

Political Warfare Alert: CCP Influence Operations Target Taiwanese Social Influencers

Russell Hsiao

The Coming Systems Confrontation over Kinmen

Eric Chan

China's Weaponization of COVID-19 Vaccine against Taiwan

I-wei Jennifer Chang

China Seeks (and Fails) to Punish Taiwan with Coercive Trade

J. Michael Cole

Transatlantic Security and Taiwan in the Global Semiconductor Supply Chain

Christina Lin

A Response to "A Strategy to Prevent War"

Michael Mazza

Political Warfare Alert: CCP Influence Operations Target Taiwanese Social Influencers

By: Russell Hsiao

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Taiwan's national security apparatus recently <u>confirmed</u> that the People's Republic of China (PRC) is adjusting its strategy for cognitive warfare against Taiwan, with an increasing focus on creating a new front by cultivating internet celebrities (網紅). In the midst of the COVID-19 pandemic, which has at least temporarily interrupted traditional channels for cross-Strait exchanges—long the <u>primary conduit</u> for United Front work—Chinese officials are apparently turning to the <u>training of online celebrities</u> and internet broadcasters, ostensibly in a bid to woo Taiwanese youths for propaganda and influence operations.

National security officials on the island have <u>reportedly</u> noted that Beijing was unhappy with the results of Taiwan's 2020 national election, in which incumbent President Tsai Ing-wen (蔡英文) from the Democratic Progressive Party (DPP, 民進黨) resoundingly won re-election. The international community has become increasingly critical of the PRC for concealing the original outbreak of the COVID-19 virus, and highly complimentary of the Taiwanese government's pandemic prevention; this, coupled with the continued deepening of US-Taiwan relations, has compelled Beijing to adjust its approach of cognitive warfare against Taiwan.

This shift is most apparent in the recent modification in China's use of "agents" (代理人) of influence to support its targeting of Taiwanese businessmen, compatriots, youths, and spouses of PRC citizens (陸配). This new approach reportedly emphasizes individuals living in the PRC in order to reduce political sensitivity, with the goal of winning the attention of Taiwanese people. Seemingly hoping to exploit the acceleration in the development of the internet economy caused by the COVID-19 pandemic, Beijing appears to be taking advantage of its vast e-commerce market to lure <u>Taiwanese social influencers</u> and subsequently

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utilize them in the United Front strategy to promote unification with Taiwan.

The cultivation of Taiwanese internet celebrities is aimed primarily at influencing public opinion within Taiwan. To this end, China has started to use "Taiwanese amateur influencers" (台灣素人楷模) as propaganda tools by having them promote China's narratives. By encouraging these individuals to "speak good words for China," Beijing hopes to use Taiwanese people to influence their peers, ultimately reducing the population's resistance to cognitive warfare.

This new push by Beijing to win the hearts and minds of Taiwanese youth is likely intended to counter the growing trend of Taiwanese citizens identifying as "Taiwanese"—a group which represented 64.3 percent of the population in 2020. This phenomenon has been especially pronounced among younger Taiwanese, who make up a significant segment of the electorate. According to Academia Sinica researcher Nathan Batto, approximately 74 percent of the age 20-29 cohort voted in the 2020 elections for Tsai Ing-wen. Notably, this demographic came out in droves in 2020, markedly increasing its turnout from the 2016 elections.

There are several channels for this new propaganda effort. One notable channel is being spearheaded by United Front-affiliated entitites such as the All-China Federation of Taiwan Compatriots (AFCTC, 中華全國 台灣同胞聯誼會). A Party-affiliated group that is part of the CCP's United Front system and focuses on Taiwanese living in the PRC, the AFCTC has been headed by Huang Zhixian (黄志贤) since 2017. Previously, the group was led by Wang Yifu (汪毅夫), Xi Jinping's (習近平) deputy when he served as governor of Fujian province. Wang now heads the National Society of Taiwan Studies (全國台灣研究會), a prominent academic United Front outfit. Huang previously served as the vice chairman of—and remains a member of—the Taiwan Democratic Self-Government League (台灣民 主自治同盟), a United Front political party.

The "Cross-Strait Youth Internet Celebrity Anchor Competition" (海峽兩岸青年網紅主播大賽)—an event targeting influencers held in August 2020—was jointly hosted by the Fujian All-China Federation of Taiwan Compatriots (福建省台灣同胞聯誼會), the Xiamen All-China Federation of Taiwan Compatriots (廈門市台

灣同胞聯誼會), the Xiamen Daily Newspaper (廈門日報社), the Xiamen Association of Taiwan Compatriots Investment Enterprises (廈門市台商投資企業協會), and the China Construction Bank Xiamen Branch (中國建設銀行廈門分行). The AFCTC, the Taiwan Affairs Office (TAO, 國務院台灣事務辦公室), and the Chinese military's General Political Department/Liasion Departent (GPD/LD, 總政治部聯絡部)—which has been folded into the Central Military Commission—have cooperated on Taiwan-related propaganda efforts since 2002.

Another channel for this new propaganda approach is found directly through the local Taiwan business associations in the PRC. For instance, the Hangzhou Association of Taiwan Investment Enterprises (杭州 市台灣同胞投資企業協會) based in Zhejiang Province is promoting the "Training Thousands of Taiwan Youth Anchors" (千名台青主播培養), a program that is planned to run from August 2020 to 2022. The initiative is aimed at recruiting Taiwanese youth, college students, and entertainers located in both the PRC and Taiwan, and hosts 10 sessions with a goal of attracting 100 attendees for each session. Each training period is five months long and comprises a total of 24 online courses, which reportedly include tutorials on developing short videos, producing live shows, attaining online celebrity status, and live broadcasting and line delivery, among other courses. The program is complemented by the "Young Internet Celebrity Anchor Training Camp" (青年網紅主播達人研習營), which will reportedly provide professional training for youth participants, as well as guidance on employment and entrepreneurship to attract more Taiwanese youth to participate in related activities.

These programs are also being organized by local Taiwan business associations, possibly to help attract more Taiwanese participants. These associations—according to their own charters—are required to abide by the "'One-China Principle' and support national unification" (遵守一個中國原則,擁護國家統一). It is also worth noting that the National Association of Taiwan Investment Enterprises on the Mainland (ATI-EM, 大陸全國台胞投資企業聯誼會) serves as a lobbying group for Taiwanese businesses both in China and in Taiwan. ATIEM unsuccessfully tried to lobby the Taiwanese government to change a law that barred cit-

izens from taking positions in state or party bodies in China, such as the Chinese People's Political Consultive Conference (CPPCC, 中國人民政治協商會議).

National security officials in Taiwan have also recently warned the public about the use of a popular app that could allow China's spy agencies to harvest biometric information from users. The Chinese app Quyan (去演), which is becoming increasingly popular among Taiwanese youths, uses a photograph uploaded by the user to edit their face onto actors in popular television dramas. Quyan was developed by Shenzhen Xinguodu Intelligence Co. (深圳新國度智能有限公司), also known as Nexgo, which creates hardware and software for processing electronic payments, including biometric services. According to a national security official cited by the local media, the app poses a "grave security threat."

While this new line of efforts seems designed mainly for propaganda purposes, the CCP's use of the internet and other digital technologies for malign purposes—such as for the spreading of disinformation and other covert activities—have also been <u>increasingly publicized</u> in recent years. Taiwan has long been ground zero for testing out many of these tactics—including those that may seemingly be benign, but in fact possess ulterior motives. It is undeniably worthwhile for other countries to pay attention, since these operations may also be applied to influence their own populations.

