

Is the US moving towards strategic clarity on Taiwan? The repercussions of the shift for Europe

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Theme

The US President, Joe Biden, has recently made statements that seem to suggest a shift in the US's Taiwan policy from strategic ambiguity to strategic clarity. Is this change really happening? If so, what would be the repercussions for European countries?

Summary

The recent statements by the Biden Administration must be considered a recalibration of the historical US strategic ambiguity over Taiwan. While not radically changing its Taiwan policy, the US is recalibrating it due to changing circumstances, mainly the provocative military actions of the People's Republic of China (PRC) in the Taiwan Strait and the US failure to deter the conflict in Ukraine. The Biden Administration wants to clearly signal to Beijing that there would be serious consequences in case of an attack on Taiwan. The statements are intended to communicate that the focus of attention on possible alterations of the equilibrium in the Taiwan Strait today is on the PRC.

Because of its economic significance and shared political values, Taiwan is becoming increasingly important for Europe. A US shift towards strategic clarity would force Europe to make a difficult choice that it has neither the cohesion nor the ability to make. A European commitment to the defence of Taiwan seems too ambitious not only because European States are currently focused on the Russian security threat and do not have direct national interests in the region, or military projection capabilities, but also because Europe would not risk facing the inevitable economic and political retaliations from Beijing.

Analysis

Introduction

In an interview on 19 August 2021 US President Biden compared the defence of Taiwan in case of attack to that of Japan, South Korea and NATO members, with which the US has a mutual defence treaty. On 22 October, during a CNN forum in Baltimore on whether the US would defend Taiwan if it was attacked by the PRC, the President answered: 'Yes, we have a commitment to do that'. Recently, on 23 May of this year at a press conference in Tokyo, Biden directly linked a potential conflict over Taiwan to Russia's current invasion of Ukraine. Asked again if the US would respond militarily if the PRC invaded Taiwan, Biden responded 'yes'. In the meantime, on 10 May the US Department of State changed its fact sheet describing US-Taiwan relations. The changes to the document included replacing the previous claims that the US 'does not support Taiwan

independence' and 'opposes unilateral changes to the status quo by either side' with statements that stressed the need to take into account the 'wishes and best interests of the people on Taiwan'. After a few weeks, the changes were removed.

Although these statements were quickly *minimised*, they sparked a debate on whether the US is shifting from its traditional Taiwan policy of strategic ambiguity to one of strategic clarity. With the increase in economic and political tensions with Beijing, as well as the PRC's military build-up, many have criticised the concept of strategic ambiguity as encouraging Beijing to take more assertive action while discouraging Taiwan from adequately responding to these security threats.

Strategic ambiguity was conceived after the 1979 *normalisation of relations between the US and the People's Republic of China (PRC)*. Since the takeover by the Chinese Communist Party (CCP) of Mainland China in 1949 and the flight of the Chinese Nationalist Party to Taiwan, both territories claim to be the only legitimate government of China. After the Sino-US rapprochement in 1972, followed by the 1979 normalisation of relations, the US shifted its official recognition from the Republic of China (ROC) in Taiwan to the PRC in Beijing. To achieve the flexibility necessary to maintain relations with Taipei without endangering its important relationship with the PRC, Washington found two clever solutions. With what was later labelled the 'One China' policy, the US acknowledged that 'all Chinese on either side of the Taiwan Strait maintain that there is but one China and that Taiwan is a part of China', without actually specifying which China they were referring to. The second solution is strategic ambiguity. This policy includes no firm commitment or explanation of the circumstances under which the US would intervene to defend Taiwan. Clarity about ends merged with ambiguity over the means. Since then, despite a few aberrations, a mix of deeply embedded policy positions, structural features and longstanding trends have generated overall stability and consistency in the US's Taiwan policies and cross-Strait relations.

Strategic ambiguity is often associated with, or defined as, *dual deterrence*: opposing any unilateral change in the cross-Strait status quo, countering any Taiwanese attempt to declare a *de jure* independence, as well as deterring Beijing from pursuing military intervention. In other words, deterring the PRC and restraining Taiwan. Washington's dilemma is whether it should protect Taiwan from an unprovoked People's Liberation Army (PLA) attack or prevent Taipei's unilateral attempts towards independence that might induce an attack from the PRC. Indeed, the ambiguity on US support to the island served the purpose of deterring both parts.

