

Testimony for the U.S.-China Economic and Security Review Commission
Hearing on Cross-Strait Deterrence
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1. What is the effect of the U.S. policy of “strategic ambiguity” on Taiwan? How does this policy promote or detract from cross-Strait stability?

Washington’s “strategic ambiguity” policy assumes a rough symmetry of threats to stability in the Taiwan Strait between those posed by the PRC and those posed by Taiwan. The threat from the PRC is that it might try to coerce Taiwan into an unwanted unification deal; the threat from Taiwan is that it might provoke the PRC to military action with a move toward formal, juridical independence. Strategic ambiguity assumes that neither event is impossible, so the US can most effectively deter both actions by keeping each side in a state of uncertainty, which forces each side to plan for the worst-case scenario. The PRC, in other words, not knowing whether and how the US would defend Taiwan, must do its military planning with the assumption that Washington will defend Taiwan energetically. Taiwan, for its part, must assume that it cannot count on US military support if its own actions provoke a military response from the PRC.

Recently, some strategic thinkers have suggested that this policy is outdated, because the threats in the Strait have become asymmetrical; that is, the threat of unprovoked PRC actions against Taiwan is now much greater than the threat of a Taiwanese declaration of independence. In their view, the US should clarify its position to say, unambiguously, that the US will respond to PRC coercion of Taiwan

I disagree with this position for three reasons, in increasing order of importance:

First, Beijing is already putting military pressure on Taiwan; it has many other coercive options that do not constitute direct military action. Some of these are very hard for the US to respond to effectively; if the US tried to do so it might well escalate tensions with the PRC in ways that leave everyone, including Taiwan, worse off. An unconditional commitment to defend Taiwan would require defining which specific measures would activate a US response. That would be difficult, and it would signal to Beijing precisely what to do to pressure Taiwan without crossing Washington’s “red line.” The PRC’s own experience with red lines shows how difficult they are to define, and how constraining they can be, not to the target, but to the country that set the red line. Ambiguity allows for discretion, flexibility, and judiciousness.

Second, we cannot assume that Taiwan’s pro-independence constituency will be deterred in the future. An unconditional promise of US support would alter the balance of power in Taiwan’s domestic politics in ways that would not serve US interests. Given how costly it would be for the US to intervene in a military conflict in the Taiwan Strait, Washington should be extremely careful about encouraging radical elements within Taiwan. Public opinion data shows that young Taiwanese are more open to independence than other age groups. Perhaps their views reflect youthful idealism, and as they grow older they will become more cautious. With a

US security guarantee, though, maybe they won't. Surveys have shown that higher confidence in the US security commitment is correlated with support for independence. There are plenty of politicians who would be happy to ride voters' naïve enthusiasm to electoral success, putting the US (not to mention Taiwan) in a difficult position.

Third, the US has spent decades alternately cajoling and browbeating Taiwan to devote more resources to its own defense. This is an extremely difficult task for Taiwan's leaders; its population does not support high levels of military spending. Each US arms sale to Taiwan is accompanied by a chorus of criticism claiming that American arms manufacturers are milking Taiwan's taxpayers. That criticism is unfair, but it's an important part of the political landscape that Taiwanese leaders work in. President Tsai Ing-wen has devoted a great effort and much political capital to cooperating with the US to build Taiwan's capabilities. She has also made a greater effort than any Taiwanese leader since Chiang Kai-shek to convey to her own people the necessity for a strong military. An unconditional promise of US military support would, in my judgment, undercut her efforts and end the progress that has been made. It would make it virtually impossible to persuade Taiwanese voters to support investment in their country's military capabilities. Such an action by the US would be a self-inflicted wound. It would reverse hard-won gains for the US and it would make defending Taiwan much more difficult, politically, since Americans (including our armed forces) would perceive Taiwan as free-riding on their blood and treasure. Finally, if we are honest, a declarative promise of military support is not, in fact, a guarantee that the US would intervene, so such a policy could entice an unprepared Taiwan to take an action that would lead to its destruction, which clearly not in the US's interest.

2. How does the Taiwan public view the future of cross-Strait relations? How willing is the Taiwan public to take concrete action, such as serving in the military or supporting increased defense spending, to defend Taiwan's de facto independence, and what is the effect of U.S. policy on this level of commitment?

One of the most confounding aspects of US-Taiwan relations for Americans is the apparent indifference of Taiwanese citizens to the military threat they face. To US policy makers, that threat is the most salient fact about Taiwan. For Taiwanese, though, the military threat from the PRC is background noise. They live under a sword of Damocles, no doubt, but it is a rusty, dusty old sword that has been hanging up there for seventy years. Most Taiwanese rarely notice it. Professional military planners and policy makers look at it all day long, but most civilians assume that because war makes no sense to them, it surely makes no sense to people in the PRC, either.

