

# Taiwan between giants



SHYAM SARAN

Being a proxy in a fight between big powers is the most uncomfortable position for any state to be in

THE DAILY GAME over the past 10 days has been about predicting whether the US House of Representatives Speaker Nancy Pelosi's travel itinerary in Asia would include Taiwan. The formal announcement of the itinerary did not include Taiwan and since she finally made it to Taipei on Tuesday, the omission is inexplicable. Surely the intention was not to catch the Chinese by surprise. Yes, it did add drama to the visit which suits the publicity-savvy Pelosi. Remember how in 1992, as part of a US Congressional delegation visiting China, Pelosi had unfurled a banner at Beijing's Tiananmen Square, expressing support for the young demonstrators who had died in the violent suppression of the pro-democracy movement in 1989. That got her a lot of eyeballs back home. Poking China in the eye may help the Democrats in the forthcoming congressional elections. The domestic imperative is visible.

What is more telling than the fact of the visit itself is the long and circuitous route which Pelosi's special aircraft took, avoiding the more direct route over the South China Sea, and the islands claimed and occupied by China. Some of these islands are heavily militarised, with anti-aircraft batteries. The US rejects Chinese claims over these islands and regards the South China Sea and the Taiwan Strait as international waterways, but in this case, chose not to press the point. The detour taken by Pelosi reflects the change in the balance of power which has taken place in the region over the past decade adding a new wariness to American calculations. The Chinese would have taken note.

Now that the visit has taken place, attention has shifted to what China will do in retaliation. Having threatened dire consequences if the visit went ahead, Beijing's reaction will need to be seen as substantial and visible. The initial moves have been predictable. Military exercises around Taiwan have been expanded, with Chinese aircraft intruding more frequently across the informal median line which defines the zone of operations on each side. Chinese naval ships are cruising within the Taiwan Straits and around the island itself.

Pelosi's visit to Taiwan is provocative and the angry reaction from China should have been expected. Beyond the immediate series of threatening military activities directed against the island and punitive commercial measures, what more may be expected? This merits analysis because in several weeks from now, either in October or November, the 20th Party Congress will be convened, where Chinese President Xi Jinping may seek a further unprecedented five-year term as China's top state and Communist party leader and also appoint personnel personally loyal to him in key positions which will fall vacant as a result of retirements.

During the period the exercises continue, there will be a virtual blockade of Taiwan as foreign vessels and aircraft will be obliged to stay clear. Economic sanctions have been announced, prohibiting imports of a whole range of foodstuffs from Taiwan. There may be more to come. One item which will be left out is semi-conductors, a critical import for a range of Chinese high-tech industries. Taiwanese firms like the Taiwan Semi-Conductor Manufacturing Company (TSMC) are world leaders in the most sophisticated brands of chips imported by a large number of countries. This is an area of acute vulnerability for China. This may either hasten Chinese plans to invade and occupy Taiwan in order to gain access to this critical capability or to deny China's adversaries — in particular, the US — access to it. Taiwan sits right in the middle of US-China high-tech competition.

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will commit to defending the island against the Chinese military threat. Taiwan is indeed caught in the crossfire between China and the US and being a proxy in a fight between giants is the most uncomfortable position for any state to be in. Just ask Ukraine.

The US has carried out a precision drone attack in Kabul, eliminating the al Qaeda leader, Ayman al-Zawahiri. This was designed to refurbish the US's credibility which had been severely damaged by its chaotic withdrawal from Afghanistan. But its timing may not have been coincidental. It was a timely advertisement of US capabilities in precision and high-tech warfare.

Just as Taiwan is caught in a crossfire between the US and China, so are the East Asian and South East Asian countries. Most do not wish to be forced into making a choice. They feel reassured by the considerable US military presence deployed in the region and tacitly support its Indo-Pacific strategy. However, their economic and commercial interests are bound ever tighter with the Chinese economy. This having it both ways strategy is beginning to fray at the edges with the escalating tensions between the US and China. The long period of relative peace in Asia may be nearing its end.

What about India? Prudence demands that India hew closely to its consistent one China policy even while maintaining and even expanding non-official relations with Taiwan. For the US, Japan and Australia, members of the Quad, Taiwan is a key component of the Indo-Pacific strategy. It is not for India.

In one sense, China's preoccupation with its eastern ocean flank of the Yellow Sea, the Taiwan Strait and the South China Sea is good for India. It diminishes Chinese attention toward the Indian Ocean, India's primary security theatre. One should use the opportunity to expand India's naval capabilities and maritime profile in this theatre before the Chinese begin to look to our extended neighbourhood with renewed interest and energy.

*The writer is a former Foreign Secretary and a Senior Fellow, CPR*