A ‘Taiwan flashpoint’ in the Indo-Pacific

In pursuing its Indo-Pacific strategy, India needs to be mindful of the China-U.S. equations in the region.

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If the rising confrontation between the United States and China erupts into a clash of arms, the likely arena may well be the Taiwan Strait. Taiwan was then incorporated into China's liberation under the Chinese Communist Party (CCP) in 1949. The Guomindang (KMT) forces under Chiang Kai-shek fled to Taiwan after the Chinese Civil War to the CCP forces under Mao Zedong. Chiang retreated to the island of Taiwan and set up a regime that claimed authority over the whole of China and pledged to recover the mainland eventually.

“Strategic ambiguity”

The CCP in turn pledged to reclaim what it regarded as a “re-gained” province and achieve the final reunification of China. Taiwan could not be occupied militarily by the CCP. It established in 2000, the stock of Chinese capital invested in Taiwan reached U.S. $188.5 billion and bilateral trade in 2019 was U.S. $150 billion, about 15% of Taiwan's GDP. By contrast, the stock of Chinese capital invested in Taiwan reached U.S. $2.4 billion although investments from Hong Kong may be considerable.

Taiwan's politics

Taiwan has two major political parties. The KMT, dominated by the descendants of the mainlanders who came to the island along with Chiang. In 1949, the KMT remained committed to a one-China policy and does not support the independence of Taiwan. The Democratic Progressive Party (DPP), on the other hand, is more representative of the indigenous population of the island, and favours independence.

However, faced with aggressive threats from China and lack of international support, the demand for independence has been muted. China feels more comfortable with the KMT and is hostile to the DPP. Ever since the DPP under Tsai Ing-wen won the presidential elections in 2016, China has resorted to a series of hostile actions against the island, which include economic pressures and military threats. These actions have escalated since the re-election of Tsai Ing-wen in the 2020 elections. Public opinion swung in favour of a Chinese policy adopted a series of alarming policies in Hong Kong, abandoning the “One Country Two Systems” formula promoted by Chinese leader Deng Xiaoping. China could no longer pretend that the model was relevant in any sense to Taiwan's future under Chinese sovereignty.

One important implication of this development is that prospects for peaceful unification have diminished. Sentiment in Taiwan in favour of independent status has increased. The escalating military threats against Taiwan, through daily violations of its air defence identification zone (ADIZ) and aggressive naval manoeuvres in the Taiwan Strait are currently deterrent in nature, aimed at heading off any move towards independence and its closer military relationship with the U.S.

The U.S. stance

While the U.S. does not support a declaration of independence by Taiwan, it has gradually reversed the policy of avoiding official-level engagements with the Taiwan government. The first breach occurred during the 1945-1946 period when several senior officials, including a cabinet-level official, visited the island. The Joe Biden administration has continued this policy. The Taiwanese representative in Washington was invited to attend the presidential inauguration ceremony (Biden), again a first since 1979. Reports have now emerged that the under secretary of U.S. defense personnel have been announced, training with their Taiwanese counterparts for some time. In a new incident last week, a U.S. nuclear-powered submarine reportedly ran into an “unidentified object” while in the South China Sea. China has objected to these U.S. actions vociferously.

The latest setback by Chinese President Xi Jinping on Taiwan on October 9, on the eve of Taiwan’s national day, responds to these developments. Mr. Xi said that unification should be achieved peacefully but added that the Chinese people have a “glorious tradition” of opposing separatism. Mr. Xi added, “The historic task of the complete reunification of the motherland has been fulfilled and will definitely be fulfilled.”

These statements are somewhat less aggressive and impatient than his earlier ones on Taiwan. This may be related to the recent telephone conversation between President Joe Biden and Mr. Xi when Mr. Biden reportedly assured Mr. Xi that the U.S. would abide by the “Taiwan agreement”, that is, the U.S. would not overturn one China policy.

Is China prepared to carry out military operations to invade and occupy Taiwan?

In March this year, the U.S. Pacific Commander, Philip Davidson, warned that China could invade Taiwan within the next six years as part of its strategy of displacing U.S. influence in the Asia. He appeared to suggest that Chinese military capabilities had been developed in order to achieve this objective. Other analysts argue that cross-strait operations would be extremely complex and pacifying a hostile population may prove to be long drawn out and costly. China may, therefore, be content to head off Taiwan independence while continuing to build its capabilities and await a further relative decline of U.S. power and its will to intervene in the defence of Taiwan.

Impact of alliances

These calculations may be upset by accident or miscalculation, and the recent submarine incident is a warning in this respect. The recent crystallisation of the Quad, of which India is a part, and the announcement of the Australia-U.K.-U.S. alliance, AUKUS, with Australia being graduated to a power with nuclear-powered submarines, may act as a deterrent against Chinese moves on Taiwan.

But they may equally propel China to advance the unification agenda before the balance changes against it in the Indo-Pacific.

For these reasons, Taiwan is emerging as a potential trigger point for a clash of arms between the U.S. and China.

In pursuing its Indo-Pacific strategy, India would do well to keep these possible scenarios in mind.