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WILL CHINA'S CHALLENGE LEAD TO A CRISIS?

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OPENING REMARKS:

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SUZANNE MALONEY: Welcome, everyone. I'm Suzanne Maloney. I'm vice president and director of the foreign policy Program here at the Brookings Institution. And I'm delighted to welcome you to today's exciting event marking the release of an important new book titled U.S. Taiwan Relations. Will China's Challenge lead to a crisis? It is a great honor to help launch such a profoundly important study of U.S. Taiwan relations and to celebrate its truly impressive coauthors, Ryan Hass and Richard Bush, who are my colleagues here at Brookings, and Bonnie Glaser of the German Marshall Fund. I want to congratulate them on the publication of this book. Growing concerns about China's intentions and plans for Taiwan have prompted an enormous amount of policy attention on cross-strait affairs here in Washington and around the world. Some U.S. officials have called for actions that may depart from the longstanding U.S. policy posture on Taiwan and risk more harm than benefit for the long term objectives that are shared by the United States and Taiwan, namely peace and stability in the Taiwan Strait. Bonnie, Richard and Ryan responded to an increasingly overheated debate on Taiwan with a book that calls for calm and informed policymaking. The book lays out the past, present and future of the Taiwan Strait and appeals to decision makers to appreciate Taiwan and its 23.5 million people. Not as chess pieces in some great power competition, but as friends of the United States who share similar ideals and aspirations with the American people. The authors also explain how America can best support Taiwan and its people in their contest for the future. I can't imagine a more timely or relevant study. The authors draw on their deep knowledge and hands on expertise in writing this book. Ryan Hass is currently a senior fellow and the Michael H. Armacost chair in Foreign Policy here at Brookings, where he holds a joint appointment to the John L Thornton China Center and the Center for East Asia Policy Studies. He is also the Chien Fu and Cecilia younger chair in Taiwan studies here at Brookings. Prior to joining the institution, Ryan served as director for China, Taiwan and Mongolia on the National Security Council staff. In that role, he advised President Obama and senior White House officials on all aspects of U.S. policy toward China, Taiwan and Mongolia, and coordinated the implementation of U.S. policy throughout the region. We're also joined today by the second coauthor, Bonnie Glaser, who is the managing director of the German Marshall Fund's Indo-Pacific program. She is also a nonresident fellow at the Lowy Institute in Sydney, Australia, and a senior associate with the Pacific Forum. She has worked at the intersection of Asia Pacific geopolitics and U.S. policy for more than three decades, including at the Center for Strategic and International Studies and in Government service at the Departments of Defense and State. Finally, we're also joined by our third coauthor here today, Richard Bush. Richard has spent more than 20 years with Brookings, helping to found what is now our Center for East Asia Policy Studies, where he is currently a nonresident senior fellow. Richard started his career at the Asia Society and went on to serve in the U.S. government for many years, including in positions with the House Foreign Affairs Committee and the National Intelligence Council. From 1997 to 2002, he served as chairman and managing director of the American Institute in Taiwan, the mechanism through which the United States government conducts substantive relations with Taiwan in the absence of diplomatic relations. And we're, of course, thrilled to have the PBS NewsHour foreign affairs and defense correspondent Nick Schiffrin, who moderated discussion among the three authors of this masterful book. Following their conversation, we will open the discussion to those of you here in the audience for questions and answers. Microphones will be passed around the audience. A quick reminder that we're living on the record. If yours would like to submit your questions. Those of you who are watching this program virtually, please do so at the email address events@brookings.edu or on Twitter at the hashtag U.S. Taiwan Relations. Since this is a book event, let me just say that the book is currently on sale available for purchase in our bookstore in the lobby of the Brookings Institution or at any online realtor of your choice. I encourage you to pick up a copy. There could be no more important book at this moment. Nick, the floor is now yours.

NICK SCHIFFRIN: Then, thank you very much. And thank you all for being here. I will just say that you're not going to get the signed copy. If you order online, you'll get the signed copy in the lobby. That's my plug. Thank you. Ryan Hass. It is your name at the top. So you get the first big question which you ask yourself in the book title. And what I'm going to do here is we're going to do a quick first round, get some of the big thoughts from all three of you and then. The book has been divided into three past, present, kind of last few years and then future. Richard has written in the past. Bonnie has written the present, if you will, and Ryan's written the future. So well. We'll split up the rest of the conversation based on how they split up the writing of the book. But the first round is the overall. And Ryan, you get the question that you ask in your subtitle, Will China's challenge lead to a crisis?

RYAN HASS: Well, first of all, Nick, thank you for being here. And it's wonderful to be among so many friends and to have the online audience. My family is watching from Seattle. So hello to you. Will China's challenge lead the crisis? I'll tell you my answer. I'm sure my colleagues will embellish it. I don't think it's a foregone conclusion. And in fact, what I think is that the future is highly uncertain. If we look at what's happened over the past 40 years, there's been an iterative dynamic among all three parties, each responding to the actions and events of the other. And there's no reason to believe that we've arrived at some conclusion, some terminal state of history. What I do think is that it's the fundamental interests of all three parties to avoid conflict if possible. And there is no inevitability of conflict at all. And that's part of the

work that our book is trying to do. One of the things that we want to do is harness this growing interest that exists in the United States around Taiwan and cross-strait issues towards productive purposes. And my view is that a lot of energy has been devoted to the security and defense side of that discussion. I think that some of the diplomatic, economic, technological and other issues have been a bit underrated in the discussion. And hopefully through the process of this book, we can begin to balance some of those elements out of it.

