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Leveraging Legislative Power: The KMT's Strategy to Regain Influence in Taiwan/Part 2: The Weakening of Political Accountability

By: Ben Levine

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Editor's note: This article is part two of a two part series that will examine three recently passed amendments in Taiwan's Legislative Yuan, which carry the capacity to fundamentally change the way that the government operates—and to seriously weaken both the Constitutional Court and the current presidential administration of President Lai Ching-te. [Part one](#) focused on the amendments to the Act Governing the Allocation of Government Revenues and Expenditures, which affects the balance of financial resources between the central government and local administrations. This article will focus on the amendments to the Constitutional Court Procedure Act and the Civil Servants Election And Recall Act

The recently passed amendments to the [Constitutional Court Procedure Act](#) (憲法訴訟法) and the [Civil Servants Election and Recall Act](#) (公職人員選舉罷免法) reveal the Kuomintang's (KMT, 國民黨) intent to weaken President Lai Ching-te's (賴清德) administration, this time by targeting both Taiwan's judiciary and mechanisms of political accountability. These amendments, like the changes to the [Act Governing the Allocation of Government Revenues and Expenditures](#) (財政收支劃分法) (as discussed in [part one](#) of this series), form a broader strategy by the KMT to expand the power it holds through control of the legislature, and to constrain the Democratic Progressive Party-led (DPP, 民進黨) central government.

These changes to the [Constitutional Court Procedure Act](#) come as President Lai has nominated judicial nominees who are critical to preserving the functioning of Taiwan's highest court. By adjusting procedural rules and imposing barriers to Court operations, the amendments threaten to hinder the judiciary's ability to effectively serve as a check on the legislature and executive branches. Meanwhile, revisions to the [Civil Servants Election and Recall Act](#) could make it harder to recall elected officials—[most of whom represent localities controlled by the KMT](#).

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Taken together, these amendments represent a significant escalation in Taiwan's ongoing partisan politics, where legislative power is being leveraged to reshape institutions that are central to Taiwan's democracy. This article will examine the motivations behind these changes, the changes themselves, and the broader implications for Taiwan's democracy. As with the financial shifts detailed in part one, these changes underscore the critical role that legislative strategies play in the balance of power in Taiwan's currently divided government.

Amendments to the Constitutional Court Procedure Act

The current amendments to the Constitutional Court, if implemented as written, effectively render the court unable to make any decisions. [Effective as of January 25](#), the new amendments require a minimum of 10 justices to be present to hear and rule on any case, with at least nine justices required to declare a law unconstitutional. The court, which normally has 15 justices, currently has only eight after the Legislative Yuan (LY, 立法院) [rejected President Lai's nominees](#) to replace the justices (whose terms expired in October 2024). Previously, rulings only required the [attendance of two-thirds of all sitting justices](#), with decisions determined by a [simple majority vote](#). Without the necessary number of justices, the Constitutional Court would be effectively unable to function. This creates a serious constitutional crisis, as the court cannot rule on cases—including the DPP's recent petition to challenge the constitutionality of these very amendments.

Critics of the amendments, [including the DPP and civil society groups](#), argue that these amendments are a direct attack on judicial independence. By increasing the necessary number of justices to hear and rule on cases, the KMT and TPP caucus in the LY have effectively changed the balance of power in favor of the legislative branch and severely weakened the executive and judicial branches. However, the KMT and TPP have [defended the amendments](#) as a necessary measure to ensure more rigorous judicial reviews, and to prevent rulings on constitutionality being decided only by a small number of justices. While framed as a means to strengthen the Constitutional Court, the amendments only hinder the court's ability to challenge legislation.

With the Constitutional Court unable to either hear or rule on cases, President Lai will have to negotiate with the KMT/TPP caucus on the nominations of justices. As mentioned above, the LY already voted down President

Lai's seven nominees. While some of the nominees had strong legal credentials and professional backgrounds, their political affiliations and past roles indicate clear partisan ties. For instance, Chang Wen-chen (張文貞), who previously served on the [Presidential Office Human Rights Consultative Committee during Former President Tsai Ing-wen's \(蔡英文\) administration](#), was later recommended by the DPP as an [expert witness](#) in the Constitutional Court to argue against the recent legislative reforms. Similarly, Liao Fu-te (廖福特), currently the [chairman of the DPP Arbitration Committee](#), has experience as an expert witness in politically sensitive cases, [including the National Communications Commission's decision to shut down Chung T'ien Television \(CTi TV\)](#). In addition, Yao Li-ming (姚立明), a former New Party legislator who later served in [Former Taipei Mayor Ko Wen-je's \(柯文哲\) and President Lai's campaigns](#), has been criticized for his [shifting political allegiances](#), raising questions about the rationale behind these nominations. Given the current impasse, President Lai must now seek a compromise with the opposition to ensure the court can function, potentially making concessions that will shape Taiwan's judiciary for years to come.



Image: Protestors participating in a rally in Taipei to oppose the three controversial legislative measures affecting the government budget, the Constitutional Court, and recall procedures for elected officials (December 20, 2024). (Image source: [CNA](#))

Amendments to the Civil Servants Election and Recall Act

Under the new amendments that were passed by the LY, significant new barriers were added for initiating and supporting recall petitions. [Individuals launching or endorsing a recall petition must now submit photocopies](#)

[of their identification cards alongside their signatures](#). Beyond identification requirements, the amendments also [introduce harsh penalties](#) for fraudulent activities. Anyone found using another person's identification or forging ID information in a recall petition could face up to five years in prison or a fine of NTD \$1 million (USD \$30,592). While framed as an anti-fraud measure, the threat of severe legal consequences could discourage civic engagement and deter recall movements, especially against KMT or TPP officials. In response, the Executive Yuan [has asked the LY](#) to reconsider the amendments, though it remains unclear whether the KMT and TPP caucus would be willing to revise them.

Much like the amendments to the *Constitutional Court Procedure Act*, which have paralyzed the court's ability to rule on cases, these changes to the recall process appear to be part of a broader strategy by the KMT and TPP to reshape Taiwan's institutional balance of power. By making it harder for voters to remove officials through recall, the amendments expand legislative power and weaken mechanisms for public oversight. While the KMT and TPP claim these changes enhance stability and prevent political abuse of the recall process, [opponents warn that they erode democratic checks and balances](#), further tilting Taiwan's political system in favor of the legislature.

Implications for Taiwan's Democracy

The recent amendments to the *Civil Servants Election and Recall Act* and the *Constitutional Court Procedure Act* represent more than just technical changes to Taiwan's highest court—they signal a fundamental shift in the country's democratic balance of power. By effectively weakening the Constitutional Court and restricting the Taiwanese public's ability to recall elected officials, the KMT and TPP-led LY have significantly tilted power toward the legislature at the expense of the executive and judicial branches. These changes, while framed as necessary by the opposition, could have profound and lasting implications for Taiwan's democratic governance, institutional stability, and political accountability.

A key feature of Taiwan's democracy has been its system of checks and balances, which have been designed to prevent any single branch of government from accumulating too much power. However, by raising the threshold for Constitutional Court rulings and making it impossible for the court to function without new justices, the KMT-TPP coalition seeks to effectively neuter Taiwan's highest judicial body. This means that laws passed by the legislature cannot be meaningfully

challenged or overturned. Unlike the US system, where changes to the structure of the Supreme Court are difficult to implement and are rare, Taiwan's democracy risks shifting toward a system where the legislature is unchecked—allowing it to pass controversial laws and insulating it from legal challenges.

Changes to the recall process will similarly make it significantly harder for the public to hold politicians accountable and further consolidate legislative power. Although the KMT and TPP have framed these amendments as efforts to prevent frivolous or politically motivated recalls, in practice [it will create significant barriers to civic participation](#). The requirement for citizens to submit photocopies of their ID cards raises legitimate concerns about intimidation and [privacy risks](#), potentially discouraging the public from engaging in the process. Combined with severe legal penalties for petition-related fraud, these measures could dissuade voters from attempting recalls altogether, thereby shielding elected officials from public scrutiny.

These amendments are not occurring in a vacuum—they come at a time of [increasing political polarization in Taiwan](#). This polarization, coupled with the DPP's loss of a majority government in the 2024 elections has resulted in a KMT-TPP legislative majority that is able to and motivated to push through controversial laws. This approach mirrors tactics seen in other democracies where legislative majorities have exploited procedural changes to weaken judicial oversight. In countries such as [Hungary](#) and [Poland](#), ruling parties have systematically eroded judicial independence under the pretense of legal or procedural reforms, allowing them to pass laws with little fear of constitutional challenges. If Taiwan continues down this path, it risks moving away from a robust democracy toward a system where the legislative majority can dictate policy without meaningful institutional constraints.