The 'One China' policy framework and strategic ambiguity have been remarkably successful instruments. They have allowed the US to enjoy the economic benefits of having ties with the PRC without paying the domestic and international political costs of abandoning Taiwan, while simultaneously emphasising a peaceful resolution to the cross-Strait issue. Nevertheless, following the end of the 1995-96 Taiwan crisis, there has been an omen in US-Taiwan relations that there would be a decisive shift from strategic ambiguity to strategic clarity. In the increasingly uncertain and tense environment of Sino-US competition, the calls to switch to a strategic clarity policy regained strength and stemmed from the belief that it is no longer possible to unambiguously deter the PRC without clear statements and actions. There is a

widespread conviction that the PRC's coercive tactics and military build-up are eroding deterrence in the Taiwan Strait, leading advocates of strategic clarity to call for a stronger US support for the island.

Is the US Taiwan policy shifting towards strategic clarity?

President Biden's statements seem a modest alteration aiming to signal both continuity with past practices and a renovated clarity of US resolve. The foundations of the US's Taiwan policy remain unchanged and are still based, as reiterated by US Secretary Blinken's speech on 26 May, on the features of the One China policy: the three US-PRC Joint Communiqués, the Taiwan Relations Act and the Six Assurances. Despite being clear that the US would intervene militarily in the event of an attack on Taiwan, the Biden Administration did not offer an unconditional, explicit guarantee or provide precise details of what this would entail. As Lev Nachman notes, strategic ambiguity is about under what practical conditions the US would intervene in a conflict over Taiwan, not a flat-out refusal to answer if it would intervene. The language used up until the present retains a degree of tactical ambiguity as to how the US would respond to a PRC aggression. The US's Taiwan policy is not a simple dichotomy between strategic ambiguity and strategic clarity. Instead, it should be recognised as a composition of multiple intermediate stages with different primary objectives. The recent and repeated statements signal something significant: a recalibration of the strategic ambiguity policy in reaction to changed circumstances.

Strategic ambiguity was developed based on two conditions that have changed over time. First, at the strategy's inception, the US had decisive power in the region. US power is no longer decisive and is endangered by the PRC's military and economic power in the Asia-Pacific. Secondly, both the ROC and the PRC expected new tensions to rise across the Strait. Nowadays, on the contrary, Taiwanese society pragmatically prefer the status quo and is very cautious not to provoke reprisals from Beijing. Consequently, the US concern is focused on what the PRC might do, rather than on possible provocative actions from Taiwan. Indeed, the Biden Administration's statements are directed to communicate to external audiences that at present the focus on possible alterations of the equilibrium in the Strait are on the PRC. Many of Beijing's recent Taiwan policy moves following Taiwanese President Tsai Ing-wen's assumption of power have reinforced the narrative in the West that Beijing bears primary responsibility for the downturn in cross-Strait relations. The provocative flights of PLA military jets in Taiwan's Air Defence Identification Zone, the halt in diplomatic contacts in 2016 after Tsai's refusal to endorse the '1992 Consensus', and the renewal of some not so veiled military threats by Chinese Communist Party officials have created a perception of the PRC as a bully challenging stability in the Strait. The more decisive shift in the US attitude is sparked by the fact that Taipei's objectives overlap well with present US interests. Biden's comments about Taiwan should thus be interpreted as a warning to the PRC and as a reflection of the growing trust between Washington and Taipei. This strategy seeks to put the maximum pressure on the PRC while strengthening US-Taiwan security support and attempting to enhance the island's international recognition. Still, however, it falls short of strategic clarity.

Recalibration had already been initiated by the Trump Administration, with its aggressive handling of strategic ambiguity,¹ but assumed new strength and urgency with the Russian invasion of Ukraine. The refusal to deploy boots on the ground and the ambiguous statements by the US Administration about military aid to Ukraine before 24 February did not deter Russian action. This time the US wants to credibly signal to the PRC that the cost of a US response to invading Taiwan would be extremely high.