NICK SCHIFRIN: Bonnie Glaser You've answered enough questions of mine in the newsletter to know that you're going to answer, you're going to answer whatever question you want, regardless of what I ask. But rather than giving you the same thing, let me read to you a quote from Eli Ratner. You may know where this is going already. December 2021, Taiwan is located at a critical node within the first island chain, anchoring a network of U.S. allies and partners that is critical to the region's security, critical to the defense of vital U.S. interests in the Indo-Pacific. He went on to say Taiwan is a stark contrast to deepen authoritarianism and oppression in the PRC. Taiwan has proven the possibilities of an alternative path to that of the Chinese Communist Party. Does the U.S. now view Taiwan as a strategic asset to be kept separate from Beijing?

BONNIE GLASER: Well, thank you. I want to thank my coauthors for what was a really fun project, writing this book and starting off with a tough question. I think that the United States has had a policy of accepting any peaceful and the outcome that is agreed upon peacefully between the two sides of the strait. But we have yet to hear a Biden administration official make that statement. And so in the absence of that statement, I believe that Eli Ratner's description did raise concerns among many people that the United States sees Taiwan as such an important strategic asset, that it would under no circumstances allow it ever to be integrated into the People's Republic of China. And I think that the danger of that conclusion, if that judgment is made by Beijing, is that increasingly this is potentially part of a Chinese assessment that the United States has walked away from all of its all of the components of its one-China policy. And we've heard many Chinese officials express doubt that even President Biden's statements directly to see Jin Peng, many say, are not credible. I hear Chinese experts say that on the in various conversations. You know, the president says the U.S. doesn't support Taiwan independence, but the Chinese claim that our actions are don't match our words. So my view is that we need to have a clear and consistent set of policies from the U.S. administration and that it's really not in our interest to foreclose the possibility at some point in the future. And this is even part of of Taiwan's policy that if there is a majority of people in Taiwan, that if there were to be a referendum because the people of Taiwan would have to agree that there could be some outcome in which the two sides of the strait find a way to have a relationship that's different than the one that it is today. That door should be left open. Closing that door creates more potential for crisis.

NICK SCHIFRIN: And Richard Bush will come to you and do the history in a second. But we talk so much about U.S. policy. Of course, we talk so much about Beijing, whether it's military. Tree modernization or some of the coercion that it has used with its other tools. The Taiwanese people. There's a sentence in the book. Maybe you wrote it, maybe not. But I think you can speak well to this the will of the Taiwan people to put their democratic system and political autonomy is the center of gravity for determining the future of the Taiwan Strait. Why? Can you explain that?

RICHARD C. BUSH: First of all, let me thank Ryan for quarterbacking this effort and getting the ball over the goal line. Without his efforts, it wouldn't have happened. This is not a purely military issue. It is a political dispute with a military dimension. And at the end of the day, what China has been trying to do is persuade the leaders in Taiwan and the people in Taiwan that unification under the terms that they have set forward. The one country, two systems formula is so in Taiwan's interests that of course, they would want to comply. The people of Taiwan have their own views. They oppose one country, two systems by a wide margin. On the other hand, they don't want to go for a Republic of Taiwan, a completely independent entity. They understand that independence means war and that if Taiwan is seen by the United States as provoking that war, they can't be confident that we would come to their defense. So they're very pragmatic and the status quo is not perfect, but it's a hell of a lot better than any of the other options. So I think that it's very important that Beijing realize that democracy in Taiwan is authentic. But the opinion polls we see are not the result of demagogic antics by politicians. But this is 23 million people who live in a civilized society. And if there's going to be a change in the status quo, they have to be convinced in that it is the right thing to do and that that decision is then carried out through some sort of authoritative mechanism.

NICK SCHIFRIN: So all take about 25 minutes or so to go through the past, present and future, if you will. And then I'll open it up to questions here. And we've got some questions coming in from the audience already. So, Richard, let me let me start with back in the forties. Take us through a few aspects and we'll get quickly to that. That notion that you were ending with about Taiwanese democracy being real. But first, why in the forties did the CCP and the KMT not consider Taiwan particularly important in the forties? And how did that change?

RICHARD C. BUSH: Could you have the last.

NICK SCHIFRIN: How did the CCP and KMT, why did the CCP and KMT not consider Taiwan particularly important initially in the 40 seconds? And how did that change?

RICHARD C. BUSH: Well, it was something of a non-issue in the 1930s because Japan owned Taiwan and the Republic of China government acknowledged that they had a consulate on Taiwan. Then the CCP and the KMT were fighting their own civil war. However, as people started thinking about the postwar settlement, it suddenly occurred to people in Taiwan, people in the United States and the CCP that who control Taiwan would be important. One person involved in this was Franklin Roosevelt, and his conception of the postwar order was that the great powers would work together to maintain peace and security and that this would be done through naval quarantines and air bombardment. And so islands became very important. And so it was automatic for him to say Taiwan should go back to China. John Korchak had a similar view, and he felt that Taiwan was one of China's fortresses. It was one of the gateways that was guarding China from foreign aggression, and it was much better for the Republic of China to have Taiwan than to not. The Communists actually were the last to come to agreement on this. But once they did, they've been ferocious as tigers in defending that view.

