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TAIWAN STRAITS: A STUDY OF CHINESE AND TAIWANESE STRATEGIES

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South China Sea

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Introduction

Taiwan, a small island, surrounded by the East China Sea in the north, the South China Sea in the South, the Pacific Ocean in the East, and China in the West; has been at the cusp of confrontation and conflict since its establishment. For a long time, especially after Kissinger's secret visits and the US-China rapprochement, the US prioritised engagement with China purely due to economic reasons and avoided any 'provocation' on the issue of Taiwan. Taiwan i.e. Republic of China also lost its UN membership in 1971 owing to adoption of UNGA Resolution 2758. But in the contemporary dynamics of international politics, China, being a revisionist power, is trying to reshape the global order according to its own values and principles and America is trying hard to safeguard its status as a leading power, less is left common between China and the USA to take care of each other's sensitivities. Hence the issue of Taiwan is again reaching a tipping point, a dangerous situation, becoming a playground of power play between the most significant powers in the world at the moment. Cross-Straits Relations have deteriorated in recent times, especially after the election of DPP's candidate Tsai Ing-wen.



Repeated Chinese accounts ranging across the spectrum from the political leadership to military officers and even non-authoritative sources have been consistent in not only laying claims on Taiwan but also resolutely resolving to take it under the fold of Chinese sovereignty, even if non-peaceful military means need to be used. These are not just hollow claims but something which the Chinese take very seriously as they have shown by repeated incursions by Chinese fighter fleets in the Taiwanese Air Defence Identification Zone (ADIZ), imposition of a virtual naval blockade by PLAN after Nancy Pelosi's visit in 2022 as well as other grey-zone tactics that the Chinese adopt.

Over the past few decades, the exponential growth of the Chinese economy, which was translated into military modernisation, poses a grave threat to Taiwan. A much more confident and bellicose China, which feels that time is on its favourable side, feels that it can subjugate Taiwan, militarily if not peacefully. The US Director of National Intelligence, in their Annual Threat Assessment 2023 said, "In 2023, Beijing will continue to apply pressure and possibly offer inducements for Taiwan to move toward unification and will react to what it views as increased U.S.–Taiwan engagement."¹ She further added while testifying to the US Congress in May 2022 that "the threat to Taiwan is critical, or acute, between now and 2030."² Hence, the threat of cross-strait invasion is very real and can materialise once China feels the time is ripe.

¹ (Office of Director of National Intelligence 2023)

² (Gertz 2022)

So, it is imperative to study this issue in great detail to understand this potential conflict as it can have serious ramifications for India and the world.

China's Plans To Reunify Taiwan - How Real They Actually Are?

Leadership

The Chinese leadership has been consistent in laying their claims on Taiwan and has been very serious regarding making the world agree to the "One China Principle" that there exists only one China and the People's Republic of China is the sole and rightful representative of that One China. But this was not the case at the time of the establishment of the PRC. Mao in his 1937 interview with American journalist Edgar Snow had said, "…we will extend them (the Koreans) our enthusiastic help in their struggle for independence. The same thing applies for Taiwan."³ This stance was followed by other Chinese leaders like Zhou Enlai. But there was a complete turnaround in Chinese policy when the nationalists began to argue that Taiwan should be 'returned' to the Republic of China which was incorporated in the 1943 Cairo Declaration, that Mao and CCP changed their positions and started claiming Taiwan as their own.

Since then, the Chinese position has largely remained the same and they have incorporated this in their official documents, policy papers, and leadership speeches and have reiterated the same point over and again. Xi Jinping's predecessors, Jiang Zemin (1993-2003) and Hu Jintao (2003-2013) policies on Taiwan can be understood through the White Papers released in their era. Their basic guideline regarding Taiwan was 'peaceful reunification' with 'One Country Two Systems (1C2S). But they did not rule out the possibility of use of force if required.