Furthermore, there has for years now been a domestic impetus within the US Congress to recalibrate or even change US policy on Taiwan. A number of US Congressmen have introduced bills aimed at increasing Taiwan's security and have spoken in favour of strategic clarity, believing it could have a calming effect on Beijing's aspirations. Historically, since the passing of the Taiwan Relations Act in 1979 the US Congress has always been very keen in defending US ties with Taiwan. Recently, the US Congress approved a series of acts that demonstrate strong US support for the island. These measures include various National Defense Authorization Acts strengthening the US-Taiwan defence partnership, the 2018 Taiwan Travel Act encouraging reciprocal high-level official visits and the 2020 Taiwan Allies International Protection and Enhancement Initiative (TAIPEI) Act, which advocates the strengthening of other nations and international organisations' official and unofficial ties with Taiwan. The growing support within US Congress for Taiwan reflects a growing support for the island in US civil society. This is due to both an ideological link that emphasises the common democratic institutions between Taiwan and the US and an emotional link that sees the PRC as the aggressor of a small and democratic island and calls for US power to protect Taiwan's freedom. Indeed, US policy since Taiwan's democratisation has always emphasised, especially in the past few years, the shared values of the US and Taiwan's domestic political systems, in contrast to the PRC's.² The emergence of a democracy in Taiwan moved Taipei closer to Washington than to Beijing and reduced the likelihood of a US abandonment of Taiwan. It gave a powerful new claim to the US's ties and attachment to the island.

Strategic clarity and its flaws

Strategic clarity has both risks and benefits. On the one hand, strategic clarity could improve deterrence, unambiguously signalling to the PRC clear red lines not to cross in order to avoid a US military intervention. Moreover, it would send a reassuring message to US allies in the region that face the PRC's assertive actions about the reliability of US support. It could also lead to an increased Taiwanese willingness to fight. On the other hand, strategic clarity could reduce deterrence by provoking the PRC to adopt more assertive actions or uncooperative policies. This, in turn, would force Washington to respond militarily once its 'red lines' have been crossed. From this perspective, clarity

¹ The Trump Administration increased US support for Taiwan to a higher level than at any time since 1979. Arms sales grew in quantity as well as in quality and the Administration allowed reciprocal visits of cabinet-level government officials, such as those of US Health Secretary Alex Azar and US Under Secretary of State Keith Krach to Taiwan and the visit of ROC's Vice President-elect William Lai to the US. Trump's Taiwan policy was embedded in a comprehensive framework of containment of the PRC's power.

² In 2020 the Secretary of State, Mike Pompeo, publicly claimed that the US's engagement with the PRC had failed and defended an ideological link with Taiwan: 'We marginalized our friends in Taiwan... maybe it's time for a new grouping of like-minded nations, a new alliance of democracies'.

would entail the risk of adopting and the ability to sustain a comprehensive confrontational approach with Beijing. Moreover, it could increase support for Taiwanese independence and lead to a *de jure* separation that would, in all likelihood, spark a PLA military reaction. Additionally, it is also possible that credible US statements on the defence of Taiwan could fuel the PRC's perception that Washington is actually moving toward support for Taiwanese independence and that something needs to be done to prevent this. The same US unconditional commitments to defend the island could also decrease Taiwan's willingness and resolution to fight. Strategic clarity would therefore not unambiguously increase deterrence nor decrease the incentives for Beijing to use force.

Dual deterrence is still necessary. Some domestic political forces within the Pan-green coalition continue to put pressure on Tsai's government to take audacious steps towards *de jure* independence. The unconditional security guarantee that strategic clarity entails would endanger Taiwan's political, physical and financial commitment to its defence and would also undermine the deterrence framework against Beijing. The Taiwan component must not be neglected. In order to work, strategic clarity will have to be credibly conditional, ensuring the ability to punish the aggressor as well as providing reassurances that the aggressor's worst outcome would not occur. The only way to sustain strategic clarity, therefore, is to express certainty about the US response in case of attack on the island while simultaneously reiterating that the US does not support Taiwanese independence and recommits to the One China policy. It is worth highlighting, however, that US policies seem going in a different direction given the multiple statements about the need to protect 'the freedom of choice of the Taiwanese people'. This focus on the democratic bond between Taipei and Washington could increase tensions within the island and across the Strait that the US wants to avoid.

