

Recent Developments in Japan, the United States, and China Concerning Taiwan

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1. Tensions in China-Taiwan Relations and Xi Jinping's Policy toward Taiwan

Taiwan's President Tsai Ing-wen showed some flexibility toward China in her inaugural speech in May 2016, but made no direct reference to the so-called "1992 Consensus." In response, China refused to allow any government-to-government contact, let alone contact between window agencies, and suspended all dialogue mechanisms between China and Taiwan, claiming that the Tsai administration does not recognize "One China." President Tsai called for a dialogue with China, but the Chinese side persisted in its position that "One China" must be recognized, and China-Taiwan relations progressed from a stalemate to a state of tension.

China's Taiwan policy by President Xi Jinping can be interpreted from his speech on Taiwan policy in January 2019. In the speech, Xi stated as follows. "All cross-strait compatriots are Chinese," "Only by unifying Taiwan can the 'great rejuvenation of the Chinese nation' be realized," "We cannot postpone this to the next generation," "We cannot promise not to use force," and "Unification through 'one country, two systems.'" Thus, Xi Jinping's Taiwan policy is characterized by his strong desire to move toward unification even if it meant only a single step forward. To this end, he is using both hard and soft power in his Taiwan policy to contain and engage in Taiwan.

First, in terms of hard power, China has been cutting off countries that have diplomatic relations with Taiwan. Since the inauguration of the Tsai administration, seven countries have broken off diplomatic ties with Taiwan, and in turn, re-established it with China. Currently, the number of countries that maintains diplomatic relations with Taiwan is 15, the smallest in history. China has also stepped up pressure on countries that do not have diplomatic relations with Taiwan, and has also blocked Taiwan's membership in all regional organizations, including the RCEP and the AIIB. On the military front, China has been escalating its military pressure since the latter half of 2020, sending its aircraft carrier, the Liaoning, to sail around Taiwan. Meanwhile, on the economic front, the economies of China and Taiwan are closely linked, and China has not taken any steps to reduce trade with Taiwan, especially since Taiwan's advanced technologies, such as semiconductors, are indispensable to China. Instead, it has imposed a ban on imports of Taiwanese pineapples in order to hurt Taiwanese farmers and the Tsai Administration. However, in response to this measure, there was a movement in Japan to

help Taiwan, and nearly half of the annual volume that Taiwan regularly exports to China was consumed in Japan. As the entire society in Taiwan expanded its purchase of pineapples with a view of supporting farmer, Taiwanese farmers escaped the worst of it, and China's plan was foiled.

As for the soft power aspect, the Chinese government has been promoting equal treatment for Taiwanese citizens so that they can enjoy the same benefits and rights as other Chinese citizens. In this light, the Chinese government began adopting policies including appointment of Taiwanese citizens to public positions in China. A Taiwanese citizen from Kaohsiung who moved to China was chosen as a delegate to the 19th National Congress of the Communist Party. In addition, the government is trying to provide opportunities by promoting the "One Belt, One Road" business opportunity to Taiwanese companies, saying, "Let's work together to realize the Chinese dream." Some Taiwanese companies have joined the Chinese side in this effort. However, on a general level, an atmosphere to support this has not been created, dismissing that Taiwan's future will be lost without participating the offer from China. There was such an atmosphere in the mid-2010s, but it faded away by the end of the decade. In an attempt to exert influence in Taiwan, China has also cultivated a group called the "Chinese Unification Promotion Party," an organization that operates under the direction of the Chinese Communist Party. Furthermore, China has been using the media and the Internet to disseminate information on China and to manipulate the public. As a result of these actions, it is clear that China's influence on Taiwan has become larger, but the fact is that it still lacks a decisive hand.