The 1993 White Paper released under Jiang Zemin emphasized that "as long as Taiwan agrees to the premise of 'One China, everything else is negotiable."⁴ These documents also argued that Taiwan could enjoy greater autonomy and even keep its own military. Hu Jintao's policies also largely remained the same. It is important to note that under the leadership of Hu Jintao, the 2005 Anti-Secession Law was passed which focussed on the prevention of Taiwan's secession from China and situations arising if peaceful reunification fails. Its Article 8 stated that PRC may use "non-peaceful means if secessionist forces….cause the fact of Taiwan's secession from China" or "if possibilities for peaceful reunification" are exhausted.⁵

Xi Jinping has indeed adopted some policy stances from his predecessors, so in that sense, there is definitely some continuity in his policies, but we also see a break from past approaches towards Taiwan since Xi has taken over. Xi has been more bellicose in his approach, more coercive in his policies, has taken a tough stance and has been unrelenting towards Taiwan. Cross-strait relations reached a nadir when Tsai Ing-wen

³ (Wees 2022)

⁴ (Lin 2022)

⁵ (Office of Secretary of Defence 2022)

won the elections and China closed all the communication channels. Xi's stance can be understood from the key speeches he delivered at some important events.

In November 2016, Xi while giving a speech to commemorate Sun Yat-Sen outlined the 'Six Any's', "China will never allow anyone, any organisation or any political party to rip out any part of our territory at any time or in any form."⁶ Moreover, through his speeches, he has interlinked China's national rejuvenation and Taiwan's reunification. He has linked two otherwise distinct issues and has made it imperative that rejuvenation will allow for unification, and at the same time, rejuvenation will be incomplete without unification. This was made very clear at the 19th Party Congress in 2017, where Xi said, "Maintaining lasting prosperity and stability in Hong Kong and Macau and achieving China's full reunification are essential to releasing national rejuvenation."⁷ He further in a 2019 speech to his Taiwan compatriots said, "The Taiwan question originated in a weak and ravaged China, and it will definitely end with China rejuvenation." He further noted that "we should not allow this problem to be passed down from one generation to the next."⁸

Chinese rejuvenation is due by 2049, so essentially, Xi Jinping has linked the subjugation of Taiwan, peacefully or by military means, by giving it a deadline, though a long one. He has made it clear that he will not tolerate any attempts to separate China's territory. He has displayed a firm stance and strong commitment on the Taiwanese issue.

<u>White Papers</u>

China has released three White Papers on Taiwan now, The Taiwan Question and Reunification of China in August 1993 and The One-China Principle and the Taiwan Issue in February 2000. These White papers have comprehensively elaborated the Chinese position on Taiwan and how China sees the resolution of the issue. The 2022 White paper on Taiwan titled, *The Taiwan Question and China's Reunification in the New Era,* argues, Taiwan being part of China is an indisputable fact, and, "The CPC and the Chinese government have the strength and the confidence to deal with complexities and overcome risks and threats, and the ability to take great strides forward on the path to national reunification."⁹

The official Chinese position from authoritative sources has grown aggressive and deliberate, especially since Xi Jinping came to power, but at the same time being cautious keeping the door of 'peaceful reunification' open and focusing on subjugating Taiwan without firing a shot through the hybrid means. In the pre-Xi Jinping era, if the balance was more towards "peaceful reunification," it shifted more towards the use of force to subjugate Taiwan.

⁶ (Lin 2022)

⁷ (Lin 2022)

⁸ (Lin 2022)

⁹ (The Taiwan Affairs Office of the State Council 2022)

The 2022 White Paper on Taiwan says, "Complete reunification is critical to national rejuvenation."Only by realizing complete national reunification can the Chinese people on both sides of the Straits cast aside the shadow of civil war and create and enjoy lasting peace. National reunification is the only way to avoid the risk of Taiwan being invaded and occupied again by foreign countries, to foil the attempts of external forces to contain China and to safeguard the sovereignty, security, and development interests of our country."¹⁰

The White Paper exhorts that Taiwan was invaded and subjugated by a foreign power when China was "poor and weak." But today China has grown and it will never allow Taiwan to separate again, and "Attempts to reject reunification and split the country are doomed because they will founder against the history and culture of the Chinese nation as well as the resolve and commitment of more than 1.4 billion Chinese people."¹¹

These White Papers clearly lay out the intentions of the Chinese communist regime and gives directives to the PLA to be ready for the same.