The main point: As the COVID-19 pandemic has grounded traditional channels for cross-Strait exchanges, Chinese officials are cultivating online celebrities in a bid to woo Taiwanese youths for propaganda and influence operations against the Taiwanese government.

The Coming Systems Confrontation over Kinmen

By: Eric Chan

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As Chinese Communist Party (CCP) General Secretary Xi Jinping (習近平) seeks to cement his reputation going into the 20th Party Congress (中國共產黨第二十 次全國代表大會), he has taken a number of coercive steps against Taiwan. The Chinese government's previous policy of "strategic ambiguity" towards Taiwan has ceased following Xi's crackdown in Hong Kong and the re-election of Taiwanese President Tsai Ing-wen (蔡英 文). Instead, over the last three years, there has been a sharp increase in gray zone warfare methods. While internal pressures within the People's Republic of China (PRC) from COVID-19 and the need to establish a semblance of stability prior to the 20th Party Congress will likely reduce the direct danger to Taiwan in the shortterm, there are numerous indicators that the next fiveyear period following the Congress will be particularly dangerous. The PRC may exercise options ranging from an accelerated gray zone warfare campaign to a limited land grab. Where is the most likely epicenter for a cross-Strait systems confrontation? The stage is set for Kinmen (金門).

Pre-COVID Priorities as an Indicator of Future CCP Direction

In the PRC, as with most countries, domestic problems relating to lockdowns, testing, and vaccination development and acquisition absorbed the time and energy of the PRC political leadership throughout 2020. This has also been true for influence operations led by the United Front Work Department (UFWD, 中共中央統一戰線工作部), which tends to be a good indication of Party priorities. On January 2, 2019, Xi delivered a hardline speech on Taiwan unification. Accordingly, the UFWD focused its efforts on a vast but ineffectual campaign to influence the Taiwan presidential elections. In 2020, in response to the escalating pandemic, the focus of the UFWD shifted to a global effort to obfus-

cate the origins of COVID-19 and to portray the CCP response as a triumph of authoritarian governance. This was complemented in September 2020 by a Central Committee of the CCP (CCCPC, 中國共產黨中央委員會) domestic directive for the UFWD to ensure Party discipline in private enterprise ("關於加強新時代民營經濟統戰工作的意見").

Thus far, 2021 has seen the UFWD transition back to pre-COVID themes and priorities. On December 20, 2020, <u>updated UFWD regulations</u> called for a renewed focus on "overseas Chinese work" (僑務工作) and "Taiwanese compatriots at home and abroad" (海內外台灣同胞). On January 25, 2021, Politburo Standing Committee member Wang Yang (汪洋) <u>underlined</u> these updated regulations in a meeting with the Western Returned Scholars Association (WRSA, 歐美同學會), the primary UFWD organization for <u>interaction</u> with ethnic Chinese scholars and scientists. He <u>called on the WRSA</u> to emphasize the "education and guidance" of overseas Chinese students in "understanding the strength and advantages of the CPC, Marxism, and socialism with Chinese characteristics."

This reversion has been seen in other elements of the PRC pressure campaign. Starting roughly around June 2020, People's Liberation Army Air Force (PLAAF) incursions across the median line in the Taiwan Strait and around Taiwan sharply increased, restarting a trend that began in 2019. In the same timeframe, the PRC accelerated its use of sand dredgers around the island of Matsu, expanding a project that began in 2018. A number of security analysts have argued that the PRC's use of such gray-zone tactics is primarily meant to "bolster its sovereignty claims over Taiwan by normalizing its presence," or is intended to conduct "experimentation with new wartime strategies." Others have stated that they are meant to test the level of US support for Taiwan. These reasons are true but incomplete; a more holistic way to view them is through the concept of systems confrontation/system destruction warfare.

Systems Confrontation, System Destruction

Systems confrontation (體係對抗) is a PLA operational concept from circa 2015, while system destruction warfare (體系破擊戰) is the resulting PLA theory of victory. The concept details are described in Jeffrey Engstrom's seminal 2018 RAND report, which can sim-

plistically be boiled down to the PLA's attempt to replicate US operational triumphs in the 1991 Gulf War and the 1998 Kosovo War.

Essentially, the concept can be interpreted as an engineering approach to military operational planning. This approach seeks to create a system of systems more efficient and robust than that of the adversary. Such a system of systems can then wear down and ultimately paralyze the adversary, withoutneeding to annihilate the enemy force.

As James Holmes has noted, this engineering-style approach is <u>nothing new</u>. Indeed, the CCP has notably used gray zone warfare with elements of systems confrontation selectively in the past. Examples nclude the Hai Yang Shi You (海洋石油) 981 <u>standoff against Vietnam</u> in 2014, the use of <u>maritime militia swarms</u> against the Philippines in 2015, and increased <u>PLAAF incursions against the Japan Air Self-Defense Force (JASDF)</u> over the last six years.

What is relatively new is that the CCP's gray zone warfare against Taiwan elevates the systems confrontation approach from the operational warfighting level to the strategic level. Unlike the other examples of PRC gray zone warfare, the primary purpose is not messaging or one-off salami slicing, but rather to systemically grind down all aspects of Taiwan's national security forces in a coordinated fashion. The PLAAF incursions across the median line, for instance, are meant to force continued Republic of China Air Force (ROCAF) intercepts to the detriment of maintenance, training, and overall readiness for open warfare. This also has detrimental effects in the long-term, as it works as bait for the Taiwan populace to demand further investments to match the PLAAF intercepts versus developing more effective asymmetrical capabilities.

These effects do not just extend to the air and sea domains. It also applies to information (co-opting Taiwan media to produce fake news) and intelligence (use of UFWD operations to establish clandestine networks), forcing agencies like the Taiwan National Security Bureau (NSB, 國家安全局) to raise their operational tempo. Each case of systems confrontation, taken separately, is not particularly dangerous. In the aggregate, however, they are designed to overwhelm, forcing the opposing party into a reactive stance. System destruc-

tion is achieved when the Taiwan military and government are paralyzed and cannot respond—all without open warfare.

Target Kinmen

In the end, paralysis of the Taiwan government is only one part of the CCP goal. Given the overwhelming focus of the PLA on <u>developing anti-access/area-denial (A2/AD) capabilities and hypersonic missiles</u>—capabilities that would be superfluous if the PLA was primarily concerned about fighting the Taiwan military—it is clear that the CCP views intervention from the United States as the single highest risk factor to forced unification.

Thus, the systems confrontation/gray zone warfare campaign against Taiwan has been carefully designed to also paralyze the United States. The CCP knows that increased overflights across the median line or sand dredging around Matsu will not result in American intervention; at the same time, the US non-response is used by the CCP as part of its messaging campaign that the <u>US treats Taiwan as a pawn</u>, and will ultimately abandon Taiwan.

The next CCP target will likely fit the same parameters. As pre-COVID priorities will re-assert themselves fully in 2022, it is instructive to note that Xi's 2019 speech specifically highlighted Kinmen and Matsu for attention:

"The two sides of the Strait should be fully connected to promote economic and trade cooperation, infrastructure connectivity, energy resource interconnectivity, and common industry standards. We can first connect water, electricity, natural gas, and bridges between Kinmen, Matsu to the coastal areas of Fujian."

