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BROOKINGS

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Uncharted Strait

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A few influential Americans have begun to suggest that the United States should reduce its long-standing security commitment to Taiwan. Some say that Taiwan itself has chosen to improve relations with China, so the island has less need for advanced U.S. weaponry and a defense pledge. Others argue that Washington, to avoid unnecessary tensions with a rising China, should accommodate Beijing on the most neuralgic issue—Taiwan.



Above: Reuters/Pichi Chuang - Military honor guards in front of the Presidential Office in Taipei, Taiwan

The first group overstates the limits of the

ongoing Taiwan-China détente. True, progress has been made in normalizing, liberalizing, and institutionalizing the economic relationship. But, to the disappointment of many Chinese, none has occurred on political and security issues, because the Taiwan public is not ready to go there and serious conceptual differences exist on how to get there anyway. So the prospects for cross-Strait relations in the near-term are for modest, incremental progress only, or a stall.

The second group misunderstands the benefits and costs of a significant American accommodation to China regarding Taiwan (e.g. by sharply cutting back arms sales). In fact, Washington has frictions with China on a growing list of issues. Conceding to Beijing on Taiwan will not help us elsewhere. Moreover, our friends and allies (e.g. Japan and Korea) will worry that the United States might sacrifice their interests next for the sake of good relations with China.

Finally, the primary reason China has failed to incorporate Taiwan on its terms is not U.S. arms sales but because its negotiating position is unacceptable to the Taiwan public.

As China rises and seeks to reshape East Asia more to its liking, how the United States responds will be a critical variable. It needs the right mix of accommodation and firmness. Giving way on Taiwan will neither pacify Beijing nor assure our allies.

Introduction

Should the United States abandon Taiwan? Until recently, even to pose such a question would have been unthinkable in Washington. While the U.S. relationship with Taiwan may have had its ups and downs over the past six decades, but the strong American commitment has endured. But now, individuals who previously served in senior positions in the U.S. government are calling it into question. Theirs is not a modest proposal, and it deserves careful examination.

Some observers believe that Taiwan has become a strategic liability. They remind us that China regards the settlement of the Taiwan problem as its internal affair, yet the United States continues to provide the island with advanced weaponry and at least an implicit pledge to come to its defense. They echo Chinese diplomats who argue that our arms sales are the major obstacle to good U.S.-China relations. (These diplomats also assert that U.S. arms sales both discourage Taipei to negotiate seriously with Beijing and encourage Taiwanese politicians who have separatist agendas.) Therefore, it is argued, the United States needs to reconsider fundamentally its security support for Taiwan.

The most prominent voice for this point of view is Zbigniew Brzezinski, Jimmy Carter's national security adviser. He argues that the hostility that arms sales foster in Beijing precludes whatever strategic cooperation a declining United States can secure from a rising China. Moreover, he says, "it is doubtful that Taiwan can indefinitely avoid a more formal connection with China," and points to some version of the unification formula Beijing used for Hong Kong as a possible basis. That in turn would end the island's need to depend on the United States for its security.¹ Others in this camp, more or less, include retired admiral Bill Owens, retired ambassador Chas Freeman, Charles Glaser of George Washington University, and the members of a policy panel assembled by the Miller Center of the University of Virginia.²

To make the conversation even more interesting, there are two other versions of this abandonment idea, ones that start with how Taiwan has changed since 2008:

- At least one conservative Congressman, a long-time supporter of Taiwan, believes that Taiwan was now working with an "autocratic China," and since he opposes autocracy, the island's government no longer deserved his support.³ That is, Taiwan has abandoned U.S. values, which is bad, so he has abandoned Taiwan.
- A Portland State University scholar has argued that Taiwan seems to have decided that its own best interests require it to accommodate to China and rely much less on the United States (as Finland

accommodated the Soviet Union during the Cold War). But in his view, this is good for Washington because it eliminates a long-time burden.⁴ And a Taiwan scholar recently argued that it was in the island's own interest to get out of the middle of the China-U.S. rivalry.⁵

In the abstract, it should not be surprising that some Americans are rethinking U.S. support for Taiwan. We live in a new world. China's power and international role are growing. It is in the interest of the United States to maximize areas of cooperation and mutual benefit with Beijing where possible, even as we demonstrate firmness when it overreaches (as it has). It is not in the U.S. interest to act in ways that lead Chinese leaders to conclude that America pursues a policy of containment. So, this logic goes, perhaps Washington should end commitments that are so offensive to China that it will not cooperate with the United States on projects of strategic value to us. Moreover, as the People's Liberation Army (PLA) becomes more capable, America may find it harder operationally to honor its commitments to Taiwan, even if it wished to do so.