• <u>Unauthoritative Sources</u>

Unauthoritative sources like Global Times and China Daily have been very belligerent, aggressive, and threatening not only towards Taiwan but also the USA. For example, in October 2021 editorial, Global Times stated, "Strategic collusion between the US and Japan and the DPP authorities is becoming more audacious, and the situation across the Taiwan Straits has almost lost any room for manoeuvre, teetering on the edge of a face-off, creating a sense of urgency that the war may be triggered at any time."¹²

Such unauthoritative sources do sabre-rattling at behest of the Chinese administration as they are largely regulated by the state and often work as mouthpieces of the CCP's organs. Though it is difficult to ascertain how much impact they have on the official policy making of the Chinese, they are part of cognitive and information warfare against Taiwan to weaken their morale and resolve and set the tone and tenor of unfolding situations in favour of China through force projection and information warfare.

All of this must not be misunderstood as just some dialectical war from the Chinese side. Chinese are serious about the issue and they have long been developing military capabilities and are 'biding the time' to grab the opportunity at a right time of their choice when they feel that the tides are in their favour.

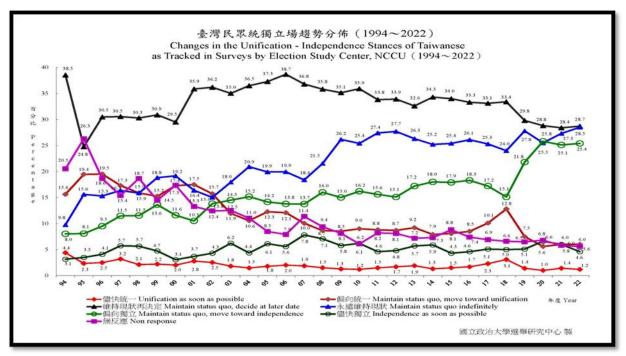
This has become even more evident due to a lack of mutual trust between the US and China not only on Taiwan but on a range of issues like intellectual property, human rights, and global order, which has only increased the acrimony between the two major powers; the absence of any dialogue on the issue of Taiwan, and most importantly,

¹⁰ (The Taiwan Affairs Office of the State Council 2022)

¹¹ (The Taiwan Affairs Office of the State Council 2022)

¹² (Swaine 2021)

dwindling share of 'Taiwanese' who consider themselves as 'Chinese' and support reunification with the mainland China.



Source: https://esc.nccu.edu.tw/upload/44/doc/6963/Tondu202212.jpg

Today, most Taiwanese are against reunification, with only 1.2% people supporting reunification and a whopping 28.7% calling for "maintaining status quo and deciding at a later date" and 25.4% arguing for "Maintain status quo and move towards independence."¹³ Hence Taiwanese people must build a strong community defence against China on the lines of Ukraine. Ukraine has shown that commitment and resolve to deter the enemy can yield results disregarding the relative strength compared to the adversary.

The US Department of Defence China Military Power Report (CMPR) states "Having purportedly achieved its 2020 modernisation goal, the PLA now sets its sights to 2027 with a goal to accelerate the integrated development of mechanisation, informatisation, and intelligentisation of PRC's armed forces. If realised, this 2027 objective could give the PLA the capabilities to be a more credible military tool for the Chinese Communist Party (CCP) to wield as it pursues Taiwan unification."¹⁴

It seems that Chinese have learnt lessons from Taiwan Straits Crises of the past, i.e. 1954-55, 1958 and 1995-96. They have focussed on:

(i) Isolating Taiwan, with China successfully poaching nine countries from diplomatic orbit of Taiwan since Tsai Ing-Wen has taken over further shrinking Taiwan's support base at the global stage with now only 13 countries having formal diplomatic relations with Taiwan.

