy NGOs and because the Belarusian government has made it harder for US-based organizations to operate within the country. The 2004 US Belarus Democracy Act continued this trend, authorizing funding for pro-democracy Belarusian NGOs and forbidding loans to the Belarusian government except for humanitarian purposes. Despite this, the two nations cooperate on intellectual property protection, prevention of human trafficking and technology crime, and disaster relief.

Belarus has increased cooperation with China, strengthened by the visit of President Lukashenko to China in October 2005. Belarus has strong ties with Syria, which President Lukashenko considers a key partner in the Middle East. In addition to the CIS, Belarus has membership in the Eurasian Economic Community and the Collective Security Treaty Organization. Belarus has been a member of the international Non-Aligned Movement since 1998 and a member of the United Nations since its founding in 1945.

Ukraine

Ukraine is a country in Eastern Europe. It is bordered by Russia to the east; Belarus to the north; Poland, Slovakia, and Hungary to the west; Romania and Moldova to the southwest; and the Black Sea and Sea of Azov to the south. The city of Kiev (Kyiv)

is both the capital and the largest city of Ukraine.

Ukraine is a republic under a semi-presidential system with separate legislative, executive, and judicial branches. Since the collapse of the USSR, Ukraine continues to maintain the second largest military in Europe, after that of Russia. The country is home to 46.2 million people.

In Soviet times, the economy of Ukraine was the second largest in the Soviet Union, being an important industrial and agricultural component of the country's planned economy. With the collapse of the Soviet system, the country moved from a planned economy to a market economy. The transition process was difficult for the majority of the population which plunged into poverty.

Ukraine produces nearly all types of transportation vehicles and spacecraft. Antonov airplanes and MAZ trucks are exported to many countries. The majority of Ukrainian exports are marketed to the European Union and CIS. Since independence, Ukraine has maintained its own space agency, the National Space Agency of Ukraine (NSAU). Ukraine became an active participant in scientific space exploration and remote sensing missions. Between 1991 and 2007, Ukraine has launched six self made satellites and 101 launch vehicles, and continues to design spacecraft. So to this day, Ukraine is recognised as a world leader in producing missiles and missile related technology.

The country imports most energy supplies, especially oil and natural gas, and to a large extent depends on Russia as its energy supplier. While 25 percent of the natural gas in Ukraine comes from internal sources, about 35 percent comes from Russia and the remaining 40 percent from Central Asia through transit routes that Russia controls. At the same time, 85 percent of the Russian gas is delivered to Western Europe through Ukraine.

The World Bank classifies Ukraine as a middle-income state. Significant issues include underdeveloped infrastructure and transportation, corruption and

bureaucracy. In 2007 the Ukrainian stock market recorded the second highest growth in the world of 130 percent. According to the CIA, in 2006 the market capitalisation of the Ukrainian stock market was \$111.8 billion. Growing sectors of the Ukrainian economy include the information technology (IT) market, which topped all other Central and Eastern European countries in 2007, growing some 40 percent.

Ukraine maintains peaceful and constructive relations with all its neighbors, though there are some unresolved maritime issues along the Danube and in the Black Sea with Romania; it has especially close ties with Poland and Russia. Ukraine co-founded the Commonwealth of Independent States (CIS) on December 8, 1991, but in January 1993 it refused to endorse a draft charter strengthening political, economic, and defense ties among CIS members. Ukraine was a founding member of GUAM (Georgia-Ukraine-Azerbaijan-Moldova) and has taken the lead with Georgia to promote cooperation among emerging democracies in the Community for Democratic Choice, which held its first summit meeting December 1-2, 2005 in Kyiv.

In 1999-2001, Ukraine served as a non-permanent member of the UN Security Council. Soviet Ukraine joined the United Nations in 1945 as one of the original members following a Western compromise with the Soviet Union, which had asked for seats for all 15 of its union republics. Ukraine has consistently supported peaceful, negotiated settlements to disputes. It has participated in the five-sided (now "5+2") talks on the conflict in Moldova and under President Yushchenko has actively boosted efforts to seek a resolution. Ukraine has also promoted a peaceful resolution to conflict in the post-Soviet state of Georgia and has advocated a return to democracy in neighboring Belarus. Ukraine has also made a substantial contribution to UN peacekeeping operations since 1992.

4.2. Developing Ties

On January 4th 1992 the Chinese ambassador to Moscow, Wang Jinqing, and Ukrainian Vice Foreign Minister Makarevich signed an agreement establishing diplomatic relations. Taiwanese diplomacy was encouraged by what was missing from

the communiqué. In particular, the joint communiqué predictably stated Kiev's recognition of the PRC government as China's only government and its respect for China's territorial integrity. However, it didn't specifically oblige Ukraine not to develop official relations with Taiwan in any form. This omission indicated that Kiev was not averse to 'substantive' relations with Taiwan.⁶³ Ukraine's Minister of Foreign Economic Relations, in an interview with the *Zhongguo shibao*, confirmed Kiev's readiness to sign a commercial agreement with Taiwan, including an accord on the exchange of trade offices.⁶⁴ Ukrainian officials also made Taipei aware that Kiev would welcome economic assistance from the ROC.

Wasting no time, Taiwan launched positive economic diplomacy towards Ukraine in the form of humanitarian assistance. In late January 1992, Vice Foreign Minister John Chang travelled to Kiev on, what seemed to be, an official visit. He met the Deputy Speaker of the Ukrainian parliament, as well as numerous government officials (including the Minister of Defense). 'I was really surprised and kind of astonished' - Chang commented - 'to see that the support from the Ukrainian side for the relationship with the Republic of China was that strong. I was told directly by one of the ministers that he wished that a kind of diplomatic relations could exist.'⁶⁵ Loaded with promises of medical and food aid, Chang probably aimed at convincing Kiev to elevate relations with Taiwan, if not to diplomatic level, then, at the very least, consular level. The Ukrainian government, however, did not see any benefits in signing a consular agreement with Chang. Nevertheless, an economic agreement, inked on 23 January, satisfied Taipei. It envisaged an exchange of commercial offices, and contained provisions for investment guarantees and allowing banks to open branches in each country.⁶⁶ The Taiwan trade office was to carry the name 'Republic of China', making Ukraine one of about ten countries allowing that name to be used whilst maintaining concurrent relations with Beijing.⁶⁷ In a gesture of friendship, Taipei pledged to donate, at Ukraine's request medicines to the value of US\$15 million and to consider providing

⁶³ *Renmin ribao*, 5 January 1992, p.4.