Implications for Taiwan's Global Standing

Taiwan has long positioned itself as a model democracy in Asia, distinguishing itself from authoritarian governance across the Taiwan Strait. For example, Taiwan's commitment to democracy has given it entry to events such as the Biden Administration's [Summit for Democracy](#), and underpin its cooperation in programs like the [Global Cooperation and Training Frameworks' virtual summit](#) to defend democracy. However, these recent legislative maneuvers risk damaging Taiwan's international reputation by undermining democratic norms. Countries that support Taiwan—particularly the United States and other liberal democracies—may

become increasingly concerned about the erosion of judicial independence and democratic checks and balances. At a time when Taiwan is seeking greater international recognition, such internal political conflicts could weaken its credibility as a stable and democratic partner, and could affect Taiwan's participation in international fora that champion democratic norms and Taiwan's democratic achievements.

As the Executive Yuan pushes back against these legislative changes, Taiwan faces a critical juncture in its democratic evolution. Will the KMT and TPP negotiate with the DPP-led executive branch to ensure a more balanced system, or will they continue to consolidate power in the legislature? If the stalemate over the Constitutional Court justices continues, Taiwan could face a prolonged constitutional crisis, further weakening public trust in the government and international trust in Taiwan.

The main point: The recent amendments reflect a broader struggle over the future of Taiwan's democracy. If left unresolved, they could mark the beginning of a gradual erosion of judicial oversight and democratic accountability. However, public opposition, civil society pressure, and international scrutiny could still play a role in shaping how these changes are implemented—or whether they are eventually reversed. Taiwan's democratic resilience will be tested in the months ahead, and the outcome will shape the balance of power in the country for years to come.

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Shaping the Digital Order: China's Role in Technology Standards and the Implications for Taiwan

By: Enescan Lorci

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The United States and the People's Republic of China (PRC) are locked in a race to lead the development of critical and emerging technologies (CETs), such as artificial intelligence (AI), 5G, quantum technologies, and others. Both nations have distinct ambitions, and their

own strategic plans aimed at securing their dominance in these fields. Despite the significance of this CET race—which bears both economic implications and related security concerns—technical standards, a critical element of this competition, have only recently begun to receive the attention they deserve.

Technical standards provide detailed specifications for how technologies should be designed and implemented to ensure that they meet performance benchmarks and are compatible with other products. Often described as the “connective tissue” between technology and the market, these standards establish the guidelines for products, services, and systems. [1]

The importance of technical standards, particularly in recent years, can be attributed to several factors. First, technical standards have become powerful instruments of geopolitical influence. Nations have recognized that the rules and specifications governing technologies significantly shape the balance of power in today's interconnected world. [2] Standards dictate how devices, systems, and networks operate and interact, thereby influencing a country's competitiveness, national security, and military capabilities. Second, technical standards can be a lucrative business opportunity. Significant profits can be generated through licensing fees, as the adoption of certain standards often necessitates the use of patented technologies. [3] This dynamic creates path dependencies that favor certain companies supplying these critical technologies—and as a result, grants them a competitive advantage. Finally, governments increasingly view digital technologies as symbols of their socioeconomic power. By actively participating in standardization processes, a nation can enhance its prestige on the global stage and solidify its position as a leader in technological innovation.

Formal technology standards are developed through various organizations. The use of international standards has been integral to the World Trade Organization (WTO) framework, particularly under the [Technical Barriers to Trade \(TBT\)](#) agreement. However, the process is less clear for many internet-enabled technologies, which often blur the boundaries between goods and services. Key international bodies involved in setting standards for digital technologies include the [International Organization for Standardization \(ISO\)](#) and the [International Electrotechnical Commission Joint Technical Committee for Information Technology Standards \(ISO/IEC JTC1\)](#). Both the ISO and IEC are non-governmental, member-based organizations that develop standards through a consensus-driven process, with each ISO member represented by a national standards

body, which may be industry-led or government-run.

Treaty-based organizations, such as the [International Telecommunications Union \(ITU\)](#), also play a significant role. As a treaty-level entity, the ITU stands out from other standard-setting bodies. While industry members can participate as Sector Members in the ITU's standards-making arm ([ITU-T](#)), only member states determine the ITU's strategic direction and budget. The ITU issues standards through recommendations as part of its broader agenda. Additionally, industry consortia contribute to the standards ecosystem. Notable examples include the [World Wide Web Consortium \(W3C\)](#) and the [Internet Engineering Task Force \(IETF\)](#). Many of these organizations, such as the [Institute of Electrical and Electronics Engineers \(IEEE\)](#), are based in the United States but identify as international standard-setting bodies due to their adherence to TBT principles. [The Third Generation Partnership Project \(3GPP\)](#), for instance, operates as an umbrella organization producing technical specifications for wireless technologies, including 5G. These specifications are negotiated among national telecommunications standards associations that comprise their membership.

The multifaceted ecosystem of international standards has evolved over decades, encompassing a diverse range of organizations and processes. In recent years, China has significantly prioritized and actively participated in the global technology standards-setting process.

China's Increasing Role in Global Technology Standards-Setting Processes

As part of its long-term strategy to establish itself as a leading cyberpower, [in recent years](#) China has increasingly exerted efforts to dominate international standards for critical and emerging technologies. This ambition is not new: as early as 2006, the PRC State Council [articulated its intention](#) to actively participate in international standards development and to promote the adoption of Chinese technology standards on a global scale.

While initial efforts to achieve these objectives have met with limited success, China has gradually expanded its influence within international organizations that are responsible for technological standardization. For Chinese policymakers, leadership in setting global technology standards is perceived as a hallmark of technological and geopolitical power. Because standard setting enables China to shape the global technological landscape in alignment with its national interests, the

pursuit of economic and geopolitical leverage is central to China's ambitions.

China's approach to influencing international technology standards-setting is multifaceted. By establishing international standards, the PRC strategically integrates its ideological agenda with its geopolitical and economic objectives. This approach compels domestic enterprises to support state-led standards initiatives by investing heavily in research on standards development and promoting frameworks that embed authoritarian principles, such as enhanced government control over digital technologies. The PRC's efforts include deploying large government delegations to international standards bodies and submitting an overwhelming number of proposals to these same bodies, often securing successes that bolster Chinese industries while undermining principles of fair competition and technical neutrality. [4]

China's most prominent initiative in this regard is its "[China Standards 2035](#)" project, which was launched in 2020 as a continuation of the "Made in China 2025" industrial policy. While the latter focused on increasing China's manufacturing output and cementing its position in global supply chains, "China Standards 2035" aims to establish a governing framework for emerging technologies such as AI, 5G, and internet of things (IoT), thereby enhancing China's industrial and technological competitiveness. Complementing this effort, the [National Standardization Development Outline](#) (國家標準化發展綱要) ("Outline"), issued in 2021, provides a comprehensive blueprint for advancing China's standardization agenda across multiple domains, including technology, environmental sustainability, and social governance.

The *Outline* emphasizes the role of standardization in bolstering national competitiveness and advancing economic and social development. Although it continues to emphasize a state-driven approach, it also explicitly calls for greater involvement from market actors, suggesting a strategic shift to integrate industry players into China's broader standardization goals. To translate its ambitions into reality, China actively encourages participation in key organizations such as the ISO, the IEC, and the ITU. Substantial subsidies are provided to incentivize Chinese entities to contribute to these bodies, with significant rewards allocated to experts and organizations that achieve international recognition for their standards contributions.

[In recent years](#), China has demonstrated its diplomatic acumen by increasing its representation in leader-

ship positions within key working groups and technical committees of international standards bodies. This influence has enabled China to push for the acceptance of Chinese technical standards as *de facto* international norms, particularly in critical sectors. However, this has also raised concerns about the implications for fair competition, human rights, and global governance.

[Critics warn](#) that China's growing influence in standards-setting could allow it to constrain other countries' policy choices or manipulate the global technological ecosystem. For instance, China could restrict access to standards-essential technologies, potentially disrupting network infrastructure and causing economic harm to competitors. Additionally, Chinese dominance in standards-setting may lead to a bifurcation of technical standards, particularly in emerging technologies, as Beijing leverages *de facto* standards through memorandums of understanding and technology exports. Proponents of China's approach, however, argue that fears of monopolization are overstated. They highlight the inherent complexity and technical nature of international standards-setting processes, which they claim are resistant to domination by any single actor. Moreover, they emphasize the resilience of the existing international standardization system against unilateral influence.

The intensifying competition between the United States and China in this domain underscores the broader geopolitical stakes. The release of the US Government's *National Standards Strategy for Critical and Emerging Technology* in May 2023 reflects growing American concerns about China's expanding role in standards-setting. This development highlights the increasing politicization of what were once seen as highly technical discussions, given their strategic and economic significance.

In light of these developments, the implications of China's expanding influence on global standards-setting processes must also be considered within the context of Taiwan. Given the political dynamics across the Taiwan Strait, this issue warrants a closer examination of the potential risks and opportunities it presents for Taiwan's technological and economic future.