¹³ (Election Study Center, National Chengchi University 2023)

¹⁴ (Office of Secretary of Defence 2022)

(ii) Focus on shaping narrative in favour of China and presenting People's Republic of China as sole legitimate China.

(iii) Not only raising a credible military deterrence through enhanced military preparedness but projecting it through means of information and communication technologies to create fear in the mind of adversary.

(iv) Creating economic leverage through deep trade ties and economic integration to make Taiwanese economy integrated and dependent on China.

(v) Taking steady and cautious steps towards peaceful reunification as it being the best option for China, but at the same time keeping military options open.

Though less is available in the open domain, the following are the possible options China has, form probable war games, to Chinese strategy and tactics:

• Joint Firepower Strike Operations

China plans to launch air strikes and missile strikes deep into the enemy's territory with an aim to conduct successful SEAD (Suppression of Enemy Air Defence) Operations. This attack would try to eliminate important political and military installations in a quick time so as to avoid any counter-offensive from either the Taiwanese Air Force or USAF stationed on nearby bases in Japan. The aim would be to weaken the Taiwanese morale for any kind of community resistance. According to open-source media reports, China has been upgrading its Longtian Airbase, nearest to Taipei by replacing outdated J-6s with J-11s (NATO Name - Flanker). China also has strategic H-6K bombers for long-range precision strikes along with medium range Y-8 transport aircrafts, early warning platforms and long range drones for reconnaissance and intelligence gathering.

PLARF also has a missile arsenal having both short and long range missiles like DF-15B and DF-17 respectively.

If US and its allies, successfully manage to bear the first blow of Chinese attack and then launch a effective counter-strike on Chinese bases and other military positions, then China does not stand a firm ground in this scenario and stands to loose more than gain.



Source: http://eng.chinamil.com.cn/ARMEDFORCES/EasternTheaterCommand/News_209147/_attachment/2023/04/ /12/16218840_50614d23a8370856d65b182e681ccc99.mp4

Joint Blockade Operations

In this case, China would employ PLAN to completely encircle and cut off Taiwan from the rest of the world through intense naval attacks, complementary air raids, the use of electronic and cyber warfare, and gaining sea control and air superiority leading to complete isolation of Taiwan and then waiting for Taiwan to succumb to these pressures. Chinese armed forces in the past have demonstrated "drills to form multi-directional island encompassing blockade situation."¹⁵ The Shandong aircraft carrier has taken part in such drills to ensure combat readiness with J-15 fighter aircrafts on-board. Chinese legislature also passed National Defence Transportation Law in 2016 to provide legal basis for use of civilian 'roll on/roll off' ships to complement the blockade efforts of PLAN by providing them with more ships at their hand in an event of conflict.

The chances of success are high in this case for China as it has raised a strong Navy and PLAAF complementing the efforts make it a strong option for China to take this route to subjugate Taiwan, given China's C4ISR capabilities remain lethal. But success of this plan largely depends on response and reaction from the US forces and how they decide to respond. If China's command systems fail, then US and allied forces will remain in an advantaged situation and exploit loopholes in China's C4ISR systems and ensure defending Taiwan. But it will be a million-dollar question, if US will put its boots on ground or involve this deeply in conflict after we have seen US directly not coming to help Ukraine.

¹⁵ (Blanchard and Lee 2023)



<u>Amphibious Operations</u>

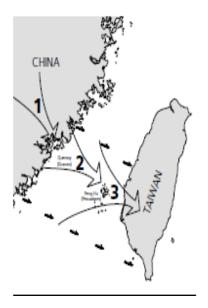
In this scenario, China would attempt, "a bolt-out-of-the-blue or zero warning invasion." PLA would try to gain local control in nearby islands like Kinmen, Wuqiu, Matsu, Dongyin, and Peng Hu. The PLA would make amphibious attacks on the main island of Taiwan to seize areas of strategic importance like ports, airports, beaches, etc. But in this case, China would require huge firepower and mechanized units and must be ready to face heavy losses in the wake of Taiwan's employment of the 'porcupine strategy.' This kind of operation will be very much complicated and will require robust and continuous logistical support.¹⁶

But these are very fictitious situations that appear like a cakewalk and swift operations, but only on paper. In a real-life situation, as Piers M Wood and Charles D. Fergusson suggest, the Chinese plan to invade Taiwan would be a "Phased Invasion" not a completely black-and-white operation, but an operation with grey zone tactics.