⁶⁴ *Zhongguo shibao* (China Times), 20 January 1992, p. 2.

⁶⁵ Jeremy Mak, "Soviet Collapse Allows Taiwan to lift Profile." *Asian World Street Journal*. 3 February 1992.

⁶⁶ It was revealed which organ signed the agreement for Ukraine (*Zili zaobao*, 25 January 1992).

⁶⁷ Jeremy Mak, "Soviet Collapse Allows Taiwan to lift Profile." *Asian World Street Journal*. 3 February 1992.

Ukraine with food aid. Both donations were to be offered in the name of the Republic of China.

In April 1992, Vice Foreign Minister Chang once again travelled to Kiev, this time in the company of senior MOFA officials and legislators. Most remarkably, the ROC delegation flew by China Airlines in the first ever direct flight to the former communist territory by the Taiwanese flag-carrier. The ostensible purpose of the visit was the donation of medicines. In order to make the recipients acutely aware of the donor's intention, the boxes containing medical supplies were marked with the national flags of Taiwan and Ukraine, and slogan 'Friendship from the Republic of China'.⁶⁸ Chang's second visit to Kiev revealed that, the earlier agreement notwithstanding, detailed arrangements concerning the planned exchange of offices still needed to be worked out. Sensing their hosts' lingering concern over the impact of closer relations with Taiwan on Ukraine's ties with China, the ROC Vice Foreign Minister emphasized that Taipei desired purely economic and trade ties, rather than political relations. Such ties, however, in order to develop, needed some legal basis and organizational structure. Thus, the exchange of trade offices was essential. It also became apparent that the Ukrainians were not committed to the January agreement on the name of the Taiwanese representative office in Kiev. According to the Vice Speaker of the Ukrainian Supreme Soviet, V. Grinev, who was visiting Taiwan in April 1992 in the company of five government officials and parliamentarians, the representative offices were to be operational by the end of 1992. In his enthusiastic comments about Taiwan, Grinev went as far as publicly acknowledging Taiwan's sovereignty.⁶⁹

Medical supplies to the value of US\$15 million was a good beginning to a calculated friendship, but definitely fell short in terms of Kiev's expectations (it equaled 0,02 per cent of Ukraine's GNI in 1992). Ukraine's First Deputy Prime Minister, Valentin Simonenko, having met visiting ROC Minister of Economics Chiang Pin-kung, showed greater interest in Taiwanese loans, as they did not carry political conditions. 'I don't believe too much in credits from the International Monetary Fund' - Simonenko revealed

⁶⁸ *Qingnian ribao*, 19 February 1992, p. 2.

⁶⁹ *Zili zaobao*, 28 and 29 August 1992, p. 4.

- ' There is another way - get credit from such countries as Taiwan for example.⁷⁰ He also hoped for the arrival of Taiwanese investments. Taipei attempted to convince Kiev of the necessity of an investment guarantee agreement as a prerequisite for this to happen, and such a preliminary agreement was indeed signed during Chiang's visit to Ukraine in August 1992 with his counterpart Simonenko. Oddly enough, both ministers also signed a protocol on the exchange of representative offices, specifying that offices could provide consular services. This was already the third such agreement, a telling sign that the problem of offices was becoming increasingly more complex and the bureaus were unlikely to open by late 1992 as planned.

In fact, at the waning month of the Soviet empire, Taipei seemed successful in establishing direct communication with Minsk. Shortly after Chinese Vice Foreign Minister Tian Zengpei and his Belarusian counterpart Pyotr Kravchenko signed an agreement on the establishment of diplomatic ties, two Belarusian ministers requested a meeting with ROC Vice Foreign Minister John Chang, who, in late January 1992, visited Moscow. However, due to the tight schedule, the meeting did not take place until three months later, in April 1992, when Chang made up for the missed opportunity.⁷¹ During his official visit to Minsk, he pledged to donate US\$1 million in cash and medical supplies to Belarus in exchange for strengthened bilateral relations.⁷² Two months later, First Deputy Minister of Health Nikolay Stepanenko flew to Taipei to personally accept US\$500,000 worth of medical supplies. Another US\$500,000 in cash was promised for the victims of the 1986 Chernobyl nuclear disaster.⁷³

Sensing an opportunity to exploit Taiwanese generosity, Minsk was ready to elevate relations with the ROC but at a price, set by Stepanenko, at US\$40 million. Asked to provide a low-interest commercial loan for a telecommunications development project in Minsk, Taipei was ready to extend US\$39.8 million in loans: US\$ 31.8 million was to come directly from Taiwan's IESDF, while the remaining US\$31.8 million was to

⁷⁰ *Zili zaobao*, 28 and 29 August 1992, p.4.

⁷¹ *Zili zaobao*, 1 February 1992, p.4.

⁷² In April 1992, the mayor of Minsk visited Taipei.

⁷³ *Reuters*, 14 April 1992 and 26 June 1992.

be extended through the London-based EBRD.⁷⁴ This was the first time that Taiwan was to grant a soft loan to any CIS member state.