Taiwan's Technological Future Amid China's Standards Ascendancy

As China emerges as one of the major players in establishing international technical standards for strategically crucial technologies, it is imperative to analyze the associated risks and potential opportunities for Taiwan. China's expanding influence in technologi-

cal standard-setting poses significant challenges for countries with which it shares economic or political rivalries, and/or those that are targets of PRC coercive pressure. Taiwan represents a pertinent case in this context. Despite its robust economy, [valued at approximately USD \\$755 billion](#), and its position as a global leader in advanced industries such as semiconductors, Taiwan remains excluded from nearly all intergovernmental organizations.

The risks associated with China's growing role in technical standard-setting for Taiwan can be examined through economic and industrial, political and strategic, and broader geopolitical dimensions. Economically and industrially, China's leadership in global standards, particularly in emerging technologies, could reshape technical requirements and certification processes. Taiwanese technology firms may encounter challenges in meeting these standards, potentially restricting their access to global supply chains that increasingly adopt Chinese-defined norms.

Politically and strategically, the promotion of technical standards favorable to its technologies enables China to strengthen its influence in the global technology market. This dynamic could ultimately increase Beijing's leverage over Taiwan, as Taiwanese policymakers and businesses may need to navigate these standards to maintain economic viability. From a geopolitical perspective, Taiwan's strategic alignment with Western countries, particularly the United States, could be complicated if Chinese standards gain global acceptance. This situation may create tensions in Taiwan's efforts to balance its economic reliance on China with its security dependence on the United States. Furthermore, China's influence in standard-setting could function as a soft power mechanism, undermining Taiwan's endeavors to bolster its global standing and international partnerships.

Despite these risks, the rising significance of technical standards also presents [potential advantages](#) for Taiwan. In certain sectors, Taiwan boasts globally competitive firms, particularly in cutting-edge industries. Heightened scrutiny of Chinese-manufactured or designed technologies—whether due to security concerns or broader geopolitical considerations—may provide Taiwan with opportunities to position itself as a credible and secure partner in global standard-setting. By emphasizing its strengths in areas such as data protection, Taiwan could effectively demonstrate its reliability and appeal as a constructive participant in shaping international technological standards.

While some might argue that China's exclusionary tactics will hinder Taiwan's participation in intergovernmental bodies such as the United Nations, it is important to recognize the declining relevance of such institutions in global standard-setting. In many domains, the critical work influencing the technological landscape is spearheaded by private sector-led and engineer-driven organizations. For instance, groups such as the [Internet Engineering Task Force \(IETF\)](#), the Institute of Electrical and Electronics Engineers (IEEE), and the [World Wide Web Consortium \(W3C\)](#) play instrumental roles in shaping the future of the internet. Taiwan should focus its efforts on engaging with these crucial standard-setting entities, where governmental influence is comparatively limited. Even in cases involving government-led organizations like the ITU, the contributions of corporate members often carry significant weight. Taiwanese technology firms could collaborate with multinational corporations participating in these forums to influence agendas, debates, and the eventual standards adopted by a majority of companies.

However, to effectively mitigate the aforementioned risks associated with China's ascendancy in international standard-setting, Taiwanese policymakers must adopt proactive strategies. One critical policy involves fostering technological [innovation](#), which has historically been the foundation of Taiwan's comparative advantage. Strengthening Taiwan's innovative ecosystem is essential for maintaining global competitiveness and resilience against external pressures. To ensure an innovative future, the Taiwanese government should continue its emphasis on hardware while addressing the growing significance of hardware-software integration in emerging industries. As the next phase of chip design unfolds, partnerships and supportive policies facilitating rapid research, development, and testing will be vital.

Another essential strategy involves pursuing market-based approaches rather than solely technology-focused ones. Given Taiwan's limited domestic market of 23 million people, achieving scale will necessitate reliance on international markets and the expansion of global partnerships. Initiatives like the "[Asian Silicon Valley](#)" project, launched in 2016, exemplify Taiwan's commitment to fostering innovation. This initiative has facilitated the participation of Taiwanese startups in Silicon Valley accelerators, enabling them to gain insights into the US market, refine their products, and establish international connections.

Subsequent efforts, such as the [2018 action plan](#) for enhancing Taiwan's startup ecosystem, have further

underscored the government's dedication to innovation. This plan includes measures such as government-backed participation in international trade shows, incentives for startup procurement, and legal reforms to attract foreign talent. More recently, the [Cabinet's approval of a proposal](#) by the National Development Council (NDC, 國家發展委員會) in September 2024 highlights Taiwan's focus on bolstering key sectors, including semiconductors and artificial intelligence. The proposal anticipates a significant increase in production value and job creation, emphasizing Taiwan's role in the global semiconductor supply chain and its ambition to advance AI capabilities. Additionally, in June 2024, the Executive Yuan (行政院) unveiled the "[Taiwan AI Action Plan 2.0](#)," with the objective of increasing the nation's AI industry value by over USD \$8.16 billion. This initiative seeks to enhance Taiwan's AI capabilities through five primary pillars: talent development, technological and industrial advancement, supportive infrastructure, international collaboration, and societal and humanitarian engagement.

These initiatives demonstrate the continuity of innovation policies under President Lai Ching-te's (賴清德) administration, building on the foundation laid by former President Tsai Ing-wen (蔡英文). Nevertheless, technological innovation alone may not suffice to address the risks posed by China's growing influence. Taiwanese policymakers must also develop a comprehensive understanding of the interconnected issues related to standards, digital trade, and internet governance. Establishing regular dialogues among domestic standards communities, industry stakeholders, and relevant government entities would facilitate knowledge sharing and emphasize the critical role of standards in emerging technologies.

To address the increasing complexity at the intersection of technology, trade, standards, and security, Taiwan should allocate additional resources to support exchanges of best practices with other Indo-Pacific economies. This approach would enhance Taiwan's regulatory and industry expertise, particularly in policy areas such as privacy, data, and telecommunications.

Ultimately, it is in Taiwan's national interest to collaborate with international partners to advocate for a balanced and transparent approach to rule-setting in emerging technologies and global digital trade. Given the centrality of emerging technologies in driving economic growth and development, the establishment of mutually agreed international rules on standards will only grow in importance in the years to come.

The main point: In recent years, China has exerted efforts to dominate international standards for critical and emerging technologies. If China's desired standards become the international norms, Taiwan industries may face obstacles in meeting those standards and accessing global supply chains. To counter this, Taiwanese policymakers need to act proactively by cooperating with domestic communities and stakeholders and other Indo-Pacific economies.

[1] Hilary McGeachy, "US-China Technology Competition: Impacting a Rules-Based Order — United States Studies Centre," *The United States Study Centre*, no. 3, May (2019).

[2] Julia Voo and Rogier Creemers, "China's Role in Digital Standards for Emerging Technologies China's Role in Digital Standards for Emerging Technologies-Impacts on the Netherlands and Europe," *LeidenAsiaCentre*, 2021.

[3] *Ibid.*

[4] Raphael Padula and Diego Eugênio Pizetta, "The Increasing Dispute between USA and China over International Standardization," *Revista Brasileira de Política Internacional* 65, no. 1 (2022): 1–20, <https://doi.org/10.1590/0034-7329202200112>.

Why Did the PRC Restrict 1000 Kilometers of Airspace in the Pacific?

By: Benjamin Sando

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Though the People's Republic of China (PRC) turned heads with the sheer number of ships it deployed in an [unnamed December 2024 military exercise around Taiwan](#), its concurrent declaration of a vast area of restricted airspace along the Chinese coast stirred further questions. What was the PRC's intention when it [announced restrictions on aviation](#) over a swathe of airspace stretching 1,000 kilometers from Shanghai to Guangdong Province? The PRC elevates the readiness of potential invasion forces by conducting exercises around Taiwan, but what would it gain by cordoning off airspace in regions hundreds of kilometers removed from its actual military drills?

Taiwan's Ministry of Defense (MND, 國防部) was quick to [label this action](#) as an element of the PRC's anti-ac-

cess/area denial (A2/AD) strategy aimed not at Taiwan's military, but rather Taipei's partners such as the United States and Japan. PRC media and scholars were unusually [tight-lipped](#) about the December 2024 exercises, so there is little to be inferred from official sources. This article will attempt a forensic examination of the circumstances surrounding the December 2024 airspace reservations, in order to gain insights into the strategic rationale behind Beijing's decision.