2. Response of the Tsai Ing-wen Administration

What has the Tsai administration done in the five years since she took office as president in 2016 to date? First of all, in terms of her policy toward China, she has taken a clear stance that she will not provoke China and will act cautiously and restrainedly. However, she also insists on not recognizing "One China" and will not yield to China. The Japanese media refers to the Tsai administration as "taking a hard line against China." However, since there is no evidence of taking offensive actions against China from the Taiwanese side, this expression is not appropriate. The correct phrase would be the Tsai administration "not yielding to Chinese pressure." Secondly, in terms of domestic policy, the government aimed to strengthen the "Taiwan identity." Specifically, it sought to "maintain the status quo of a democratized and Taiwanized Republic of China" while strengthening the domestic economy and society that would serve as its foundation. Maintaining the status quo here means maintaining a democratic Taiwan and not responding to China's call for unification. On top of this, in order to reduce its dependence on China, Taiwan pursued the "New Southbound Policy" to deepen its ties with Southeast Asia, India, Oceania, and other regions, as well as to enhance its coordination with the United States and Japan. China's opposition to Taiwan's strengthening of ties with the United States and Japan has been fierce. However, while avoiding definitive expressions, it has condemned the Tsai administration's moves, calling them the "hidden Taiwan independence."

Xi Jinping's Taiwan policy is not going well at the moment. It has been nine years since Xi took over as the head of the Communist Party, but unification has not taken a single step forward. The primary reason for this is that in last year's presidential election, Tsai Ing-wen, who rejected the one-country, two-systems, was re-elected with the largest number of votes in Taiwan's electoral history. Taiwan's public sentiment is leaning away from China and toward Japan and the United States. It could be argued that Xi Jinping's policies have encouraged this to happen. What is troubling, however, is that China is forcefully manipulating information domestically about the situation. Within China, the logic is that Chinese power is so overwhelming that Taiwan will eventually come to its knees. Therefore, it would be inconvenient for China if the foreign media start to report that "unification is not proceeding" during the next party congress, for example. Taking the above into account, it can be expected that China will step up pressure on Taiwan in the future in order to show its strong will for unification.

3. The Biden Administration's Policy toward Taiwan

The following will focus on the Biden administration's policy toward Taiwan. The Biden administration's policy toward Taiwan began with the State Department's press statement in January asserting, "Our commitment to Taiwan is rock-solid." During the election period, it was said that Biden's policy toward China might be weaker than that of Trump. However, since taking office, Biden has basically inherited Taiwan policy of the Trump administration. He has also been working with allies on the diplomatic front to establish a steady support structure for Taiwan. At the same time, he has repeatedly stated that the "One-China Policy" and the Taiwan-U.S. relationship is an "informal relationship." While the declaration of "One China" during the Obama administration was in effect a cold shoulder to Taiwan, the same declaration from the Biden administration is rather like a "protection charm." It seems that Biden understands China will not react radically if the U.S. makes this declaration. In fact, Biden is strengthening the relationship with Taiwan and adopting a deliberate policy of not giving China an opportunity to exploit militarily. Based on the above, it can be said that the U.S. policy toward Taiwan has entered a new stage. This will only be revealed later, but it seems that a change is taking place that will be called the "2021 system" instead of the "1972 system" (the international arrangement regarding Taiwan) mainly formed by Nixon's and Tanaka's visit to China in 1972.

4. Japan-U.S. Joint Statement and Vaccine Support

In the Japan-U.S. joint statement resulting from the April 16 summit meeting between the two countries, "Taiwan" was clearly mentioned. It appears that Japan and the U.S. shared the sense of crisis during the summit that China could move to unify Taiwan, and confirmed that Japan and the U.S. would jointly consider concrete measures for deterrence. In order to implement this, Japan may

be preparing to provide logistical support to the U.S. forces based on the Security Treaty. Since Japan's military capabilities are limited, there are some opinions in Japan that question Japan's role. However, it is narrow to see Japan's role only in the military aspect. Japan has been engaged in broad and deep exchanges with Taiwan at the civilian level. For the past 30 years, Japan's economic, social, and local exchanges with democratized Taiwan have been instrumental in empowering the Taiwanese people, who had been isolated by China, and in maintaining the status quo of democratic Taiwan. The United States has not been able to achieve this level of exchange at the civilian level, and this is a major role that Japan can play for Taiwan. The Nikkei Shimbun poll conducted after the Japan-U.S. summit showed that 74% of respondents agreed with "Japan's involvement in the stability of the Taiwan Strait." As can be seen, Japanese society has a high level of favorable feeling toward Taiwan. With this in mind, Japan should continue to deepen its exchanges with Taiwan in order to deter China.

