

# Doubly Dualistic Dilemma: US strategies towards China and Taiwan<sup>1</sup>

Philip Yang

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*Department of Political Science, Taiwan Security Research,  
National Taiwan University, 21 Hsu Chou Road, Taipei 100,  
Taiwan. Email: pyang@ntu.edu.tw*

## Abstract

In its relations with Taiwan and China, Washington has begun to implement separate dual strategies in order to simultaneously deter unilateral action while balancing out the rival political and military forces of each side. A simple standard strategy just is not sufficient to maintain the *status quo*. The way to maintain peace is for Washington to keep its role as a moderator between the two sides while preventing both from taking unilateral steps toward goals that would naturally provoke the other. US policy has to mirror the duality of the cross-strait arena by implementing dual balancing and deterrent strategies. It is also imperative that policymakers realize the complexity of the situation so as not to unwittingly provoke either side. This paper is an analysis of the emerging US strategy of deterring both sides of the Taiwan Strait from taking unilateral action while maintaining a balance of military and political forces, and gives some suggestions as to the further development of this strategy.

## 1 Introduction

In its relations with Taiwan and China, Washington has begun to implement separate strategies in order to simultaneously deter unilateral action while balancing out the rival political and military forces of each side. A simple standard strategy just is not sufficient to maintain the *status quo*. One must

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1 Professor Philip Yang is a professor in the Department of Political Science of the National Taiwan University. He has published extensively in Chinese, English, and Japanese on topics such as Taiwan and Asia-Pacific security issues. Dr Yang is also the founder and administrator of the Taiwan Security Research website ([www.taiwansecurity.org](http://www.taiwansecurity.org)).

give due attention to the fact that there are very different and at times conflicting political forces on both sides of the Taiwan Strait. The March 2004 election and the subsequent protests demonstrate the division of the island between those who wish to have closer relations with the mainland by not rocking the 'Taiwan's independence' boat, and those who wish to see Taiwan's culture and nationalism grow separately from that of the mainland. In China, while the political doves see the economic benefits of maintaining cooperative stability in the region, the hawks continue to push for reunification despite US concerns. Both sides are currently being pushed to their limits. How long can war be averted in such a volatile situation? Unfortunately, the United States is unable to answer this question. Its goal is simply to prevent hostilities between China and Taiwan from escalating to a military conflict, a conflict which, at this point, the United States is ill-prepared to take on. US policy has to mirror the duality of the cross-strait arena by implementing dual balancing and deterrent strategies. It is also imperative that policymakers realize the complexity of the situation so as not to unwittingly provoke either side. This paper is an analysis of the emerging US strategy of deterring both sides of the Taiwan Strait from taking unilateral action while maintaining a balance of military and political forces, and gives some suggestions as to the further development of this strategy.

## **2 Changes of US–China strategic relations**

In the early Bush Administration, there was a shift in policy from dual deterrence to deterrence of China alone. The policy toward Beijing was a mixture of conditioned engagement and security competition: the United States maintained its policy of economic and political engagement with China, while also taking a tougher stance on security issues, which included greater support for Taiwan's defense. President Bush tried to increase support for Taiwan's security, even going so far as to make a precedent-breaking statement that the United States would do 'whatever it takes to help Taiwan defend herself'. No previous US president had ever made a similar pronouncement. Formerly, 'strategic ambiguity' was regarded as the major security policy in dealing with the defense of Taiwan, demonstrating the US military presence and readiness in the region but not clarifying whether or not the United States would indeed intervene in any cross-strait military conflict. Weapons sales and military coordination are crucial to enhancing Taiwan's self-defense capability and important in balancing the PLA's threat or use of force. However, the Bush administration's arms sales to Taiwan and its defense coordination with Taiwan's military were clearly not intended to restore a military alliance between the United States and Taiwan, nor to provide an unconditional security commitment to defend the island, but rather

to enhance Taiwan's self-defense capability, increase US–Taiwan military linkage, if not cooperation, and demonstrate credible deterrence against possible PLA military action. Administration officials avoided rhetorical formulations of policy that would irritate China. The United States also stood firm when Beijing complained about the shift in policy. The shift to single deterrence was done very deliberately (Ross, 2001).

After 9/11, the Sino–US strategic relationship transformed into one involving cooperation on the international, East Asian, and bilateral levels. In doing so, the Sino–US security relationship entered a new era of collaboration (Yang, 2003). The advent of the war against terrorism marked a turning point in Sino–US ties. At the regional level, Beijing has played a major role in aiding Washington in the North Korean nuclear stand-off. Beijing's geopolitical bargaining chips have increased as nations including the United States, Japan, and South Korea have turned to the Chinese leadership for help. Bilateral discussions about trade, human rights, weapons proliferation, and the Taiwan issue have also increased. As a result, Beijing and Washington have so far managed to deal with their differences in a pragmatic and flexible way. Furthermore, the PRC, mostly through its involvement in multilateral talks with North Korea, has gained some leverage over US policy toward Taiwan.