The Temporary Reserved Airspace Zones

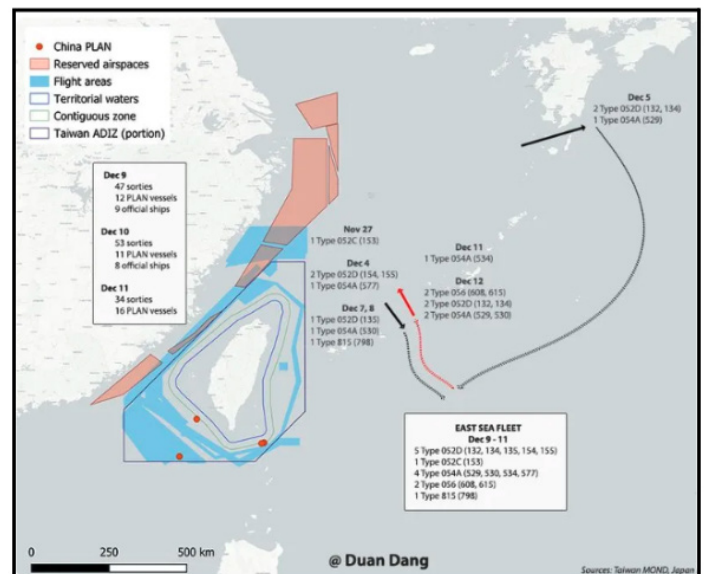


Image: A map showing the location of the PRC's seven declared reserved airspace zones (colored red) alongside the areas of PLA aircraft sorties (colored blue) during the December 9-11 military exercises. (Image source: [Duan Dang](#))

While Taiwan's Ministry of National Defense [mistakenly announced](#) that the reserved airspace had been declared by the People's Liberation Army (PLA), notification of the aviation restrictions [actually emerged](#) from the air traffic control authority of the Shanghai flight information region (FIR). A [FIR](#) is a stretch of airspace over which one country's air traffic control authority has the responsibility to communicate essential information such as inclement weather or military activity. It is not the same as sovereign airspace, which extends only [12 nautical miles](#) beyond a country's coastline. For example, the United States is responsible for flight information regions [spanning half of the Pacific Ocean](#), far beyond its sovereign airspace. When an authority wishes to restrict aviation in a certain part of a FIR, they issue a [Notice to Air Missions](#) (NOTAM) through a centralized system managed by the United States' Federal

Aviation Administration. On December 8, the Shanghai air traffic control authority [released](#) a NOTAM—effective from December 9 to 11—outlining seven areas of restricted airspace along the Chinese coast. The next day, Taiwan’s MND [publicly shared](#) intelligence that the PLA had massed ships around Taiwan in anticipation of large-scale military exercises.

The airspace reservations announced in the Shanghai air traffic control’s NOTAM carried no name; it was [Taiwan’s MND](#) that christened them “temporary airspace reservation zones” (空域臨時保留區). The fact that the zones were announced by a civilian institution in the PRC, rather than the PLA, [encouraged some](#) in Taiwan to dispute that the reserved areas were germane to the military exercises. The strict timing of the reserved areas over the three days of large-scale military exercises belies this claim. Meanwhile, the seven reserved areas were constructed in a patchwork manner so as to [avoid infringement](#) over any civil aviation route. In fact, the author’s analysis of [open-source data](#) on civilian flight activity during the three days of the airspace reservations reveals little to no disruption of routine civil aviation activity. The charts below show the presence of commercial aircraft around Taiwan and the Chinese coast at the precise same time of day (13:00 CST) and day of the week (Monday) on November 25 and December 9.

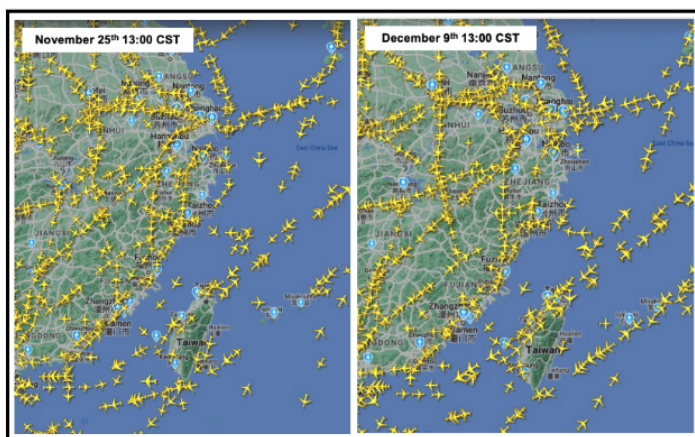


Image: Maps showing civil activity at 13:00 CST on a Monday across two dates, November 25 and December 9, 2024. The PLA’s unnamed military exercises spanned December 9-11, 2024. (Image source: [FlightRadar24](#))

Since the reserved airspaces were set in areas where commercial aircraft does not venture, there is no observable interruption in civilian air travel on December 9 as a result of the “temporary airspace reservation

zones.” This suggests that the PRC’s airspace reservations may have been aimed instead at testing out restrictions intended to block potentially hostile military aviation—hostile aviation that might fly between civil aviation routes—during the PLA’s military exercises. This analysis aligns with the Taiwan MND’s [assessment](#) that the “temporary airspace reservation zones” were an element of the PRC’s broader A2/AD strategy.

Beijing’s [A2/AD strategy](#) is aimed at deterring military involvement by Taipei’s informal diplomatic partners, such as the United States and Japan, in an armed contingency related to Taiwan. In order to succeed at any kind of kinetic operation to coerce Taiwan into submission, the PLA must prevent Taiwan’s partners from mobilizing major military assets along the “First Island Chain” in the western Pacific. Such an operation would necessarily involve [no-fly zones](#) around Taiwan and the Chinese coast as well as the threat of lethal engagement with US-led forces via missile batteries, drones, and fighter planes. As shown in the map at the start of this section, the actual locations of People’s Liberation Army Air Force (PLAAF) sorties [were concentrated](#) in the immediate vicinity of Taiwan during the December 2024 exercises, while the reserved airspace zones extended far up the coast of China and tangentially to the First Island Chain. This arrangement suggests that the military exercises may have been a rehearsal of the theater-level operation required for a successful mission to capture Taiwan.

A Playbook of Airspace Restriction

On prior occasions, the PRC has experimented with airspace reservations and no-fly zones in contested areas in the East and South China Seas. In April 2023, the PRC caused consternation when it [declared a three-day no-fly zone](#) over a roughly 5,000 square kilometer stretch of airspace immediately north of Taiwan. The declaration, which Beijing shared directly with Taipei without issuance of a NOTAM, coincided with a [flurry](#) of weeks-long PLA military exercises. This no-fly zone did indeed [infringe upon major civilian aviation routes](#) routing through Taiwan, and would have disrupted 160 flights per day if the PRC government had not backed down and reduced the length of the no-fly zone from three days to just 27 minutes. The PRC’s ostensible rationale for the airspace closure was falling debris from a weather satellite launch. However, the initial attempt to close major civil aviation routes for 72 hours during a period of provocative military exercises belies this banal justification. At the time, some analysts—includ-

ing this author—[warned](#) that this event could presage more provocative future airspace restrictions.

The April 2023 satellite launch was not the only instance in which the PRC has closed airspace in sensitive areas in association with rocket activity. In May 2023, the Civil Aviation Administration of China (CAAC, 中國民用航空局) notified the Civil Aviation Authority of the Philippines that [three zones adjacent to the Scarborough Shoal](#) might experience falling debris as a result of a PRC rocket launch and should be closed. Scarborough Shoal, a maritime feature controlled by the Philippines but claimed by the PRC, has been subject to a years-long [pressure campaign](#) by Beijing featuring repeated intrusions by Chinese vessels. The day after the rocket launch, a Philippines government spokesperson announced that [they had not detected](#) falling debris in the restricted zones near Scarborough Shoal.

While the so-called “temporary airspace reservation zones” associated with the PLA’s unnamed December 2024 military exercises were in effect, a Vietnamese journalist named Duan Dang [pointed out](#) that the PRC had restricted an overlapping swathe of airspace just weeks before the exercises. In November 2024, Shanghai air traffic control issued a [NOTAM](#) restricting another seven large chunks of airspace off the PRC coast for periods spanning three days. The map below, [created](#) by Duan Dang, displays (in gray and purple) the seven reserved areas outlined in the November 2024 NOTAMS, with the gray zones overlapping with some of the reserved airspaces declared during the December 2024 military exercises (marked in gray and red).