In May, after the Japan-US joint statement, a sudden explosion of infection occurred in Taiwan, where the spread of COVID-19 had been suppressed until then. With that, it had contracted vaccine makers of AZ and Moderna, but their delivery had been postponed. As of the end of May, the vaccination rate in Taiwan was less than 1% and there was almost no stock. The Chinese side offered to provide Chinese-made vaccines, but the Tsai administration rejected the offer. However, criticism against the Tsai administration's delay in procuring vaccines grew stronger within Taiwan, and the Tsai administration fell into a political crisis. Under these circumstances, Japan moved very quickly and airlifted one million doses of vaccine on June 4. In Taiwan, a Japan Airlines plane carrying the vaccine was broadcasted on TV as it took off from Narita Airport. The gratitude toward Japan was widely shared in Taiwanese society. Later, Japan and the United States jointly airlifted a large number of vaccines to Taiwan, providing a total of 5.84 million doses with Japan providing 3.34 million and the U.S. 2.5 million. This accounts for about 61% of the 9.5 million doses of vaccine that Taiwan was able to procure as of the end of July. In mid-July, Taiwan succeeded in almost completely suppressing the newly infected.

Amid the series of vaccine problems, it has once again become clear that Taiwan is a "society that is vulnerable to being shaken" by China. However, this does not mean that China's unification of Taiwan is imminent. For example, there are those who point to the outbreak of a Taiwanese contingency, but the likelihood of this happening is low. In Japan, we have seen articles and books developing scenarios including a military invasion of Taiwan by China and a Taiwanese coup d'état by pro-China factions in response. This is highly unlikely only because China, in its current state, does not have the military power to smoothly land on and occupy Taiwan while the U.S. and the international community also being on the move. As a result, the scenario would not be possible without a coup or a civil war within Taiwan. It is also unlikely that a pro-unification candidate will be elected president of Taiwan. "Taiwan identity" is firmly established, and the democratic system is stable. Tsai Ing-wen's current "anti-communist, pro-U.S." stance is actually a continuation of Chiang

Kai-shek's line, and it is gaining support deep inside Taiwan. On the other hand, historical experience has shown that Taiwanese people tend to avoid concentrating power in the hands of a single force. For this reason, Taiwanese people are wary of the DPP becoming too big, and the anti-DPP has a certain number of votes. The KMT is likely to do well in the next local elections in 2022. However, in the presidential election in 2024, which will decide the future of Taiwan, the KMT will not have a high level of support because of its emphasis on the "1992 Consensus," possibly allowing the DPP's victory. In this context, what is important is that if the KMT makes a breakthrough in the 2022 elections, the international community should not create a sense of insecurity through media reports and other means that express concern about Taiwan's future based on an inadequate understanding of Taiwan's uniqueness.

5. What China Seeks

The ideal unification of Taiwan, as envisioned by the Chinese Communist Party, would be achieved by forcing Japan and the United States to back off, with minimal sacrifice and cost to China. In particular, they want images of the Taiwanese people happily welcoming the People's Liberation Army into Taiwan, so that they can domestically advertise how wonderful the Communist Party is and strengthen its ideology that will allow the Communist Party to maintain its one-party dictatorship in the future. Based on this view of unification, if China dared to land on Taiwan and unify the island by burning it to ashes, it would result in mass casualties of its "fellow" Taiwanese people, cause considerable damage to the Chinese military, and completely tarnish China's image internationally. Even if there is a temporary upsurge within China to support the invasion, doubts about the Communist Party would grow. At present, China has 2,000 missiles aimed at Taiwan. If it were free to completely destroy Taiwan, unification might be possible at any time, but it has not been done for the above-mentioned factors. Consequently, China's view of unification has raised the hurdle for a military campaign to unify Taiwan to certain extent. In this context, what Japan, the United States, and Taiwan need to do is to first prepare for China's all-out campaign against Taiwan. Regardless of the aforementioned hurdles, China will never fail to do something if it is not deterred. Japan, the United States, and Taiwan must also prepare for China's use of the gray zone to shake things up in Taiwan.