NICK SCHIFRIN: Absolutely. We're going to fast forward through a lot of Taiwanese history here. Remind us how the Taiwanese gained a seat at the table through democratic reforms and how fundamental a shift that was. And even to this day, how influential is that?

RICHARD C. BUSH: Taiwan is the poster child for the third wave of democratization and in a way, sort of proves the hypothesis that a society that goes through social and economic modernization creates a public that wants more of a say over its future. Moreover, there is a special factor operating on Taiwan, and that was that the KMT, under President John Sheng, wanted to impose a conservative version. And of Chinese nationality on people. And moreover, Zhang had stated the goal of recovery of the mainland and the Civil War was still going on. And therefore. So you couldn't have democracy. His son Zhang, doing law I think had a much different attitude. He was more a man of the people he recognized in a counterintuitive way that the KMT could better stay in power by opening up the political system, then by keeping it tight and allow the Taiwanese identity to grow and flourish, maybe also to make it harder for the PRC to reach its unification goals. And so what happened in Taiwan as a result of enlightened thinking by leaders, but also by pressure from the opposition and a little bit of pressure from some American congressmen that I know. Taiwan made the transition to democracy peacefully, gradually, and in an ethnic Chinese society, which people at the time at that time thought was impossible.

NICK SCHIFRIN: And one of the main implications, as you point out, it became in part a struggle between the democratic David and the communist Goliath. And the US instinct was to support David. And important is that.

RICHARD C. BUSH: It depends on, I think, today on how much our political leaders and politicians understand the background of U.S. China-Taiwan relations. There was a time not too long ago when the consensus in the United States was that U.S. interests are served by having a good relationship with China economic, political and security. And the Soviet Union was the target of that policy for a long time. And then there was the belief that if we could cooperate as much as possible with China, that would serve peace and prosperity. It's only been in the last ten years or so, even less, that you've had a change in the consensus to viewing China as hostile. And in the early days, I think our leaders understood the need to balance Taiwan policy and China policy. Now there is no balance.

NICK SCHIFRIN: And you also make one last point. Xi Jinping did not create the term rejuvenation. This is Xi Jinping did not create the term rejuvenation. This is not something that I mean, you know, we can say she is quote, you know, Elizabeth is a revolutionary leader, but, you know, he's a product of the party. And it is not the case that she was created an idea about Taiwan that didn't exist before.

RICHARD C. BUSH: And whether it's rejuvenation or revival, this is actually an ambition that goes back more than a century, that restoring wealth and power to China. What was the goal of statesmen in the Qing Dynasty? In the Republic of China and in the People's Republic of China? And the corollary of that is that a China, at least some the CCP sign, a China that does not have Taiwan under control is not a rejuvenated China.

NICK SCHIFRIN: So, Bonnie Glaser, which brings us to Xi Jinping, who is a singular leader. How has he both accelerated? What could argue is the fastest military modernization in world history? But also you guys write quite extensive use of other instruments of power. And how has that often been pointed at Taiwan?

BONNIE GLASER: Well, it's a very important question because, of course, China has been developing militarily for some time. It has been under siege. And that really rapid progress has been made, including breakthroughs that has made China dominant in some areas of military technology like hypersonics. We've seen incredible achievements in space and things like that. But in terms of the toolbox that China has to use against Taiwan, we have seen massive a development of disinformation of cyber tools. When the Speaker Pelosi was in Taiwan in August of last year, and then the Chinese initiated their massive display of force after she left. One of the examples of use of cyber was taking control of the video cameras, the displays in in the 7-Eleven, you know, throughout Taiwan. So there's been many instances in which there have been attacks to take down government websites. Periodically, representatives from Taiwan's government gives us data on how many attacks there are per day or month. And it's absolutely massive. And then, of course, there's the media where there's been purchases of of media in Taiwan, and some of that was outed by some journalists who found that there were some media organizations in in Taiwan who have actually been receiving money and also instructions from Beijing's Taiwan Affairs Office. So the amount of interference and forms of pressure is incredible. It really has increased. And that's the latest component that we really didn't see for some time. But now is growing is the economic coercion. And of course, in a sense, it's almost interesting that China had been using economic coercion against so many other countries for a decade, but didn't do much against Taiwan because their goal was really economic integration. And so they wanted to give preferences to Taiwanese businesses to come in thinking that in China.

NICK SCHIFRIN: That would lead to their goals being.

BONNIE GLASER: That that would be a pathway to unification. But with the reduced confidence in that working, we have seen China really take more economic course measures against Taiwan and we've saw this with the alleged pests or whatever they claimed was in the pineapples and now some kinds of fish. It's really through now over a thousand agricultural products, although if you look at Taiwan's overall exports to China, it's still a real drop in the bucket. So to me it's a still a slap on the wrist, but an indication of what China could do. However, if they go into the IT sector, they're going to be harming themselves. And I doubt that China wants to shoot itself in the foot.