The loan created a friendly, pro-Taiwan atmosphere in the republic. Belarusian pro-Taiwan sentiments were to be further reinforced by a reminder of the Belarusian background of Faina Chiang Fang-liang, widow of late President, Chiang Ching-kuo. Considered a very private (if not reclusive) person, Faina surprisingly agreed to meet the Mayor of Minsk in June 1992, who brought her a miniature flag of independent Belarus and a loaf of traditional black bread.⁷⁵ A month later, Chiang Pin-kung visited Minsk where, together with the Belarus State Economic Planning Commission, he reached an agreement on the exchange of representative offices and establishment of direct air links. The office were meant to allow for more intensive communication between Taiwan and Minsk, and encourage business and tourist travel as they were to be empowered to issue visas. Direct air connections from Taipei via Vienna to Minsk were to shorten the travelling time between the two countries, which would turn Belarus into a more readily accessible investment and trade partner.⁷⁶

After Chiang's departure, however, Minsk began having second thoughts regarding the cost and benefits of 'substantive' ties with Taipei. Possibly with advice from China, the Belarusian government put the plans for representative offices and the formal aviation agreement on hold. By mid-1993, MOFA's patience was running thin. In early May, it announced that the US\$500,000 originally promised for Belarus would instead be donated to Africa, while the soft loan of US\$8 million was suspended.⁷⁷ Having failed to achieve quick success, Taipei was preparing itself for a longer campaign to win over Minsk than originally anticipated. The first round of the Taiwanese-Belarusian interaction that looks like two steps forward, to steps back – was completed, bringing no visible benefits for either partner.

⁷⁴ Included in Belarus' planned purchases were, among others, fiber-optical equipment from Taiwan (*China Economic News Service* (archive), 16 July 1992).

⁷⁵ *Zhongguo shibao*, 13 June, 1992, p. 5.

⁷⁶ *China Economic News Service* (archive), 9 September 1992.

⁷⁷ *Lianhe bao* (*United Daily News*), 9 May 1993, p. 3.

In 1994, Taipei – through the IECDF – became officially involved in the EBRD’s SME Credit Line to Belarus, valued at US\$30 million. This was the first initiative taken by IECDF after establishing a co-financing relationship with the EBRD, with the aim of allocation US\$20 million to various private investment projects in the transition economies. Yet, in 1994, the IECDF did not commit itself financially to the SME Credit Line, awaiting diplomatic developments in Taipei – Minsk relations.

In April 1995, Michail Myasnikovich, Vice Prime Minister in charge of economic and foreign trade affairs, led a large delegation from the CIS. Taipei was assured of Minsk’s sincere wish to strengthen ‘understanding and closer exchanges’ between the two sides through ‘proper agencies’⁷⁸. Taking advantage of a promising situation, the ROC Vice Foreign Minister – on a secret visit to Minsk – discussed with his Belarusian counterpart the possibility of translating Myasnikovich’s vision of ‘proper agencies’ into reality.

By the mid – 1990s, Minsk was ready to accelerate communication with Taipei, first and foremost because Belarus Vice Premier (and the president’s chief of staff, widely credited for Alexander Lukashenko’s presidential election victory in 1994) Leonid Georgievich Sinitsyn became Taipei’s supporter (the circumstances of this acquaintance remain unknown). In late January 1996, Sinitsyn secretly traveled to Taipei, where together with his ROC counterpart, Hsu Li-the, he signed a new agreement on the exchange of trade offices. Unlike the accord struck with Russia on the establishment of coordination committees, the agreement with Belarus was unambiguously intergovernmental. It called for Taipei and Minsk to set up the Taipei Trade and Economic Representative Office – termed by Taiwanese media as a ‘diplomatic stronghold’ - and the Minsk Economic and Trade Mission in Taipei. The former came to life on 1 July 1996 (formally registered in February 1997), while the later was planned for late 1996.⁷⁹ Both offices were to function as pseudo-consulates, as they were granted ‘special privileges’ (similar to those offered to genuine diplomatic representations) on a

⁷⁸ *Central News Agency (archive)*, 29 April 1995.

⁷⁹ *Zhongguo shibao (China Times)*, 29 June 1996, The Office in Minsk offered Taipei an opportunity to expand communication with the CIS, as the head-quarters of the CIS were located in Minsk. The office, however, proved to be of little importance. By mid-2002, it was staffed by only three people, while the Taiwanese office in Latvia was staffed by six.

reciprocal basis.

For US\$35 million, Taiwanese-Belarusian relations had made a giant step forward. Although MOFA denied the media reports of Taipei offering a US\$35 million, low-interest loan to Belarus, it confirmed that the loan deal did take place, but between the International Commercial Bank of China and the National Bank of Belarus, rather than between the two governments. The ROC authorities did not deny the reports that, following the establishment of the ROC office in Minsk, the ICDF allocated US\$7.5 million as part of the EBRD SME credit Line.⁸⁰ Taiwanese bilateral and multilateral soft loans, although seemingly small in size, were welcome to Minsk as, starting in 1996, the DAC drastically reduced its assistance to Belarus (from US\$ 165 million in 1995 to US\$ 61 million and US\$32 million in 1996 and 1997, respectively). To date, Taipei's contribution to the SME Credit Line remains its largest ever financial contribution to any single project in the transition economy, made through the EBRD.

In July 1996, Sinitsyn suddenly resigned over his objections to President Lukashenko's economic and social policies (in the 2001 presidential campaign, he emerged as one of Lukashenko's rivals). As Sinitsyn was Taipei's only ally in the Lukashenko administration, Taiwan's relations with Belarus stalled. Citing budget constraints, the Belarusians decided against opening an office in Taiwan and put a stop to an exchange of visits at the governmental level. By August 2001, when Belarus First Vice Minister of Finance Mikalay Rumans visited Taipei, urging Taiwan to continue providing aid to his country to bail in out of its economic crisis, Taiwanese-belarusian relations were confined to trade and cultural cooperation.⁸¹ Given the irrelevance of Belarus to the Taiwanese economy (bilateral foreign trade oscillated between US\$20 million and US\$30 million), Minsk's support for China on the Taiwan issue (which included vetoing Taipei's efforts to re-enter international organizations) and Minsk's reluctance to enter into any government-level dialogue with Taipei, The DPP administration decided to close the Taiwanese mission in Minsk in January 2006. Its

⁸⁰ *Central News Agency* (archive), 14 February 1997.