Xi's proposal for these so-called "New Four Links" (新四通) is a continuation of a 25-year personal interest. In fact, he first publicly discussed the importance of a cross-Strait tunnel as early as December 1998 when he was a middling deputy secretary of the CCP Fujian Provincial Committee. In the past, similar proposals—such as the 2001 "Mini Three Links" of limited postal, transportation, and trade connections—were simply a part of the CCP messaging strategy against Taiwan. However, in the context of the current all-encompassing PRC

pressure campaign, there are several implications to this proposal today.

1. The Party will likely restart and expand the New Four Links proposal to paralyze intra-party reform of the Kuomintang (KMT, 國民黨).

Recent plans by newly-elected KMT Chairman Johnny Chiang (江啟臣) to revamp the KMT into a PRC-skeptical, pro-US party have been met with <u>significant resistance</u> from the pro-PRC engagement KMT old guard. PRC outreach to Kinmen is meant to garner additional support from the old guard faction, <u>which is particularly prevalent on Kinmen</u>. Moreover, following the start of the pandemic, <u>fear of disease transmission from the mainland</u> caused a backlash against expanding PRC links among even the most ardent pro-PRC engagement groups on Kinmen. The CCP thus has a major incentive to rebuild these ties as a prelude to destroying the current fragile Taiwanese bipartisan consensus against the Party.

2. The Party seeks to use Kinmen as an experimental vehicle for testing localized political warfare tactics.

Previous attempts by the CCP to interfere in Taiwanese politics have been clumsy: from the use of obviously fake political parties to outright vote-buying. On Kinmen, CCP political warfare has been more sophisticated. Political warfare has not been limited to attempts to influence the KMT; the UFWD supports puppet parties such as the For Public Good Party (中華民族致公 黨) and the China Unification Promotion Party (CUPP, 中華統一促進黨), pitting them against each other to adopt and normalize openly unificationist positions. The UFWD has been <u>relatively successful</u> in translating economic and political influence into popular backing for CCP priorities such as the New Four Links. This is primarily due to greater cultural/political fluency in identifying and exploiting local concerns and alienation from the two mainstream Taiwan parties. As the UFWD improves its versatility in micro-targeting Taiwan localities, there will likely be an improvement in its political warfare methods used against Taiwan proper.

3. If the Party's localized political warfare succeeds in Kinmen, then the Party will have a credible option to execute a Crimean-style *fait accompli*.

CCP interest in promoting developmental ties to Kin-

men plays a short-term role in ensuring that other gray zone warfare techniques outside of political warfare are downplayed. However, in the context of a scenario where 1) the Kinmen population decisively and consistently disassociates with both major Taiwan parties, and 2) Kinmen authorities begin to openly defy Taipei on CCP proposals such as a Kinmen-Xiamen "Cross-<u>Strait Peace Experimental Zone</u>" (兩岸和平實驗區), then this could lead to calls for Kinmen to secede from the ROC and join the PRC. In turn, this would give the PRC a credible opening to execute a fait accompli operation against Kinmen, only six miles away from Xiamen. This would be the ultimate systems confrontation: such a move would severely test the determination of both the Taiwan and US governments to respond in a situation where they would be at a significant disadvantage in both a military-operational and political sense. Yet, a lack of response would also have severe repercussions: if the US-Taiwan partnership were to fall apart, or Taiwan domestic politics were to become accommodationist in the face of PRC aggression, this would constitute true system destruction by the PRC.

Conclusion

As we begin to emerge from the devastating COVID-19 pandemic, indications are that the PRC and the United States will see a vigorous recovery in 2021-22. Both sides will thus begin turning from internal issues into waging what President Joseph Biden called "extreme competition." The CCP will intensify its systems confrontation/gray zone campaign against Taiwan, both as a facet of this competition and as part of Xi's personal ambition to enter the CCP historical pantheon as at least Mao's equal. Taiwan would be well-advised to use the COVID-granted breathing space to ramp up its plans to invest more heavily in Kinmen and lessen Kinmen's dependencies on the PRC before the CCP makes its next move.

The main point: The CCP has melded the PLA's "systems confrontation" operational concept with gray zone warfare with the aim of exhausting Taiwan's national defense and paralyzing the US response. Given the Party's trend towards reversion to pre-COVID priorities, Kinmen will likely be the next target for this new style of gray zone warfare.

China's Weaponization of COVID-19 Vaccine against Taiwan

By: I-wei Jennifer Chang

I-wei Jennifer Chang is a research fellow at the Global Taiwan Institute.

China may have played a role in hampering Taiwan's ability to receive COVID-19 vaccines from abroad. Taiwan's Health and Welfare Minister and Central Epidemic Command Center (CECC, 中央流行疫情指揮中 心) head, Chen Shih-chung (陳時中), revealed on February 17 that in December of last year, Taipei was on the verge of announcing a deal to purchase 5 million doses of the Pfizer-BioNTech COVID-19 vaccine from Germany's BioNTech, when the German firm abruptly pulled out of the deal. During a media interview, Chen expressed concern about "potential intervention by outside forces," and said, "Certain people don't want Taiwan to be too happy," hinting at potential Chinese pressure and interference. Hours after Chen's comments to the media, **BioNTech** stated that it still planned to provide vaccines to Taiwan. As Taiwan's population has yet to be vaccinated, Beijing appears to be weaponizing the COVID-19 vaccine—in particular, by seizing on delays and setbacks for delivery—and using United Front tactics to inflict damage on Tsai Ing-wen's (蔡 英文) administration. Indeed, Taipei's procurement of foreign supplies of the COVID-19 vaccine has become a new front in cross-Strait tensions and a test of Taiwan's foreign diplomacy.

Taiwan's Vaccine Procurement

The most recent estimate of Taiwan's current foreign vaccine procurement lies between 30 million and 45 million doses, according to Minister Chen. This includes 10 million doses from British drug maker AstraZeneca, 5.05 million doses from US firm Moderna, an unconfirmed supply of 10 million doses from undisclosed sources, and 4.76 million doses from the COVAX global vaccine-sharing platform co-led by the World Health Organization (WHO), the Coalition for Epidemic Preparedness Innovations (CEPI), and GAVI, the Vaccine Alliance. The CECC confirmed in early February that Taiwan has been allotted 200,000 doses of the AstraZeneca vaccine from the first round of the COVAX program, which has allocated more than 1 million

AstraZeneca doses for distribution to countries and territories that are not United Nations members.

Completion of the deal with BioNTech, whose initial pull-out had sparked controversy, could yield an additional 5 million doses, according to Taiwanese health officials. Minister Chen indicated that a potential reason for BioNTech's sudden U-turn could have been Shanghai Fosun Pharmaceutical Group's (上海復星醫藥公司) objection to the vaccine delivery. In March 2020, BioNTech signed a deal with Shanghai Fosun to develop and sell COVID-19 vaccines, granting the Chinese firm exclusive rights to distribute the vaccines to mainland China, Hong Kong, Macau, and Taiwan. However, the CECC has indicated that it is trying to negotiate directly with BioNTech to procure the vaccines, in an effort to bypass Shanghai Fosun's exclusive rights to sell to Taiwan.

Taiwan also requested Germany's help in securing vaccines for the island after Taipei had responded to Berlin's request for assistance with automobile semiconductor chips. In January 2021, German Economic Affairs and Energy Minister Peter Altmaier sent a letter to Taiwan's Ministry of Economic Affairs seeking help from global chip making giant Taiwan Semiconductor Manufacturing Company (TSMC, 台灣積體電路製造 股份有限公司) and other Taiwanese chip manufacturers to alleviate a global chip shortage, which has adversely impacted auto production by German carmakers such as Volkswagen. In response, Taiwan's Minister of Economic Affairs Wang Mei-hua (王美花) said that Taiwanese manufacturing executives agreed to help Germany. She also made a request during a meeting with Thomas Prinz, the German representative in Taipei, for Berlin's help in obtaining COVID-19 vaccines for the island. While Minister Chen claimed that the two requests were unrelated, the CECC seems amenable to the prospect of selling Taiwanese semiconductor chips in exchange for COVID-19 vaccines from foreign distributors.