NICK SCHIFRIN: Well, and that's a big discussion. They will certainly have to talk about today in terms of chips. Let's do Taiwan for a second and then we'll go to U.S. policy presence. So take us through present size first campaign, her early missteps. How did she recover and how has she evolved into taking a much more harder stance on Beijing?

BONNIE GLASER: Well, if we go back to when President Tsai first ran for for the presidency in Taiwan, you know, she was ultimately defeated. One of the reasons is, you know, we have no proof as to what was decisive. But she did come here to Washington, D.C. and meet with U.S. officials, and they asked her about her approach to to China. And her questions or answers were not were not adequate.

NICK SCHIFRIN: Well, they were only not out of her because they were leaked to the media. God forbid they were leaked to the media by those U.S. officials who were meeting her. Right. I mean, it wasn't only what she said publicly.

BONNIE GLASER: Right. So I think her main message privately was you can trust me, but not a lot of details about why. Although if she had answered them in greater detail, perhaps, that U.S. officials might have been satisfied. So I think this was actually a learning process tying which part. And so ultimately, yes, she was defeated the first time that she ran. And then when she ran again, she really brought to this position a tremendous amount of experience. More so than I think. And many people who don't know Taiwan well don't know that she is almost really sort of unique in Taiwan to having somebody to be prepared to be president, you know, a effective politician who's also been the negotiator for Taiwan's. And. Change the World Trade Organization. And, you know, the head of the Mainland Affairs Council, all of these different positions that she had and she's really, I think, came to understand how to navigate effectively both the relationship with China and the relationship with the United States. And it's not necessarily one's instinct that helps you navigate relations with either one, particularly the United States. And she understood when she was elected that she needed to try to keep relations with China stable. And she really had, I think, a very sophisticated plan, which she initially laid out part of in a speech at Etsy, ISIS down the street. And some of that was repeated in her inaugural address. And then she elaborated on it where she talked about how her policies would be based on the Republic of China Constitution, the act governing relations across the Taiwan Strait, acknowledging that there had been a meeting between the representatives of the KMT and the CCP in 1992, which I would say went more than half way toward acknowledging that there was something that somebody later on called the 1992 consensus without embracing it. Because let's remember that politically, that would have been a death for her, because her party would never have accepted the 1992 consensus.

So if you look at all of what she laid on the table in her first speech, in that inauguration speech, that speech at CSIR, and I would say her actions in some of the months to come, I think, really were presented opportunities that Beijing did not and should have really responded to.

NICK SCHIFRIN: And after they didn't, How did she evolve a little bit?

BONNIE GLASER: And what I say in the book is to trying to set the bar deliberately too high. She never could have crossed it. And so ultimately, over time, she actually took a harder line. We saw that, I think really even beginning that October in her first National Day speech. But it was really after the crackdown in Hong Kong, the protests when she was running for reelection. And her polling was really very low at the time. And I think that was really the tilt of heart of her policies towards China just became much tougher, where she accurately stated that the people in Taiwan don't want to live under one country, two systems. And the Chinese pledges toward Hong Kong certainly could not be trusted. How could the people of Taiwan ever trust any pledge that would be made towards Taiwan? And she ended up winning by a margin of 25%.

NICK SCHIFRIN: Exactly. Which brings us pretty much almost to the present day. So I wanted to talk about one aspect of what we're seeing in Taiwan today, which is there has been dispute over how to defend the island size. National Security Council has embraced with the US has wanted Taiwan to do, which is what we call a porcupine strategy. The Ministry of National Defense historically has had certain political connections to Beijing and also a certain sense of things like tanks and F-16s being important to be able to prove to the Taiwanese people that they could defend themselves. Is that dispute still exist and what's the implication if it does?

BONNIE GLASER: Well, the way that I would frame it, as you have said, I answer the questions that I think are important. I would frame it as a debate between how do you balance your resources and investment between addressing the the invasion threat and the gray zone threat. And the gray zone threat is everything that the Chinese are doing that are sort of triggering the a kinetic response. And that includes all the things that I that I talked about earlier. And so I think that in that there are people here in the United States who was so worried about the invasion threat that they think that Taiwan should just put all its investment into the kinds of capabilities that would prevent the PLA from successfully landed on the beach. You know, harpoons and stingers and high marks and things of that nature. Whereas Taiwan would say, well, wait a minute, we've so much activity every single day in our air defense identification zone. We actually still need advanced fighter jets. We need to have the pilots that are trained to conduct those kind of intercepts. We need to demonstrate to our own people by doing that that we are defending ourselves. We can't just abandon that mission and just focus on the potential for them for the PLA to land on the beach. And so I think that even though the wave of. The U.S. generally thinks about that balance in the way that Taiwan thinks about the balance is different. And within our countries, we also have differences, of course. That nevertheless, the trend is in the right direction, that Taiwan has started to take much more seriously the need to actually prevent the PLA from establishing a beachhead. They see the invasion threat more seriously than they did several years ago. And I think that the U.S. has come around to understand that there are some areas where they're going to have to compromise and let Taiwan cope with these gray zone threats as well.

