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# Prioritize Substance Over Symbolism in the U.S.-Taiwan Relationship

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## TOPLINE

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## THE PROBLEM

Taiwan is a geopolitical hotspot that inevitably presents a challenge for the president of the United States. As China claims Taiwan as a renegade province and has increased overt and gray zone threats against Taiwan in recent years, any U.S. interactions with Taiwan must take the fraught U.S.-China and cross-Strait relationships into account.

The U.S. policy towards Taiwan has not fundamentally changed since the 1979 passage of the Taiwan Relations Act (TRA), the release of the Three Communiqués (1972, 1979, and 1982), and the passage of the Six Assurances in 1982. Yet within the contours of the unofficial U.S.-Taiwan relationship, the executive and legislative branches have had leeway to expand certain areas of engagement and cooperation. As the second Trump administration enters the White House, its officials will have the opportunity to assess the status of U.S.-Taiwan relations and create a plan for engagement that considers the nuances and challenges inherent to the U.S.-Taiwan-China triangle. The priority for the United States must be to avoid actions that will destabilize or raise tensions in the

Taiwan Strait, while signaling to both Taiwan and China that it is essential neither side unilaterally changes the status quo.

## **ESSENTIAL CONTEXT**

China hopes to unify with Taiwan someday, whether by force or peaceful means, and its multipronged efforts to intimidate Taiwan have intensified as Taiwan's population grows warier of China's intentions. The cross-Strait relationship took a sharp downturn in 2016 after the election of the Democratic Progressive Party (DPP) leader Tsai Ing-wen as Taiwan's president. Beijing intensely distrusts the DPP and its politicians, condemning them as promoting "separatist" or "independence" sentiment in Taiwan. Throughout Tsai's eight years as president, despite her efforts to take a nonprovocative approach to China and her calls for dialogue, Beijing punished Taiwan by ramping up military exercises and gray zone coercive activities around the island, spreading disinformation on political issues in Taiwan, poaching Taipei's diplomatic allies, and constraining Taiwan's ability to interact with the international community in key forums such as the World Health Organization.

Taiwan, for its part, has elected a DPP president for a third time in a row this year – Lai Ching-te, previously Tsai's vice president, whom China seems to trust even less than Tsai. Lai entered office with a 40.1% plurality of votes – not a majority – but despite the lack of a mandate, the repeated victory of the DPP candidate reflects the unease in Taiwan towards China. People in Taiwan are overwhelmingly opposed to Beijing's "one country, two systems" formula for unification, especially after the abrupt end of political autonomy in Hong Kong in 2019 and the subsequent imposition of a National Security Law that has effectively ended democracy in the city. In a longer-term trend, a majority (64.3% as of June 2024) of people in Taiwan see themselves as "Taiwanese," instead of "Chinese" or both, and preference for unification with China has steadily declined in favor of maintaining the status quo.

The tension in the Taiwan Strait is not a matter solely between China and Taiwan; the United States is part of the equation. U.S. engagement with Taiwan covers a range of activities, from conducting freedom of navigation operations (FONOPs) in the international waters of the Strait, to arms sales for Taiwan's defense, to expanded trade and investment. Beijing objects to U.S. activities that it perceives as encouraging or facilitating Taiwan's independence, particularly since the first Trump administration took an unusual approach to Taiwan beginning in 2016, with an unprecedented phone call between Tsai and then president-elect Trump. Among the activities that drew China's particular ire were increased arms sales and visits to Taiwan by high level U.S. officials after the passage of the Taiwan Travel Act in 2018, including the first visit by a cabinet secretary in August 2020. The second-ever visit to Taiwan of a sitting speaker of the House of Representatives in August 2022 was preceded by months of warnings from Beijing. It was then followed by China's largest military drills around Taiwan up

to that point, with blockade exercises and live-fire drills. The message that Beijing wants to send Washington is clear. It is also clear that Taiwan will bear the brunt of China's retaliation for what China sees as U.S. overreach.

In this context, the United States has a challenging role to define. How best can Washington support Taiwan against Beijing's intimidation and threats without provoking excessive anger from Beijing that will heighten the tension in the Strait? The U.S. cannot control China's decisions and should not allow China's reactions to determine its own choices. After all, the TRA requires the United States to provide Taiwan with the arms to defend itself and to maintain the U.S.'s own capacity to resist China's coercion against Taiwan. But the next administration can be judicious in its approach to Taiwan, so that U.S. engagement focuses on substantial cooperation over symbolic gestures.

## **POLICY RECOMMENDATIONS**

**Ensure that arms sales to Taiwan support the porcupine strategy**, preparing Taiwan for an asymmetric conflict with a core strategy of deterrence by denial. Such arms sales favor a large quantity of lower-cost weapons, like drones and mines, over fewer, more expensive platforms and assets that become high-value targets in a conflict.

**Expand cooperation in emerging domains**, such as cybersecurity, and on nontraditional security issues like disinformation. Taiwan and the United States have significant expertise and practical experience to share with each other in these areas. As threats in these areas rise, particularly with the increased capabilities of artificial intelligence, working together to improve resiliency against cyber threats and disinformation will be a critical part of resisting coercion.

**Deepen economic ties with Taiwan** through the negotiation and passage of a second agreement under the U.S.-Taiwan Initiative on 21<sup>st</sup> Century Trade. The passage of the first agreement under this initiative in 2023 was just the first step towards a comprehensive set of trade agreements with Taiwan. It will be important to not allow momentum to slow as negotiations continue for the second agreement, which covers agriculture, labor, and the environment, and subsequent agreements.

**Avoid symbolic gestures that antagonize China while not substantially furthering U.S.-Taiwan partnership**, such as high-level visits similar to Pelosi's in August 2022, or the passage of legislation that contradicts the TRA and the "one China" policy, such as recognition of Taiwan's independence. A range of factors influence how China views symbolic gestures, from the timing to the officials involved, but an assessment of the benefits for U.S.-Taiwan cooperation compared to the potential reaction from Beijing can guide the decision.