Meanwhile, Taiwan's domestically produced COVID-19 vaccines are currently in <u>Phase 2 clinical trials</u>. Once approved by regulators, Taiwan's <u>United Biomedical</u> (UBI, 聯亞) and <u>Medigen</u> (高端) vaccines are expected to contribute approximately <u>10 million</u> doses to the national stockpile. These domestically produced vaccines could be administered as early as <u>July</u> of this year. Fur-

thermore, after meeting domestic demand for the vaccines, Taiwan could possibly <u>produce and export</u> additional vaccines to aid developing countries and friendly nations.

Chinese Vaccine Diplomacy and Cross-Strait Tensions

China's global "vaccine diplomacy" has been in full swing after promising half a billion Chinese-made vaccine doses to more than 45 countries, including giving priority access to developing countries in Southeast Asia and Africa. China's COVID-19 vaccines have been developed by Chinese firms <u>Sinopharm</u> (中國醫藥集 團), CanSino Biologics (康希諾生物), and Sinovac Bio-<u>tech</u> (北京科興生物製品). Thus far, Chinese vaccines have been administered in more than 25 countries, raising concerns not only about the safety of these vaccines, but also China's expansion of influence and soft power in recipient countries. Beijing's vaccine diplomacy reportedly played a role in Guyana's decision in early February to revoke a prior agreement with Taipei to establish a Taiwan Office in Georgetown. Likewise, Chinese vaccine shipments to Turkey have been linked to a Chinese-Turkish extradition agreement that could send Uyghurs living in Turkey back to China.

The Chinese government is also seeking "political unity" by strategically inoculating Taiwanese businesspersons working and living in China. A *Reuters* article in January found that Beijing was prioritizing Taiwanese citizens in China to receive vaccines free of charge. State media and propaganda departments featured interviews with Taiwanese recipients of the shots praising the vaccine program. According to Chinese Communist Party (CCP) leader Wang Yang (汪洋), the inoculation drive was aimed at encouraging Taiwanese residents in China to aid in the "reunification with the motherland."

However, <u>Taiwan's health officials</u> have reiterated the government's policy not to purchase any Chinese COVID-19 vaccines, including those from the COVAX program. Taiwan currently <u>bans</u> imports of Chinese vaccines, citing health concerns and <u>lack of public data</u> on the vaccines' safety and efficacy. Taiwanese nationals who receive the vaccines in China are still subject to the mandatory <u>14-day quarantine</u> when returning to the island. Furthermore, a February 2021 poll conducted by Taiwanese magazine *Global Views Monthly*

(遠見雜誌) found that only <u>1.3 percent</u> of Taiwanese would accept Chinese-made COVID-19 vaccines.

In response to Minister Chen's veiled reference to Chinese interference on the BioNTech deal, officials in Beijing have accused the Tsai administration of politicizing the use of Chinese-made vaccines and have cast doubt on Tsai's ability to successfully procure foreign vaccine deliveries in time. On February 25, Taiwan Affairs Office (TAO, 台灣事務辦公室) spokesperson Ma Xiaoguang (馬曉光) faulted the Democratic Progressive Party (DPP, 民進黨) government for failing to rapidly obtain vaccines, seemingly to create panic and stoke fears that the Taiwanese public will not have access to available vaccines. Ma also argued that the DPP government was disregarding the health and well-being of the people, seeking to shift Minister Chen's blame for the vaccine setback back onto Tsai's administration.

Kuomintang Critiques and Support for Chinese Vaccines

Amid the rise in cross-Strait tensions over vaccine procurement, the opposition Kuomintang (KMT, 國民 黨) has also criticized the Tsai government's stance on Chinese vaccines as purely motivated by ideology. KMT politicians have urged the government to at least provide the public an option of getting Chinese vaccines. There have also been political attacks against the popular CECC head Chen, who enjoys high public approval ratings. KMT Legislator Lin Wei-chou (林為洲) criticized Chen for not understanding how advanced China is, pointing to ideological differences for Chen's argument not to purchase Chinese vaccines. In addition, KMT Legislator <u>Fai Hrong-tai</u> (費鴻泰) called on Chen to step down, citing accusations that the health minister had lied during the BioNTech vaccine procurement process.

Former president Ma Ying-jeou (馬英九) has also stepped into the fray, arguing that Taiwan "should not reject the Chinese vaccine." Ma pointed to the Cross-Strait Cooperation Agreement on Medicine and Public Health Affairs (兩岸醫藥衛生合作協議)—which includes a cooperative mechanism on infectious disease prevention—that both sides signed in 2010, when he was president. He supported the notion that the Chinese vaccines could help reduce cross-Strait tensions. However, with the frequent People's Liberation Army

(PLA) incursions into Taiwan's airspace, it is difficult to imagine that Chinese vaccines—as opposed to the reduction of Chinese military and political pressure on Taiwan—could actually improve cross-Strait relations. Nonetheless, KMT politicians have politicized the vaccine procurement issue to inflict political costs on the Tsai government for its handling of both foreign and Chinese vaccine issues.

An Urgency to Get Shots?

Arguably, Taiwan's <u>successful COVID-19</u> <u>prevention</u> <u>efforts</u> have made the immediate vaccination of its population less urgent at the present moment. The island has had only <u>10 deaths</u> and <u>fewer than 1,000</u> confirmed COVID-19 infection cases, with the majority of cases imported from abroad. Local transmission cases began to resume after a <u>New Zealand pilot</u> for EVA Airways was blamed for breaking the island's <u>253-day streak</u> of no new local transmission in late December of last year, which was followed by an outbreak at a <u>Taoyuan hospital</u> earlier this year.

However, future <u>mass vaccinations</u> of Taiwan's population will eventually be needed for the island to open its doors to foreign tourists and resume international exchanges. As countries around the world are discussing a <u>digital health passport</u>, or travel pass, indicating that travelers have received COVID-19 vaccines, Taiwan's participation in such a scheme would require Taiwanese residents to get immunized, according to a <u>doctor</u> at National Taiwan University Hospital. Also, for Taiwan to be included in <u>travel bubbles</u> between countries with low COVID-19 infection rates, vaccinating the public will be key, said the doctor.

Taiwan's external vaccine procurement process has highlighted many new features of cross-Strait relations and Taipei's foreign diplomacy. Chinese-made vaccines have become a United Front tactic to win over the Taiwanese business community in China, while Beijing officials have used delays and setbacks in Taiwan's vaccine procurement plans to criticize the Tsai government. Yet despite Chinese pressure and Taiwan's exclusion from the WHO, the island has been able to successfully negotiate with several foreign vaccine distributors. In addition, the COVAX global vaccine-sharing platform is one notable mechanism that is inclusive and open to Taiwan and other countries or territories that are not

UN members. Finally, Taiwanese diplomacy has also carefully leveraged its comparative advantages—such as in semiconductor chip production—and foreign relationships to help the island stockpile vaccines for its population.

The main point: China has sought to utilize delays and setbacks in Taiwan's vaccine procurement to inflict political damage on Tsai Ing-wen's administration, while also leveraging the Chinese-made vaccines to promote its political unity agenda *vis-à-vis* Taiwan.