⁸¹ *Central News Agency* (archive), 23 August 2001.

functions were taken over by Taiwan's representative office in Moscow⁸². And later it was shared with Taiwan Trade Centre (TTC) in Kiev opened officially by TAITRA initiative, that become responsible for the projects in trade and economic cooperation between Taiwan and Belarus. Remarkable that the office in Kiev was opened right after the closing representative office in Minsk. As example of TTC coordination in Belarus, could serve the visit of Mr. Vincent Hsiao, Director of the TTC in Kiev, to Minsk on May 2007 in order to arrange a Taiwan Textile Delegation to Belarus in June 2007.⁸³

Establishing TTC in Kiev become possible mainly due to Ukrainian initiative. In late 2000, several Ukrainian parliamentarians (the Deputy from Crimea and wealthy businessman, Lev Mirimsky) became directly involved in promoting 'substantive' relations with Taiwan. Upon their initiative, the Ukrainian Centre of Developing Relations with China was established in January 2001. Registered as a commercial company, the Centre sought to become a one-stop agency facilitating Taiwanese investment and trade activities in Ukraine. In the first and the only issue of its bilingual (Russian and English) publication, *Ukraine-Taiwan: Inform*, published in November 2001, the Centre advertised its comprehensive services, which included guaranteeing the security of Taiwanese investments in Ukraine, helping Taiwanese investors to identify suitable investment locations and local partners and representing Taiwanese companies' interests in Ukraine.⁸⁴ Taipei was reluctant to endorse this private initiative, first objecting to the name of the Centre, then to Deputy Udovenko's statement (printed in the first issue of *Ukraine-Taiwan: Inform*) warning Taiwan against the use of economic relations to seek recognition of its sovereignty, and finally resolving not to promote the Centre's services in Taiwan.

Ukrainian parliamentarians, however, remained on the frontline of seeking relations with Taiwan. Former President and legislator Leonid Kravchuk, for example, revived the idea of setting up bilateral offices when visiting Taiwan and meeting

⁸² *Taipei Times*, 4 January 2006 - MOFA's budget constraints also played a role in the closure of the Minsk office.

⁸³ Interview with Mr. Alexander G. Chebotarevsky, Founding Coordinator Minsk City Chapter.

Distinguished Citizens Society International, Editor-in Chief *Formosa Journal*, Director IT Park (IBA Group), Minsk 2008.

⁸⁴ *Ukraine-Taiwan: Inform*. 1 November 2001, p. 36.

President Chen Shui-bian in February 2001.⁸⁵ In April 2003, 14 Ukrainian deputies formed the 'Ukraine-Taiwan' group in the parliament, co-chaired by Mirimsky (the corresponding group in the Legislative Yuan was formed in 2006). Three months later, in July, the Ukrainian Centre of Developing Relations with China found new life in the form of the Ukrainian-Taiwanese Institute, with Mirimsky as the Institute's President and Sinologist Viktor O. Kiktenko (former director of the Centre) as Director. Not unlike the Centre, the Institute offered wide-ranging services to prospective Taiwanese investors and traders (although it no longer claimed to protect their investments). In August 2003, several members of the 'Ukraine-Taiwan' group of deputies (led by Mirimsky) visited Taiwan. The only one high-ranking official willing to meet the Ukrainian deputies was the ROC's minister of justice. A year later, while visiting Beijing, Ukrainian Foreign Minister Konstantin Grishchenko officially reiterated Kiev's respect for the 'one China' principle,⁸⁶ but unofficially signaled to Beijing Kiev's intention to open a bureau in Taipei.

The Orange Revolution (November 2004-January 2005) suspended talks between Ukrainian and Taiwanese foreign ministries concerning the exchange of offices. Ukraine's new President Viktor Yushchenko neither emphasized relations with China - his first visit to Asia led him to Japan in July 2005 and, although officially invited, he is yet to visit China - nor sought any dialogue with Taiwan. Foreign Minister Boris Tarasyuk, his pro-Western stand notwithstanding, reiterated Kiev's principled stand on the question of 'one China' and appeared unsupportive of developing relations with Taiwan, however unofficial. Yet, the low-key dialogue restarted in early 2005 and claimed its first success when Taipei shortened visa processing time from over three weeks to three days in January 2005. Kiev also successfully completed WTO negotiations with Taipei, paving the way for its entry into the WTO in early 2007. (Taiwan was one of the last WTO members to sign an agreement with Ukraine.) Preparing for revitalized economic relations with Ukraine after its WTO entry, TAITRA opened its representative office, a purely trade bureau with no hidden consular prerogatives, in Kiev in October 2006. The Taiwanese trade officials did not coordinate the opening of their representation with the

⁸⁵ *Zhongyang ribao*, 10 and 13 February 2001, p. 4.

⁸⁶ *People's Daily Online (archive)*, 7 July 2004.

Ukraine-Taiwan Institute, which signaled Taipei's unwillingness to subordinate 'substantive' relations with Ukraine to the private interests of several resourceful Ukrainian politicians and entrepreneurs. Yet, the Taiwanese authorities were not averse to utilizing such interests to expand Taiwan's international space. Thus, for example, when invited by Ukrainian Deputy Viktor Pinchuk, former President Kuchma's son-in-law and one of the richest businessmen in Ukraine, James Huang Chih-fang (Presidential Office Deputy Secretary-General and ROC Foreign Minister since January 2006) accepted the invitation and visited Ukraine in December 2005.⁸⁷ It appears that Huang's major objective was not to further relations with Ukraine (he did not seek to meet anyone of importance in Kiev), but rather to demonstrate to Beijing that its ban on ROC high-ranking officials' visits to its allies was not watertight.