NICK SCHIFRIN: And that does bring us to US policy. So one last one to you and then and then Ryan will come to you. Bonnie, you write, there is no policy playbook for supporting Taiwan against Chinese pressure. And I think you're talking about more than just military there. Why isn't there that playbook? And how deficient is U.S. policy until that playbook exists?

BONNIE GLASER: Well, they're probably pieces of it. But the ways in which China applies pressure on Taiwan are so, so deep and so broad, and they're growing all the time in the nature of them is changing. And a good example of that is probably disinformation. We saw, for example, when the Russians invaded Ukraine and there was this massive effort to in tell the people of Taiwan that the United States didn't come to Ukraine's rescue. And so therefore, of course, the U.S. is unreliable. It's not going to come to Taiwan's rescue. And I don't see that as being a credible narrative. But I'm surprised how many people in Taiwan are worried about that. And I was recently in Taiwan when this story broke that President Biden once has this plan to destroy Taiwan, which I thought was absolutely ludicrous, but was very interesting how many people were really worried about that. It's like, wait a minute, President Biden has said four times we'll come to Taiwan's defensive train attacks. What do you mean, you think this is credible? But that's exactly what I mean by helping support Taiwan against Chinese pressure. And it's what we're doing. It's how we're communicating it to the people of Taiwan. And it's also how we're communicating it to China and even communicating it to other countries so that we can get other countries on board with a strategy. And so there's so many different layers of this. I give the administration credit for making an effort and making headway on some of those pieces. I actually think internationalizing the Taiwan Strait, getting countries in Europe, for example, to have more of a stake, to see that they have a stake in the preservation of peace and

stability in Taiwan, I think is something that the Biden administration has really made some really good strides. But there doesn't seem to be a really overall sort of whole of government strategy to help push back against this pressure. Taiwan needs to have more confidence if the risk of Taiwan losing confidence in its government and in the United States is enormous because as we write in the book, first and foremost, China's strategy is one to induce psychological despair in the people of Taiwan that they have no choice other than to give in to China and to take whatever Beijing puts on the table. And we have to avoid that from happening.

NICK SCHIFRIN: Ryan Hass, you write It's important to remind Beijing of its vulnerabilities. The US must provide reassurance that the US is open to any peaceful resolution. Why is Beijing looking for reassurance? Why do you think reminding Beijing of vulnerabilities would make a difference?

RYAN HASS: Well, Nick, I will do my best to answer that question. But first I want to dwell on one point that Richard made, one point that bothered me, because I think that it's absolutely foundational to the argument in this book. Richard was pointing out that since the Qing dynasty of the Republic of China, the People's Republic of China, there has been a through line, a continuous thread of ambition to absorb Taiwan, just as it has absorbed Xinjiang, Tibet and Hong Kong. Taiwan is the last crown jewel in the crown for for China, and it's something that they're very committed to. The reason why I think this is such an important point is because it belies the notion that if we just had a little bit more military capability or a little bit more fervor in support of Taiwan, that this would all solve itself and China would retreat and abandon its ambitions. This is this is sort of foundational to the challenge. What it means is that strength alone is not going to solve this problem. Smarts are going to be increasingly necessary to deal with it and manage it. And so I'm really glad that Richard made that point. And I think that Bonnie has just done a tremendous service in talking about the two paths that are running parallel, leading to the same destination for Beijing. One is a military path with an invasion type scenario. The other is what she talked about, this coercion without violence. And if we fixate on one and ignore the other, we're missing we're missing the train upon which this this competition, this challenge is being fought. And so I think it's absolutely critical. And I'm glad that the body really focus on this. We know that if we from hard personal experience, that if we wanted to create a New York Times bestseller, we would put a mushroom cloud on the cover that was initiated by AI enabled robotic warfare. That's how you sell books and attract attention. That's not what we're trying to do. We're trying to to nudge this discussion into a little bit more holistic, comprehensive view of the nature of the challenge. And that sort of gets to the question that you raised, which is why? Why should the United States be open to any potential future scenario? In the Taiwan Strait. I think our argument is what would be the value of stealing problems from the future? What would the United States gain by foreclosing a potential solution to cross-strait differences? And what cost or risks would we incur in the process? The people of Taiwan have no enthusiasm for near-term unification. This is not something that that many in the United States need to spend a lot of time staying up at night Worrying about the people of Taiwan also are very pragmatic and have shown through repeated elections that they also don't have a lot of appetite for declarations of independence. The goal of U.S. policy and strategy isn't to solve the Taiwan problem. The people of Taiwan, people on the mainland, China, they're not looking for a United States to play mediating role. As as Richard said, this is an artifact of an unfinished civil war. The purpose of American strategy and policy is to keep a path open, for a resolution to be found by the protagonists themselves. That could take years. It could take decades. It could take centuries. I don't know.

NICK SCHIFRIN: Although there is a deadline that Xi Jinping has said, well.

RYAN HASS: We should talk about that. But this is this is where we need to orient our thinking, not towards speculating about whether 2024 or 2025, 2027 is going to be this this timeline for a PRC invasion. As far as I know, 2026 is still open on the bingo board if anyone wants it. But but seriously, we need to really sort of sharpen our thinking and have a little bit more discipline and precision because the stakes couldn't be higher.