Also the recent Ukraine War suggests that no matter what numbers and status suggest, with a dedicated and motivated force and community, with strong logistical support, even a much smaller actor can pose a serious challenge to a mighty military power. Ukraine has shown that just having an advantageous 'bean count' cannot guarantee a military victory. Having considered this Ukraine counter-offensive and taking their lessons from it, China could be preparing plans for a much more protracted and long-drawn conflict and hence a phased invasion.

¹⁶ (Easton 2019)

• <u>A Phased Invasion</u>



There are more chances that China would rely on a plan of "phased invasion." According to Piers M Wood and Charles D. Fergusson, the invasion would be in three phases, (i) seizing Kinmen and other islands which are nearby the mainland, (ii) capturing the Peng Hu Islands, and then (iii) attacking and capturing the West Coast of Taiwan.¹⁷

But the phased invasion runs the risk of alerting the Taiwanese, the USA, and the whole world to a nefarious plan of China and gives Taiwan, though less but indeed some amount of time to prepare hence this plan is bereft of advantages of sudden out-of-the-blue operation.

However even minimal success in a phased invasion will save the face of the incumbent Chinese regime and generate great domestic support. Chinese are very good at salami slicing, a tactic short of war putting the party at the receiving end in the dilemma of escalating or not escalating the situation. Also, a phased invasion will keep the window open for negotiations and getting important concessions from the Taiwanese, if they manage to make great advances in earlier phases and wear down the morale of the general public.

Hence the best bet for China will be "waging war through other means," wearing off Taiwan's resolve, raising cost of deterrence like increased budgets in operations and maintenance of scrambling jets due to PLA's ADIZ incursions which is taking toll on defence budgets of Taiwan.¹⁸ China can tolerate such costs being a very large economy, but it takes toll on limited resources of Taiwan. Also Chinese attempts at limiting its international support, shrinking space for Taiwanese voice at international fora are other means to keep Taiwan in 'control.'

In any case, it will be a great test of Chinese capabilities, their modernised army, their soldiers, and their leadership. An invasion will disrupt China's economic growth; invite sanctions and bad name for them on the global high table. They have a lot to learn from the Russian invasion of Ukraine. Ukraine, a much smaller nation, has given a strong defence against the Russian forces and has made their special military operation protracted and costly in terms of men, money, and material.

¹⁷ (Wood and Ferguson 2001)

¹⁸ (Chung 2021)

Taiwan's Defence - A Matter Of Survival

For China, invasion to subjugate Taiwan is a matter of choice, but for Taiwan, its defence is a matter of survival. Since the decoupling of the USA and China, and the heightened competition between them, the situation in the Taiwan Straits has become dire. With integration and jointness in the military forces of China, repeated ADIZ incursions, simulations, and military exercises for naval blockades, and employment of grey zone tactics, the threat is very real and omnipresent. Hence Taiwan must have a robust, practical, and all-encompassing defence strategy that must factor in a strengths and weaknesses analysis of both themselves and of their adversary.

The defence plans of Taiwan can be understood from their policy document named Quadrennial Defence Review 2021. Their main military strategy is "resolute defence and multi-domain deterrence." along with achieving self-reliance in defence development and production. The guiding principle is "resist the enemy on opposite shore, attack it at sea, destroy it in littoral areas and annihilate it on beachhead." ¹⁹ The document outlines following strategies for defence of Taiwan:

• Long Range Strike Capabilities

The aim is to launch long-range and precision strike capabilities deep inside the enemy lines, inflict maximum possible damage with high precision and make the cost of invasion for the enemy high and through this create deterrence. With no nuclear option, Taiwan is focussing on Long Range Conventional Precision Strikes (LRCPS) System. Taiwanese, off late have been focusing on subsonic Hsiung Feng IIE (600-1200 km range) and supersonic Yung Feng (>1200 km range) ground launched cruise missiles. Taiwan has also acquired ATACMS Tactical ballistic missiles and HIMARS launchers. With these platforms and weapon systems Taiwan theoretically covers large portions of China, but all depends on their protection from incoming Chinese SEAD attacks and then using them in counter offensive.