Having greater concern over terrorism and proliferation of WMD, the United States needs cooperation and collaborative action from the Beijing government.<sup>2</sup> Because of that need, balancing against the rising power of China will not be a high priority in US security policy in the foreseeable future. The change in China's strategic thinking stems from its need to focus on internal economic development. For this reason, Beijing would like to keep its relations with the great powers cordial while maintaining a friendly atmosphere in the region (Qingguo, 2002). The impact of 9/11 and the ongoing North Korean nuclear crisis have provided great opportunities for Beijing and Washington to cooperate on international and regional security; a circumstance which led to a change in attitude toward bilateral security relations.

While the Sino–US security relationship has entered a new era of cooperation, the PRC itself, together with its rise in regional influence, is becoming more and more integrated into Asia-Pacific's regional and international security and economic systems. This new situation has led leaders in Beijing and Washington to recognize that what is important currently is not the distrust of the other's policy intentions or bilateral disputes on trade, human rights or the

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2 Beijing pledged that China will 'exercise strict control of the export of missiles and missile-related items and technologies'. Beijing has also expressed its support of early entry into force of Comprehensive-Nuclear-Test Ban Treaty (CTBT), early negotiation and conclusion of a fissile material cut-off treaty, negotiation of the protocol to the Biological Weapons Convention (BWC), and the full implementation of the thirteen nuclear disarmament steps as contained in the Final Document of the 2000 NPT Review (Li, 2003).

Taiwan issue, but working together to combat common threats.<sup>3</sup> Therefore, in recognizing the value of engaging Beijing to assure its international and regional security interests, Washington wants to avoid making waves over the Taiwan issue.

### 3 US cross-strait policy objectives

The United States has never wavered from its commitment to the one-China policy, and Washington's commitment to Taiwan's security is predicated on the premise that Taiwan does not provoke Beijing with independence. Since 1979, US policy has sought to balance Washington's improved relations with China with its interest in protecting Taiwan from mainland military intervention. This involves striking a complicated balance between US agreements with China under the three Sino-US Joint Communiqués and US obligations to Taiwan under the Taiwan Relations Act as well as US support of Taiwan's democratization, begun in the late 1980s.

The US war against terrorism supplanted China as the primary strategic threat for Washington and expectations arose for Taiwan to assume more of the burden for its own security. The Bush administration asserted that the United States had not abandoned Taiwan. But, in February 2003, dissatisfaction over how much effort Taiwan was putting into looking after its own security affairs led to the Deputy Assistant Secretary of Defense for Asia and the Pacific Richard Lawless warning that US support could not 'substitute for [Taiwan] investing the necessary resources in its own defense' (Glaser, 2004a). President Chen Shui-bian's proposal in 2003, to hold a referendum in conjunction with the presidential election troubled the United States. On the one hand it was felt that such a fundamental practice in any democratic state could not be opposed.<sup>4</sup> On the other hand, the Bush administration did not support a deliberate challenge by Taipei to China's claims of sovereignty over Taiwan

3 This happened before when Richard Nixon visited China in 1972 and reached a similar kind of shared perception with Beijing's leaders about the common threat from Moscow. Under the strong shared perception of common security threat, disagreements about political ideology and other issues could be bypassed by realistic decision-makers. Security cooperation between Beijing and Washington lasted until the end of the cold war, when the common threat no longer existed and issues such as human rights and the rising power of China became the major worries in Washington (Lampton, 2001/2002).

4 On 16 January 2004, Chen announced the two questions of the 'peace' referendum (formerly known as the defensive referendum). The main and first question will be: 'Should mainland China refuse to withdraw the missiles it has targeted at Taiwan and to openly renounce the use of force against us, would you agree that the government should acquire more advanced antimissile weapons to strengthen Taiwan's self-defense capabilities?' The second referendum question, clearly intended to attract moderate Taiwanese voters, as well as allay concerns in Washington and Beijing, will be added, 'Would you agree that our government should engage in negotiation with mainland China on the establishment of a 'peace and stability' framework for cross-strait integrations in order to build consensus and for the welfare of the peoples on both sides?'

in the form of a vote on the question of Taiwan being admitted to the World Health Organization (WHO). Then, on 28 September 2003, Chen announced his intention to craft a new constitution for Taiwan by 2006 that would make Taiwan a 'normal, complete, great state'. He proposed that this draft constitution would be approved by the people through a referendum and enacted in 2008 at the end of his second term. Discarding the 1947 constitution, including links between China and Taiwan, would mean a direct challenge to Beijing. Washington also found itself objecting to the proposal to draft a new constitution, and once again was angry that Chen had not consulted with it before announcing a confrontational new policy.