Taiwan Shifts Strategy

To sort through these competing ideas, it is necessary to understand how U.S.-China-Taiwan relations have changed in the last five years and what it means for U.S. policy.

For twenty-five years, Taiwan has faced a serious dilemma. On the one hand, many Taiwan companies benefit from investing in China to produce goods for the Chinese and international markets. On the other hand, China wishes to end Taiwan's separate political status on terms similar to that used for Hong Kong, which most Taiwan people oppose. From around 1995 to 2008, Taiwan's response to China's political goals was to emphasize the island's sovereignty, which only led Beijing to fear that Taiwan's leaders intended to create a totally independent country. China in turn built up military capabilities to deter what it feared, which only made Taiwan more anxious. Washington worried that this action-reaction spiral might lead to war, and it periodically opposed some of Taipei's initiatives.

Ma Ying-jeou won Taiwan's 2008 presidential election by articulating a different vision: that the island could better preserve its prosperity, freedom, dignity, and security by engaging China rather than provoking it. Engagement would focus first on enhancing economic cooperation, thus avoiding contentious and unproductive political arguments. Expanding business ties would yield concrete benefits for both sides of the Taiwan Strait. Opening Taiwan universities to Mainland students would fill out enrollments and expose Chinese young people to a democratic society. In short, Ma believed, Taiwan could give China such a large stake in peace that it would not dare to risk that stake by coercing the island into submission. He made significant progress during his first term in removing obstacles to business and liberalizing trade, most notably in reaching an Economic Cooperation Framework agreement with China in 2010, the first step toward creating a free-trade area. Taiwan bounced back fairly quickly from the global economic crisis and had 4 percent growth in 2011. A growing stream of Chinese tourists buoyed some sectors of the Taiwan economy, and the number of Mainland students grew steadily.

Ma had another reason for engaging China: the United States. Taipei's relations with Washington had suffered before 2008 because U.S. officials feared Taiwan's political initiatives would spark a Chinese over-reaction, creating a conflict that might require American intervention. The reduction of tensions that Ma's policies brought about calmed Washington's fears and increased U.S. confidence that Taiwan's intentions were

constructive. The Bush and Obama administrations responded by improving U.S.-Taiwan relations, by approving three large arms-sales packages and extending other benefits.

Yet Ma's China policy was not a total accommodation to Chinese wishes. Even though Beijing in 2009 exerted pressure on Taiwan to move toward political and security talks, Ma pushed back, and for good reason. The Taiwan public was not yet ready to support them, particularly the approximately 25 percent who retain the goal of total independence. In any case, there were serious conceptual differences between the two sides, specifically whether Taiwan was a sovereign entity for purposes of cross-Strait relations and the island's international role. On the security side, China continued to build up its military capabilities relevant to Taiwan—particularly ballistic and cruise missiles. According to one think-tank's analysis, an intensive missile barrage by the PLA can now ground Taiwan's air force in the very early stages of a conflict, and Taiwan's current defense strategy depends on its aircraft getting off the ground.⁶ So Ma has spurned Chinese proposals for a peace accord because he does not see how it would improve Taiwan's security, and his caution has persisted to this day.

In effect, Ma has pursued a mixed or hedging strategy toward China: engage it in areas that both benefit Taiwan and encourage Chinese restraint (economics and education); deflect Beijing on proposals that are not in the island's interests (politics and security); and preserve a good relationship with the United States (to guard against the worst). A significant part of the Taiwan public—known as the Green Camp—was not happy with Ma's mix of engagement and firmness. They feared he had put the island on a slippery slope to subordination and unification on China's terms. The Greens would have preferred more firmness and less engagement. Yet so far, Ma's strategy has the backing of the majority of island's public, usually known as the Blue Camp. In the last election apparently, around 55 percent of voters approved of his approach while 45 percent remained skeptical or deeply opposed.