From the beginning of Taiwan's interaction with the Soviet Union, Belarus, Russia and Ukraine were singled out as Taipei's top targets for economic cooperation. These markets, however, proved to be a difficult terrain to explore. The biggest obstacles included: lack of information about each other's economies, high tariffs on Taiwanese products, lack of bilateral agreement on mutual investment protection, absence of representative offices (which turned simple issues such as visa application into complex procedures), lack of foreign currency in the post-Soviet economies, their galloping inflation, the language barrier, an unfamiliar legal system, political instability, absence of banking links and periodic economic crises. Taiwan's exchange of offices with Russia and Belarus helped to address the trade information gap between the CIS and Taiwan. Yet, other unresolved problems obliged Taiwanese entrepreneurs to trade with the CIS states through third countries. Indirect trade decreased the risks of doing business with the CIS, but it also unavoidably increased the price of Taiwanese products (consisting of computers, plastics, textiles, machinery and other consumer goods). Moreover, Taiwanese goods were heavily taxed, especially in Ukraine, where they were subject to full, often double, import duty. Due to the high price of Taiwanese consumer products and Taiwan's hunger for raw materials (steel, ferrous ores and chemicals), Taipei registered a consistent trade deficit with Ukraine. On the plus side, however, due to its

⁸⁷ *People's Daily Online (archive)*, November 2005.

growing imports, Taiwan emerged as Ukraine's leading trade partner in Asia. By the mid-1990s, it was Ukraine's third-largest trading partner in Asia, after China and Turkey. Among post-communist states, Taipei's trade with Ukraine outran Poland's and Hungary's, while Belarus became Taiwan's third trading partner within the CIS (after Russia and Ukraine, **Table 3, Table 4, Table 5.**).

Table 3
Taiwan's trade with Belarus and Ukraine
(in millions of US dollars)

		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Belarus	TT	7.58	42.34	15.93	5.71	15.39	28.44	11.49	16.32	19.7	17.04	17.29	28.22	20.1	38.33
	B	-7	-41	-13.3	-1.05	-7.43	-12.94	2.01	-7.62	-8.35	-7.39	-7.43	-19	-6.53	-22.5
Ukraine	TT	53.17	145.97	183.9	202.5	157.2	305.42	250.2	272.19	367.7	250.9	369.4	296.5	437.4	257.8
	B	-22.55	-124.1	-170	-164.4	-126	-264.5	-202	-218	-269	-104	-231.2	-119	-245.7	-11.8

Source: Based on data Ministry of Finance (ROC)

Notes: TT = total trade, B = trade balance.

Table 4
Value of ROC Export and Imports by Country

Ukraine
January 2005 – January 2009

VALUE OF ROC EXPORTS & IMPORTS					
BY COUNTRY / PRODUCT					
REPORT_ID : FSC3021R			update :2009/4/14		
IMPORT/EXPORT : EXPORT+re-exports			TIME PERIOD : 2005/01 - 2009/01		
COUNTRY(REGION) : UA-(UKRAINE)			UNIT : AMOUNT(US\$)		
CCC_CODE :		Total			
Total-					
CCC_CODE	CODE_NAME	2004/01-2008/01	2005/01-2009/01	RANKING	GROWTH RATE(%)
TOTAL	Total	612,894,116	752,711,415		22.813
84	Chapter 84 nuclear reactors, boilers machinery and mechanical appliances; parts thereof	190,768,493	222,600,770	1	16.686
39	Chapter 39 plastics and articles thereof	88,729,138	115,726,076	2	30.426
85	Chapter 85 electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	72,328,498	85,567,939	3	18.305
73	Chapter 73 articles of iron or steel	36,807,848	41,969,062	4	14.022
72	Chapter 72 iron and steel	33,009,734	39,559,861	5	19.843
87	Chapter 87 vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	24,712,923	35,485,703	6	43.592
95	Chapter 95 toys, games and sports requisites; parts and accessories thereof	26,687,823	33,900,279	7	27.025
82	Chapter 82 tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	19,659,273	31,847,515	8	61.997
55	Chapter 55 man-made staple fibers	24,539,065	21,764,503	9	-11.307
3	Chapter 3 fish and crustaceans, mollusks and other aquatic invertebrates	9,133,106	19,004,857	10	108.088
54	Chapter 54 man-made filaments	12,197,438	13,071,408	11	7.165
33	Chapter 33 essential oils and resinous; perfumery, cosmetics or toilet preparations	8,471,981	10,820,062	12	27.716
94	Chapter 94 furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not else where specified or included; illuminated signs, illuminated	10,168,219	9,453,616	13	-7.028
40	Chapter 40 rubber and articles thereof	5,042,796	9,024,336	14	78.955
90	Chapter 90 optical, photographic, cinematographic, measuring, chocking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	6,203,054	8,314,506	15	34.039

48	Chapter 48 paper and paperboard; articles of paper pulp, of paper or of paperboard	5,207,880	6,413,191	16	23.144
29	Chapter 29 organic chemicals	2,259,855	5,512,620	17	143.937
76	Chapter 76 aluminum and articles thereof	4,118,460	4,865,357	18	18.135
32	Chapter 32 tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other coloring matter; paints and varnishes; putty and other mastics; inks	2,853,422	4,563,305	19	59.924
59	Chapter 59 impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use	3,102,606	3,198,654	20	3.096
83	Chapter 83 miscellaneous articles of base metal	2,825,048	3,087,504	21	9.29
58	Chapter 58 special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	2,656,711	2,988,990	22	12.507
70	Chapter 70 glass and glassware	1,921,287	2,717,231	23	41.428
44	Chapter 44 wood and articles of wood; wood charcoal	2,017,041	2,496,934	24	23.792
20	Chapter 20 preparations of vegetables, fruit, nuts or other parts of plants	1,791,017	1,782,174	25	-0.494
Subtotal		597,212,716	735,736,453		23.195
Others		15,681,400	16,974,962		8.249

VALUE OF ROC EXPORTS & IMPORTS

BY COUNTRY / PRODUCT

REPORT_ID : FSC3021R

Update :2009/4/14

IMPORT/EXPORT : **IMPORT+re-imports**

TIME PERIOD : 2005/01 - 2009/01

COUNTRY(REGION) : UA-(UKRAINE)

UNIT : AMOUNT(US\$)

CCC_CODE :