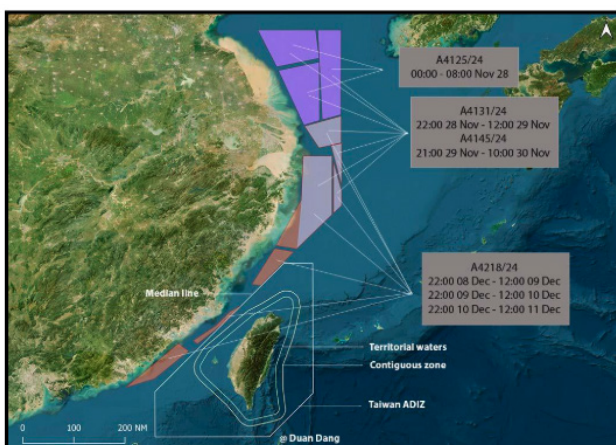


Image: A map displaying the areas of reserved airspace declared by the Shanghai air traffic control in November and December 2024. (Image source: [Duan Dang](#))

The PRC did not provide any reason for the aviation restrictions—which again skirted civil aviation routes—and these measures passed relatively unnoticed by international media. It is possible that they served as a kind of rehearsal for the more provocative airspace reservations that would coincide with the December 2024 military exercises. The PRC may also have been exploring methods to deny entry to United States and allied military aircraft—such as a [United States Air Force Boeing RC-135V](#) reconnaissance plane that flew across many areas earmarked in the November 2024 NOTAM in a publicized January 2025 sortie (*see image below*). By such measures, the PRC may be exploring methods to deny access to adversaries’ air assets.

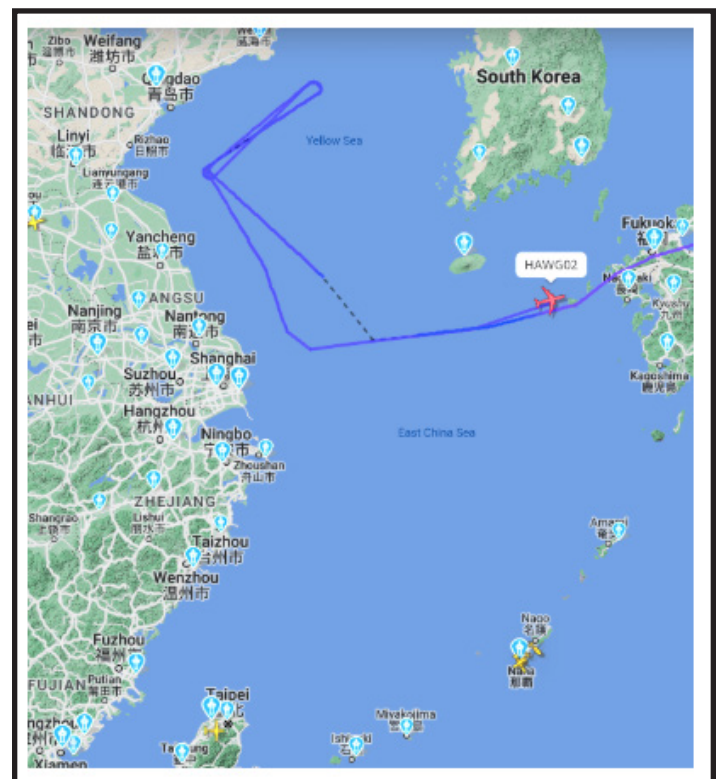


Image: A map showing the January 9 flightpath of a Boeing RC-135V reconnaissance plane through the Shanghai flight information region (Source: [FlightRadar24](#))

A Slice of the Salami

Based on currently available information, it is not possible to make definitive conclusions regarding the PRC’s strategy in declaring restrictions on the use of airspace along its coast. However, one must examine this activity within the context of the PRC’s long-held strategy of grey zone warfare around Taiwan and its surrounding seas—a policy called “[salami-slicing](#)” or “coercive gradualism” ([強制漸進主義](#)). Under this strategy, the

PRC flouts norms on a piece-by-piece basis, such that it can deny that it is attempting wholesale revisions to accepted international behavior—while, in the long-term, adjusting other states’ expectations about what foreign policy the PRC can get away with. Therefore, when probing into whether a PRC tactic qualifies as grey zone warfare, one must ask: “What norm is the PRC seeking to adjust?”

The November and December 2024 airspace restrictions may be an attempt by the PRC to flex a form of *de jure* control over the flight information regions (FIR) administered by its air traffic control. As stated above, an FIR is not synonymous with sovereign airspace, which extends only to territorial waters (12 nautical miles from a country’s coastline). If an FIR were synonymous with sovereign airspace, the United States could lay claim to half the airspace over the Pacific Ocean. However, the FIRs over which PRC air traffic control has responsibility hug the Chinese coast, extending beyond the PRC’s territorial waters but not so bountifully as to resemble the sprawling US-administered FIRs. It is possible that the PRC intends to secure tacit recognition that the FIRs it administers are synonymous with its sovereign airspace.

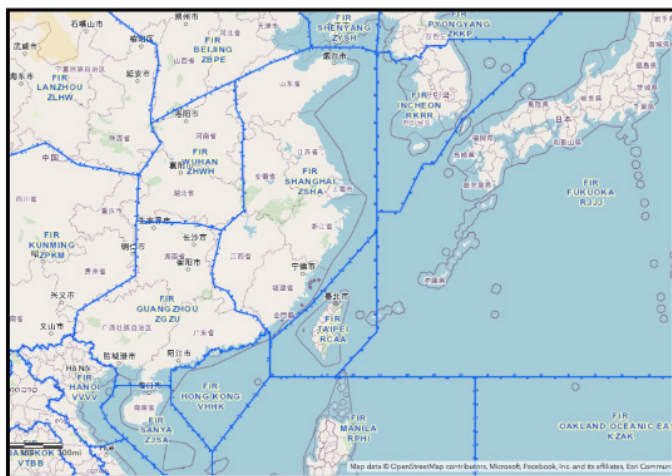


Image: A map showing the flight information regions (FIRs) of East Asia. Delineations of FIRs are marked in blue, while delineations of sovereign airspace are marked in purple. The FIRs titled Sanya, Hong Kong, Shanghai, and Shenyang are the only PRC-administered FIRs intersecting with international airspace. (Image source: [ICAO](#))

The restricted airspace areas declared by the PRC in November and December 2024 crossed beyond its sovereign airspace, but were confined to the borders of the [Shanghai flight information region](#). When a NO-

TAM has been issued that restricts aviation activity within given coordinates, it is the [responsibility](#) of the FIR’s air traffic control authority to selectively grant access to aircraft wishing to enter the restricted area. According to the [regulations](#) of the International Civil Aviation Organization (ICAO), military aircraft do not have to heed civil requirements in international airspace. However, it is not inconceivable that the PRC would seek to obstruct a foreign military aircraft’s entry into an area under restrictions by its air traffic control, or that foreign military aircraft would voluntarily comply with these aviation restrictions. Indeed, data from [FlightRadar24](#)—a flight tracking platform—reveals that no United States or partner military aircraft with a transponder switched on entered the November or December 2024 restricted airspaces. (It is nevertheless possible that aircraft belonging to the United States or its partners entered the restricted airspaces with transponders that were offline.)

United States Policy

The United States military should be careful not to tacitly defer to a norm under which the PRC could dictate access for any aircraft to the FIRs under its administration. Passive adherence to these airspace restrictions could embolden Beijing into the belief it can interdict future ingress into PRC-administered FIRs, or that it is justified in retaliating through alternative means against military incursions it considers unauthorized. The United States will likely not be the first target for this gray zone “salami slicing.” Rather, it is likely that the PRC would first target a weaker ally such as Japan and test its resolve.

If China imposes another unexplained restriction of international airspace within PRC-administered FIRs, the United States should dispatch aircraft through these areas to demonstrate that the PRC has no jurisdiction beyond its sovereign airspace. The US military aircraft should fly into the reserved airspaces with its transponders switched on so that international media can observe the aircraft’s navigation. In this way, Washington can prevent another possible slice of the salami and stymie Beijing’s attempts to preemptively establish air superiority around Taiwan during a contingency.

The main point: The PRC announced sweeping airspace reservations before and during its unnamed December 2024 military exercises. Beijing did not articulate a reason for these reservations, but the fact they were positioned in between civil aviation routes suggests that they were aimed at denying access to United States and partner military aircraft along the

First Island Chain. This operation may have been a feature of the PRC's gray zone activities that seek to alter accepted international norms. In this case, Beijing may be attempting to establish *de jure* control over international airspace in the flight information regions (FIRs) it administers. The United States and partners should reject this norm-altering behavior and dispatch military aircraft through a future restricted aviation zone.

Assessing Joe Biden's Long (and Complicated) Taiwan Legacy

By: Thomas Shattuck

Thomas Shattuck is a non-resident fellow at the Global Taiwan Institute, is a senior program manager at the University of Pennsylvania's Perry World House. He is also a 2025 non-resident fellow with Atomic Anxiety in the New Nuclear Age, a 2025-25 non-resident research fellow at the Modern War Institute at West Point, and a 2024-25 non-resident WSD-Handa Fellow at the Pacific Forum.

With President Joe Biden's term complete, it is an appropriate time to analyze and take stock of Senator, Vice President, and President Biden's comprehensive track record when it comes to Taiwan and cross-Strait relations. Biden has been in the public eye since he first became a senator in 1973, marking over 50 years of public service. Biden was in the Senate when President Jimmy Carter changed formal diplomatic recognition from Taipei to Beijing; he voted in favor of the passage of the 1979 *Taiwan Relations Act*; and he saw Taiwan's democratization in the 1990s, as well as the rise of the People's Republic of China's (PRC) more assertive and militaristic actions against Taiwan over the past few years.