• Anti-Air Operations

China has a strong and capable air force that has displayed capabilities to conduct air raids and missile attacks across Taiwan with an aim to take out important political and military installations in a quick time to weaken the Taiwanese chain of command and the overall morale of the Taiwanese public. Hence Taiwanese political and military leadership has planned elaborate counter-air operations to execute defensive operations, protect their force and Air Defence Systems as well as achieve some kind of air superiority. Taiwan has an Indigenous Defence Fighter (IDF) AIDC F-CK-1 Ching-Kuo, Mirage 2000s and F-16A/B and F-16V in its fighter fleets totalling up to 300 as per conservative estimates. But Taiwanese Air Force does not have strategic bombers. In a modernisation effort, Taiwanese taking lessons from Ukraine plans to

¹⁹ (Ministry of National Defence 2021)

retrofit their drones with lasers and ammunition with laser lock-on to targets capability and then targeting them through ammunition in case of conflict with China.

• <u>Sea Control Operations</u>

The Taiwan Strait acts as a natural barrier of defence between China and Taiwan. Taiwan must brace for a 'defence-by-denial' strategy and not let China cross, or inflict heavy damages on the way to the main island through the first (Kinmen and Matsu) and the second (Peng Hu) islands. For this, they must develop mobile coastal anti-ship capabilities, advanced mines as well as field air defence integrated into agile and light Rapid Maritime Force for fortification of beaches where Chinese threat is imminent. Taiwan has AGM-84 Harpoon subsonic anti-ship missiles which will bolster their coastal defence. They also have destroyers (*Kidd* class of US origin), frigates (*Lafayette* class of French origin) and corvettes (*Tou Chiang* class). They do have a submarine fleet but that is aging and does not stand in front of Chinese underwater warfare capabilities. They also have Sky Sword I SAMs with shipboard deployment. They are also focusing on Fast Mine Laying Boats (FMLBs) of Min Jiang class to thwart amphibious landing operations of the Chinese.

• Enhancing C4ISR capabilities

Since the balance in Taiwan Straits has shifted in favour of China in last couple of decades, Taiwan must leverage C4ISR capabilities to keep a check on Chinese activities and develop a robust early warning system for better responses in the air and maritime domains. According to the Quadrennial Defence Review 2021, it will enable, "real-time battlefield information, effective battlefield management, and improved effectiveness of joint operations."²⁰ The command systems must be streamlined to enable a better kill chain and respond to contingencies in real-time in an effective manner.

But the Quadrennial Defence Review 2021 itself states that at present, "PLA is capable of undermining our air defence and sea control and C2 systems."²¹ Hence Taiwan must develop grey-zone tactics to deter China. This clearly calls for upgradation and enhancement of the current systems. Taiwan being a global leader in computer chips and society that has lot of innovation capacity must formulate plans to chalk out better response. Taiwan should focus on both cyber and space and electronics and communication verticals and strengthen its C4ISR capabilities.

In these respects, the much talked about 'porcupine strategy' of asymmetrical warfare and Adm Lee Hsi Min's "Overall Defence Concept" is relevant. The porcupine strategy is premised on the thought of "evading the enemy's strengths and exploiting their weaknesses." There are three layers, the outermost layer being ISR and how they can be used in force protection and battle preparation. The next layer is about plans of

²⁰ (Ministry of National Defence 2021)

²¹ (Ministry of National Defence 2021)

warfare at sea with the objective of sea control along with air support. The innermost layer of defence aims to take advantage of the geography, topography, and demography of the island. China through elaborate joint operations of air raids and missile strikes can definitely destroy key installations of Taiwan, but this porcupine strategy will indeed make the landing of Chinese forces on the main island of Taiwan extremely difficult.²²