China Seeks (and Fails) to Punish Taiwan with Coercive Trade

By: J. Michael Cole

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An announcement by Chinese authorities on February 26 that China would be banning all imports of Taiwanese pineapples beginning March 1 due to the discovery of "quarantine pests" sparked a new row in cross-Strait relations, leading to accusations on the Taiwanese side that Beijing is once again weaponizing trade to serve its political objectives. From the outset, very few people in Taiwan believed the claims by the State Council's Taiwan Affairs Office (TAO, 國務院臺灣事務辦公室). This skepticism stemmed largely from the fact that, over the years, Beijing authorities have repeatedly exploited both the denial and promises of trade for political reasons (a tactic that can be described as "coercive trade"). Since 2016, China has utilized trade denial to undermine the Democratic Progressive Party (DPP, 民 主進步黨)-run central government under Tsai Ing-wen (蔡英文), presumably in retaliation over her administration's refusal to recognize the so-called "1992 Consensus" (九二共識).

A Long History of "Coercive Trade"

Soon after President Tsai's election in January 2016, the Chinese government <u>reduced</u> the number of Chinese nationals who were allowed to come to Taiwan as part of tour groups by as much as 30 percent from the same period in the previous year, when the more China-friendly Ma Ying-jeou (馬英九) of the Kuomint-

ang (KMT, 中國國民黨) was in office. With this initial move, Beijing seemed intent on hurting an important sector of Taiwan's economy—one that had become over-reliant on a seemingly endless supply of tourists from China—and using the resulting economic pain to exert political pressure on the Tsai administration to recognize the "1992 Consensus." In an attempt to divide Taiwanese society, Beijing calibrated its strategy so that municipalities that were governed by KMT politicians would continue to receive large numbers of tourists, while those that were headed by the DPP would be targeted for reductions. Although thousands of tour operators took to the streets in protest in the middle of 2016, the demonstrations soon fizzled out, frustrating Beijing's efforts. Moreover, the pressure on the sector compelled the Taiwanese government to redouble its efforts to diversify its sources of tourists, a strategy that not only succeeded but which in subsequent years led to record-breaking numbers of arrivals—including from countries falling under Tsai's New Southbound Policy (新南向政策). As cross-Strait relations continued to sour in 2019, Beijing once again resorted to tourism denial to pressure the Tsai administration, this time by cutting down on the number of individual (and often wealthier) Chinese tourists allowed to visit Taiwan.

The weaponization of tourism had first been employed during the Ma administration, but was normally applied as a way to punish DPP politicians at the local level rather than the overall sector, where Beijing hoped to cultivate over-reliance so as to turn it into a leverage tool. In 2009, for example, the Chinese government used such tactics—as well as the cancellation of hotel reservations by Chinese tour groups—to pressure the government of Kaohsiung to cancel the screening of a documentary about World Uyghur Congress President Rebiya Kadeer. Also in 2009, China sent purchasing delegations to Taiwan to "reward" the Ma government and incentivize various sectors of the Taiwanese economy. In 2012, Beijing again used trade incentives—this time the import of large quantities of milkfish—in an attempt to encourage voters to re-elect Ma to a second term.

Join the Club

Skepticism over the TAO's claim that inspectors had found bugs in Taiwanese pineapples was also rein-

forced by a series of similar incidents involving other countries in recent years. In 2012, as the territorial dispute between China and the Philippines deepened, China halted the import of bananas from the Philippines due to the alleged discovery of mealybugs in dozens of containers. Amid a diplomatic row with Australia in 2020, Beijing suspended imports of Australian barley after China claimed shipments "did not meet phytosanitary requirements" (Australian grain handler CBH said the claims were bogus). Later that same year, China escalated this approach by targeting the import of Australian wine. Australian lobster, sugar, coal, timber, wool, and copper ore were also unofficially suspended, potentially costing the Australian economy losses in the billions of Australian dollars.

China has also used economic coercion to ban imports of oilseeds from Canada after inspectors reportedly discovered "harmful organisms" in samples. At the time, the two countries were locked in a dispute over the 2018 detention by Canadian authorities and possible extradition to the US of Huawei CFO Meng Wanzhou (孟晚舟) and the retaliatory kidnapping of Canadian nationals Michael Spavor and Michael Kovrig. The move against oilseeds followed a suspension of imports of Canadian beef and pork by Beijing due to alleged "forged health certificates." Also in 2020, Chinese importers canceled orders worth \$23.8 million from Czech piano producer Petrof following a high-profile visit to Taiwan by Czech senate speaker Miloš Vystrčil. In 2017, China retaliated against the deployment of a THAAD defense system in South Korea by ordering a sharp decline in the number of Chinese tourists and shutting down almost two dozen retail stores operated by South Korea's Lotte Group.

The Politics of Coercive Trade

As Taiwanese reacted to the pineapple ban, the controversial *Global Times* Editor-in-Chief Hu Xijin (胡錫進) <u>remarked</u> on Twitter that the move was "a tiny issue" and "only a quarantine step," which the Tsai government was politicizing for domestic gain. Inasmuch as Hu's posts can be construed as official Beijing policy, his comments suggest that Chinese officials are sticking to the claim that the ban was purely a matter of public health. Later, in a post on Weibo, Hu <u>hinted</u> that China had the means to cause much more harm to Taiwanese farmers if it so chose, suggesting that coercive

trade was very much what had driven the ban on pineapples to begin with.

It should also be pointed out that the main pineapple-producing municipalities in Taiwan all happen to be governed by DPP politicians. Notably, all Taiwanese mayors will be up for re-election in next year's nationwide local elections. The ban also occurred amid a war of words between the TAO and the recently appointed head of the Mainland Affairs Council (MAC, 大陸委員會), Chiu Tai-san (邱太三) over the "1992 Consensus" and as Beijing continues to ramp up its pressure on the Tsai administration.

Opposition KMT politicians also jumped on the opportunity to criticize the Tsai government and in doing so seemed to contradict Beijing's claim that the ban was unrelated to politics. Besides calls by the blue camp for President Tsai to apologize to Taiwanese pineapple farmers for their predicament, KMT Legislator Lee Dewei (李德維) <u>opined</u> that Taiwanese pineapple farmers who voted for the DPP should think twice about the consequences of their voting decisions. Lee added that nobody should be surprised by China's retaliation, as Taiwan had continually rejected China—including its COVID-19 vaccine. After initially thanking Beijing for helping Taiwan identify "bugs" in its pineapple products, KMT Chairman Johnny Chiang (江啟臣) said the two sides should not politicize the issue and should instead find pragmatic ways to resolve the dispute. Pointing out that China is the largest market for the export of Taiwanese fruit, Chiang then questioned the Tsai administration's ability to diversify its export market, as well as the achievements of the New Southbound Policy. For his part, TV personality Jaw Shaw-kong (趙 少康)—who recently rejoined the KMT and will reportedly seek the party's nomination for the 2024 presidential elections—warned of a possible "trade war" between the two sides and blamed the situation on the Tsai administration's policies, which he argued can only hurt farmers.

