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Bush China Foundation Brief: U.S.-China-Taiwan track 2 dialogue on Taiwan Strait (in)stability

By Zoe Leung I September 22, 2022

Last month, China conducted large-scale sea and air military drills around Taiwan in response to U.S. House Speaker Nancy Pelosi's visit to the island. This was shortly followed by another congressional delegation traveling to Taiwan and the officials signaling support and commitment to Taiwan to deter China. As increased military activities near Taiwan become the norm, maintaining stability across the Taiwan Strait is ever more challenging.

To understand various goals and perspectives and the path forward for cross-Strait stability, the George H. W. Bush Foundation convened a private discussion among U.S., Chinese and Taiwanese experts and scholars to delve into the current challenges and sentiments. The September 20 discussion is part of the Foundation's ongoing effort to facilitate communication and understanding between all sides and to look beyond the headlines on important evolving issues.

The key takeaways are below.

Who changed the status quo?

- Beijing and Washington blamed each other for changing the status quo in the Taiwan Strait. The PRC's main concern is that the American side is gradually hollowing out the longstanding One China policy and working to prevent unification between the PRC and Taiwan, and Speaker Pelosi's visit and the proposed Taiwan Policy Act exemplify this development.
- The main question of China's policy community is whether they should continue to believe in the United States' One China policy. Some argue that Washington will eventually abandon it and supply Taiwan with offensive arms (such as the U.S. did for the Ukrainian army fighting Russia), and recent events indicate that the United States is moving more and more in this direction, thus supporting calls for the PRC to take preemptive actions sooner rather than later.
- The non-binding nature of the U.S. One China policy allows Washington to interpret and execute it as it sees fit, as long as the core concept—the United States regards the PRC as the sole legal government of China—remains untouched.
- In some cases, the stated U.S. policy is detached from Washington's strategic sentiment and actions: although the stated policy is for the peoples of both sides of the Taiwan Strait to decide their future, the U.S. continues to sell arms, facilitate high-level visits and deepen engagement with Taiwan to make its unification with mainland as unlikely as possible. Tensions between the official policy on Taiwan and U.S. domestic politics will likely remain. President Joe Biden's recent and repeated remarks about defending Taiwan and the subsequent White House official statements to uphold the One China policy are an example of this ongoing divide.
- Given the intensifying strategic competition between the United States and China, the issue of Taiwan is constantly being leveraged by the two large powers to distract from their own domestic problems. The notion of "peaceful resolution" can be elusive and self-

serving: the PRC's pressure campaign against Taiwan since President Tsai Ing-wen won the 2016 election was hardly "peaceful" and has given China hawks in Washington more sway. This has generated the downward spiral leading to instability in the Taiwan Strait.

Peaceful unification?

- All three sides think the possibility and prospect for peaceful unification is less and less likely.
- In the past, Chinese leaders had been willing to postpone unification, while telling themselves and the public that it is just a matter of time before it happens. This thinking is conditioned on: Taiwan is not moving dramatically towards de jure independence; the United States—the White House, in particular—is serving as a buffer in the cross-Strait negotiation that would deter provocative actions from Taiwan; economic integration between the PRC and Taiwan will continue, which will in turn create a desire in Taiwan to unify.
- Today, even if Taiwan does not declare independence, President Xi wants to achieve national rejuvenation and links unifying with Taiwan to this historic mission. This has essentially created a "deadline mindset" or an urgency to achieve the goal. Beijing also thinks it can no longer count on the U.S. executive branch to play a neutral and constructive role in this issue. However, a non-peaceful resolution may also have severe negative impacts on Xi's desired "national rejuvenation".
- The strong and rising nationalistic sentiment among ordinary Chinese and in the Chinese government is not only pushing Beijing to take tougher positions on Taiwan issues but is also raising the "benefit" in the PRC's cost-benefit calculus. China holds the view that the benefit of unification would be huge, while the cost of delaying action is becoming higher each day, with the United States becoming increasingly involved. Hence, China should move towards unification as early as possible.
- On Pelosi's visit, many in the Chinese public had demanded and expected tougher countermeasures from Beijing and were disappointed by the controlled response, which has resulted in the Chinese government losing political capital with the public. Biden's most recent remarks about U.S. commitment to Taiwan's defense has not made major news in China, which may indicate the government's effort to tone down its rhetoric on Taiwan.
- In Taiwan, public opinion polls show that most people favor the status quo. There is little appetite in Taiwan to formally declare independence, even by the Democratic Progressive Party. A declaration of independence is unlikely to happen no matter who wins the 2024 presidential election, in part because many Taiwanese feel that they are an independent country already. Even though Taiwan retains the Republic of China (as Taiwan is formally known) constitution, which claims that the ROC represents all of China, the Democratic Progressive Party, Taiwan's ruling party, essentially views the ROC and Taiwan as one and the same.
- Given the PRC's heavy-handed approach in Xinjiang province and Hong Kong, the majority of the Taiwanese public reject the one country, two systems formulation continuously promoted by President Xi Jinping. Many in Taiwan, even the Kuomintang Party—which traditionally favors closer ties with China—now believe that Beijing will use non-peaceful means to achieve unification.

How do we move forward?

- The U.S. and China need to have candid and transparent conversation about their views on Taiwan and where they really are and should move away from often obscured and muddled diplomatic statements. Both sides should recognize they both have contributed to escalating tensions in the Taiwan Strait and take ownership of their actions.
- With the rising negative sentiments in the U.S. and China, exercising self-restraint is ever more important, although it is easier said than done. The incentive to talk tough against the other will likely continue after the 20th National Congress of the Communist Party of China and the U.S. midterm elections. The risk of miscalculation and unintended escalation will remain high, as official channels of communication have yet to be fully restored.
- Mutual reassurance will help build confidence and increase strategic awareness between the two sides to avoid conflict. Both sides can provide a list of smaller, achievable requests for the other. An example is for the White House to signal, at least privately, some willingness to control and steady its Taiwan policy (as opposed to ceding control to the U.S. Congress).