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Taiwan's 2024 Elections and Regional Security Dynamics

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On January 25, 2024, shortly after the Taiwan election, the Asia Society Policy Institute convened a private roundtable of experts from Asia and the United States to discuss cross-Taiwan Strait relations in a regional context. Specifically, the conversation outlined perspectives on how to maintain cross-Strait peace and stability from policy communities outside of Washington, Beijing, and Taipei.

The roundtable was conducted under the Chatham House rule; what follows are key takeaways and a summary of the discussion.

Key Takeaways

- **Risk of conflict in the Taiwan Strait is manageable.** The speakers generally agreed that no one wants war in the Taiwan Strait, so a major conflict would be the result of miscalculation, accidents, or uncontrolled escalation. Participants discussed factors that would heighten risk, such as excessive military signaling, major changes to the U.S. One China policy, pressure in the Chinese system to deliver “wins” for Xi Jinping, and the policies and statements of President-elect Lai Ching-te and his administration.
- **The U.S. should reflect on its agency in ensuring peace and stability in the Taiwan Strait.** A gap exists between the focus of cross-Strait risk analysis in the United States and the policy communities in Asia. U.S. participants were focused on the military balance of power, Chinese political dynamics, and Lai’s policy direction as the key determining factors in cross-Strait peace and stability; Asian participants were relatively more concerned about U.S. deviation from the One China policy as a risk factor.
- **Countries in the Asia-Pacific do not have a common view of how to manage China’s rise, especially on territorial issues.** There are also key differences among Asian perspectives—countries that China has targeted with military or paramilitary force over territorial issues were more inclined toward U.S. military deterrence strategies, whereas countries that have not faced such pressure focused more on the political dynamics and diplomatic tools.
- **The U.S. is “winning” the regional balance of influence—for now.** In a broader context to the cross-Strait issues, participants believed that the regional balance of influence is weighted toward the United States right now, as the Biden administration forges deeper partnerships and the Chinese economy slows.

Discussion Summary

A speaker opened the discussion by observing that both sides of the Strait have been relatively measured and calm since the Taiwan election. Beijing may be displeased with the results but has not overreacted, while Lai and the Democratic Progressive Party (DPP) have likewise refrained from any provocative statements or actions. Washington, Taipei, and Beijing have important reasons to avoid war in the Taiwan Strait, including a slowing Chinese economy and a pivotal U.S. election in November. The major risk factor was whether an act of stupidity would cause unwanted or unnecessary escalation that overwhelmed the impetus to keep the focus off cross-Strait dynamics.

All the subsequent speakers echoed this analysis, noting that a conscious decision by either the United States or China to risk war was unlikely in the current environment. A U.S. participant also agreed but wondered if the impetus for calm could hold or if we are currently at the best point for the year ahead. An argument could be advanced that electoral politics in Taipei and Washington could push extreme views to the forefront, and/or Beijing might be compelled to direct popular discontent in China over its slowing economy toward external enemies and forces, particularly over a topic as sensitive as Taiwan.

Still, many participants agreed that Xi Jinping has no plans to take Taiwan by force in the near term, due in part to a lack of confidence in the People's Liberation Army's (PLA's) ability to win. Attempting to take Taiwan and losing is far too high a risk for any Chinese leader, even one who has shown more appetite for risk than his predecessors. However, speakers generally agreed that if triggered by an external event—certainly a formal declaration of Taiwan independence but also perhaps something below that threshold—the full Chinese system would be squarely behind defending its position through aggressive action, as exemplified by Chinese nationalist reactions over the Senkaku/Diaoyu islands or the recent China-India border clashes.

A speaker characterized another potential risk factor as “preemptive compliance,” which is an issue of a poorly functioning signaling mechanism between the Chinese leader and the Chinese bureaucracy. Speakers envisioned a scenario in which overzealous officials throughout the system—competing to show that they are unswervingly implementing the will of the leader—try to curry favor or cover other mistakes by taking aggressive or provocative moves on the Taiwan issue.

One speaker was clear that Taiwan has been a blind spot for some Southeast Asian nations. For example, more than 250,000 Indonesian nationals are working in Taiwan and would need to be helped in a contingency scenario, but the need to maintain strong relations and avoid alienating China has been the driving force on Jakarta's policy position. This speaker believed there was no way that any Indonesian administration would take an active role in discouraging Beijing from provocative action on Taiwan, even though the impact of a Taiwan contingency would be significant for Indonesia's economy and security. The only way that China would listen to Southeast Asia on the need for peace and stability in the Taiwan Strait was if ASEAN released a consensus statement on it—but the odds of getting all ASEAN nations to agree on such a statement are extremely low.

