

## **ISSUE BRIEF**

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# US-CHINA SPAT OVER TAIWAN: IS NEW NORMAL EMERGING?

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(Views expressed in the brief are those of the author, and do not represent those of ISSI)



In recent weeks, Taiwan Strait has emerged as the center-ground of escalating US-China great-power competition. The trajectory of recent events indicate that the island is increasingly becoming the most contentious issue in China-US relationship. It indicates that fundamental dynamics underpinning US-China relations from the early 1970s are changing. This could potentially setback US-China relations and turn already fractured ties to conflictual mode. In turn, the potential for military escalation has increased in an already volatile region. The strategic competition between Beijing and Washington, which earlier was confined to political and economic domains, have now turned military.

### Pelosi's Visits and Beijing Reacts

On August 2, U.S. House Speaker Nancy Pelosi became the highest-ranking US official in a quarter century to visit Taiwan, a self-ruled island, which China considers a breakaway province. Pelosi led a six-member congressional delegation. During the visit, Pelosi met with President of Taiwan Tsai Ingwen, and addressed Taiwanese legislative assembly. Pelosi's message was: America stands with Taiwan as "it defends itself and its freedom". Pelosi defined protests from Chinese leaders and also

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Nancy Pelosi, "Why I'm leading a congressional delegation to Taiwan", Washington Post, August 2, 2022, https://www.washingtonpost.com/opinions/2022/08/02/nancy-pelosi-taiwan-visit-oped/?fbclid=IwAR208D6mOVCToP\_r2uGQAzWIms6a4OFpLILq5b6TdKpg7UP8q5yk3illerc

opposition from the Biden administration official and sought to reaffirm the US commitments to the island.

Beijing sought to dissuade Washington from Pelosi's visit. Days before the visit, President Xi Jinping warned his American counterpart President Biden that "those who play with fire will perish by it."<sub>2</sub> Thus, when Pelosi landed in Taipei, China's reaction was swift and strong. China announced unprecedented military exercises around the island for August 4-7,<sub>3</sub> and suspended nearly eight different military and non-military engagements with Washington.<sub>4</sub> The Chinese military carried out naval and air operations across the median line and even on the edge of territorial waters claimed by Taiwan. Besides, on completion of the first round of military drills, China announced additional month-long live-fire exercises in the Bohai Sea and south of the Yellow Sea to maintain military pressure on Taiwan.<sub>5</sub>

Now China's People's Liberation Army (PLA) conducts near-daily air and naval patrols closer to the Taiwan island than it did prior to the visit of Speaker Pelosi. Each side is claiming that the other has tried to change the status quo around Taiwan on the pretext of the visit. Both sides, however, underscored their respective objectives. For China, PLA maneuvers demonstrated claims of sovereignty over Taiwan and now with renewed resolve and a signal that it can impose a blockade of Taiwan to control air and sea routes. For the US, Speaker Pelosi's visit was a display of its continued high-level political commitment to the defense of Taiwan in spite of intense Chinese pressure. It appears that like previous incidents of heightened tensions in the Taiwan strait the current crisis will drag on for multiple weeks before being over, and will set a new normal in the Taiwan strait while influencing the course of bilateral relations between two great-powers.

#### Taiwan Issue and US-China Relations

The US engagement with Taiwan has long been an issue in the US-China bilateral relations. Prior to US normalization with China in early 1970s, Washington had recognized the Kai-shek government in Taipei as the legitimate government of China and Taiwan was at the center of multiple crises during

<sup>&</sup>quot;President Xi Jinping Speaks with US President Joe Biden on the Phone", *Ministry of Foreign Affairs, the People's Republic of China,* July 29, 2022,

https://www.fmprc.gov.cn/eng/zxxx\_662805/202207/t20220729\_10729593.html

<sup>&</sup>quot;Notice authorized to be released by Xinhua News Agency", *Xinhua*, August 2, 2022, https://english.news.cn/20220802/913b020aaabf4e449223b6c88b956d25/c.html

<sup>4 &</sup>quot;The Ministry of Foreign Affairs Announces Countermeasures in Response to Nancy Pelosi's Visit to Taiwan", *Ministry of Foreign Affairs, the People's Republic of China*, August 5, 2022, https://www.fmprc.gov.cn/eng/zxxx\_662805/202208/t20220805\_10735706.html

<sup>&</sup>quot;China holding military exercises in Yellow Sea, Bohai Sea", CGTN, August 6, 2022, https://news.cgtn.com/news/2022-08-06/China-holding-military-exercises-in-Yellow-Sea-Bohai-Sea-1cgR5NGm69G/index.html

the 1950s. In late 1960s, after the Sino-Soviet split, when the US sought rapprochement with China, Beijing conditioned normalization on Washington committing to 'One China' policy. As a prerequisite to normalizing relations with the People's Republic, the US committed to not maintaining any official ties with the government based in Taiwan. In 1979, US cut-off Ambassador-level ties with Taiwan as it established diplomatic relations with the People's Republic. This paved the way for expanding political and economic relations between two sides.