NICK SCHIFRIN: Yeah, but so quickly address that, that idea that you have that because of course, you know, there are some who disagree, which I'll ask you in a second, but explain why reassurance is important to Beijing that the U.S. remains open to whatever Taiwan decides in the future, despite President Biden's four four statements and why somehow reminding Beijing of its vulnerabilities would make a difference.

RYAN HASS: Well, the purpose of, you know, the purpose of our efforts in reminding Beijing of its vulnerabilities is not to embarrass them or induce them to feel a need to respond, but to just make clear that we know and they know that there are indivisible risks that Beijing would face if they were ever to choose a military pathway to try to resolve this conflict. Just as the United States has really focused in on Russian vulnerabilities after its brutal invasion of Ukraine. I think a similar process would play itself out if there ever was a military conflict on the Taiwan Strait. China's economy is ten times or nine times larger than Russia's. Its vulnerabilities are different than Russia's, but it has significant vulnerabilities. And we don't need to spend

a ton of time highlighting them. But we should make sure that the Chinese are aware of our capacity to deal with those vulnerabilities should it ever become necessary to do so. And on the reassurance side, Nick, you know, Thomas Schelling, who's a real famous political scientist, has written about deterrence, and the line between deterrence and provocation is pretty thin. But good deterrence also has an element of reassurance to it. And if you have deterrence with that reassurance and really all you're doing is trying to back someone into the corner.

NICK SCHIFRIN: As you know, because I told you off stage, I talked to some of your successors on the National Security Council staff after you left and reiterated your argument, which of course others make as well. And they point out Beijing isn't after or they argue that Beijing is not after reassurance, it's after concessions, and that Beijing will not act based on some kind of lack of U.S. reassurance. But Beijing will act when it is capable of achieving what it wants. Can you respond to that?

RYAN HASS: Well, I welcome my coauthors to respond as well. I think that there's just a philosophical disagreement. The idea is that a measure of capabilities will be determinative of whether Beijing chooses to invade Taiwan. I would offer the past decades and as counter proof to that argument. I also would posit that that would show us the evidence, show us your work to make this case. Because what I hear President Xi telling his people is that China is winning, that they're on a path leading towards their goal of unification, that that they should stay on their current course and that they are capable of achieving the outcomes that they seek through their current strategy. So other than the fact that China is engaging in a significant military build up, which we all should take seriously and pay careful attention to. But it also is similar to every other previous rising power in modern history. What is the evidence to suggest that that that that argument is accurate?

NICK SCHIFRIN: And I want to. Sure. Okay. Very quickly, because I want to get one last question around and then we've got the audience. Go ahead. 245 So quickly.

BONNIE GLASER: We're both going to jump in real quick.

NICK SCHIFRIN: Okay, fair enough.

BONNIE GLASER: I think that Beijing, that reassurance is very is is important to Beijing's decision making. So as the selling pieces. If you don't have credible that deterrence is composed of credible threats and credible assurance. So if if the Chinese believe that the United States has essentially abandoned its one-China policy, then what is the point for them to I mean, not go ahead and use force if they believe that we have crossed what is really their red lines? I believe they have they have two red lines that are that are real. The rest of them, I believe or not, one, is that the United States essentially resurrects the mutual defense treaty with Taiwan, and the other is that we accept that Taiwan is an independent sovereign state. And if the people in the White House, they would tell you they don't have the intention of doing either of those. But if the Chinese believe that that's where we're headed, then we are really headed toward a crisis. So it's not just an issue of concessions. We have to provide a consistent and credible and coherent policy. What I tried to lay out in my section of the book is how this administration actually has not done that. It has been very unclear, contradictory, inconsistent, so that the Chinese are basically left wondering what is our policy? Is there is there any reason why they won't wake up tomorrow and find out that the United States actually is going to recognize an independent Taiwan? I personally think that's dangerous.

NICK SCHIFRIN: Which is why. I'm sorry, Richard.

RICHARD C. BUSH: To two quick points. First of all, reassurance is only useful for a party that wants to be reassured. And I think that Beijing finds it more convenient to not accept our expressions of restraint and prefer to just call us liars. Second, in talking about capabilities and deadlines and whatnot, let's remember that Taiwan has a say in this. And if in 2024 they were to elect a president who was more to Beijing's liking and who was willing to go back to the sort of situation we had between 2008 and 2014, as difficult as that might be, I think that a lot of emphasis on military issues would disappear because we would be in a zone of more cooperation than hostility.

NICK SCHIFRIN: Well, and to that last point in writing, very quickly, sorry, you point out, you know, next year is an election year, not just in the US and that you talk about how the window is closing. If you want to avoid Beijing feeling like the window is closing. Is there a scenario in which the Taiwanese election, not the US military or not US administration statements makes Beijing feel like the window is closing?

RYAN HASS: Well, anything is hypothetically possible. And it's you know, it's dangerous to be speculative on a stage in front of a hundred smart people, but I don't see a high likelihood of that in the near term. I think

that that Taiwan has two major parties that are running for the election and there's a third party as well. But the incumbent party, the Democratic Progressive Party, its candidate is William Lai. And I think that he is a professional politician who is going to appeal to where the majority of the voters are because he wants to become president and win the election. And the majority of the voters are in a space that is pretty pragmatic, that is not on one extreme of independence or the other of unification. And so I don't think that that the people of Taiwan are going to provide a provocation that would trigger a conflict anytime soon.