As president, Biden continued the traditional approach of support for Taiwan typical of his predecessors. In some respects, Biden went further than other presidents—while in others, he either did not go far enough or failed. This article will analyze the highs and lows of Biden's Taiwan stances and policies from his time in the Senate to the Oval Office. It will also briefly consider what, if anything, Biden could do about Taiwan in his post-presidency.

Biden, the Senator

While serving in the Senate from 1973 to 2009, Joe Biden became a leading Democratic foreign policy

voice. Serving as both ranking member and chair on the Senate Foreign Relations Committee, Joe Biden had plenty of time over the course of his long tenure to develop a view on Taiwan and its status.

Early in his second term, while serving on the [Senate Foreign Relations Committee](#), the debate over the future of the United States' relationship with Taiwan came to head. In 1978, President Jimmy Carter announced that Washington would sever its official relationship with Taipei in favor of Beijing. The Senate was a strong proponent of the US-Taiwan relationship and moved to ensure that the United States would not completely abandon Taiwan. [Senator Barry Goldwater](#) and other members of Congress went so far as to sue Carter to stop the move. The effort failed in the courts. However, the Congress did pass the *Taiwan Relations Act* (TRA)—which [Biden voted](#) in favor of—in March 1979, and Carter signed it into law on April 10, 1979. The TRA created the framework through which the United States would be able to interact with Taipei in an unofficial capacity. In its 45th year, the [TRA still serves as the bedrock of the US-Taiwan relationship](#).

The TRA does not provide Taiwan with an explicit security guarantee in the same way that the [Mutual Defense Treaty between the United States and the Republic of China](#) (which was abrogated with the shift in official recognition) “recognize[d] that an armed attack in the West Pacific Area directed against the territories of either of the Parties would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes.” Since the TRA is domestic law and not a bilateral agreement, the spirit of the text is very different. And the language of the law is rather vague on what it commits the United States to do for Taiwan under certain circumstances. The most important question from the law is whether Washington is committed to defend Taiwan in the event of a conflict. While the TRA does not provide a clear security guarantee, the language does hint towards some level of US action under particular circumstances should the PRC use non-“peaceful means” or “any resort to force or other forms of coercion.” This ambiguous language forms a part of the long-term US policy of “strategic ambiguity” towards the defense of Taiwan.

As a senator, Biden understood these points quite well: so well, in fact, that in 2001 he was clear that the United States is not required to defend Taiwan—and that no president should make promises hinting towards such a commitment. President George W. Bush made

headlines when he said on [Good Morning America](#) that the United States had an obligation to defend Taiwan. Bush said, “Yes, we do, and the Chinese must understand that. Yes, I would.” When pressed about the use of US military force, Bush responded, “Whatever it took to help Taiwan defend themselves.” Those comments did not sit well with Senator Biden, who wrote an [op-ed in the Washington Post](#) criticizing Bush and clarifying his own view on Taiwan and the US commitment. He wrote clearly, “The United States has not been obligated to defend Taiwan since we abrogated the 1954 Mutual Defense Treaty.” He continued to explain the difference between specific words and language, “As a matter of diplomacy, there is a huge difference between reserving the right to use force and obligating ourselves, a priori, to come to the defense of Taiwan.” The op-ed did not argue that the United States should cede Taiwan to China, but that Bush had misinterpreted the TRA.

After writing that op-ed, Biden traveled to Taiwan [later in August 2001](#) as part of a bipartisan delegation of senators. This trip appears to be the only time that Biden has traveled to Taiwan. After that visit, [on September 12, 2001](#), Biden continued his attempts to correct Bush’s statements. In Washington, Biden continued to advocate for the long-term policy of strategic ambiguity. He said, “So don’t go declaring independence, because we are not willing to go to war over your unilateral declaration of independence.” He continued, “Depending on how each of the parties behaves [...] We reserve the right, as we do in every circumstance, to use American forces. [...] It will depend upon the circumstances. That’s how it’s been for seven presidents. That’s how it should remain.”

None of these statements were new policy developments, but maintained the status quo of avoiding an explicit commitment to defend Taiwan. During the Chen Shui-bian (陳水扁) presidency, there was a widely shared concern in Washington that Taipei might declare independence, start a war with Beijing over such a declaration, and bring the United States into such a conflict. Biden was essentially sending a warning to Chen on independence, and reiterating the policy of strategic ambiguity.

Biden, the President

Considering the statements of Senator Biden, one might reasonably expect that Biden’s term as president would be a bad one for Taiwan—an extension of the Obama Administration’s prioritization of engagement with Beijing over meaningful work with Taiwan.

However, given the changing dynamics in the Indo-Pacific—largely characterized by a more assertive and aggressive Beijing—President Biden was much more supportive of Taiwan than his record in the Senate would have led one to predict.

Once he became POTUS, Biden started speaking more like President George W. Bush. On [multiple different occasions](#), Biden publicly committed to defend Taiwan:

- In August 2021, he told [George Stephanopoulos](#): “We made a sacred commitment to Article Five that if in fact anyone were to invade or take action against our NATO allies, we would respond. Same with Japan, same with South Korea, same with—Taiwan.”
- In October 2021 [during a townhall](#), Biden said that “Yes, we have a commitment to do that”—i.e., defend Taiwan.
- [In September 2022](#), Biden said to *60 Minutes*, “Yes, if in fact there was an unprecedented attack” he would send US forces to defend Taiwan.
- In June 2024 he said to *Time*, “We are not seeking independence for Taiwan nor will we, in fact, not defend Taiwan if they if, if China unilaterally tries to change the status.”

These statements align with those of President Bush (43) and were a departure of those made by Senator Biden. Why the change? The most likely explanation is that Biden witnessed Beijing changing the status quo in the Taiwan Strait, and determined that Beijing was taking actions that run counter to the spirit of the TRA. In light of Beijing’s evident moves preparing for an eventual non-peaceful takeover of Taiwan, Biden’s own calculations changed.

Beyond his statements on the defense of Taiwan, Biden also raised eyebrows for his comments regarding Taiwan independence. [In November 2021](#), Biden said in reference to Taiwan, “I said that they have to decide – Taiwan, not us. We are not encouraging independence. [...] We’re encouraging that they do exactly what the Taiwan Act requires. [...] That’s what we’re doing. Let them make up their mind. Period.” There is a key difference between “encouraging” and “supporting,” and Biden’s November 2021 statement seemed to run counter to the long-term US policy of not supporting Taiwan independence. Around one year later, during the [60 Minutes](#) interview mentioned earlier, Biden said, “Taiwan makes their own judgments about their independence. [...] We are not moving—we’re

not encouraging their being independent. We're not—that—that's their decision." Here, Biden again used "encourage," not "support." Biden did not say that his administration did not "support" independence until after President Lai Ching-te (賴清德) won the [January 2024 presidential election](#).

Despite these statements, Biden in other occasions has not risen to the spirit of his own comments. Biden did not send high-level, sitting administration officials to visit Taiwan as [occurred during the first Trump Administration](#). The chance to regularize cabinet-, deputy-, or undersecretary-secretary-level visits to Taiwan was halted for four years. Biden did send three unofficial delegations at critical junctures: after [his inauguration in 2021](#), after the [January 2024 presidential and legislative elections](#) in Taiwan, and for Lai's [May 2024 inauguration](#). Biden's reluctance to send someone higher up in his administration is likely connected to Beijing's aggressive response to then-US House Speaker Nancy Pelosi's visit to Taiwan in August 2022 ([see here and here](#)), even though the [Taiwan Travel Act](#) allows for such high-level engagement. The Biden Administration reportedly [worked privately](#) to convince Pelosi not to go to Taiwan. [Biden publicly stated](#) that "the military thinks it's not a good idea," but he himself did not go so far as to personally tell Pelosi not to go—and she likely would only have listened to such a direct appeal from the president.