With regard to the defensive referendum, dubbed the 'peace' referendum by Chen, Washington, perhaps due to its dependence on Beijing to deliver on North Korea, is not amused with the many surprises sprung on it by Chen, and mutual trust has eroded as a result. Upon hearing about the proposed referendum, Washington reminded Chen of his 'Four-No's' pledge, which includes the 'no' to a referendum on independence. Asked to comment on possible plans for a referendum, US State Department spokesman Richard Boucher said the United States opposed any attempt by either China or Taiwan to change the *status quo* in the Taiwan Strait. 'We also urge both sides to refrain from actions or statements that increase tensions or make dialog more difficult to achieve. Therefore we would be opposed to any referendum that would change Taiwan's status or move toward independence', he said (Boucher, 2003).

US administration officials did their best to try and seek changes to this proposal by reiterating the well-known position on the one-China policy. In December 2003 when it became evident that President Chen was taking no notice of any official statements on these matters, President Bush, standing alongside Chinese Prime Minister Wen Jiabao in the Oval Office, told the press that unilateral actions by either China or Taiwan were unwelcome but 'the comments and actions by the leader of Taiwan indicate that he may be willing to make decisions unilaterally to change the *status quo*, which we oppose' (Milbank and Kessler, 2003). Furthermore, Bush not only failed to correct Wen in his statement that Bush had said he opposed Taiwan's independence, but nodded in agreement. It is very unusual for an American president to criticize a Taiwanese leader publicly while at the side of a Chinese leader.

Bush has, on occasion, praised democracy in Taiwan and announced his intention to do 'whatever it takes' to defend Taiwan. The very same president tried to put a stop to Chen's defensive referendum because he decided it was important to take China's side, not just because of economic interests, but also because of ties that have been improving over the North Korean nuclear stand-off and the war against terror. Bush also realizes that an unnecessary

military conflict with China over Taiwan will not serve anyone's interests. It is for these reasons that President Bush called on President Chen to exercise restraint and call off his controversial referendum scheme (Yang, 2004).

At a hearing on Taiwan in the House International Relations Committee of the Congress, James A. Kelly, Assistant Secretary of State for East Asian and Pacific Affairs, reaffirmed the principles of US policy toward Taiwan. He said that 'it is useful to reiterate the core principles of our policy':

- The United States remains committed to our one-China policy based on the three Joint Communiqués and the Taiwan Relations Act;
- The United States does not support independence for Taiwan or unilateral moves that would change the *status quo* as we define it;
- For Beijing, this means no use of force or threat to use force against Taiwan. For Taipei, it means exercising prudence in managing all aspects of cross-strait relations. For both sides, it means no statements or actions that would unilaterally alter Taiwan's status;
- The United States will continue the sale of appropriate defensive military equipment to Taiwan in accordance with the Taiwan Relations Act; and
- Viewing the use of force against Taiwan with grave concern, we will maintain the capacity of the United States to resist any resort to force or other forms of coercion against Taiwan.

Our foremost concern is maintaining peace and stability in order to advance US interests, spare the region the dangers of war, safeguard Taiwan's democracy, and promote China's constructive integration into the global community as well as the spread of personal freedom in China. Because of the possibility for the United States to become involved in a cross-strait conflict is very real, the president knows that American lives are potentially at risk. Our one-China policy reflects our abiding commitment to preserve peace in the Taiwan Strait so long as there are irreconcilable differences'.<sup>5</sup>

Kelly prefaced his remarks on policy by observing that, as he had looked back over the past three decades, this US policy had been the key to maintaining peace and stability in the western Pacific while helping to ensure Taiwan's prosperity and security. He also said that, with the leadership of seven US Presidents and active participation of the US Congress, relations with both China and Taiwan – whether economic, political, cultural, and social – are now far closer and deeper than most would have ever predicted. Equally important, he said, the one-China policy and the Taiwan Relations Act had made vital contributions to easing tensions between Taiwan and the PRC, and had created the environment in which cross-strait people-to-people

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5 Testimony at a hearing on Taiwan, House International Relations Committee, Washington DC, 21 April 2004.

exchanges and cross-strait trade could flourish. This environment, it is hoped, will provide the necessary conditions for peaceful resolutions to cross-strait differences.

