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Victory Denial: Deterrence in Support of Taiwan

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NATIONAL INSTITUTE FOR PUBLIC POLICY

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Executive Summary

The United States faces a deterrence challenge wholly unlike those of the Cold War—how to deter China, as a great power, from invading Taiwan. The United States and its allies confront a leadership in Beijing that has staked its legitimacy, to a large extent, on nationalism and the related promise of incorporating Taiwan into the political structure of the mainland. The CCP leadership perceives this as an existential goal and failure to achieve unification as an existential threat. Correspondingly, China has worked for decades to shift the local balance of immediately-available military power for this purpose in its favor. Taiwan is significantly less militarily capable than China; its main ally, the United States, is geographically distant, and the extent of its deterrence commitment to Taiwan is intentionally ambiguous. Similarly, most U.S. allies in the region face the same problems of geographic distance and political sensitivities of interacting with Taiwan on defense issues. Finally, China’s prospective aggression would likely be met by an “international community”—much of which is heavily dependent economically on trade with China. Under these circumstances, the United States may be able to deter China from deciding to resolve the Taiwan Question forcefully, but the challenge is severe.

What then are the U.S. political goals relative to the Taiwan Question? The United States cannot realistically expect to compel the CCP to end its aspiration to incorporate Taiwan into the mainland—doing so would be contrary to the CCP’s core identity and threaten the legitimacy of its rule. Successful deterrence in this case is limited to the U.S. political goal of continuing to prevent the CCP from deciding to forcefully eliminate Taiwan’s political autonomy, as is specified in the 1979 Taiwan Relations Act (TRA). Thus, the United States should state clearly, as it did in the TRA, that it is U.S. policy to support

the continuation of the political status quo on Taiwan (neither supporting Taiwan's declaration of independence as a sovereign state, nor being forced to unite with China under the mainland's communist political system) i.e., deterring any forceful attempt to alter the status quo.

The United States, from China's apparent perspective, is at a deterrence disadvantage over the Taiwan Question. The likely reasoning for that perspective is clear: China has greater stakes involved in the Taiwan Question, a favorable local balance of power, and, because the United States has eschewed defense of the homeland against great nuclear powers, the United States faces an existential risk if a regional conflict over Taiwan escalates to the level of nuclear threats. Consequently, the CCP appears to deem Washington to be less able and willing to threaten, engage in, or escalate a conflict to defend Taiwan than is China in its pursuit of unification. In this context, the credibility of any implicit or explicit U.S. deterrence threat to engage in an escalating conflict is likely to be suspect.

The U.S. supreme interest in avoiding an escalating conflict over Taiwan at virtually all costs must be apparent to CCP leaders and an avenue for successfully deterring the United States via coercive escalation threats. Plainly stated, even if the current count of strategic nuclear forces favors the United States, the apparent larger number of U.S. strategic nuclear forces does not translate directly to U.S. deterrence advantage in the case of Taiwan. China's perception of an asymmetry of stakes and its capability to threaten the U.S. homeland with devastating strikes may allow it, even encourage it, to engage in coercive nuclear threats against the United States and its allies if necessary to succeed – threats the United States cannot now counter.

The deterrence challenge for the United States is to adopt the deterrence strategy and capabilities needed to deny the CCP any plausible confidence in the potential for a local *fait accompli* that is secured by coercive nuclear

escalation threats, and to instill in the minds of China's leadership the credibility of U.S. deterrent threats. In short, the U.S. deterrence strategy must deny China the expectation that it has escalation dominance vis-à-vis the United States and allies regarding the Taiwan Question. Escalation dominance may be attributed to numerous possible deterrence conditions, e.g., an advantage in manifest will, stakes, determination, geography, temporal constraints, and local and/or broader military capabilities. Unfortunately, the CCP may, for understandable reasons, be confident that it has advantages that give it escalation dominance with regard to the Taiwan Question. In this challenging context, the U.S. deterrence strategy must now threaten to impose costs in response to China's prospective aggression against Taiwan that the CCP leadership would find more intolerable than a continuation of the status quo.