Admiral Lee Hsi Min's Overall Defence Concept (ODC) focuses on a "newly integrated approach to shaping the military's *force buildup* and concept *of operations.*" *Force preservation, conventional capabilities*, and *asymmetric capabilities* are the three pillars of the ODC for force buildup. For force protection, ballistic proof jackets, anti-mine boots, advanced camouflage techniques, and advanced armoured vehicles along with electronic warfare techniques will be required.²³

Robust air and maritime patrolling with high precision involves conventional capabilities while unconventional capabilities are used to gain a tactical advantage in war zone situations. It is about aggregating your own strengths while hiding your weaknesses and exploiting that of your adversaries. The three verticals of the concept of operations are force protection, the decisive battle in the littoral zone, and the destruction of the enemy at the landing beach.

A lot will depend on the kind of support the US will provide. In Ukraine, the US has not put its 'boots on the ground' but has given extensive financial and military aid. It is the Ukrainian flesh and blood that is fighting against the Russians. Hence Taiwan must focus on building a robust community defence and prepare its population for the same.

Why Taiwan Matters - Implications For India And World

A potential conflict in Taiwan runs the risk of having a great number of disruptions across the world and specifically in India. The dire consequences can be divided into geopolitical, economic, and impact on values, rules, norms, and democratic values and freedoms. The assessment of such negative implications though is difficult as how the conflict in the Taiwan Straits shape is difficult to predict but a study of possible implications can be done.

• For World

The greatest geopolitical impact of the conflict in Taiwan will question the global influence of the USA. The US itself is a divided house over a number of highly divisive issues, is distracted by Russian actions, and given the protracted nature of the war in Ukraine, the USA will remain distracted for long, so any success of China with regards to Taiwan will seriously raise question on security guarantees to Taiwan provided by the USA and its commitment to global peace and security being a superpower.

²² (Hsi-min and Lee 2020)

²³ (Hsi-min and Lee 2020)

For the Chinese regime, it will be a great face-saving moment that will further bolster the authority and legitimacy of the Chinese Communist Party. Chinese have been successful in curtailing diplomatic support for Taiwan with as many as nine countries switching sides in favour of China under the nose of USA since Tsai Ing-Wen has taken over. Also, the Chinese belligerent behaviour will only rise across all the flashpoints in its periphery, the primary ones being, India, the South China Sea, and with Japan and South Korea. The Chinese will be better placed to shape global norms and values with increased weight and stature of the Chinese military and diplomatic prowess but only in the longer term.

The heaviest brunt will be faced by the world in the economic sphere. A large number of goods produced in China reach the western hemisphere passing through the Taiwan Straits only. About 50% of the world's container fleet passes through the Taiwan Straits. "A war across the Strait would not only be a human tragedy, it would destroy world trade worth \$2.6 trillion, according to Nikkei Asia. No country could shield itself from the repercussions.²⁴ A conflict in Taiwan Straits has hence potential to disrupt the global supply chains to a large extent which can raise the costs of goods and bring general inflation and slowdown across the major and emerging economies of the world. Chinese outbound investments across the world will fall in wake of conflict which will bring slowdown to global economy as well as sales of MNCs to Chinese market will be also impacted heavily. We must remember that Russia is not integrated to world economy as much as China is; so a conflict, a possible war in Taiwan Straits will be nothing short of an economic catastrophe.

The impact a potential conflict will have on the semiconductor industry is altogether a different vertical to study. The top ten chip manufacturers are in Taiwan, with the largest one being the Taiwan Semiconductor Manufacturing Corporation. (TSMC) According to a report in The Economist, "chips that power everything from mobile phones to electric cars—and they make up 15% of Taiwan's GDP.²⁵ Taiwan produces over 60% of the world's semiconductors and over 90% of the most advanced ones. Most are manufactured by a single company, TSMC." "A rough, conservative estimate of dependence on Taiwanese chips suggests that companies in these industries could be forced to forego as much as \$1.6 trillion in revenue annually in the event of a blockade."²⁶ Computers and electronics are today at the centre of human life and existence. But these computers and electronics are powered by semiconductors or chips, the majority of which are produced in Taiwan. So a conflict in Taiwan has the potential to upset the whole supply chain of one of the most integral parts of machines that have become so integral to human life.