Total

Total-

CCC_CODE	CODE_NAME	2004/01-2008/01	2005/01-2009/01	RANKING	GROWTH RATE (%)
TOTAL	Total	796,654,939	562,280,789		-29.42
72	Chapter 72 iron and steel	574,204,498	283,728,057	1	-50.588
74	Chapter 74 copper and articles thereof	42,752,529	76,115,388	2	78.037
24	Chapter 24 tobacco and manufactured tobacco substitutes	62,688,675	71,853,687	3	14.62
29	Chapter 29 organic chemicals	36,810,381	32,663,707	4	-11.265
31	Chapter 31 fertilizers	14,127,291	20,548,978	5	45.456
38	Chapter 38 miscellaneous chemical products	13,339,437	14,209,125	6	6.52
28	Chapter 28 inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	8,064,551	11,286,610	7	39.953
17	Chapter 17 sugars and sugar confectionery	10,707,490	10,707,490	8	0
84	Chapter 84 nuclear reactors, boilers machinery and mechanical appliances; parts thereof	1,544,058	8,445,275	9	446.953
5	Chapter 5 products of animal origin, not elsewhere specified or included	5,068,054	7,444,870	10	46.898

32	Chapter 32 tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other coloring matter; paints and varnishes; putty and other mastics; inks	5,802,881	5,177,408	11	-10.779
62	Chapter 62 articles of apparel and clothing accessories, not knitted or crocheted	2,534,526	2,889,180	12	13.993
10	Chapter 10 cereals	2,854,855	2,871,038	13	0.567
73	Chapter 73 articles of iron or steel	2,986,857	2,513,336	14	-15.853
81	Chapter 81 other base metals; cermets; articles thereof	1,939,865	1,617,844	15	-16.6
25	Chapter 25 salt; sulphur; earths and stone; plastering materials, lime and cement	2,242,035	1,345,591	16	-39.983
85	Chapter 85 electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	1,034,209	1,136,476	17	9.888
4	Chapter 4 dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included	472,176	1,126,678	18	138.614
27	Chapter 27 mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	871,775	871,775	19	0
26	Chapter 26 ores, slag and ash	1,671,248	809,901	20	-51.539
42	Chapter 42 articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)	473,469	776,375	21	63.976
76	Chapter 76 aluminum and articles thereof	557,590	471,684	22	-15.407
41	Chapter 41 raw hides and skins (other than fur skins) and leather	664,763	443,779	23	-33.243
54	Chapter 54 man-made filaments	697,942	427,173	24	-38.795
7	Chapter 7 edible vegetables and certain roots and tubers	373,920	373,920	25	0
Subtotal		794,485,075	559,855,345		-29.532
Others		2,169,864	2,425,444		11.779

Source: Directorate General of Customs, Ministry of Finance, ROC

Table 5
**Value of ROC Export and Imports by Country
Belarus**

January 2005 – January 2009

VALUE OF ROC EXPORTS & IMPORTS					
BY COUNTRY / PRODUCT					
REPORT_ID : FSC3021R			update :2009/4/14		
IMPORT/EXPORT : EXPORT+re-exports			TIME PERIOD : 2005/01 - 2009/01		
COUNTRY(REGION) : BY-(BELARUS)			UNIT : AMOUNT(US\$)		
CCC_CODE : Total					
Total-					
CCC_CODE	CODE_NAME	2004/01-2008/01	2005/01-2009/01	RANKING	GROWTH RATE (%)
TOTAL	Total	42,518,985	56,078,481		31.89
84	Chapter 84 nuclear reactors, boilers machinery and mechanical appliances; parts thereof	14,591,100	21,974,165	1	50.6
85	Chapter 85 electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	11,888,159	12,862,455	2	8.196
82	Chapter 82 tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	7,451,232	11,478,161	3	54.044
74	Chapter 74 copper and articles thereof	2,178,436	2,346,922	4	7.734
54	Chapter 54 man-made filaments	937,091	1,158,247	5	23.6
58	Chapter 58 special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	917,440	1,090,648	6	18.879
39	Chapter 39 plastics and articles thereof	855,974	918,001	7	7.246
95	Chapter 95 toys, games and sports requisites; parts and accessories thereof	497,709	744,178	8	49.521
90	Chapter 90 optical, photographic, cinematographic, measuring, cheking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	429,435	535,554	9	24.711
73	Chapter 73 articles of iron or steel	353,040	512,000	10	45.026
52	Chapter 52 cotton	348,063	359,980	11	3.424
98	Chapter 98 Tariff quota goods	217,488	295,832	12	36.022
87	Chapter 87 vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	216,906	285,541	13	31.643
3	Chapter 3 fish and crustaceans, mollusks and other aquatic invertebrates	224,235	254,081	14	13.31
83	Chapter 83 miscellaneous articles of base metal	207,287	235,305	15	13.517
40	Chapter 40 rubber and articles thereof	120,662	164,500	16	36.331
38	Chapter 38 miscellaneous chemical products	116,719	138,855	17	18.965

80	Chapter 80 Tin and articles thereof	290,156	135,565	18	-53.279
60	Chapter 60 knitted or crocheted fabrics	146,708	97,048	19	-33.85
55	Chapter 55 man-made staple fibers	140,375	96,114	20	-31.531
37	Chapter 37 photographic or cinematographic goods	2,185	77,955	21	3,467.74
44	Chapter 44 wood and articles of wood; wood charcoal	47,670	44,141	22	-7.403
94	Chapter 94 furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not else where specified or included; illuminated signs, illuminated	41,249	42,611	23	3.302
16	Chapter 16 preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	32,744	32,744	24	0
56	Chapter 56 wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof	31,836	31,836	25	0
Subtotal		42,283,899	55,912,439		32.231
Others		235,086	166,042		-29.37

VALUE OF ROC EXPORTS & IMPORTS

BY COUNTRY / PRODUCT

REPORT_ID : FSC3021R

update :2009/4/14

IMPORT/EXPORT : **IMPORT+re-imports**

TIME PERIOD : 2005/01 - 2009/01

COUNTRY(REGION) : BY-(BELARUS)

UNIT : AMOUNT(US\$)