That hope, however, may be misplaced. Beijing was disturbed by what it saw as a provocative stance taken by Taiwan during the 2004 presidential election and Chen's talk of a reworked constitution. This has forced the United States into an uncomfortable role of deterring Taiwan's independence. The rhetoric out of Washington has been cautious on the subject of Taiwan's independence and US officials are often quick to say that the United States does not support it. Taiwan has traditionally interpreted that statement to mean that the United States also does not oppose independence and that interpretation has led to provocative moves by some independence-minded Taiwan officials. Since these moves threaten the one-China policy, the United States has had to change its rhetoric to reflect a policy that seeks to balance Taiwan's military abilities against those of mainland China while also stemming the tide of independence-minded rhetoric from Taiwan. This change in US rhetoric is evidenced by a 29 May 2004 phone call between President Bush and President Hu Jintao in which Bush said the United States would actually oppose any move made by Taiwan toward independence. Supporting Taiwan while also seeking to discipline it puts the United States in an awkward position.

Making progress in resolving cross-strait differences is dependent on China and Taiwan relaxing their stances toward each other and agreeing to conditions that could allow cross-strait talks to resume. Knowing this, the United States has pressured Taiwan not to pursue independence while urging China to relax its precondition that Taiwan recognize the one-China principle. US officials know that Taiwan recognizing that principle remains unlikely because recognition would then lead to a call for the acceptance of Beijing's proposed 'one country, two systems'. The one-China principle and the one country, two-systems principle are inextricably bound with the first leading directly to the second. Whatever Taiwan's citizens may feel about their country being part of a greater China, they receive their news unfiltered by government censors and can therefore follow the implementation of the two-systems approach in Hong Kong. As a result, China's crackdowns on Hong Kong demonstrations in support of democratic reforms have not gone unnoticed in Taiwan. Despite their problems, political tensions between Hong Kong and Beijing are nothing compared with the potential tensions between Beijing and the young democracy in Taiwan if the one country, two-systems approach was ever accepted as the means of reunification of the two sides.

Knowing that Hong Kong is seen as a test case for the two-systems model of government, the United States has called for China to heed Hong Kong's desires for greater democracy, thereby making the two-systems approach

more attractive to Taiwan as a means of reunification with China. China improving its human rights record and allowing more democracy in Hong Kong would be seen as positive steps toward a more open society that might tolerate a democratic system in Taiwan. US admonishment that China improve its human rights record can be seen as an effort on the part of the United States to break the stalemate across the strait by forcing China to live up to its rhetoric about allowing the two-systems approach to form the basis for eventual reunification.

## 4 The cross-strait *status quo*: who's definition?

It seems that Beijing, Taipei, and Washington all agree to maintain the *status quo* in the Taiwan Strait. The problem is that all three have different definitions and perceptions of the *status quo*. Beijing insists on the one-China principle, which states that Taiwan is part of China. Taiwan regards itself as an independent sovereign state and rejects any form of reunification with the current regime in Beijing. The United States wants to maintain a peaceful *status quo* and warns against any unilateral action that may alter that *status quo*. Furthermore, though the United States has a one-China policy, Washington insists that differences between the two sides of the strait should be worked out peacefully.

### 4.1 China's static *status quo*

By politicizing the one-China principle Beijing has cut off any possibility for change in the cross-strait *status quo* by grouping all cross-strait issues together limiting opportunities for Taiwan to participate in international affairs. This static definition of the *status quo* is used as a strategy of further containing and marginalizing Taiwan. Even after the SARS epidemic in early 2003, and amid fears of another major outbreak, Beijing still rejected the idea of giving Taiwan the observer status at the WHO, even though WHO membership is not exclusive to sovereign nations. This static definition of the *status quo* borders on a containment strategy aimed at reunifying Taiwan with the mainland. The *status quo* Beijing wants is one where Taiwan remains as it is now but has to move as soon as possible toward reunification.

While achieving reunification on Beijing's terms is a long-term goal, China's short-term objective is to prevent Taiwan from moving toward openly declaring independence. Currently, Beijing's 'Taiwan policy' consists of five parts: military leverage, influencing US policy, economic integration, 'united front' tactics of reaching out to Taiwanese people, and diplomatic isolation. Naturally the most dangerous of these parts concerns Beijing's use of military force. The PLA is acquiring military capabilities that would allow it to pose a credible threat to Taiwan and prevent Taiwan from declaring *de jure*

independence. Of course, these military capabilities are also designed to deter, delay, or complicate US involvement or intervention in any potential cross-strait conflict.<sup>6</sup> It is widely believed that the PLA has the ability to undertake short-term air, missile, and naval attacks against Taiwan. The effectiveness of those attacks would depend on Taiwan's self-defense capabilities and on the degree of involvement of the United States.