The Chinese military has been intimidating Taiwan by flying reconnaissance planes and fighter-bombers in Taiwan's air defense identification zone (ADIZ) between the main island of Taiwan and the Dongsha Islands (Pratas islands). Calculating the number of days that Chinese military aircraft have intruded every month since last October, the numbers were high in January and April this year. In particular, in January, there were intrusions almost every day, which may have been to put a pressure on the Biden administration to get started. April is believed to have been a check on the Japan-U.S. summit. In response to these moves, the Biden administration has been sending missile destroyers to the Taiwan Strait once a month. In addition, between June and July, a U.S. landed a military aircraft

at Taipei Songshan Airport for the first time with the visit of three U.S. senators to Taiwan and handing over other baggage. Previously, China's Global Times had stated, "If U.S. military aircraft flew over Taiwan's airspace or landed on Taiwan, there would be a war." However, with the current silence taken against the moves of the U.S. military aircraft, it is likely that the Chinese side is in a situation where it cannot respond easily. In fact, this June and July saw a decrease in the number of intrusions by the Chinese military aircraft compared to the previous months.

6. Taiwan's Semiconductor and Soft Power

The share of export to China in Taiwan's total export has remained at around 40% since the Ma Ying-jeou era. However, it jumped to 44% last year. This is due to the fact that China and Taiwan were among the first to recover from the COVID-19 crisis, and that China has been aggressively purchasing Taiwan's IT components and semiconductors since last year. Although only TSMC and South Korea's Samsung are capable of manufacturing 5nm semiconductors, TSMC is ahead in terms of mass production. In addition, TSMC will soon become the only company in the world to start manufacturing 3nm semiconductors. China's SMIC can barely manufacture 14nm semiconductors and can only manufacture 28nm products in terms of mass production. This puts China one or two generations behind TSMC. In this context, China has tried to acquire Taiwanese semiconductor companies and extract engineers from them, but it has not been successful. TSMC is building a new plant in Arizona as a response to the request of the Trump administration and is also expanding production in China. Some suspect that TSMC is caught between the U.S. and China in light of the recent confrontation between the two countries. The truth is that the TSMC mainly manufactures 5nm semiconductors in its Arizona plant and 28nm semiconductors in China, and all of its cutting-edge semiconductors are manufactured in Taiwan. As can be seen from this fact that there is a considerable difference in the level of semiconductors manufactured in the U.S. and China, 5nm and 28nm, Taiwan is not caught between the two, but rather is clearly shifting its focus to the U.S. This situation is extremely unpleasant for China, but in the midst of the confrontation between the U.S. and China, TSMC's semiconductors are absolutely necessary for China, making China unable to take a hard-line response. As such, the semiconductors have become a major source of soft power for Taiwan.

Meanwhile, the success of last year's anti-corona efforts has increased international interest in Taiwan. Taiwan provided mask support to various countries for its success in controlling the pandemic, and government officials from the United States and the European Union, as well as celebrities and other prominent figures, expressed their gratitude to Taiwan, leading to a worldwide spread of such gratitude. In addition, unlike China, the world has become more interested in and sympathetic to "democratic Taiwan" than ever before. When the aforementioned vaccine shortage occurred in Taiwan, Lithuania, the Czech Republic and Slovakia provided vaccines to Taiwan. Lithuania, in particular, agreed to open a representative office with Taiwan despite Chinese intrusion.

This newfound sympathy for Taiwan has also become a soft power.

7. Conclusion

On the basis of the above, let us discuss how the situation in the Taiwan Strait will develop in the future. First of all, China-Taiwan relations will continue to remain tense. However, the "Taiwan identity" has taken root in Taiwan, and it is unlikely that Taiwan supports Xi Jinping's call for unification. It also is unlikely that the KMT will be revived in the 2024 presidential election. Therefore, a peaceful unification through talks is unlikely. While China is expected to step up its threats of military force, actual invasion will not take place for the time being, partly because of its own capabilities. The situation in the Taiwan Strait will continue to face "military tensions that do not lead to war with close economic ties." In some cases, this may lead to a certain order. However, whatever the case may be, it is assumed that Japan and the U.S. will continuously need to deter China. It is crucial that Japan, the U.S., and Taiwan are not easily swayed or divided by China in the coming days.

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