CCC_CODE :

Total

Total-

CCC_CODE	CODE_NAME	2004/01-2008/01	2005/01-2009/01	RANKING	GROWTH RATE (%)
TOTAL	Total	140,242,152	175,018,397		24.797
29	Chapter 29 organic chemicals	114,821,368	144,303,648	1	25.677
72	Chapter 72 iron and steel	11,561,590	10,724,315	2	-7.242
85	Chapter 85 electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	8,502,332	8,072,390	3	-5.057
31	Chapter 31 fertilizers	---	5,757,841	4	---
84	Chapter 84 nuclear reactors, boilers machinery and mechanical appliances; parts thereof	2,368,408	2,860,953	5	20.796
90	Chapter 90 optical, photographic, cinematographic, measuring, chocking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	1,862,397	1,997,989	6	7.281
70	Chapter 70 glass and glassware	519,536	566,707	7	9.079
98	Chapter 98 Tariff quota goods	76,343	251,874	8	229.924

38	Chapter 38 miscellaneous chemical products	185,715	144,684	9	-22.094
61	Chapter 61 articles of apparel and clothing accessories, knitted or crocheted	117,145	93,643	10	-20.062
62	Chapter 62 articles of apparel and clothing accessories, not knitted or crocheted	64,059	90,030	11	40.542
94	Chapter 94 furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated	32,824	64,648	12	96.953
82	Chapter 82 tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	53,859	61,512	13	14.209
3	Chapter 3 fish and crustaceans, mollusks and other aquatic invertebrates	---	15,772	14	---
95	Chapter 95 toys, games and sports requisites; parts and accessories thereof	7,965	7,965	15	0
76	Chapter 76 aluminum and articles thereof	1,209	1,209	16	0
81	Chapter 81 other base metals; cermets; articles thereof	961	961	17	0
39	Chapter 39 plastics and articles thereof	837	899	18	7.407
28	Chapter 28 inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	837	837	19	0
73	Chapter 73 articles of iron or steel	---	241	20	---
49	Chapter 49 printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans	715	153	21	-78.601
87	Chapter 87 vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	126	126	22	0
Subtotal		140,178,226	175,018,397		24.854
Others		63,926	0		-100

Source: Directorate General of Customs, Ministry of Finance, ROC

The flood of cheap Ukrainian steel products distressed Taiwan's own steel producers, who found it difficult to compete with imports priced at seemingly below production cost. In early 1999, China Steel Corporation and Taiwan Steel and Iron Industries Association filed dumping charges against the Ukrainian steel exporters,

calling on the ROC government to levy anti-dumping and provisional duties on these imports.⁸⁸ An investigation by the ROC Ministry of Finance began in May 1999. After one year, MOEA rejected the local producers' charge of Ukraine's (and Russia's) dumping activities, ruling that punitive tariffs were not merited.

If the Taiwanese traders found the Ukrainian and Belarusian market difficult, then Taiwan's investors found it downright hostile. First, the changes of rules and regulations were far too frequent for the investors to follow. The lack of investment guarantees only magnified the risks of doing business. Second, inflation and the unstable exchange rate of the local currency also advised against investing in Ukraine. Although the ROC government tried to encourage Taiwanese investors to test both CIS markets, the Taiwanese business community considered the investment environment there as inferior to that offered by Russia or Central Europe. By the mid-1990s, there were about 11 Taiwanese investment projects in Russia, only one or two in Ukraine. But no investments arrived in Belarus. The Belarusian News Agency concluded that Belarus authorities displayed a remarkable indifference to Taiwan's investment potential, reminding Minsk of Taiwan's reserves exceeding US\$100 billion. According to the agency, Minsk preferred not to anger Beijing by engaging in an aggressive campaign to attract Taiwanese investments.⁸⁹

4.3. Deferring to China

Beijing was aware of Taipei's designs to pluck diplomatic partners out of the Soviet ruins. The Working Group on the CIS, created by the PRC Foreign Ministry and comprising the head of the Ministry's Department of Soviet and East European Affairs, as well as Chinese ambassadors to the newly independent states, intended to monitor Taiwan's activities in the post-Soviet region and to prevent Taipei from successfully challenging the 'one China' principle. The working group had relatively little to monitor in Belarus and Ukraine. Kiev monitored itself very scrupulously. Similarly, Belarus stood firmly by the 'one China' principle. After 1992, state learned more about Beijing's

⁸⁸ In 1998, 55% of Taiwan's total import volume of steel plates came from Ukraine (*China Economic News Service (archive)*, 7 February 1999).

⁸⁹ *Belapan News Agency online (archive)*, 18 February 1997.

sensitivity to the 'one China's question, Belarus and Ukraine made great efforts to adhere to the principle, their non-official interaction with Taipei notwithstanding.

To some extent, Taiwan should blame itself for Belarusian as well as Ukrainian devotion to the 'one China' principle, as its consular relations with Latvia did not demonstrate a level of generosity sufficient enough to stir imaginations in the CIS. There is also no evidence that Taipei showered Minsk with financial assistance, save humanitarian aid in 1992 and soft loans to Belarus as a reward for the agreement on reciprocal offices. But above all, Beijing's success in keeping Minsk and Kiev away from Taiwanese temptations was a consequence of its prudent foreign strategies, which made its friendship more prized (symbolically and literally) than partnership with the ROC. Beijing encouraged an exchange of high-level official visits, which satisfied the cumulative ego of Ukrainian and Belarusian officialdom. China reached numerous agreements with Belarus and Ukraine covering economy and trade, science and technology, military technology, culture and sports, health, post and telecommunications, and environmental protection.