In order to deter Taiwan's independence movement and maintain its definition of the *status quo*, Beijing has often resorted to coercive diplomacy. The latest example was the statement from agencies of China's Communist Party and the State Council, or Cabinet, denouncing President Chen as a man of 'bad faith' and threatening to 'firmly and thoroughly' crush any moves toward independence. The statement said that '[t]he Taiwan leaders have before them two roads: one is to pull back immediately from their dangerous lurch toward independence, recognizing that both sides of the Taiwan Straits belong to the one and same China and dedicating their efforts to closer cross-straits relations. The other is to keep following their separatist agenda to cut Taiwan from the rest of China and, in the end, meet their own destruction by playing with fire. The Taiwan leaders must choose between such two roads. The Chinese people are not afraid of ghosts, nor will they be intimidated by brutal force. To the Chinese people, nothing is more important and more sacred than safeguarding the sovereignty and territorial integrity of their country. We will do our utmost with the maximum sincerity to strive for the prospect of peaceful reunification of the motherland. However, if Taiwan leaders should move recklessly to provoke major incidents of "Taiwan's Independence", the Chinese people will crush their schemes firmly and thoroughly at any cost.'<sup>7</sup> This statement reflects that frustration on the mainland is rising and many Chinese view their government's policy toward Taiwan as being too soft.

#### 4.2 *Taiwan's dynamic status quo*

The Taiwan government views itself as an independent, sovereign nation and is seeking to make that status irreversible. In fact, Taiwan itself can also be seen as a special type of non-*status quo* country, dissatisfied with the existing limits placed on it by the international community. A truly democratic and economically vibrant country, Taiwan is nevertheless not recognized by a single country in East Asia. Yet Taiwan's self-identity and democratization grow stronger day by day, and Taiwan's government is stepping up efforts to enlarge the island's international role and increase its participation in international organizations. The United States and other countries feel that a free

6 For the discussion of PLA's military capabilities, see *Chinese Military Power*. Washington, DC: Council on Foreign Relations, 2003.

7 'Curbing "Taiwan Independence" urgent task', *Xinhuanet*, 17 May 2004.

and democratic Taiwan should be able to accept the current arrangement, given the lack of alternatives presently available.

In Taiwan, neither of the two dominant political parties truly wants to reunite with the mainland under its present condition. Even though President Chen Shui-bian won re-election by a very small margin, the opposition candidate, who was born on the mainland, still felt the need to offer such nationalist sentiments as kissing the ground and revoking his earlier statement of 'one China, different definitions'. These actions were obviously directed at gaining votes from the pro-Taiwan voter. Since the heated election campaigns, Taiwan's society is more politically polarized than ever. The debacle in Taiwan over the election results has implications for future negotiations between Taipei and Beijing concerning reunification. First, there is a clear trend toward de-Sinization, or the marginalization of traditional Chinese culture, as rising Taiwanese nationalism takes hold on the island, emphasizing the need for more 'cultural space'. Second, Taiwan's domestic politics are undergoing a re-structuring. As the KMT declines in popularity, James Soong's People First Party radicalizes to the right and the Democratic Progressive Party surges ahead, albeit leftward, as the pro-Taiwan party.

If being a young democracy and facing military threats from its colossal neighbor while having a pathetically short list of nations that recognize its sovereign existence were not enough, domestic politics have also become a factor influencing Taiwan's security policy. The Taiwanese public has a very complex and emotional perception of the cross-strait political world it is involved in. Professor Yun-han Chu rightly observes that cross-strait policy is viewed by Taiwan's mainstream political elites as three things in one: 'a policy instrument in a state-orchestrated nation-building process, a leverage point as well as a bargaining chip in conducting cross-strait political interaction and negotiation, and a control valve that regulates the scope and speed of cross-strait economic and cultural exchanges' (Chu, 1999). This 'perpetual dualism' – i.e. the relationship based simultaneously on military threats and economic interdependence – is a major source of conflict and power struggles within Taiwan's domestic politics.

While many government officials on the mainland and some in the United States feel Taiwanese President Chen Shui-bian's statement regarding the referendum and the revision of the constitution simply make trouble for those wanting cross-strait stability, the difficulty of his position should be understood. Chen has to respect the rise of the Taiwanese identity on the island, which is, to varying degrees, opposed to any form of reunification with the mainland. The Taiwanese identity movement most certainly accounts for Chen's re-election last March and, since he himself is an inseparable part of that movement, it is something impossible for him to turn his back on. At the same time, President Chen has to avoid upsetting Washington and Beijing

with any perceived unilateral moves toward Taiwan's independence. In President Chen's mind, the only cross-strait security threat comes from China's continued military buildup along its eastern coast. Since Chen has insisted that Taiwan is already a sovereign, independent country, he need not take any additional moves to change that *status quo*. Beijing and Washington, however, still worry that Chen's version of the *status quo* means that Taiwan will not remain as it is now, but is on its way to becoming totally and absolutely separated from China forever.