NICK SCHIFRIN: Okay, I've got a little bit long, so let me turn over the audience. And if you could keep your questions singular and brief, as my father said, keep your brilliance brief. Okay. Right in the middle here. Yeah, exactly. Thank you very much. And please identify yourself quickly.

AUDIENCE MEMBER: Hi. So this is Janelle Frank from US Association for Public Affairs. So I have one question regarding because you mentioned that the Biden administration had a focus on engage in a stakeholder in their regimes and then to put the issue outward, to engage all the stakeholders. But we now almost without more substantial majors. So my question is, do you think that in the coming year, the Biden administration will have a broader and substantial major, especially economic relations with Taiwan? Let's say that accelerate a U.S. power FTA or IT to have wider, more substantial implementation of IPAB in our.

NICK SCHIFRIN: Bonnie, I want to take that. So, you know. Well, the U.S. accelerated economic connections with Taiwan, including an FTA. Possible.

BONNIE GLASER: I think it's quite likely that the 21st Century initiative on trade with Taiwan will be completed. I think that the first five chapters basically been completed. There are seven more to go. I think that's the most likely thing. I wouldn't say it's low hanging fruit because it's still going to be hard. There's a few chapters that are going to be very difficult, but I think that that's doable. I think it's highly unlikely that Taiwan is going to be included as a member of IPF and it.

NICK SCHIFRIN: Indo-Pacific Economic Framework, which was which was launched on the same day that Biden vowed to defend Taiwan militarily.

BONNIE GLASER: And the main reason is that the number of a number of the countries that joined would not have become part of it if the United States had included Taiwan. And that was a trade off. It was a decision that the Biden administration made. That said, if you look at the chapters in this 21st century trade agreement, you'll see it really mirrors the IPF agreement and probably will be completed before the IPF agreement. So eventually, yes, we could be moving towards something that might be something like a free trade agreement with Taiwan. But as you heard from probably right here, when our national security adviser, Jake Sullivan, gave a speech a few days ago, there is still a strong belief in the administration that market access should not be the litmus test of whether or not a trade agreement is a good agreement. So there will be, I think, continued development in our economic relationship with Taiwan, but it may not look like the kind of free trade agreement that we have seen in the past or the agreement that that Taiwan wants. And just one more sentence is I think we should stay tuned and watch if there will be progress on the avoidance of double taxation agreement, because I think that has really gained some traction in the Congress, in the administration. And there is the potential, I think, for some progress there.

NICK SCHIFRIN: There are a couple of hands here, so let's go front row and then we'll go second row and then we'll go back there.

AUDIENCE MEMBER: And something like now, I wondered about two things one and one. How many mainland Chinese are in this room? Because it's it's an issue of China and Taiwan. And the second question is, does one four letter word that I haven't heard at all the word TSMC. And when you're talking about Taiwan as a strategic interest, I would think that that would be probably one of the main reasons for it Taiwan being a strategic interest. So I wonder whether you can address that potentially, given the fact that Taiwan is now making a major investment in Phenix, although we should keep in mind that the percentage of Taiwanese investment in in the U.S. is about as large as the percentage of the Taiwanese population to the Chinese population, maybe about 2%. But that's still.

NICK SCHIFRIN: All right. Chips. Who wants to do chips? Yeah. Richard, you wanna?

RICHARD C. BUSH: Well, obviously, TSMC is an asset for the world. It's an asset for China. It is, I think, a good reason why China would prefer to resolve this political dispute peacefully in the hopes that it would get access to the technology and talent that comes with TSMC and a lot of other Taiwan companies that are world class. And so that can be a stabilizing factor. And the I think it makes perfect sense for TSMC to diversify a little bit. TSMC has probably been one of the most conservative Taiwan companies and in

transferring their technology and their operations to China because they know those are the crown jewels and it's better to keep them in Taiwan or some other safe place.

NICK SCHIFRIN: Sir.

AUDIENCE MEMBER: Thank you very much. Thank you. Is China be when you say agency of Hong Kong and the campaign for the 2024 Taiwan election is coming and the all parties are considering their candidates. From your perspective, what kind of candidate is in the best interests of the United States? In other words, what kinds of message that the Washington would like to hear from the candidates? Thank you.

RICHARD C. BUSH: Right. Well, okay. In right before the 2000 election, I was chairman of the committee. I was sent to give this message. Number one, the United States has no preference. It's the Taiwan voters who should decide who their leader is, what's important, or whether the interests of Taiwan's elected leaders overlap and coincide with those of the United States in terms of this election. I look at a little and a little more broadly, and I think that what's very important is that Taiwan voters get a good choice when they cast their vote, that they are presented with two or maybe three different policy approaches to the many different problems that Taiwan is facing and that these policy packages be detailed, comprehensive, substantive and smart. The people of Taiwan deserve to have a good choice. And if they're denied a good choice because of politics or other things, it would be a shame.

NICK SCHIFRIN: Ryan, you want to jump in?