Blowback

Overall, China's efforts to engage in coercive trade to further its political aims appear to have failed. Besides alienating countries like Australia and Canada, its belligerent attitude has resulted in greater awareness of Beijing's "wolf warrior diplomacy" and increased worldwide solidarity, with many countries helping to make up for China's retaliatory measures by increasing orders of the targeted products. In Taiwan, the targeting of vulnerable sectors of Taiwan's economy has failed to coerce the Tsai administration, to translate into bottom-up discontent toward the central government, or to effectively exert pressure for the re-recognition of the "1992 Consensus." Within 96 hours, various campaigns encouraging Taiwanese to purchase pineapples, as well as large orders by convenience stores, had more than compensated for the loss of exports to China (exported pineapples account for about 10 percent of total annual sales, with most exports going to China). The weaponization of trade also appears to have convinced most Taiwanese that Beijing has abandoned its goal of winning their hearts and minds, and that it has no compunction about hurting the livelihood of the "compatriots" whom the CCP purports to care for and represent.

In addition to likely violations of WTO rules (some countries like South Korea have sought arbitration at the global trade body), China's coercive trade practices have led to a reckoning, as many countries have recognized the need to diversify their trade and reduce their reliance on the increasingly unpredictable (and unreliable) Chinese market. With tourism serving as an example, rather than intimidate Taiwan into submission, such practices have instead created the incentive for diversification—in other words, the very opposite of the economic over-dependence which would give Beijing greater leverage over Taiwan. As the list of countries victimized by China's coercive trade continues to grow, so too does the spirit of solidarity among those affected by this practice. While relatively minor, the pineapple incident has again increased Taiwan's global profile. At this point, leaders and civil society in Taiwan and in other countries should come together and create a platform through which countries can assist each other by increasing orders whenever one member is the victim of retaliatory measures by China (already, countries like Japan and Australia, as we have seen, have ramped up purchases of pineapples to help Taiwan). In so doing, members of this "club" could help reduce the effectiveness of Beijing's coercive trade policy and perhaps—jointly with action at the WTO convince Chinese leadership to abandon the practice altogether.

The main point: For many years, China has used trade as a weapon to further its political objectives. A recent controversy over the ban of imports of "tainted" pineapples from Taiwan has backfired by encouraging solidarity and increasing Taiwan's visibility on the international stage.

Transatlantic Security and Taiwan in the Global Semiconductor Supply Chain

By: Christina Lin

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Taiwan's role in the global economy has largely existed below the radar until recently, when a shortage of microchips in the automobile industry exposed the island's outsized position in the global semiconductor supply chain. In a January Bloomberg article entitled "The World is Dangerously Dependent on Taiwan for Semiconductors," the authors highlighted how a chip shortage from Taiwan Semiconductor Manufacturing Company (TSMC, 台灣積體電路製造) took a heavy toll on automakers, resulting in reduced output and projected billions in lost earnings. According to IHS Markit, the production of nearly 1 million vehicles worldwide would be delayed in the first quarter of 2021, with the shortage affecting Volkswagen, Ford Motor, General Motors, Tokyo Motor, Nissan Motor, Fiat Chrysler, and other carmakers.

TSMC is the world's largest foundry and the go-to producer of chips for Apple Inc. smartphones, artificial intelligence, high-performance computing, and automakers, and is also one of Germany's main suppliers. As a result, Berlin has asked Taiwanese manufacturers to help ease the shortage in the auto sector, which is hampering Germany's economic recovery from the COVID-19 pandemic. According to Fitch Solutions, Europe's biggest carmaker Volkswagen Group will be hit the hardest by the shortage, while Hyundai/Kia of Korea and BMW have secured good long-term access to chip requirements—and, along with Toyota, will likely ride out the storm without much issue.

Nonetheless, according to <u>Jan-Peter Kleinhans</u>, director of the technology and geopolitics project at Ber-

lin-based think tank Stiftung Neue Verantwortung (SNV), by dominating the US-developed model of outsourcing chip manufacturing capacity, Taiwan has become "potentially the most critical single point of failure in the entire semiconductor value chain." Given Taipei's grip on the semiconductor business and growing role as a choke point in the global supply chain, this is lending new urgency to plans from Brussels to Washington and Tokyo to Beijing to increase self-reliance.

Chokepoint and Anti-Access/Area Denial

To hedge against a potential future supply chokepoint, the EU now plans to increase state support to ramp up domestic production of semiconductors, weighing possible deals with TSMC and Samsung to establish microchip foundries. Likewise, the United States has negotiated with TSMC to set up a USD \$12 billion chip fabrication plant in Arizona, while Samsung is set to follow with a USD \$10 billion facility in Austin, Texas.

In late February of this year, Director of the American Institute in Taiwan <u>Brent Christensen</u> met with dozens of Taiwanese chipmaker and supply chain executives to encourage a closer partnership with the United States. Japanese and German representatives also joined the meeting, which came hours after the Biden administration ordered scrutiny of US critical <u>supply chains</u>. Back in September, Christensen convened another meeting in Taiwan with European, Canadian, and Japanese counterparts to seek the support of <u>"like-minded" democracies</u> in working to shift supply chains away from China.

China also understands the importance of access to critical inputs like semiconductors and the security of its high-tech supply line. In a world where technology is increasingly being enlisted in the great power rivalry between Washington and Beijing, the weaponization of economic interdependence and the potential for a semiconductor supply cut-off are real concerns. Indeed, the Trump administration had exploited that pressure point to deny Beijing access to TSMC semiconductors. By banning access to all US chip technology, including design, Washington was able to cut off the supply of semiconductors from TSMC and other foundries to Huawei Technologies (華為技術有限公司), hobbling the advance of China's biggest tech company.

Despite Beijing touting its "Made in China 2025" vision, which aims to transform the country into a "manufacturing superpower," its leading national foundry—Semiconductor Manufacturing International Corporation (SMIC, 中芯國際集成電路製造有限公司)—remains years behind its competitors in the United States, South Korea, and Taiwan. SMIC has been unable to complete manufacture of 10 nanometer (nm) chips, largely due to <u>US sanctions</u> on the export of specialized equipment to the company, while TSMC is already manufacturing 5 nm chips, with plans to upgrade to the even more <u>advanced 3 nm chips</u>.

And while China's most recent <u>five-year plan</u> presented Beijing's strategy of channeling help to the chip industry and other key technologies to the tune of USD \$1.4 trillion through 2025, this still does not negate its continuing need to import Taiwanese chips, knowledge, and talent. Indeed, China has long tapped Taiwan for its chip-making talent: <u>two key executives</u> at China's SMIC, co-CEO Liang Mong-song (梁孟松) and current Vice Chairman Chiang Shang-yi (蔣尚義), <u>used to work at TSMC</u> as senior director for research and development and as its chief operating officer, respectively.

Currently, the United States appears to be applying a geo-economic anti-access/area denial strategy for technology decoupling from China via the Clean Network Initiative. [1] Specifically, Washington is employing export controls to deny critical inputs to certain Chinese companies, while imposing market access restrictions on Chinese technology in the US. Indeed, on March 2, the US National Security Council for Artificial Intelligence (NSCAI) issued a 750-page report—directed by former Google chairman Eric Schmidt and former Deputy Secretary of Defense (during the Obama Administration) Robert Work—recommending that "the United States and its allies should utilize targeted export controls on high-end semiconductor manufacturing equipment [...] to protect existing technical advantages and slow the advancement of China's semiconductor industry."

The report was picked up by China's political websites, concerned that the US' denial of access to high-end computer chips would threaten China's high-tech ambitions. With China attempting to reduce its annual USD \$300 billion semiconductor imports and developing plans for a USD \$200 billion rollout of a nation-

al 5G broadband network, if Huawei and ZTE cannot source the chips required for their 5G base stations, some <u>observers predict</u> a full-scale <u>tech war</u> may be in the offing. China is already considering retaliation by curbing exports of <u>rare-earth</u> minerals to hobble the US defense industry, and others worry that TSMC's chip factories could become collateral damage if China were to invade Taiwan.