Back to the Question of Abandonment

The fact that Ma is hedging the island's bets should be reassuring to Americans who worry that Taiwan is, in effect, "abandoning the United States" for the sake of relations with China. Such strategic appeasement would only be happening if Taipei were willing to concede to Beijing on political and security matters. Yet Taiwan has been unwilling to abandon its claim that it is a sovereign entity and accept a solution similar to that applied to Hong Kong. Instead, it asserts what Ma calls "the sovereignty of the Republic of China." Moreover, Taipei sees a continuing need for a deterrent against China's use of its growing military capabilities. Even as it sees the value of enhancing Beijing's stake in peace, it does not fully trust statements of peaceful intentions. And it is certainly not prepared to terminate its special security relationship with the United States.⁷

The more difficult question is whether the United States, for the sake of its own relationship with China, should, in effect, abandon Taiwan. China believes that U.S. political and security support for Taiwan is the primary reason it has not achieved its unification goal, because it fortifies the confidence of the island's leaders that they can get away with refusing to negotiate on PRC terms. So Beijing believes that if it could induce Washington to end arms sales to Taiwan's military, drop even an implicit commitment to defend the island if attacked, and support unification, its problem would be solved. So China would be very pleased if the United States abandoned Taiwan, and has suggested that if only Washington ended arms sales, U.S.-China relations would be problem free.

American analysts have offered several compelling reasons why the United States should not dissociate itself from Taiwan as long as Taiwan desires American support:⁸

- Although Taiwan has at times been the most important source of U.S.-China conflict, it is not the only one. For example, Beijing's goals in East Asia are not limited to bringing the island back into the PRC fold. In addition, it seeks to expand its security perimeter away from its eastern and southern coast, where it was for decades. That in turn has meant that the PLA navy and air force are operating increasingly in the traditional domain of U.S. and Japanese forces.⁹ Removing Taiwan as a problem would in no way end or reduce this mutual impingement; it would only change its location. Taiwan aside, Beijing would still regard American "socialization" as negative.
- U.S. allies and partners—Japan, the Republic Korea, and others not necessarily in the Asian region—have have much at stake in Washington's future approach to Taiwan. Simply put, a United States that would abandon Taiwan could abandon them. Of course, there may be hypothetical reasons why America might withdraw support that stem from Taiwan's policies rather than its own commitment. So the reasons for any abandonment would be important. But the fear remains.
- Whatever China says, U.S. arms are actually not the reason that Beijing has been unable to bring Taiwan "into the embrace of the Motherland." More to the point, China has not been able to persuade Taiwan's government and public to accept its formula, which is called "one country, two systems" and was the one used for Hong Kong. If China were to make an offer that was actually to Taiwan's liking, it would not refuse because of U.S. arms sales. Of course, a weak and friendless Taiwan might conclude that it had no choice but to settle on whatever terms it could extract. But that is not an outcome to which Washington should be a party (nor is it really in China's interest to gain Taiwan through intimidation).
- Finally, how a status quo United States and a reviving China cope with each other—their key foreign policy challenge for the rest of the century—will be played out over the next few decades in a series of test cases. North Korea, maritime East Asia, and Iran are a few of them. Taiwan is another. While active U.S. opposition to Taiwan's unification with the Mainland would understandably lead Beijing to infer that our intentions are hostile across the board, supporting Beijing's approach when Taipei objects would be a serious demonstration of weakness.

Should the United States concede to China on Taiwan, the lessons that Beijing would learn about the intentions of the United States would likely discourage its moderation and accommodation on other issues like Korea or maritime East Asia; in that respect, America's friends and allies are right. Continuity of U.S. policy toward Taiwan will not guarantee that China's actions in other areas will support the status quo, but it increases the likelihood that it will. Conversely, a China that addresses its Taiwan problem with creativity and due regard to the views on the island says something positive about what kind of great power the PRC will be. A more aggressive approach, one that relies on pressure and intimidation, signals reason for concern about its broader intentions. In this regard, Taiwan is the canary in the East Asian coal mine.

A Slippery Slope?

Even if Taipei does not make a proactive strategic decision to appease Beijing, and even if Washington does not seek to curry Chinese favor by sacrificing Taiwan's interests, there remains the possibility that Taiwan might undermine itself through inattention or neglect. That is, Taiwan might assume that Beijing's intentions are so benign that it is prepared to accept some version of the status quo over the long term. Yet China has a different objective—ending Taiwan's de facto independence more or less on its terms—and it may not have infinite patience. The danger is, therefore, that a frustrated China might seek to exploit the power asymmetry between the two sides of the Strait and intimidate Taiwan into accepting "an offer it can't refuse."