For deterrence purposes, it is of singular importance to remember that the CCP leadership will determine whether the "costs" threatened by U.S. and allied officials are sufficient to deter it from changing the status quo on Taiwan forcefully. That is, Beijing ultimately determines the adequacy of U.S. and allied deterrent threats, not Washington. The usual insular and stovepiped U.S. discussions of deterrence strategy and requirements that ignore this reality are more likely to be dangerous than enlightening.

In response to this deterrence challenge and the disadvantageous political and military conditions surrounding the Taiwan Question, the United States and its allies should adopt a new victory denial deterrence strategy, one that incorporates military and non-military deterrence tools, including some in the realms of diplomacy and economics. To support this deterrence strategy, the United States must deny the CCP any confidence in a regional *fait accompli*, i.e., deny the expectation of a quick local military victory, and any confidence that threats of escalation,

including limited nuclear escalation, will provide the solution to the prospect of a local victory denied. This is a deterrence strategy to deny China escalation dominance; it is not a strategy for U.S. escalation dominance or pretending that it is within the U.S. grasp. Notions of U.S. strategic nuclear superiority and “victory”—and the deterrence dominance that could, in theory, follow from such capabilities, are implausible. But the conditions needed to deny China its notions of victory, and the deterrent effect that could follow from a victory denial deterrence strategy, are likely the best plausible option for U.S. officials to strive for with regard to the Taiwan Question.

More specifically, U.S. deterrence threats to China must convey three distinct but related messages: that the United States has the will and capabilities necessary to support its political goals; China’s victory, either locally or via escalation threats, is improbable and risky; and, even if China were to achieve a local military victory, the price it would pay in doing so would be far greater than the hurt involved in enduring a continuation of the status quo. Why may a victory denial deterrence strategy be adequate in this particular case? The answer is clear: the CCP has resorted to nationalism as a primary rationale for its rule. In doing so, it has elevated successful unification with Taiwan as an existential goal—if attempted forcefully, failure would be a wholly intolerable repudiation of the legitimacy of CCP rule. This reality may provide great motivation for the CCP to escalate to win any such conflict, but it also provides a point of great CCP deterrence vulnerability and deterrence leverage for the United States, i.e., a U.S. victory denial deterrence strategy carries tremendous potential leverage for effective deterrence, without demanding the condition of U.S. military superiority and escalation dominance. The U.S. deterrence advantage in this context is exploiting China’s perception that being denied victory in a conflict over Taiwan would be an existential threat to the CCP

leadership's ruling legitimacy. A victory denial deterrence strategy is not unprecedented. The United States employed just such an approach to deterrence against Moscow during much of the Cold War—a history the United States can build on to adapt to current requirements.

In this context, a victory denial deterrence strategy to prevent conflict mandates: the conventional forces necessary to deny China's expectation of a *fait accompli*; the spectrum of regional and strategic nuclear forces needed to deter China's prospective threats of limited and large-scale nuclear escalation; and, to buttress the credibility of U.S. deterrence threats in response to CCP escalation, active homeland and regional missile defenses sized to defeat limited nuclear coercive threats or attacks. At the conventional military level, a victory denial deterrence strategy includes the requirement for U.S., Taiwanese, and allied forces that can be employed rapidly and are resilient enough to stalemate an invasion force—whether quickly or over a lengthier period of time through defense-in-depth. At the possible nuclear level, the United States must deploy the numbers and types of weapons deemed necessary to deter a range of possible threat scenarios—including China's limited regional nuclear attack and limited or large-scale strategic nuclear attack options. Consequently, a victory denial deterrence strategy requires, at a minimum, the continued modernization of the U.S. strategic nuclear arsenal according to the current program of record to secure deterrence at the strategic level. And, to strengthen the U.S. non-strategic regional deterrence position, the United States should remain committed to fielding low-yield nuclear weapons on strategic missile-carrying submarines, low-yield precision strike capabilities for the bomber force and non-strategic, dual capable fighter aircraft, and to the nuclear-armed, sea-launched cruise missile (SLCM-N) on both surface and sub-surface vessels.