In fact, Chen's campaign for a new constitution is not all that unreasonable, since Taiwan badly needs an extensive reform of its constitution to make the island more governable. The current constitution leaves unclear a host of basic questions, such as to whom the premier answers and how power should be divided between the president and the parliament. However, repairing political and legal problems in the constitution may not be Chen's entire motive in pushing for a new constitution. Chen has stressed –especially since Bush's rebuke – that he does not intend to change the *status quo*, and that in a second term he would stick to the 'five no's,' a pledge from his first inaugural address not to declare formal independence. But Chen has also said repeatedly that Taiwan is already independent. The major determining factor regarding constitutional reform is Chen's true intentions, which remain a mystery. The major question is how far Chen can push his policy mission for strengthening Taiwan's independence and identity without damaging relations with the United States and provoking a conflict with the PRC.

## 5 Doubly dualistic strategies: dual balance and dual deterrence

While not being sure of the exact nature of the cross-strait *status quo* itself, Washington has, in fact, come to believe that President Chen's aim is to alter the current dynamic that exists between the two sides. Chen is attempting to change that dynamic by distorting some of its parameters. The assertion that 'Taiwan is an independent sovereign nation' is used to generate Taiwanese nationalism, attract the international press, and legitimize Taiwan's sovereignty. This is like driving through a long tunnel, where no matter what section of the tunnel you are in, the *status quo* remains the same. Upon reaching the end of the tunnel, however, one finds the destination to have changed.

On the other hand, the United States does not support China's static definition of the *status quo* either. In politicizing the one-China principle Beijing has grouped all cross-strait issues together, limiting opportunities for Taiwan to participate in international affairs. This static definition of the *status quo* is used as a strategy of further containing and marginalizing Taiwan. If Taiwan's

‘tunnel’ strategy and China’s ‘cut off’ strategy are both pursued, then a dangerous situation will have been created, setting the stage for major instability in the region.

Therefore, in maintaining the current status of cross-strait relations, the United States has adopted a clear dual strategic policy of balance and deterrence. One aspect of playing the part of balancer is maintaining a military balance between the two sides through arms sales to Taiwan and strengthening the island’s defenses. The other aspect is the political balancing act. Utilizing diplomacy with Taipei and Beijing expresses a strong resolve to uphold cross-strait peace. As for the deterrence strategy, America’s dual role is also clearly conveyed to both sides of the strait in that it opposes any unilateral action to change the *status quo*. Any such action would warrant a political or, possibly, a military response. Therefore, other than its standpoint of ‘no military action by China, no Taiwanese independence’, Washington’s policy actually consists of preventing either side from defining or legalizing the *status quo* so that semantic differences would not foster greater misunderstanding.

### *5.1 Dual balance: military balance and political balance*

Since 1979 ratification of the Taiwan Relations Act, which obligates the United States to provide for Taiwan’s defense, Washington has sought to balance its improved relations with China with its interest in protecting Taiwan from any mainland military action. This involved striking a complicated balance between US agreements with China under the three Sino–US Joint Communiqués and US obligations to Taiwan under the Taiwan Relations Act. For US policy toward China, the United States has combined promises not to support Taiwan’s independence and to limit arms sales to the island, while threatening to intervene on Taiwan’s behalf if China launched an unprovoked attack. Regarding Taiwan, the United States has combined its promises to aid in Taiwan’s self-defense coupled with veiled but implicit threats to reconsider security and diplomatic support if Taiwan attempts to alter the *status quo* unilaterally.

In the current US-led Asia-Pacific security environment, ‘peace’ and ‘self-defense’ are two basic principles of cross-straits relations and Taiwan security. Key to the idea of peace is the maintenance of the *status quo*. Thus, a peaceful resolution is nothing more than a policy of expectation; nevertheless, maintaining the peace and security of the *status quo* is still important. Meanwhile, utilizing the principal of self-defense is a circumstantial response to China’s continual threat of military force. By providing sufficient weaponry to Taiwan on one hand and not ruling out the possibility that the United States might send troops to defend the island on the other, Washington achieves its fundamental goal of providing a deterrent measure against Chinese military action.

The military threat that the PRC poses has been Taiwan's foremost, if not the only, security threat. Taiwan's security policies, understandably, are mostly framed in the context of cross-strait confrontation, specifically the military threat from China and the volatility of cross-straits relations. This can explain why President Chen Shui-bian and his administration, preoccupied with cross-strait military imbalance and the missile threat, proposed to hold a defensive referendum against China's missile deployment and the threat of possible military intervention.