Concurrently, the US Congress passed the Taiwan Relations Act regulating engagement with Taiwan at the quasi-official level and directed the US President to consider defending Taiwan if China used force against the island. In practice, successive American administrations have sought to avoid needlessly provoking China. Now those fundamentals are being challenged. For Beijing and Washington, the recent high-profile visit is linked to broader negative trends in the bilateral relationship. China perceives a shift in approach of the Biden administration towards the Taiwan issue with the goal to change status-quo. Conversely, the US perceives an assertive China trying to change the status-quo. Each side is underscoring the necessity of maintaining the status quo while holding the other responsible for change underway in the status quo.

For China, any official American engagement with the authorities of Taiwan is a violation of 1979 understanding between the US and China. Beijing also considers it against the spirit of 'One China' policy. Hence, the fierce Chinese reaction to the visit of the speaker of the US House of Representatives. Conversely, for the US, increased military activity by China in the vicinity of Taiwan's territorial waters is a provocation from the Chinese side. As China showcases its advanced military capabilities, the US feels compelled to showcase its commitment to Taiwan's defense. And then, Beijing signals political and military resolve to reunify Taiwan with China.

At the political level, China can view increased US support for Taiwan as emboldening Taiwan authorities to declare *de jure* independence. At present, the majority of people in Taiwan favor maintaining the status quo instead of moving towards independence. Chinese sensitives, however, remain all-time high, as acknowledged by Foreign Minister Wang Yi, when he called on the US to pursue a 'real One China policy, not a fake One China policy' last year. It is in this context that Beijing has sought to deter such a pre-emptive move towards independence. China is pursuing all

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<sup>&</sup>quot;Taiwan Independence vs. Unification with the Mainland(1994/12~2022/06)", *Election Study Center, NCCU,* July 12, 2022, https://esc.nccu.edu.tw/PageDoc/Detail?fid=7801&id=6963

Andrea Shalal, "Blinken and Wang warn against fuelling Taiwan tensions", *Reuters*, October 31, 2021, https://www.reuters.com/world/blinken-warns-china-against-unilateral-action-regarding-taiwan-2021-10-31/

means available short of war, to pursue peaceful and non-peaceful reunification of Taiwan with the mainland.

#### A New Normal?

This demonstration of commitment and resolve by both sides is taking place in a fundamentally different world. Both China and the US are at different places in terms of military and economic prowess today when compared to 1979. China has risen as a major economic powerhouse, while its military is pursuing rapid modernization. In this changed world, a new normal is underway. For Beijing, thus, it is crucial that Washington realizes the shift in relative balance of power and not undertake unilateral measures to test the status-quo. Chinese leaders have indicated that the US is leveraging Taiwan to contain China in the Indo-Pacific.<sup>8</sup> Conversely, for Washington, it is a compulsion to indicate commitment to defending Taiwan for credibility of the US alliance system and global posture.

For the long-run, the current events have evolved a new precedent for heightened military activities in the Taiwan Strait, and more crucially across the median line. If it becomes a new normal then Taiwan would remain on military high-alert for an indefinite period. The US would have to grapple with Chinese military activities that are more intense in nature, frequent and undertaken much closer to Taiwan. This is an escalatory spiral with action-reaction dynamics where a political crisis can unexpectedly turn into an armed conflict.

Both China and the US are aware that Taiwan cannot defend itself in the event of China-Taiwan conflict. Continued signaling of US commitment to intervene is a provocation to Beijing. These dynamics, however, are leading to new risk taking and acceptance of new costs by both sides. Militarily, China factors in US intervention when planning for dealing with a Taiwan contingency. And continued US emphasis on signaling commitment to defense of Taiwan will not change China's military planning. It, however, would continue to provoke China and has the potential to spark an unintended crisis between two great-powers in a volatile region.

Teddy Ng, "Beijing berates US for 'trying to include Taiwan in strategy to contain China'", South China Morning Post, February 22, 2022.

https://www.scmp.com/news/china/diplomacy/article/3167977/beijing-berates-us-trying-include-taiwan-strategy-contain