In addition, the credibility of any U.S. deterrence strategy requires that the risks involved for the United States not be manifestly out of balance with the stakes in contention. Consequently, a condition the United States must create to make a victory denial deterrence strategy most likely to succeed is a system of damage limitation that does not depend on U.S. nuclear escalation—i.e., active homeland defense. With the current state of technology, a homeland missile defense system that is capable of denying any and all missile strikes by China may not be technically or financially feasible. Nevertheless, a U.S. homeland missile defense system that is capable of defeating limited strategic nuclear coercive threats and strikes may be feasible and sufficient for victory denial deterrence purposes, given additional investments. In the past, missile defense advocates, including Herman Kahn and Colin Gray, emphasized the value of U.S. missile defense for the credibility it could provide for U.S. nuclear escalation deterrence threats. In this case, however, the value is in helping to deny China any expectation that *it can wield credible* nuclear first-use escalation threats.

The U.S. ability to defeat a limited missile attack on the U.S. homeland would help to eliminate the CCP's capacity to threaten the U.S. homeland with coercive limited strategic nuclear escalation—doing so may be essential to the credibility of a deterrence strategy that denies the CCP the anticipation of escalation dominance. In the absence of the capability to defeat limited strikes, U.S. deterrence threats are likely to be incredible if the CCP calculates that the United States will be paralyzed by China's limited first-use nuclear threats or employment for fear of continued escalation—recall that the Taiwan Question now becomes an existential threat to the United States only in the context of such an escalating conflict. A U.S. defensive system in this case would be intended to limit the damage to the United States that China could threaten to inflict via limited

nuclear first use strikes, and thereby minimize the coercive value the CCP leadership may otherwise attribute to limited strategic nuclear escalation threats—threats and possible strikes designed to signal the ability to inflict more damage if the CCP's demands of U.S. surrender are unmet. Such a homeland missile defense capability could provide the needed credibility of U.S. deterrence threats in some scenarios by demonstrating the United States could limit damage to itself, thereby helping to control the risks to the United States, while continuing to threaten China with intolerable "harm." The value of such a system, in addition to the greater safety for the U.S. population from limited or accidental missile strikes in general, would be in its potential to help deny China confidence in its potential coercive nuclear threats and associated theory of victory—thus strengthening the U.S. deterrence position.

This range of U.S. and allied conventional, nuclear, and missile defense capabilities is within the realm of possibility and is not inconsistent with established U.S. policy guidelines regarding Taiwan, nuclear weapons, and missile defense. Indeed, the TRA and other U.S. extended deterrence commitments worldwide essentially now demand this U.S. deterrence posture. U.S. and allied officials, however, must realize that given the combination of China's stated existential stakes in a conflict over Taiwan, plus its advantage in the local balance of military forces, military-oriented deterrence threats *alone* may now be insufficient to deter conflict. To be clear, the CCP leadership appears to have a healthy respect for U.S. military capabilities and may even greatly fear its destructive power in principle, but possible inadequacies in that military power vis-à-vis China and doubts about U.S. will may combine to create a U.S. deterrence position that is incapable of deterring China from resolving the Taiwan Question forcefully if the CCP decides that force is necessary. Consequently, U.S. and allied officials should

address possible military gaps and expand the “toolbox” of a victory denial deterrence strategy to include military, economic, and diplomatic tools. This process of coordinating various possible tools of state power to deter China may be understood as a real-world application of the Pentagon’s newly announced expressions of “integrated deterrence.”