RYAN HASS: Yeah, I agree with everything Richard said. I would just add, it's wonderful to have a representative from the DPP in the KMT sitting next to each other, smiling and laughing as as you ask the question. So there is there is hope for comity in the political space. But at a deeper level, I would say that it's in America's interest for Taiwan to have strong, solid, rich governance that provides optimism and hope for the future of Taiwan. Because the more confidence Taiwan has in its own future, the less space there is for for any outside meddling or interference or efforts to try to create divisions or gaps inside Taiwan's politics. And that's fundamentally in America's interests.

BONNIE GLASER: If I could just add just a couple of sentences to that. We definitely, even though people ask me this question all the time, I agree with Richard, we really the United States does not have a preference, but we would like to have a leader in in Taiwan, an administration that is forthcoming with us. We don't like surprises, just as Taiwan doesn't like surprises from the United States. We want to have good consultations, particularly given the risks now and the rising tensions in the Taiwan Strait. We just really want to have an administration that represents the opinions of its people, after all, will be democratically elected. And and we have good channels with. And I think that that would be the minimum.

NICK SCHIFRIN: So hand on this side and then I'll go for one for online. Okay. Never mind. All the way in the back. Yeah.

RICHARD C. BUSH: Right there.

AUDIENCE MEMBER: Yeah. I'm Roger Crocetti, an author and editorial contributor on technology policy to The Hill newspaper. And I'm sorry to drag you back into the discussion about a New York Times bestseller with a nuclear explosion on the cover. But I think whether you are a news correspondent for the NewsHour or the president, the United States, one of the issues that I think is on the back of everyone's mind is how important is this discussion? In other words, should I devote 1/10 of 1% of my attention to it, or should I devote 10% of my attention to it? And the end of that question really is what is your assessment of the question of a president? Caution speed, not your preference, but your assessment, the present course and speed the likelihood that Taiwan will declare independence, China will militarily respond in the United States will militarily respond, bringing us into a war between the United States and China. Sorry to put you on the spot, but that's in the back of everybody's mind.

NICK SCHIFRIN: Let's just and let's just combine questions. We are running out of time, the second row up here. This gentleman is very patient. Thank you. And we'll combine the questions.

AUDIENCE MEMBER: Thanks very much for doing this. Robert Delaney, South China Morning Post. Just a quick question about we've had the Biden administration engaged in a lot of activity with Japan, with South Korea, with the Philippines recently and what's come out and the military bases, access to military bases in the Philippines, Japan, of course, upping the amount of military spending it's conducting. And last week, the Washington agreement with South Korea. To what extent is all of this go to what extent can we consider all

of this deterrence in terms of China making a kinetic move against Taiwan? And to what extent is it deterrence without any of the sort of reassurance that we were talking about?

NICK SCHIFRIN: Thank you. So Bonnie, why don't you take the regional allies in the region and you want to do the first one. All right. So all.

BONNIE GLASER: I wanted to take the first one.

NICK SCHIFRIN: All right. You take the first one and then we'll jump in on the Allies in a second. Okay. So bottom line, how close are we to war?

BONNIE GLASER: There are many scenarios that could lead to crisis. The one that you articulated, I think, is the least likely. In other words, that Taiwan just out of the blue declares independence. So I think it is more likely that the developments internally in the PRC, potentially lack of trust in the United States, that PRC has maybe a PRC assessment that Taiwan is inextricably heading towards independence, whether it declares it or not. There are many different variables could eventually provoke a Chinese attack. So I don't think it would start with a Taiwanese Declaration of Independence. I think that this is the probably the. The Taiwan Strait is the is really the only potential trigger of a major war between the United States and China, two nuclear powers, which we have never seen, two nuclear powers go to war with no confidence on. I think that escalation could be controlled. So this is the most worrisome scenario going forward. Certainly the prospects for war are growing. They are not be being more diminished. Right. So, you know, how much percentage of your time you spend on it? I don't know. But I think that what needs to be done is an effort by many people who write about it, journalists, authors, people who speak on these issues to really bring facts to these issues and to bring some sort of sense of sanity, to have a really informed debate on what is necessary in order to prevent that that war from happening, which at least the three of us believe that this is a war that is avoidable.

NICK SCHIFRIN: Ryan, I'm sure you want to answer that, but also do to engage and you get the last word with the idea of, you know, these regional moves that the Biden administration has worked very hard on and is quite proud of.

RYAN HASS: Well, I think from Beijing's perspective, their preference would be to try to isolate Taiwan as an issue between Taiwan and China and to just deal with it on their own. And they feel like if they can isolate the problem into that sort of set, they can impose their will upon the people of Taiwan. They don't like this being a annex of US-China competition. They really don't like Taiwan being embedded into a broader regional or global framework, because that means that others around the world have a stake in what happens in the Taiwan Strait. And as Richard observed with Taiwan Semiconductor Manufacturing Company, this is abundantly a global issue. And the Biden administration, I think, has done a commendable job of helping to turn Taiwan not into a annex of US-China competition, but into an issue upon which countries around the globe have a stake in preserving peace and stability in the Taiwan Strait. So I give them credit for that.

NICK SCHIFRIN: There are more questions online, but unfortunately I have run out of time, so I apologize to those who spit online. And I apologize if you were trying to ask a question here. But one of the things that we try and do here is keep the ship on time. So thank you very much, all of you, for being here. And thank you to the authors.