Dynamic equilibrium in the military balance of power across the Taiwan Strait may be shifting toward the PRC (Shambaugh, 2000). The focus of the military balance between Taiwan and mainland China has shifted from quantity to quality in the past several years. With the PLA's modernization program, the military strength of the PLA is likely to surpass that of Taiwan in the next several years. The PLA's modernization program is focused on 'exploiting vulnerabilities in Taiwan's national and operation level command and control system, its integrated air defense system, and its reliance on sea lines of communication' (Brooks, 2003). As stated in the Pentagon's PLA report, 'China has embarked upon a force modernization program intended to diversify its options for use of force against potential targets such as Taiwan, the South China Sea and border defense, and to complicate US intervention in a Taiwan Strait conflict'.<sup>8</sup>

As to Taiwan's military equipment and capabilities, US arms sales to Taiwan have been the major source for Taiwan to upgrade its military equipment and to maintain its qualitative edge. By selling some long-needed weapons to Taiwan, the United States demonstrated to both Beijing and Taipei that Washington has great interest in maintaining the peaceful *status quo* across the Taiwan Strait. Maintaining military parity in the Taiwan Strait should provide the necessary political and psychological climate for constructive cross-strait dialog to occur. The policies adopted by the United States and its arms sales to Taiwan, therefore, constitute a strategic deterrent strategy aimed at maintaining Taiwan's defensive capabilities and the balance of military power between Taiwan and mainland China.

On the other hand, as the report of the Council on Foreign Relations on Chinese military power points out, 'Taiwan is fundamentally a political issue, and any effective strategy must coordinate military measures designed to deter with diplomatic efforts to reassure both China and Taiwan credibly that their worst fears will not materialize.'<sup>9</sup> This means that the United States should express its desire for peace and security in the region by providing Taiwan

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8 *Annual Report on the Military Power of the People's Republic of China*, US Department of Defense, 30 July 2003; available at <http://www.defenselink.mil/pubs/20030730chinaex.pdf>.

9 See *Chinese Military Power*. Washington, DC: Council on Foreign Relations, 2003, p. 26.

with sufficient defensive weaponry to maintain a military balance. As to the US policy toward China, the report suggests that Washington should maintain the ability and willingness to counter any unprovoked military attack against Taiwan, and Washington should also stick to the principle of ‘not supporting’ Taiwan’s independence.

Judging from Washington’s series of policy readjustments toward Taiwan, the Bush administration was the most ‘pro-Taiwan’ administration since the United States broke off relations with Taipei and recognized Beijing in 1979. However, by publicly opposing Chen’s ‘peace’ referendum, Bush has apparently tried to initiate pre-emptive measures before the situation gets out of hand. However, Washington’s follow-up strategies of sending envoys to Beijing to calm its leadership and of questioning Chen’s motives behind the plan, in fact, fell short of stopping Chen from holding the referendum. The Bush administration now stands in the danger of losing credibility with both Taipei and Beijing (Lieberthal, 2004). Intensive consultations are taking place only between Washington and Beijing, with Washington displaying a heightened sensitivity to Beijing’s concerns. The United States has also dispatched one emissary after another to calm Beijing leaders, explore their possible plans, and warn against using anything other than peaceful means to settle the dispute.

Therefore, Washington’s role in cross-strait and Taiwan’s security issues has expanded from traditional military balancer to a new role of political balancer. In the case of the defensive referendum, the Bush administration expressed its concerns to Beijing and Taipei that Washington opposes any unilateral change to the peaceful *status quo*. While publicly questioning Taiwan’s motivation in holding the defensive referendum, Washington also warned Beijing not to use force across the Taiwan Strait unilaterally. However, in fostering peace and democracy in the region, the United States must quell the passion of the pro-independence movement so as to avoid provoking Beijing. Simultaneously, the United States must reassure Taiwan that democracy on the island will be safeguarded.

## **6 Dual deterrence: preventing unilateral action by either Beijing or Taipei**

US attempts at dual deterrence in the cross-strait arena usually focus on the concept of ‘strategic ambiguity’. The essence of that concept is that the United States does not explicitly state whether it will come to Taiwan’s defense in the event of an attack by the PRC. The resulting uncertainty about US intentions shapes the intentions of the other two actors. This uncertainty constrains China from initiating an unprovoked attack on Taiwan, and constrains Taiwan from making any provocative statements that would instigate a

military response from Beijing. In other words, America's goal is peace and stability but it will not define in advance the precise steps it will take in order to achieve that objective. However, this is simply a linguistic reformulation that does not solve the policy problem.