Apart from the geopolitical and economic impacts, a takeover of China by Taiwan will shrink the space for democracy and freedom. China being an authoritarian and dictatorial state will repeat what it did to Hong Kong, to which the global community

²⁴ (The Guardian 2023)

²⁵ (The Economist 2023)

²⁶ (Vest, Kratz and Goujon 2022)

was nothing but a mute spectator. Taiwan is a vibrant democracy, a free society that values liberties and freedoms, just next door to a communist dictatorship. Hence a subjugation of Taiwan will diminish the values and norms of democracy and freedom and will give China an upper hand at the global high table and international institutions.

• For India

India is experiencing Chinese assertiveness and coercion; therefore it is essential to study the impact on India. One definitely is the economic fallout India will have to face due to the disruptions created in the trade and economy and the domino effect due to them. The problem aggravates for India due to large and voluminous bilateral trade between India and China which runs the risk of being hampered on a large scale. "Today, nearly 55% of India's trade with the Indo-Pacific region passes through the South China Sea, and a large portion of that goes through the Taiwan Strait."²⁷ So any conflict in Taiwan Straits would be an economic nightmare for India with important trading routes and sea line of communications (SLOCs) being severely impacted in case of conflict.

Any degree of "victory" for Chinese leaders in Taiwan will only bolster their resolve towards violently settling disputes and hence may trigger a conflict on undemarcated and already confrontational LAC. Also a successful subjugation of Taiwan will let go of a potential lever India has against China, which though India has not used it up to its potential till date. Apart from it, a loss for Taiwan would not be good for India, as it will raise questions amongst the Indian strategic elite regarding how much Americans can be trusted when it comes to countering the Chinese?

In such a scenario, the best possible situation for India is a status quo in the Taiwan Straits, while balancing China by increasingly but cautiously engaging with Taiwan in semiconductor and chips manufacturing, easing the routes of investments for Taiwanese companies in the field of EVs and footwear, etc, alongside cooperating in maritime domain awareness and intelligence sharing and joint surveillance and reconnaissance capabilities. India should engage with Taiwan but must not forget Taiwanese historical position on issues of Tibet, Aksai Chin and other confrontations between India and China align more with the Chinese views.

Conclusion

The exponential growth of China's economy and its military modernization pose a grave threat to Taiwan. The Chinese leadership, from Mao Zedong to the current leader Xi Jinping, has consistently claimed Taiwan as part of China and emphasized the "One China Principle." While previous leaders advocated for peaceful reunification under the "One Country, Two Systems" framework, Xi Jinping has adopted a more

²⁷ (Menon 2022)

bellicose approach. He has linked China's national rejuvenation with Taiwan's reunification and set a deadline for accomplishing this goal by 2049.

Given the lack of mutual trust between the United States and China, the absence of dialogue on the Taiwan issue, and the changing dynamics of the global order, the risk of a cross-strait conflict has increased. It is imperative for the international community, including countries like India, to closely study and understand the complexities of the Taiwan Straits issue. The potential conflict in this region could have far-reaching consequences, impacting not only regional stability but also global security.

Efforts should be made to promote peaceful resolutions and maintain open channels of communication between China, Taiwan, and other stakeholders. Diplomatic engagement, confidence-building measures, and the recognition of Taiwan's status as a valuable participant in the international community are crucial steps towards deescalating tensions and finding a peaceful resolution to the Taiwan Straits issue. The international community must remain vigilant and work towards ensuring a stable and peaceful future for the region.

DISCLAIMER

The paper is author's individual scholastic articulation and does not necessarily reflect the views of CENJOWS. The author certifies that the article is original in content, unpublished and it has not been submitted for publication/ web upload elsewhere and that the facts and figures quoted are duly referenced, as needed and are believed to be correct.

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