Meanwhile, India is taking a fresh look at the linkage between Taiwan and its bilateral relationship with China. Whereas prior Indian administrations were steadfastly adherent to a One China policy that precluded any movement on India's unofficial relationship with Taiwan, the China-India border dispute and growing economic competition have prompted a rethink along two lines. First, India is considering the impact of cross-Strait unification on the Himalayas—would China be more emboldened to pursue territorial expansion? China's military buildup in Tibet is very concerning in this regard. Second, India has

lost a lot of manufacturing to China and sees an economic relationship with Taiwan as key to securing its tech supply chain, which would help its manufacturing industry keep up with 21st century developments.

Participants discussed the freeze in relations between Taipei and Beijing, which they thought would continue as long as the DPP maintained power. In this situation, a speaker indicated that while Beijing does not publicly admit it, China wants the United States to play a restraining role on the DPP government. A U.S. participant acknowledged that dynamic but noted that Beijing's expectations of Washington's ability to control Taipei or other U.S. partners and allies are unrealistic. Moreover, Beijing's propensity to punish those allies and partners when Washington does something Beijing does not like or to hold the United States accountable when allies and partners displease Beijing is a complicating factor. This points to the need for Washington and Beijing to directly communicate and manage expectations on U.S. relationships with its Asian allies and partners.

Asian speakers deflected questions from U.S. participants on the topic of Lai and his eventual policies. U.S. participants flagged that their discussions with Chinese counterparts indicate that Lai would have to go even further than outgoing President Tsai to reassure Beijing on the independence question to establish a similar baseline of "cold peace" and that such reassurances are unlikely. In this scenario, the status quo—which is always dynamic and changing—seems likely to deteriorate.

Speakers responded by emphasizing the positive signals in cross-Strait relations. Lai has put forward governing based on the Republic of China (ROC) constitution, which is a One China constitution—this is a step toward acknowledging the 1992 Consensus,¹ even if Beijing is less tolerant than ever of the "different interpretations" clause. Perhaps Lai will do even more in his inaugural speech. Also, Xi Jinping told President Biden that there is no timetable for use of force against Taiwan, and he and the top Chinese officials have repeatedly emphasized peaceful reunification as the driving idea behind cross-Strait policy. These positive signals should be factored into Washington's deliberations, rather than focusing so heavily on military signaling and negative interpretations. If these positive signals cannot be received and considered, the Washington policy community will miss an important stabilizing element.

Likewise, some speakers noted that changes in the U.S. One China policy, however motivated, are negatively impacting the political dynamics. Many countries support their unofficial relationship with Taiwan through economic ties and low-key political visits. However, visits such as then-Speaker Pelosi's trip to Taipei in August 2022 unnecessarily raise tensions. The United States seems to be changing the parameters of its One China policy, emphasizing reassurances to Taiwan and stretching the limits of the unofficial relationship. Such changes are also contributing to instability and anxiety in cross-Strait relations.

One speaker turned the discussion to the balance of influence in the region, seeing a shift back toward the U.S. after China's influence had been rising for many years. Participants discussed the factors that would lead to this conclusion. The Biden administration has deeply invested in reinvigorating the U.S. alliance network. Even concerns about U.S. reliability have actually redounded positivity to the U.S., as anxieties about U.S. withdrawal have spurred stronger working relationships among U.S. allies, strengthening the overall alliance and partnership network. The U.S. is still able to muster significant political and economic power against adversaries and the U.S. economy is strong.

¹ The 1992 Consensus is a political compromise reached to establish dialogue between Beijing and Taipei that declares each side belongs to One China, but has different interpretations of who represents the official position of China (yi Zhong, ge biao/一中各表 or "One China, respective interpretations")

Meanwhile, China's shine has dimmed somewhat. Its slowing economy, the emphasis of Beijing on absolute security over market principles, high-level political churn, aggressive behavior in the maritime space, and support—however tacit—for Russia's war in Ukraine have all contributed to less attraction to its political and economic model as an engine for modernization.

However, such ebbs and flows of attraction and influence are dynamic and subject to change. What remains hard and fast is that countries of the region want the major powers to preserve and defend space for their governments to work with both China and the United States. More than not wanting to be forced into a binary choice, the countries of Asia want freedom to choose both simultaneously, in positive-sum interactions. Decisions made in Washington, Beijing, and Taipei on cross-Taiwan Strait relations are deeply impactful to maintaining and preserving non-zero-sum options.

Participants agreed that conversations between U.S. and Asian analysts need to continue and noted the divergence of thinking between the United States and the region, as well as among different countries in the region, on how to bolster regional peace and stability in the context of cross-Strait relations.