Military service is not culturally or socially validated in Taiwan as it is in the United States. Many young Taiwanese have told me that their parents use the "threat" of a military career as a spur to work hard in school ("If you don't pass these exams, you'll have to go in the army."). Taiwan has been trying for several years to implement an all-volunteer force, but these socio-cultural obstacles combined with resource constraints have made it impossible to reach recruiting targets. Not all Taiwanese embrace this kind of thinking: a popular young DPP politician, Enoch

Wu, emphasizes his military service as a qualification for public office. Wu's outlook should be applauded, whether it comes from DPP politicians, KMT politicians, or others. Taiwan's political parties would do well to promote veterans within their ranks.

There are two, mutually-reinforcing dynamics that make many Taiwanese families perceive military service as undesirable. First, Confucian cultures prize intellectual/scholarly achievement above martial qualities. Second, Taiwan's history of subjection to a military dictatorship after World War II creates tension between the majority of the population and the military. The military was politicized for decades, which makes it hard to recruit those who do not have a family history of military service. Events like the "mass wedding" of military personnel that took place last year – and especially the publicity given to several same-sex couples that participated – are a clever way to change the perception of military service. They align the military with progressive forces in Taiwan rather than with the "old regime."

Military recruitment and readiness face tough challenges, but Taiwan's leadership is trying to address them. For those efforts to succeed, the US needs to strike a balance. On the one hand, the US should not offer unconditional military support to Taiwan, since this would encourage freeriding – especially given the (not unreasonable) perception in Taiwan that its own capabilities are insignificant when compared to what the US can do. On the other hand, the US should not give the impression that the defense of Taiwan is hopeless. Running down the Taiwan military, claiming that "Taiwanese will fight to the last American" (a phrase I've heard way too often in Washington, DC), mocking Taiwan's leaders for listening to the constituents – this sort of pressure does not help Taiwanese politicians strengthen their armed forces.

My own small contribution to this effort was to write an op-ed for a Taiwanese newspaper in 2019 after the tragic deaths of several military personnel, including General Shen Yi-ming, in a helicopter accident. I praised General Shen's service and sacrifice, and I encouraged Taiwanese for whom military service would be an appealing career to pursue it. I also encouraged parents to support young people who choose a military career. I'm sure it made no difference to anyone, but it was what I could do.

3. How has the Taiwan public responded to Beijing's imposition of the National Security Law over Hong Kong? How could future developments within China's domestic or foreign policy harden or diminish public resolve within Taiwan to resist China's attempts to bring the island under Mainland control?

The Hong Kong crises has riveted Taiwanese, especially young people. For many years after 1997, Taiwanese viewed Hong Kong as irrelevant to their own situation. That changed in 2014 when Umbrella protesters in Hong Kong began linking up with Sunflower protesters in Taiwan. Strong ties were formed, and Taiwanese began paying more attention to developments in Hong Kong. While many Taiwanese are skeptical of protests, the violent police response and absence of political concessions in Hong Kong put the Taiwanese mainstream firmly on side with the Hong Kong protesters. Hong Kong's fate no longer seems irrelevant to Taiwan: it is now viewed as proof that Beijing cannot tolerate an autonomous entity within its borders and will use any

means necessary to crush resistance to totalitarian rule. This, by the way, is not surprising to the average Taiwanese, but the evidence from Hong Kong confirms their suspicions.

In practice, however, supporting the Hong Kong people has costs for Taiwan. First, it's dangerous for Taipei act in ways that can be interpreted as supporting the claim – currently made without evidence by Beijing – that Taiwan is a “black hand” behind the Hong Kong protest movement. President Tsai needs to be careful not to give Beijing ammunition to use against her. In addition, one of the things Taiwan is being asked to do is to let Hong Kongers enter as political refugees and/or immigrants. It remains to be seen how willing Taiwanese will be to admit large numbers of them, especially if their arrival drives up housing prices in Taipei. The economic costs, in other words, fall unequally, and will likely have political consequences.

The Hong Kong situation is hardening views against the PRC. There has not been a lot of polling on this question (I have a survey on this topic in the field now, but no results yet), but my assessment is that Taiwanese sentiment toward the PRC has become much more negative over the past three years. Rising military pressure is one factor. The mainland's declining economic value to Taiwanese – production costs are rising, Taiwanese privilege is disappearing, plus the trade war – is another. Taiwanese also are aware of the growing repressiveness of the PRC state; many Taiwanese who live in the mainland notice increased surveillance, for example. Still, the crackdown in Hong Kong is a major factor turning Taiwanese against Beijing.

4. How might changes in U.S. policy toward Taiwan affect Taiwan government policy and public opinion on how the island should relate to China and whether it should expand its ongoing cooperation with the United States?