Beijing also unleashed its own economic diplomacy. Reacting to Taipei's humanitarian assistance, it instructed the Chinese Red Cross to donate medicines and food to Belarus and Ukraine (as well as Russia).⁹⁰ During Jiang's visit to Ukraine in mid-2001, China pledge a US\$ 1.2 million humanitarian aid grant for joint projects. A year later it donated antibiotics and medical equipment for the victims of an air crash in Ukraine. By early 2004, the Chinese government had offered a total of RMB77.5 million (US\$9.38 million) in aid to Belarus since the two countries established full diplomatic ties. China also encouraged Chinese investments in Belarus. By mid-2001, 45 Chinese-funded firms registered in Belarus, most of them small-scale companies or individuals, were engaged in wholesale, retail and restaurant services.⁹¹ In terms of trade China became Ukraine's second-largest trading partner (after Russia).

Unlike Ukraine, Belarus always kept China well informed of its

⁹⁰ *Zili Zaobao*, 22 March 1992, p. 4.

⁹¹ *Xinhua News Agency (archive)*, 1 January 2004.

communications with Taiwan. In early August 1996, following the official establishment of the ROC office in Minsk, President Lukashenko sent a letter to Jiang Zemin promising not to establish intergovernmental relations with Taiwan. Jiang Zemin, in return, expressed confidence that Belarus would react 'with understanding and great attention' to China's concern over the Taiwan question and, 'strictly adhering to the position of "one China", will not establish any official contacts with Taiwan in order to avoid any negative influence on the development of Sino-Belarusian relations'.⁹² Minsk opted against expanding relations with Taiwan, even though the ROC office offered an opportunity to foster relations closer than those enjoyed by other CIS member-states (except Russia). Taipei's decision to close its office in Minsk is indicative of President Lukashenko's firm 'one China' policy and its principled avoidance of any communication with Taipei.

Minsk and Kiev stood by China whenever the 'one China' issue emerged on international forums. Turning into 'permanent supporters' of China's position on the Taiwan issue, Belarus consistently spoke against the ROC's UN membership, claiming during the annual UN debates that Taiwan, as a province of China, lacked qualifications for the UN membership, which was an intergovernmental organization composed of sovereign states.⁹³ Concerning Beijing's plans to reunite with Taiwan by force if necessary, Belarus appeared equally supportive. In a meeting with Wu Yi, a member of PRC's State Council, President Lukashenko agreed that the 'Taiwan problem' needed to be solved 'as China wanted it'.⁹⁴ In the same spirit, Kiev backed China's opposition to the US plans to include Taiwan in the Theatre Missile Defence. Following Lee Theg-hui's statement on 'special state-to-state' relations between Taiwan and China in 1999, Ukraine's Foreign Minister, Tarasyuk, reiterated principled support for China's territorial integrity.⁹⁵ Plus to above, in the year 2007 the official comments of Belarusian government on the application to the United Nations Secretariat for the UN membership by authorities of Taiwan was that Belarus support the principle position of the Chinese side based on non-recognition of the idea of "independence of Taiwan" and attempts to create "one China and one Taiwan" or "two Chinas", including through applying for the

⁹² *Belapan News Agency online (archive)*, 29 October 1996.

⁹³ *Xinhua*, 11 September 1998, 15 September 2001.

⁹⁴ *BBC Monitoring Service: Former USSR*, 10 March 1999.

⁹⁵ *Xinhua*, 20 July 1999.

UN membership. Belarus once again confirms its commitments with regard to the PRC laid out in a number of bilateral intergovernmental agreements, including the joint declarations of 2001 and 2005.⁹⁶

China and Belarus also found themselves on the same side of the international debate on US foreign policy or NATO's actions in Yugoslavia, Iraqi and its eastward expansion, and on the ABM Treaty and the establishment of the National Missile Defence Treaty.

Coming up to summarizing, Taipei's hopes of plucking allies from the Soviet ruins proved unrealistic. When the post-Soviet states welcomed China's recognition in December 1991, Taipei's efforts shifted towards forging 'substantive' ties. Belarus and Ukraine, in particular, were targeted in order to establish government-to-government communication, official agreements and exchange of high-ranking officials. Knowing that vast Taiwanese liquid capital could contribute to economic growth, the post-Soviet state looked favourably at cooperation with Taiwan. Taipei's humanitarian diplomacy in 1992 and promises of greater economic assistance yielded results, with Kiev and Minsk consenting to the exchange of representative offices and agreements on direct air links and investment protection. Geostrategic considerations, however, prevailed, and both capitals took steps to distance from Taipei. With hindsight, this decision proved correct, as China became their ally on a number of international issues, as well as a major trading partner. Yet, Taiwanese labours to locate friendly political forces in the post-Soviet states were not in vain. Their success in establishing a representative bureau in Minsk and later Vice President Lien's visit to Kiev testified to the potential of Taiwan's economic diplomacy.

Taipei's difficulties in the post-Soviet geopolitical space stemmed from the conflicting agendas of all parties involved. Taiwan's main goal was to score points against China by demonstrating its capacity to establish semi-official ties with the most significant member states of the CIS. Taipei did not need a trade office in either Belarus or Ukraine, nor any investment agreement or accord on direct air links, as Taiwanese investors showed no interest in the post-Soviet markets, while the number of Taiwanese

⁹⁶ Belarus MFA Press Secretary Andrei Popov Comments to *BelTA News Agency* on the Position of the Republic of Belarus on Taiwan (27 June 2007).

tourists visiting post-Soviet states was negligible. But Taipei did need representative offices and semi-official agreements to highlight its expanding 'substantive' ties with the international community. Belarus and Ukraine primarily sought Taiwanese investments, soft loans and know-how to restart own economies. They did not wish to be dragged into the cross-Taiwan Strait conflict and antagonize China, a permanent member of the UN Security Council and a rising economic giant.

These conflicting objectives benefited China, which could be secure in the knowledge that Taiwan was unlikely to stage a diplomatic coup amidst the Soviet ruins. Beijing's humanitarian assistance and burgeoning bilateral trade, coupled with frantic exchanges of high-level state visits, were set to further strengthen friendship with the PRC and weaken Kiev and Minsk's desire for Taiwanese dollars. To a large extent this strategy proved successful, as Taipei's decision to close its office in Minsk and in addition slow response to Ukrainian initiatives in the early 2000s demonstrated its own recognition of failure to upstage Beijing in the European part of the CIS.