Under the strategy of dual deterrence, Washington always tries to remind both Taiwan and China that peace is the key US interest in the Strait and the region. Therefore, Taiwan cannot assume that the United States will defend it under any and all circumstances, nor can China assume that the United States will not be involved should it decide to attack Taiwan. As former Managing Director of the American Institute in Taiwan Richard Bush points out, what the policy of dual deterrence 'seeks to constrain *vis-à-vis* Taipei are political initiatives that provoke Beijing to the point that the latter concludes that it must use force to block a separatist trend. What it seeks to constrain *vis-à-vis* Beijing is military coercion against Taiwan, either as a response to Taiwan's political initiatives or because it loses patience in the quest for unification.' (Bush, 2004) Furthermore, in exercising the dual deterrence strategy toward cross-strait relations, Washington has to be careful that either side not misunderstand or misperceive its real intentions. That is, 'In constraining Taiwan politically, Washington must try to do so in a way that does not lead Taipei to feel it is being abandoned. In constraining Beijing militarily, it must do so with sufficient credibility that Beijing is deterred but not so robustly that China concludes that Washington has adopted a fundamentally hostile policy.' (Bush, 2004)

Regarding US policy toward China, the United States has combined promises not to support Taiwan's independence and to limit arms sales to Taiwan while threatening the possibility that it will intervene on Taiwan's behalf if China launches an unprovoked attack. As for Taiwan, the United States has combined promises to aid in Taiwan's self-defense capabilities, coupled with veiled but implicit threats to reconsider security and diplomatic support for Taiwan if Taipei moves to unilaterally alter the *status quo*. When the US Undersecretary of State James Kelly testified before the US Congress about Washington's concern that moves by Taiwan toward independence could cause American efforts at deterring Chinese coercion to fail and bring disastrous consequences,<sup>10</sup> he pointed to Taiwanese President Chen Shui-bian's often stated 'Taiwan is an independent sovereign nation' version of the *status quo*, and declared that such statements were merely political rhetoric and that the United States would not endorse them. China's buildup and its threat to use force 'are uncomfortable realities, yet they are facts with which we must grapple', Kelly told lawmakers. 'As Taiwan proceeds with efforts to deepen

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10 House International Relations Committee Hearing on Taiwan, Statement of Assistant Secretary of State James Kelly, 21 April 2004.

democracy, we will speak clearly and bluntly if we feel as though those efforts carry the potential to adversely impact US security interests or have the potential to undermine Taiwan's own security.' (Kessler, 2004) Owing to Chen once again proposing a time frame for establishing a constitution, with Beijing subsequently calling it a time frame for Taiwan's independence, America needed to firmly warn against any unilateral changes to the *status quo*. With tensions running high across the Taiwan Strait, the Bush administration has already put pressure on Chen to avoid provoking China's communist leadership and to map out a realistic plan for improving relations with Beijing.

In early 2004, Chinese Premier Wen Jiabao announced that he was considering a proposal to enact a 'reunification law', now called the 'anti-secession law,' that would legally bind Chinese leaders to their pledge to order the 2.5-million-strong PLA to attack Taiwan if it formally declares statehood. A law that mandates eventual reunification, analysts said, was necessary in the face of growing calls for Taiwan's independence, as well as President Chen's plans to hold a referendum on a new constitution in 2006 and adopt it in 2008. Beijing has already stated that it views the constitutional referendum as a timetable for Taiwan's independence. The question now is, whether or not the Chinese premier's statement will be viewed by Taiwan as a timetable for reunification. Such an anti-secession law would raise fears of an attack by Beijing on the island if Chen were to proceed with the constitutional referendum, and might very well increase support for Taiwan's pro-independence movement, as it did during the 1996 missile crisis. With both sides interpreting the other's actions as provocative and with so little trust between them, it will be difficult to achieve a peaceful resolution to the crisis without a strong deterrent role or hands-on approach by the United States (Glaser, 2004b).

## Conclusion

The Taiwan issue is a textbook example of contemporary strategic dilemmas. First, Taiwan–China relations crystallize two political tensions that will most shape the future of the region: those of globalization versus nationalism and those of geopolitics versus geo-economics. Second, China's approach to resolving the Taiwan issue will indicate whether it is on a peaceful rise or is a bullying revisionist state (Manning, 2000). Third, and most importantly, Washington must demonstrate the patience and diplomatic skill needed to maintain cross-strait peace; a difficult balancing act. Appearing too close to one side, will undoubtedly provoke the other. The unique role taken by the United States requires continued dual balancing and deterrence initiatives. As long as the United States is seen as being beneficial to resolving the cross-strait dilemma, the possibility for peace remains. The United States can do this

by acting in its dual roles and in so doing foster peace and cooperation in the region.

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