Interestingly, while the Biden Administration was reluctant to send high-level officials to Taiwan, it gave [Hsiao Bi-khim](#) (蕭美琴), then-Taiwan's *de facto* ambassador to the United States, an official invitation to attend Biden's inauguration. Hsiao was the first-ever Taiwanese representative to receive an official invitation from the incoming administration. (Before 2021, Hsiao's predecessors had attended at the invitation of a member of Congress.) That goodwill towards Taiwanese continued into Biden's [2021 "Summit for Democracy"](#), during which then-Digital Minister Audrey Tang presented virtually. However, the video feed mysteriously cut out (with audio still working) after Tang showed a map with Taiwan as a different color than China. One administration official called it an honest mistake, but other sources said that the map "caused panic." [1]

In the defense space, the Biden Administration, in cooperation with Congress, made significant changes in Taiwan's ability to access specific security assistance programs. The *Taiwan Enhanced Resilience Act*, part of the *National Defense Authorization Act for FY2023*

(NDAA), gave Taiwan access to the presidential draw-down authority (PDA), foreign military financing (FMF), and international military and education training (IMET) programs. Before this NDAA, Taiwan was primarily limited to purchasing arms without any monetary assistance from Washington. The [PDA allows the president](#) "to direct the drawdown of defense articles and services from U.S. agencies' stocks to respond to foreign crises." Taiwan was granted up to USD [\\$1 billion annually](#), but the Biden Administration only utilized USD \$345 million of that provision. For FMF, Congress did not appropriate funds for Taiwan, but the State Department provided Taiwan with USD \$135 million for FMF, and Taiwan could receive some of the funding from the 2024 emergency supplemental law. IMET allows for Taiwanese military officials to receive training, along with other international partners, in the United States. These changes in the defense space were important, but underutilized.

It is things like the map incident, the lack of support for the Pelosi visit, and the underutilization of potentially transformative defense policy changes that mar Biden's presidential Taiwan legacy. Whenever the administration appeared to be making strong steps towards charting a new course and direction for Taiwan policy, it would pull the rug out from underneath those positive developments. The administration made progress in trade by adopting the [US-Taiwan Initiative on 21st Century Trade](#), which started in June 2022 (with the first element reaching agreement in May 2023, and taking force in December 2024). Unfortunately, US Trade Representative Katherine Tai did not travel to Taiwan to any of these occasions, and the fact that it entered into force in the Biden Administration's final month shows how progress was slow and delayed.

Despite this progress, Biden—like every president before him, despite bipartisan congressional support—did not secure a free trade agreement with Taiwan. Another failure of the Biden Administration would be a lackluster follow-through on utilizing the [TAIPEI Act](#) to increase support for countries seeking to enhance their unofficial and official relationships with Taiwan, and to punish countries that do the opposite. The changes to defense allocations were a major breakthrough, but the Biden Administration was not able to utilize even half of the congressional allowance for Taiwan. Considering the immense time lag in Taiwan receiving the arms that it purchased, the PDA could have moved things forward in a new way. The PDA could have improved Taiwan's readiness and provided it with additional munitions stocks or other materiel need-

ed to pushback against PRC military coercion, but the slow rollout demonstrated the Biden Administration's reluctance to treat the cross-strait region as the true national security priority for the Indo-Pacific region.

Holistically, the Biden Administration adopted a traditional approach towards Taiwan, considering the current geopolitical situation in the Indo-Pacific and a more assertive China. What sets Biden's four years apart is his personal language for Taiwan. Biden's language created an opportunity for the administration to make progress in treating Taiwan differently than before—and to develop new strategies and policies as a result. That did not happen. Instead, the administration ended with typical achievements despite bipartisan support for Taiwan.

What's Next in Biden's Post-Presidency?

Considering Biden's illustrious foreign policy career, he and his team should seriously consider a visit to Taipei in the next few years. As a private citizen, there are no limitations on his ability to visit Taiwan. Biden's predecessors have visited Taiwan in their post-presidency, so a visit would not be out of the ordinary. George H.W. Bush visited Taiwan in [1993](#), less than one year after leaving the Oval Office. Jimmy Carter went to Taiwan in [1999](#), coinciding with the 20th anniversary of the passage of the TRA. Bill Clinton visited Taiwan in [2005](#) and [2010](#). Neither George W. Bush nor Barack Obama have made such a visit after their terms ended (although Bush [seemingly agreed](#) to visit in 2010, with no follow through).

A post-presidency visit to Taiwan would not be Biden's first-ever visit to the country. However, a visit after 2025 would be critical in determining the ever-shifting red-lines that Beijing has imposed upon high-profile US visits to Taipei. A trip to Taiwan would cement Biden's foreign policy legacy, and mark the final chapter in his long-term support for Taiwan after his vote for the TRA in 1979. Perhaps more important than legacy, a possible visit would be instructive for sitting and former politicians as to how negative of a reaction would come from Beijing. Beijing has gotten into the habit of over-reacting to high-profile visits by politicians, particularly US politicians of a certain stature. A Biden visit to Taiwan would send a message to leaders and politicians around the world not to be deterred by threats from Beijing, and that Taipei can be a trusted partner. It would help to normalize future visits by leaders on the fence about whether they want to deal with that level of pressure from the PRC.

The main point: Biden's statements about Taiwan as president strongly differed from his earlier statements while in the Senate. President Biden's clear support for the defense of Taiwan marked a new course for US Taiwan policy, but his administration never took the opportunity to advance a new way of thinking about Taiwan and the US-Taiwan relationship.

[1] Shortly after the map issue, a disclaimer appeared on the screen: "Any opinions expressed by individuals on this panel are those of the individual, and do not necessarily reflect the views of the United States government." It is ironic that, at a summit for democratic governments, the US government was afraid of how an authoritarian nation (which was not invited) would react to a presentation.

Economic Freedom: An Unheralded Driver of Taiwanese Property

By: Billy Stampfl

Billy Stampfl is currently a third-year student at the University of Michigan Law School.

Discussions of Taiwanese economic growth and prosperity usually return to some version of a familiar refrain: Taiwan's trade-dependent economy is driven by a competitive manufacturing sector that specializes in the production of electronics and machinery. Or, that Taiwan prospers because it successfully manufactures and markets quality high-end semiconductors and other electronic components. While there is truth in this, such oversimplifications miss another key part of the story behind Taiwan's success: economic freedom.

Economic freedom is about personal choice, voluntary exchange, freedom to compete in markets, and property rights. Governments can promote economic freedom affirmatively (e.g., by establishing a legal structure that enforces contracts), or they can do so by refraining from the sort of coercion that would constrict labor markets and make it hard to start a business. There is a push-and-pull between imposing onerous regulations on one side, and emboldening private actors and market forces on the other.

This article has three aims:

The first is to explain economic freedom and why it matters. Not all components of economic freedom definitively raise growth rates, but most serve to foster

an environment conducive to growth.

The second is to examine the role that economic freedom has played in Taiwan's economic growth. Taiwan's output per capita is impressive, and it is a relatively free country—freer than powerhouses like India and China, and on par with Asian democracies like Japan and South Korea.

The third is to outline the leading indices of economic freedom, and assess how they affect this analysis.

As will be seen, Taiwan's high level of economic freedom has been a vital factor that has allowed it to keep pace with or exceed other East Asian economies on a per capita basis.

Taiwan's Economic Growth

Taiwan has performed well economically in the first quarter of this century, [doubling its gross domestic product \(GDP\) per capita](#) from an estimated USD \$16,000 to USD \$32,000 between 2005 and 2022. This compares favorably to much of the rest of East Asia. Taiwan has steadily expanded its economy since 2005, placing it among some of the best-performing economies in the world today: Taiwan [ranked 14th](#) in per capita GDP worldwide in 2024. Among Asian states, although Taiwan's GDP per capita remains below Singapore and Hong Kong, it has pulled roughly even with South Korea and Japan, and is significantly ahead of China and India. (See graphic below.)

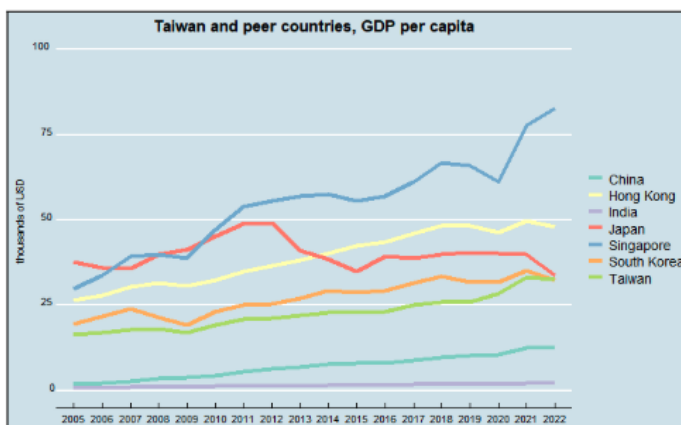


Image: Taiwan's per capita GDP as compared to other leading states in Asia, 2005-2022. (Image source: [International Monetary Fund](#).)

Of course, the trends above are no secret; Taiwanese growth is well-documented. But in explaining Taiwan's prosperity, the island's economy is often described as "export-oriented" or "trade-dependent." These terms fail to tell the whole story—because Taiwan's success

also has something to do with economic freedom.