Furthermore, *advocates* and *opponents* of strategic ambiguity overlook a key issue: reciprocal misperceptions. The history of Sino-US relations is the result of a remarkable accumulation, over the years, of misjudgements by both sides. Strategic clarity fails to remedy the existing problems that generate tensions in the Taiwan Strait, namely trust and national identity, and could even escalate them. In an environment full of mutual distrust, misperceptions are likely to stem both from ambiguity and from clear red lines. In this respect, strategic ambiguity can play a *more resilient and flexible* role: the red lines that would trigger a US response are difficult to discern, thus preventing the PRC from exploiting loopholes in existing US policies and promises.

The possible repercussions for Europe

If the US were really transitioning from a policy of strategic ambiguity to one of strategic clarity, this would present European nations with a hard choice: continue with a policy of 'muddling through' by voicing support for Taiwan without any specific initiatives or follow Washington by clearly committing to deter with no-military means an attack on the island and increase political and economic ties with it?

So far, the EU's Taiwan policy can be summed up as safeguarding the *status quo*, while advocating a peaceful and rules-based resolution of the issue. This entails avoiding enhancing economic and political support to Taiwan in order to continue having profitable

economic relations with Beijing. Nevertheless, Taiwan is increasingly becoming a main focus for EU foreign policy. The EU wants to build upon existing strong economic links, worth €63.9 billion in 2021, a 29% rise from the previous year, and expand cooperation with Taipei, especially given Taiwan's role as an important supplier of advanced information and communications technology components and semiconductors. Although there are often divergences between member States on the practical details of how to move forward and how much to prioritise the PRC, the willingness to deepen ties with Taipei has been demonstrated by various European Commission statements, European Parliament votes and new initiatives, such as the EU-Taiwan Investment Forum.

However, there is more to it than just economic ties. Europe's recognition of the PRC's human-rights violations and suppression of political freedoms, as well as the shared values of democracy and the rule of law, improves Taiwan's image in the West and provides leverage over the international community. Last year, the High Representative of the Union for Foreign Affairs and Security Policy, Josep Borrell, said that 'the European Union has an interest in enhancing relations and cooperation with Taiwan, within the framework of its One China policy. Taiwan is a like-minded partner and the European Union will continue supporting its system of governance based on democracy, the rule of law and human rights, its open society and market economy'. Bilateral relations are also increasing. In 2021 a large Taiwanese delegation visited Slovakia, the Czech Republic, and Brussels and many European policymakers, including the European Parliament's Vice-president, Nicola Beer, visited Taiwan. Lithuania recently upgraded its ties with Taiwan by allowing it to open a representative office in Vilnius under the title of 'Taiwan' and is soon about to open a trade office in Taipei. The PRC responded by blocking the imports of Lithuanian products and EU products containing Lithuanian parts. These events have occurred as the EU is adopting a firmer position against Beijing: first with the designation of the PRC as an economic competitor and systemic rival in 2019, then the non-approval of the Comprehensive Agreement on Investment, and finally with Beijing's refusal to condemn the Russian invasion of Ukraine and its increased cooperation with Moscow.

A European strategic clarity over Taiwan would likely entail a commitment to defend the island by non-military means. This entails actively using the EU's economic and political influence on Beijing to creatively prevent an escalation of the tension across the Strait, punish the PRC with sanctions in the event of military intervention and enhance European cultural and trade ties with Taiwan. Moreover, since neither the EU nor its member States recognise Taiwan as a sovereign State, particular attention would be given to not adopting policies that would encourage a proclamation of independence on the island. Such a move will not only increase tensions in the Strait considerably but would almost certainly trigger a PRC military reaction.