With the blurring of seams between geo-economics and geo-politics regarding the global high-tech supply chain, this issue will likely have important implications for transatlantic security.

EU, NATO, and the Transatlantic Alliance's Defense Industrial Edge

Given ongoing US concerns regarding integration of Chinese technology into NATO allies' national critical telecommunications infrastructure, export of dual-use technology to China, and investment by Chinese companies into high tech focused industry and start-ups in NATO member states, these issues are being heavily debated within NATO. In reference to the NATO 2030 proposal, NATO Secretary General Jens Stoltenberg expressed the desire to "put further proposals on the table to maintain [NATO's] technological edge, to develop common principles and standards for new technologies, and to enhance cooperation between allies in areas like joint research and development."

NATO Deputy Secretary General Mircea Geoana also emphasized the risk of over-reliance on China's market and the need to diversify to other trusted and like-minded partners in the US-led Clean Network, stating that "It is important to have a secure 5G Clean NATO Network, which is non-fractured, because the Alliance is only as strong as its weakest link." Likewise, then-US Under Secretary of State Keith Krach warned that "Countries and companies are terrified of China's retaliation. The CCP cannot retaliate against everyone. That is where the EU comes in, the Transatlantic Alliance comes in, NATO comes in." Secretary Krach further underscored that "the central issue is not about technology, but TRUST," and to that end, Geoana noted the majority of NATO countries have committed to being "Clean Countries," following the EU's decision in September 2020 to integrate the EU 5G Clean Toolbox as part of the Clean Network.

In this regard, Taiwan is figuring more prominently among NATO and EU members' discussions. NATO is considering the possibility of a NATO-Pacific Partnership Council to upgrade ties with Asian partners in the Indo-Pacific, such as Japan, South Korea, Australia, and New Zealand, which are all Major Non-NATO Allies (MNNA). Additionally, <u>Taiwan</u> is treated as an MNNA without official designation. Back in 2018, when Taiwan's Ministry of National Defense (MND) organized its second International Conference on Military Education and Regional Security, it was the Commander of the NATO Defense College in Rome— who was visiting Taipei for the second time in six months—who opened the conference. Other NATO members such as Germany, France, the Netherlands, and the UK have also issued policy papers to expand their presence in the Indo-Pacific, with London specifically expressing its intent to expand diplomatic relations and cooperation with Taiwan, especially on global issues such as health, cybersecurity, high-tech supply chains, a potential freetrade agreement, and bringing Taipei into its proposed Indo-Pacific Security Initiative (IPSI).

With the continuing rise of Taipei's prominence in the global supply chain, successful crisis management of the COVID-19 pandemic, and vibrant democracy, Taiwan appears to be slowly evolving from a playing field to a <u>player</u> in its own right in the eyes of the transatlantic alliance.

The main point: The blurring of seams between geo-politics and geo-economics regarding Taiwan's outsized role in the global high-tech supply chain is prompting the EU and NATO to incorporate the island nation into their strategic calculus.

[1] The <u>Clean Network</u> is a 2020 US government-led effort to address "the long-term threat to data privacy, security, human rights and principled collaboration posed to the free world from authoritarian malign actors." The goal is to implement internationally accepted digital trust standards across a coalition of trusted partners "based on democratic values," and this <u>alliance of democracies</u> include 27 of the 30 NATO members (Turkey, Iceland, and Hungary are still not part of the Clean Network); 26 of the 27 EU members, 31 of the 37 OECD nations, 11 of the 12 Three Seas nations as well as Japan, Israel, Australia, Singapore, Taiwan, Canada, Vietnam, India, and New Zealand.

A Response to "A Strategy to Prevent War"

By: Michael Mazza

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Is Taiwan becoming "the most dangerous flash point in the world for a possible war that involved the United States of America, China, and probably other major powers"? Yes, say Robert D. Blackwill and Philip Zelikow in their new report, "The United States, China, and Taiwan: A Strategy to Prevent War," published by the Council on Foreign Relations last month. Although their contention that many are neglecting the threat is questionable, they do a service in using their prominent voices to call attention to what they see as a brewing crisis. In tackling a complex challenge, Blackwill and Zelikow make a number of trenchant observations and provide some prudent policy recommendations. Unfortunately, shortcomings in analysis make for a set of findings that should largely be dismissed.

What Blackwill and Zelikow (Almost) Get Right

Blackwill and Zelikow effectively paint a portrait of a China that remains unwavering in its definition of "one China" (that Taiwan is sovereign territory of the People's Republic of China), a leader in Xi Jinping (習近平) seemingly intent on bringing unification about (even if his preferred timeline is difficult to discern), and a Taiwan that is moving ever more distant from the PRC. In essence, they suggest that an unstoppable force is approaching an immoveable object, with a fateful impact drawing nearer.

Strangely, however, there is little if any discussion of what might drive Xi to opt for a far more coercive or forceful approach to Taiwan. Blackwill and Zelikow suggest there must be arguments within Beijing "about how to react during what they could judge to be a window of military advantage." But systemic drivers only account for part of the equation when it comes to decision-making in Beijing. The authors give little thought to domestic circumstances within the PRC—and within the Chinese Communist Party (CCP)—that would make Chinese aggression more or less likely. Despite this shortcoming, the report's key observation—that

the threat of cross-Strait hostilities is growing more urgent—is valuable.

According to Blackwill and Zelikow, America's "strategic objective regarding Taiwan should be to preserve its political and economic autonomy, its dynamism as a free society, and US-allied deterrence—without triggering a Chinese attack on Taiwan." In discussing what they describe as a new US strategy to do so, the authors focus less on the military aspects of deterrence and more on a "political-economic campaign" to be launched in response to a "local war over Taiwan in which Chinese forces killed Americans, and perhaps also Japanese and other allied forces or citizens."

"First the United States would freeze all assets owned by that country, or its citizens, in the United States. [...] Second, the United States would cut off, and strictly control, any business transactions or dollar transactions with China. No trading with the enemy would be conducted. [...] These moves would immediately trigger a large and devastating financial and economic crisis. [...] We are not proposing a strategy of coercive diplomacy. This is a strategy to spell out how world politics and the world economy are likely to fracture after such a terrible break."

Whether this is truly novel is debatable, but the emphasis on non-military responses to Chinese aggression provides a useful illustration of the many potentially effective tools of national power that Washington and its allies have at their disposal. A strategy that seeks to mobilize a wide range of those tools is likely to be more successful than one focused more narrowly on military tools.

Of the authors' 18 policy prescriptions for the US government, three stand out. First, they are right to caution against using Taiwan policy "to bludgeon China or to weaken US-China relations." Curiously, Blackwill and Zelikow fail to adequately explain this note of caution. Put simply, to use Taiwan to "bludgeon China" is to make the US-Taiwan relationship all about China, which plays into Chinese hands. Taiwan is important in its own right and for reasons that persist regardless of developments in Beijing. To make Taiwan policy derivative of China policy, however, is to signal to Beijing that bilateral US-Taiwan ties are up for negotiation. They

shouldn't be.

Second, Blackwill and Zelikow wisely <u>recommend</u> that the United States should coordinate its Taiwan policy with Asian allies, Quad partners, and other friendly regional governments. In order to "successfully compete with China," they argue, "Washington needs Asian and European allies, partners, and friends, beginning with Japan." The authors quite wrongly assert that "in the current public debate regarding US policy toward Taiwan [...] the views of American allies on the subject are never mentioned," but they are right to suggest high-level coordination as one antidote to the challenge Beijing poses.