Taiwan's Economic Freedom Ratings

One of the most reliable measures of economic freedom is the Fraser Institute's [Economic Freedom of the World index](#), which focuses on five areas: (1) the size of government; (2) the legal system and property rights; (3) a stable currency; (4) the freedom to trade internationally; and (5) the extent of regulation. Another useful metric is the [Index of Economic Freedom](#), a collaboration between the *Wall Street Journal* and the Heritage Foundation. It measures economic freedom based on four pillars: (1) the extent of the rule of law; (2) government size; (3) regulatory efficiency; and (4) open markets.

Taiwan scores well across both economic freedom indices, and it does particularly well in comparison to peer countries in Asia. Among nations in the East Asia-Pacific region, Taiwan posted the fourth-highest economic freedom score in 2020, as determined by Fraser's index. Zooming out, Taiwan compares favorably to large economies around the world. In the past decade, it has surged past Canada, the United Kingdom, Japan, and France, all of which fell in Fraser's economic freedom rankings between 2015 and 2020. (See graphic below.)

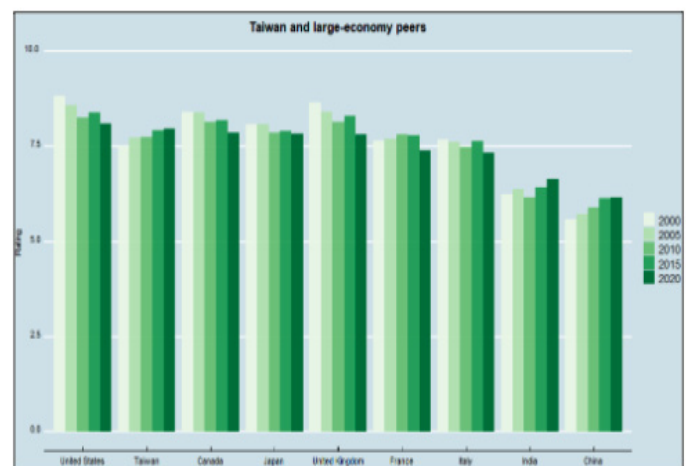


Image: Taiwan's ratings for economic freedom relative to selected major economies (2000-2020), as measured by the Fraser Institute. (Image source: [Fraser Economic Freedom of the World 2024](#).)

What drives Taiwan's high degree of economic freedom? The country's rankings in each of Fraser's five key areas indicates that it excels across the board. The legal system enforces property rights: there has been little change in that category this century. In two other areas—"regulation" and "size of government"—Tai-

wan has gotten significantly better, rising in Fraser’s ranking nearly every year since 2009. “Sound money” (meaning a stable currency, which allows the government to more effectively manage inflation and monetary policy) and “free trade,” on the other hand, are more volatile categories: Taiwan could improve in the latter (its COVID-19-era controls on the movement of people and capital made trade more difficult) but ranks among the world’s best in the former (Taiwanese banks provide relatively easy access to foreign currency bank accounts, and the government has managed inflation well).

By the measure of the Heritage Foundation’s *Index of Economic Freedom*, Taiwan ranks fourth among all countries worldwide in economic freedom. It has slowly [climbed the rankings](#) since 2009—when it was considered “moderately free”—and is now one of only four countries that enjoys a “free” rating (it is joined by Singapore, Switzerland, and Ireland). Taiwan’s score on this index stands at 80, compared to a regional average score of 57.4 and a global average of 58.6.

Beyond impressive fiscal health, judicial effectiveness, and trade freedom, the island rates highly in business freedom (the ability to run an enterprise without undue interference from the state) and monetary freedom (which requires a stable currency and market-determined prices). The only area in which Heritage deems Taiwan less than “mostly free” are financial freedom (measuring financing opportunities and entrepreneurship) and labor freedom (the ability for individuals to find work and for businesses to contract freely for labor).

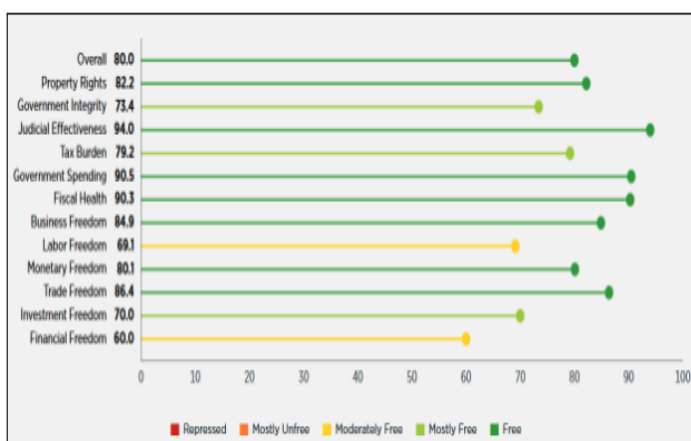


Image: Taiwan’s rankings for economic freedom in 12 categories, and an overall score, as determined by the Heritage Foundation (as of October 2023). (Image source: [Heritage Index of Economic Freedom, Taiwan](#))

Criticisms of Economic Freedom Indices

There are important questions regarding what Fraser’s and Heritage’s metrics actually reflect about a country. For example, Taiwan excels in economic freedom related to government spending and investment. But this means that the island devotes less money to developing public assets that provide long-term benefits. Such investment might include funding infrastructure improvements, or research into new cures for cancer. Is it really better that a nation spends less on these things? Advocates of the Fraser and Heritage approaches would say yes—because economic freedom means leaving matters like drug development and infrastructure investment to private companies and the free market. Such a position requires a normative judgment as to what one thinks government should do.

A broader critique is that economic freedom is [not correlated](#) with growth. Outliers in the indices bolster this argument—for instance, China is a huge and still-growing economy that Heritage considers “repressed.” Relatedly, it could be the case that individual components of the index are calibrated incorrectly. One example is consideration of marginal tax rates, a component of Fraser’s index: [some argue](#) that higher tax rates are associated with more economic growth, but Fraser implies the opposite (because higher tax rates mean less economic freedom).

There is also the possibility that these indices proved unfit for a COVID-19 world. Taiwan offers an illustration: former President Tsai Ing-wen’s (蔡英文) administration implemented restrictive pandemic policies—like limited entry for foreign workers—that were not [loosened](#) until late 2021. These same policies lowered Taiwan’s Fraser rating (because they constrained the movement of capital and people), but they were widely praised and helped Taiwan effectively fight the pandemic. Would it have been better for the government to have forgone entry restrictions so as to preserve a high degree of economic freedom? Probably not.

These criticisms are serious—and perhaps economic freedom indices mean less during health emergencies, when government assistance is essential—but they should not discredit the enterprise as a whole. Economic freedom, after all, [appears to](#) correlate strongly with higher average income per person.

How Taiwan Prioritizes Economic Freedom

Real-world examples provide a plausible story as to how Taiwanese policies have fostered economic free-

dom—and, in turn, more growth. These include policies in the following areas:

- **Monetary policy:** The government's [monetary policy](#) has helped Taiwan avoid harmful inflation this century.
- **Tariffs:** As a member of the World Trade Organization (WTO), Taiwan complies with international trade agreements, and its tariff schedule follows WTO guidelines. President Tsai Ing-wen's administration made news for slashing trade barriers, as when it [eased restrictions](#) on American beef and pork imports in 2020. A year later, it [cut tariffs](#) on select commodities in a bid to fight inflation caused by the war in Ukraine.
- **Fiscal health:** [Public debt](#) in Taiwan amounts to just 29 percent of GDP. In other developed countries like the US, Canada, France, and the United Kingdom, public debt exceeds 100 percent of output—which increases interest costs, crowds out investments, and weighs down growth.
- **Business regulations:** There are few material restrictions on doing business in Taiwan (beyond limits on investors from China) and the government rewards grants to companies in significant industrial sectors: including biotechnology, new pharmaceuticals, and 5G and smart machine technologies. Foxconn, Acer, Evergreen, and Merida are all major Taiwanese firms that have thrived within the island's less onerous regulatory environment.
- **Law enforcement:** Taiwan's National Police Agency (NPA) appoints the leaders of the island's city and council police departments, which are delegated day-to-day policing duties. This system differs slightly from that of the United States, as it emphasizes a chain of command flowing from the NPA down to each individual local police head, prioritizing local enforcement over top-down control.
- **Legal system:** Courts provide [speedy](#) and fair adjudication free from political interference.
- **Foreign currency:** It is [secure and fairly easy](#) to open a foreign bank account in Taiwan, and a number of banks [offer](#) foreign currency savings accounts.

Taiwan's overall high level of economic freedom provides one of the leading explanations for its prosperity in the 21st century—prosperity that owes in large

part to the island's low-regulation, business-friendly economic environment.

The main point: The well-treaded account of Taiwan's economy is that it has achieved impressive growth because it excels at manufacturing and exports. This is true, but Taiwan's freedom-enhancing economic climate also must be considered—as a result of cutting business regulations, protecting property rights, implementing smart monetary policy, and prizing impartial courts and the rule of law, Taiwan has created an environment in which rapid economic growth is possible.