European strategic clarity over Taiwan would not only require the willingness and ability of Europe's major powers to develop a coherent and collective PRC strategy but also to face economic and political retaliations from the PRC. Such an approach would endanger trade relations, or better said the dependence, between Europe and the PRC and European firms operating in the Chinese market. The PRC is the biggest trade partner in goods for most EU member States and, within Europe, the desire to cooperate with Beijing is still strong. Although some countries, such as France and the

Netherlands, have direct interests in the region, the majority of European States do not and would find it very difficult to intervene in an open confrontation especially given their low capacity of military projection. However, Europe cannot currently afford to face economic losses from the PRC, especially in the midst of the ongoing energy crisis and high inflation. Hence, the focus would be on avoiding potential major political and economic disruptions to European relations with the PRC. There is reason to assume, however, that presented with a united, cohesive European push to develop closer political and economic relations with Taiwan, Beijing's response might not be as drastic for European countries as expected. The PRC needs access to the European single market and to European technology for its own economic advancement.

It should also be considered that Europe and the US seem to have different strategic views on the PRC. Europe sees Russia as the real threat, while perceiving the PRC as an economic competitor rather than an existential threat. Indeed, the new NATO strategic concept remains 'open to constructive engagement' with Beijing while also highlighting the challenges the PRC poses to Euro-Atlantic security. Not surprisingly, the alliance underlines the 'deepening strategic partnership' with Russia and their 'mutually reinforcing attempts to undercut the rules-based international order'. For the US, however, Beijing is the real threat to the global order while Russia is only a minor issue. Their different stances on Taiwan are emblematic of this.

US pressure to upgrade European ties with Taiwan could accelerate the ongoing trend of treating Taiwan as an important ideational and political partner, beyond the presently narrower economic approach. However, in the event that decisive action was required, it does not seem unlikely that the Europeans will hesitate on the way forward and will therefore react in a disorderly and restricted manner. In this case, the Taiwanese question could strongly impact transatlantic solidarity. Furthermore, a shift towards strategic clarity would probably couple with increased Europe-Taiwan security cooperation. This cooperation has been very modest until now and is unlikely to improve significantly going forward as European defence and security efforts are devoted to its Eastern flank. A sustained, major military commitment to support the US and Taiwan militarily could weaken Europe's overall military capacity and erode the credibility of its conventional deterrence posture vis-à-vis Russia.

While interest in cross-Strait stability and Taiwan's security has increased in Europe, there is still little clarity about what role individual countries and the EU envision for themselves in deterring a cross-Strait conflict or in the event of the eruption of violence. Most likely, the Europe-Taiwan relationship will deepen economically, especially regarding semiconductors, while remaining ambivalent in other sectors. This approach will be based on the pursuit of mutual benefits but will remain limited by the fear of diplomatic and economic retaliation from the PRC. Diplomatically, Europe's strategy would continue to be dialectic by increasing its efforts to safeguard stability in the Taiwan Strait and refraining from any threat or use of force, while making clear, however, that if Beijing were to use force, it would risk an economic and political rupture with Europe's democracies. European powers, indeed, could choose to risk political and economic ties with the PRC and deepen relations with Taiwan only in the event of a PLA military intervention against the island. Any expectation of a unified and coherent European response beyond a diplomatic conflict resolution engagement seems overly ambitious.

Conclusions

It is unlikely for the Biden Administration to abandon strategic ambiguity and replace it with the kind of clarity advocated or expected by many commentators. Strategic clarity would entail unnecessary risks and encourage unclear situations that could spark an open conflict. The ongoing recalibration of US's Taiwan policy towards a more active strategic ambiguity is the signal that the policy overall remains adaptive to emerging situations and changing dynamics. The world in which static strategic ambiguity was conceived no longer exists. This change has been provoked not by different US Administrations' policies, but by the rebalancing of regional power in East Asia and by the PLA's growing military capabilities.

European States have every interest in preserving the peaceful status quo in the Taiwan Strait. Doing so will require a clear European contribution to deter the PRC from using force to change the status quo in the Strait and in the region. The most effective way to do so is to keep on using ambiguity about what action the EU and its member States might adopt in the event of a Strait crisis while possibly increasing diplomatic and economic relations with Taipei. European States do not currently possess either the necessary strategic view or the capacity to sustain the challenges and the economic losses that would result from Beijing's response to European strategic clarity over Taiwan. Nevertheless, this is reciprocal. European strategic ambiguity would also help to maintain an efficient deterrence against Beijing. Europe has a key role to play in non-military forms of deterrence against the PRC.