For example, a potential deterrence tool under the victory denial banner is the U.S. and allied pursuit of a “porcupine strategy” for Taiwan to deny the CCP any anticipation of a rapid *fait accompli* and raise the prospect of a possibly intolerable consequences of a drawn-out conflict over Taiwan. A second potential tool is the development of a U.S.-led alliance structure or structures intended to help deter China in general, but also to help preclude the CCP’s anticipation of a rapid *fait accompli*. A third possible deterrence tool available to the United States and its allies is the preparation of a broad economic and financial package of sanctions, tariffs, and other monetary tools that could be used in a coordinated fashion internationally should China invade Taiwan. Finally, a fourth deterrence tool consistent with victory denial is a concerted effort to communicate to the CCP leadership the potential nuclear proliferation consequences of an attempted or even successful invasion of Taiwan. The United States could make it clear to the CCP that a direct consequence of its actions would likely be a far worsened nuclear threat environment for China given the possibility that currently non-nuclear states like Japan and South Korea would initiate independent nuclear weapon programs. The prospect of a much more dangerous nuclear threat environment for China—in combination with the other potential deterrence tools—could help to make an invasion of Taiwan a more intolerable option than accepting the status quo on Taiwan.

In summary, The CCP likely perceives it has advantages in the stakes, determination, escalation, local military

balance, and geography. It seeks and needs these advantages to secure an existential goal, and thus is likely to be biased towards believing that it has them. Not only is the CCP leadership likely confident that it has these advantages, but it has every incentive to dismiss or minimize U.S. and allied deterrence signals vis-à-vis Taiwan because it has based its ruling legitimacy on “unifying” Taiwan with the mainland.

A new victory denial deterrence strategy—if communicated and backed by the requisite conventional, nuclear, missile defense capabilities, and economic and diplomatic tools—stands a chance of functioning in the face of this severe deterrence challenge, while limiting the risks to the United States that can otherwise undermine the credibility of any U.S. deterrence strategy. It must be added that a victory denial deterrence strategy also holds promise for other potential “flashpoints” around the world that threaten U.S. and allied vital national interests—including its increasing relevance to the United States and NATO given Russia’s revanchist and expansionist military moves against Ukraine, and the potential for a future invasion of one or more neighboring states.

Introduction

If the enemy is to be coerced you must put him in a situation that is even more unpleasant than the sacrifice you call on him to make. The hardships of that situation must not of course be merely transient – at least not in appearance. Otherwise the enemy would not give in but would wait for things to improve... The worst of all conditions in which a belligerent can find himself is to be utterly defenseless.¹

Carl von Clausewitz, *On War*

The fundamentals of deterrence have remained unchanged for millennia, but the unique circumstances and actors involved in the Taiwan Question undoubtedly will affect how deterrence will function—or, more gravely, whether deterrence will function. Deterrence is a relationship that both parties must enter willingly, albeit often grudgingly. The United States and Taiwan, as the status quo powers, hope to deter an invasion, but China must choose to be deterred—even under the most daunting domestic circumstances when the CCP leadership may need the unification of Taiwan with the mainland to satisfy the nationalistic sentiment it has stoked to stay in power. Deterrence under these circumstances will be difficult, perhaps impossible, but U.S. officials—in coordination with U.S. allies and partners—must nevertheless construct a deterrence strategy that leads the CCP to calculate that accepting the political status quo on Taiwan is a more tolerable option than attempting to change it forcefully. Importantly, such a strategy is needed to support the deterrence goals implicit in the 1979 Taiwan Relations Act (TRA).

¹ Carl von Clausewitz, edited and translated by Michael Howard and Peter Paret, *On War* (New York: Alfred A. Knopf, 1993), p. 85.