So what can Taiwan do to forestall that day? The first thing is to not create the impression in Beijing that the door on unification is closing forever—which Taiwan is currently doing. In addition, there are things it can do at the margin to strengthen itself and therefore increase the confidence needed to resist PRC pressure.

- Economically, sustain the island's competitiveness in shifting to a knowledge-based economy, and by liberalizing its economic ties with all its major trading partners, not just China. This will require eliminating some protectionist barriers, but the structural adjustment thus created will work to Taiwan's benefit.
- Politically, reform the political system so that it does a better job of addressing the real challenges that Taiwan faces (rather than focusing on relatively superficial issues).
- Also politically, foster a clearer sense of what it means to say that Taiwan or the ROC is a sovereign entity, not just for its role in the international system but also regarding cross-Strait relations.
- Militarily, enhance the deterrent capabilities of Taiwan's armed forces in ways that raise the costs and uncertainties for Beijing if it were ever to mount an intimidation campaign.

None of these forms of self-strengthening will be easy. But they will buoy Taiwan's psychological confidence and reduce the chances of PRC pressure in the first place.

Because the United States has an interest in China approaching its Taiwan "test case" in a constructive manner—that is, avoiding intimidation and accommodating Taiwan's concerns—it should help Taiwan where it can to improve its odds. The most obvious ways are economically, by drawing Taiwan into the circle of high-quality liberalization, and militarily, by supporting innovative and cost-effective ways to enhance deterrence.

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² Bill Owens, "America Must Start Treating China as a Friend," *Financial Times*, November 17, 2009; Chas W. Freeman, Jr., "Beijing, Washington, and the Shifting Balance of Prestige," remarks to the China Maritime Studies Institute, Newport, R.I. May 10, 2011

(www.mepc.org/articles-commentary/speeches/beijing-washington-and-shifting-balance-prestige); Charles Glaser, "Will China's Rise Lead to War? Why Realism Does Not Mean Pessimism," *Foreign Affairs*, vol. 90, (March-April 2011), pp. 80–91; "A Way Ahead with China: Steering the Right Course with the Middle Kingdom," recommendations from the Miller Center of Public Affairs Roundtable, Miller Center of Public Affairs, University of Virginia, March 2011 (millercenter.org/policy/chinaroundtable), pp. 24–25.

³ Nadia Tsao, "Rohrabacher to Leave Taiwan Caucus position," *Taipei Times*, March 15, 2009 (OSC CPP20090315968003).

⁴ Bruce Gilley, "Not So Dire Straits: How Finlandization of Taiwan Benefits U.S. Security," *Foreign Affairs,* vol. 89, no. 1 (January-February 2010), pp. 44–60.

⁵ "Changing the Defense Strategy and Establishing Cross-Strait Military Confidence-Building Measures," *Wang Pao*, November 30, 2012 (Open Source Center CPP20121201569001).

⁶ Thomas G. Mahnken and others, "Asia in the Balance: Transforming U.S. Military Strategy in Asia," American Enterprise Institute, June 2012, p. 11

(www.aei.org/files/2012/05/31/-asia-in-the-balance-transforming-us-military-strategy-in-asia_134736206767). ⁷ And the fact that Taiwan is engaging China economically does not mean that it has abandoned its democratic values, just as the United States, which also employs a mixed strategy, has not.

⁸ See, for example, Nancy Bernkopf Tucker and Bonnie Glaser, "Should the United States Abandon Taiwan?" *Washington Quarterly*, vol. 34 (Fall 2011), pp. 23–37; and Shelley Rigger, *Why Taiwan Matters: Small Island, Global Powerhouse* (Lanham, Md.: Rowman & Littlefield, 2011), especially pp. 187–98.

⁹ See Richard C. Bush III, *Perils of Proximity: China-Japan Security Relations* (Washington, D.C.: Brookings Press, 2010)

¹ Zbigniew Brzezinski, "Balancing the East, Upgrading the West: U.S. Grand Strategy in an Age of Upheaval," *Foreign Affairs*, vol. 91 (January-February 2012), p. 103; Zbigniew Brzezinski, *Strategic Vision: America and the Crisis of Global Power* (New York: Basic Books, 2012), pp. 91–92, 177–78.