I've addressed the military elements already, but I will say something brief about diplomatic and economic policy. On the diplomatic front, it is most important that the US coordinate its policy with Taiwanese diplomats to ensure that Taiwan's interests are not undercut by actions the US intends to benefit them. Economically, the US can help Taiwan elevate its economy and avoid economic marginalization by negotiating high-quality agreements with Taipei. The US also should be careful not to make Taiwan collateral damage in its efforts to shape the PRC's economic practices.

5. The Commission is mandated to make policy recommendations to Congress based on its hearings and other research. What are your recommendations for Congressional action related to the topic of your testimony?

Diplomatic and People-to-People Relations

- Pass the Taiwan Fellowship Act (H.R. 7414, S. 4327). The bill would enable long-term non-military cooperation between the governments of the United States and Taiwan. The Taiwan Fellowship Act will strengthen the bond between the two countries at the working level and be a clear and tangible signal of America's commitment Taiwan and

other democratic partners. As an unpaid advisor to the nonprofit organization developing this program, I strongly recommend passage of this bill.

- Pass immigration reform legislation that would allow international students who earn graduate degrees in STEM fields to remain in the United States to work. Morris Chang, TSMC's founder and CEO, is a China-born US citizen who was educated at Harvard and MIT and began his career at Texas Instruments. He was recruited by Taiwan's publicly-funded Industrial Technology Research Institute (ITRI), from which he launched TSMC. While Chang is the most famous, many of Taiwan's outstanding entrepreneurs and engineering talents have degrees from US universities and experience in US tech companies. Their ability to rotate between the US and Taiwan is a boon to both countries and has enabled the high level of technical cooperation between them. The US should encourage Taiwanese to study and work in the US, and to be a bridge between our countries.
- Pass legislation to increase the number of immigration visas available to Hong Kong people. The US should make its stated commitment to Hong Kongers' human rights concrete by making itself a refuge for Hong Kong people. It will be easier for Taiwan to follow suit if the US leads the way.
- Encourage relevant committee staffers to form relationships with Taiwanese officials in the US that would allow for frank, private dialogue about how Congressional proposals aimed at helping Taiwan would affect Taiwan's interests *as it perceives them*. Taiwanese diplomats should be able to express their concerns about Congressional proposals without fearing they will offend US officials.
- In accordance with the TAIPEI Act, encourage the Biden Administration to advocate for and work to normalize Taiwan's role in international organizations, including the World Health Organization (WHO). Taiwan's extraordinary performance in taming the COVID pandemic makes it especially urgent that it not be excluded from global conversations.
- Enlarge the highly-successful Global Cooperation and Training Framework (GCTF) and other activities that raise Taiwan's international profile.

Economic Relations

- Express bipartisan Congressional support for negotiation of a bilateral trade agreement with Taiwan. While this process will be complex and multifaceted, one area that needs to be addressed is incentivizing new business creation and venture capital investment in Taiwan. The island's economy is distorted by wealth stored in real estate and other non-productive assets, even as start-ups are starved for capital and educated young people search fruitlessly for jobs. External pressure could help Taiwan's leaders push through needed reforms to unleash the country's accumulated capital for a new wave of business creation.
- Encourage the Biden Administration to (re)start US participation in (CP)TPP, with the expectation that Taiwan will become a member.
- Exempt Taiwan's exports from punitive tariffs, including on steel and aluminum and items assembled in China from Taiwanese and other imported components.

- Discourage the Biden Administration from using Taiwan Semiconductor Manufacturing Corp (TSMC) as a weapon against PRC technology companies. TSMC currently enjoys a wide head start over its competitors, but if Chinese tech companies lose access to its chips, their desperation will force them to find a way to buy or steal its technology. Birthing the competitor that will bring down TSMC is something Beijing would dearly love to do, but it would be a disaster for Taiwan and for the US. Allowing Chinese companies to buy the chips they need reduces China's urgency to achieve this goal.
- Ban ractopamine in US meat production. At least 160 countries have banned this chemical. For more than a decade the US and Taiwan battled over the US's insistence that Taiwan accept meat produced using ractopamine. In 2020, Taiwan's president gave in to the US's demand, at great political cost to herself. Now Taiwan's local governments are banning the chemical, and consumers around the world are turning against it. This is a battle that will continue to eat away at US-Taiwan ties until the US finally acknowledges what most of the world already knows: ractopamine doesn't belong in our food.

Military Relations

- Fund attractive opportunities for early-career Taiwanese military personnel to visit the United States (perhaps for English language training) so that they can experience the US armed forces' esprit de corps.
- Ratify the United Nations Law of the Sea Treaty to give the US institutional and moral authority to address the PRC's UNCLOS violations in the South China Sea and elsewhere. The US hobbles its own credibility in this regard by continuing to reject this Treaty, which has been promoted by both Republican and Democratic administrations.