On the other hand, Blackwill and Zelikow seem to imply—though they do not say so directly—that American allies and partners should have something akin to a veto over US Taiwan policy initiatives. To be sure, Washington should "take the national interests of allies into account," given that these nations "have great equities attached to the future of the US-China relationship and its connection to the future of Taiwan." Those equities, however, should not take precedence over America's own—or Taiwan's, for that matter. Rather than act as an "accommodating interlocutor," as Blackwill and Zelikow suggest, the United States should strive to bring allies and partners around to its own views on cross-Strait issues, while recognizing that complete alignment is unlikely and probably unnecessary.

More confounding is that even as the authors rightly argue for closer US coordination with allies and partners, they fail to argue for closer US coordination with Taiwan itself—the state that will be most affected by a Chinese turn to aggression, the state that knows China better than any other, and the state that has been preparing almost exclusively for cross-Strait war for seven decades. That Blackwill and Zelikow have nary a word to say about joint US-Taiwan preparations for a crisis is a bizarre omission.

Third, Blackwill and Zelikow are absolutely right to encourage President Biden to "discuss US policy toward China and Taiwan with the American people." The Trump administration actually did this in a way that its predecessors had not, an effort the authors unfairly dismiss as "serial denunciation of Beijing." But there is more work to be done. If Americans lack an

appreciation for US concerns regarding China and for US interests *vis-à-vis* the Taiwan Strait, American deterrence suffers as the threat of military intervention looks less credible than it otherwise might. A presidential address to the nation on US objectives and strategy regarding China is just what the doctor ordered.

What Blackwill and Zelikow (Mostly) Get Wrong

Despite these positive contributions to the Taiwan policy debate, the report suffers from factual inaccuracies, debatable assertions, and questionable logic. A full accounting of the paper's shortcomings is not possible here. Instead, let us focus narrowly on the strategy Blackwill and Zelikow propose.

The authors <u>recommend</u> that the United States (and Japan) plan to make "a military challenge to a Chinese attempt to deny access" to Taiwan, such as by sending ships carrying military supplies to the island, daring China to use force. But the authors caution against escalating if China does so:

"Instead, we propose a plan that would attempt to limit the fight to a local conflict over and around Taiwan. Taiwan may not end up winning that battle, in the short run, but its resistance could force China to face a much wider and lasting conflict. Instead of escalating to general war, this plan would prepare, in advance, the political and economic breaks and reactions that would likely accompany a local war with China, although the possibility of a wider war would still exist."

A local war, in Blackwill and Zelikow's telling, would consist of a naval campaign in waters around Taiwan that would limit its targets to PLA vessels (and presumably aircraft) and perhaps to Chinese forces on Taiwan should they have attempted an invasion. US and allied forces would eschew strikes on Chinese territory and, probably, on PLA space assets. Meanwhile, the United States, Japan, and others would carry out the political-economic campaign described above. At the same time, the United States (probably along with Japan and others) would pursue a defense buildup "on a scale not seen in more than a generation," with plans for doing so made clear to China ahead of time. Blackwill and Zelikow write:

"In sum, this overall campaign plan would be for a possible local military challenge that could well escalate into the rapid and disorderly division of the world into two economic spheres, within days or weeks, forcing countries and firms to make painful choices [...]

The objective of this strategy is not to convince China that it should surrender. The objective is to develop a picture in Beijing of the world that could follow a local war over Taiwan. Although the United States and its friends would suffer painful sacrifices, China would have to redefine its future where it had provoked a division of the world in which a large part mobilized against China to an extent that had never happened before."

This plan is intended to deter China—the authors expect Beijing will assess that even if it gains Taiwan, the costs of doing so will be too much to bear. The problems with this approach, however, are manifold. Put simply, there are reasons for concern that this strategy would fail to deter. American leaders would then face the prospect of having to institute a largely nonsensical plan.

Deterrence Might Fail

Promising to deliver the sort of economic pain that China has not seen in generations should make Beijing think twice about a move on Taiwan. It is not clear, however, that such a threat would be sufficient to deter an attack. Blackwill and Zelikow pair it with an American (and Japanese) threat to pursue a robust defense buildup in the event that Americans (and Japanese) die coming to Taiwan's aid. It is unclear why the authors believe China would worry much about allied buildups after it has launched a war—buildups that Beijing knows neither country has a capacity to rapidly undertake.

Perhaps most strangely, Blackwill and Zelikow give little consideration to including a deterrence by denial effort within their broader strategic framework. Arguably the most direct way to deter China from using military force against Taiwan is to strive to convince China that such a move would fail. But denying Taiwan to China—denying the very objective for which China is willing to launch a war—is of secondary importance

to the report's authors. The promised economic repercussions are paramount.

But, as mentioned above, because the authors fail to seriously consider potential domestic drivers of Chinese aggression towards Taiwan, they are unable to imagine the full range of possible Chinese reactions to their strategy. Xi Jinping might be willing to incur significant economic and diplomatic costs in order to conquer Taiwan. Or, depending on the timing, Xi might welcome, or at least find tolerable, the global bifurcation Blackwill and Zelikow promise. After all, China would undoubtedly dominate its own sphere in a way it cannot today.

The political-economic campaign that Blackwill and Zelikow propose may well be a necessary component of a strategy to deter China from acting aggressively towards Taiwan. It may also be far from sufficient.

A Nonsensical Campaign Plan

If deterrence does fail, an American president would likely be tempted to discard—or at least significantly alter—the Blackwill-Zelikow plan. While the authors oddly insist that Chinese surrender should not be an objective, it is hard to see why the United States would bother fighting a "local war" over Taiwan's fate if not to force China to halt its aggression. If the American strategic objective regarding Taiwan, as the authors put it, is to "preserve its political and economic autonomy," then Chinese defeat will be necessary in the eventuality Beijing opts for war.

Second, if the United States does want China to back down, it is not clear that keeping the war local is an appropriate course. Blackwill and Zelikow reasonably worry about inviting Chinese strikes on the Japanese and American homelands (though China may not be as shy about early strikes on Japanese and US territories as the authors seem to assume) and about nuclear escalation. They also suggest, however, that American and allied naval forces may need to "consider destroying all the Chinese sensors tracking them with enough precision to enable targeting." Doing so would require attacks on the Chinese homeland and on Chinese space assets, both of which Blackwill and Zelikow essentially rule out. The United States should not be cavalier about strikes on targets within Chinese borders, but it also should recognize that, for China, a local war is a far

easier, far less stressful scenario than one that is not geographically bounded.

Finally, Blackwill and Zelikow fail to consider that if Beijing does opt for war over Taiwan, it will likely seek to deter the very political-economic campaign that they seem to believe could be decisive in preventing the war in the first place. Indeed, Beijing might not perceive the economic punishment the authors propose as fundamentally all that different from the strikes on China itself that the authors rule out. Leaders might see both as having the potential to pose essentially existential threats to the CCP's rule. How will Washington react if Beijing loosens its "no first use" nuclear pledge or indicates it will carry out massive cyberattacks on American infrastructure in response to economic reprisals? The answer is not readily apparent, but Blackwill and Zelikow curiously fail to even ask the question.

The main point: In their new report, "The United States, China, and Taiwan: A Strategy to Prevent War," published by the Council on Foreign Relations last month, Robert D. Blackwill and Philip Zelikow make a number of trenchant observations and some prudent policy recommendations. Unfortunately, shortcomings in analysis make for a set of findings that should largely be dismissed.