The purpose of grand strategy is to utilize all the relevant tools of state power (military, economic, diplomatic, etc.) to accomplish political ends—in this case, maintaining the status quo condition on Taiwan in the face of a potential invasion by China. This “grand strategy of deterrence” in the Taiwan scenario can fit usefully under the umbrella term of a “victory denial” strategy. Whereas during the Cold War, the U.S. deterrence strategy of denying victory to the Soviet Union largely consisted of military tools, including nuclear weapons, U.S. officials should broaden the scope of the tools used in a new victory denial deterrence strategy to include all the potentially useful tools of state power. Because the CCP leadership appears to envision using every means available to accomplish its stated existential goals, nothing less will suffice than a comparably concerted U.S. and allied effort to deny China any plausible definition of victory and to create the deterrence conditions in which the CCP recognizes that the prospect of victory denied is more intolerable than continuing to endure the status quo on Taiwan. This will constitute an “integrated deterrence” strategy tailored to address the Taiwan Question.²

For deterrence to have the best chance to function effectively, U.S. officials must first understand: the nature of the deterrence challenge regarding the Taiwan Question; the realistic U.S. political goals vis-à-vis the deterrence

² The Biden Administration’s *Indo-Pacific Strategy of the United States* calls for an “integrated deterrence” strategy for the Taiwan Question: “Integrated deterrence will be the cornerstone of our approach...to maintain peace and stability in the Taiwan Strait, including by supporting Taiwan’s self-defense capabilities, to ensure an environment in which Taiwan’s future is determined peacefully in accordance with the wishes and best interests of Taiwan’s people. As we do so, our approach remains consistent with our One China policy, and our longstanding commitments under the Taiwan Relations Act...” The White House, *Indo-Pacific Strategy of the United States* (Washington, D.C.: The White House, February 2022), pp. 12-13.

challenge; and, how a deterrence strategy could plausibly achieve those political goals. This *Occasional Paper* focuses on how the United States and its allies can create the conditions to provide the best chance for an effective “victory denial deterrence strategy,” and identifies the various tools of state power that could support that strategy.

The Deterrence Challenge in Brief

Today, and for the foreseeable future, the United States and its allies confront a leadership that has staked the legitimacy of its singular rule on decades of promises to its people that it will incorporate Taiwan into the political structure of the mainland.³ The CCP leadership perceives any opposition to this goal as an existential threat, a literal affront to its core identity. Deterrence can still function under these circumstances, but the challenge is severe. Not only is China a highly motivated – indeed, an existentially committed – opponent, but one with: the local military advantage, a geographic advantage, and the advantage of centralized decision making (without needing to pre-coordinate with allies and partners).

The United States, from China’s apparent perspective, is at a deterrence disadvantage over the Taiwan Question. The likely reasoning for that perspective is clear: China has greater stakes involved in the Taiwan Question and, because the United States has eschewed defense of the homeland against great nuclear powers, it essentially has accepted vulnerability to China’s missiles. Consequently, the CCP appears to deem Washington to be less able and

³ For a good overview on this topic, see Joseph R. DeTrani, “The Long Path to the Current State of Sino-American Relations,” *Journal of Policy & Strategy*, Vol. 2, No. 1 (2022), pp. 23-39, available at <https://nipp.org/wp-content/uploads/2022/03/Analysis-DeTrani-2.1.pdf>.

willing to threaten, engage in, or escalate a conflict to defend Taiwan than is China in its pursuit of unification.⁴ The United States faces an existential risk over Taiwan *only if a regional conflict escalates to the level of nuclear threats*. The U.S. supreme interest in avoiding such an escalating conflict over Taiwan at virtually all costs must be apparent to CCP leaders and an avenue for successfully deterring the United States via coercive escalation threats. For its part, Taiwan is significantly less militarily capable than China; its main ally, the United States, is geographically distant and its deterrence commitment to Taiwan is intentionally ambiguous. Similarly, most U.S. allies in the region face the same problems of geographic distance and political sensitivities of interacting with Taiwan on defense issues. Finally, China's prospective aggression would likely be met by an "international community" – much of which is heavily dependent economically on trade with China. Under *these* circumstances, U.S. deterrence of China is far from assured.

The United States has committed modest U.S. forces to deter attacks on Taiwan in the past. For the past 50 years, however, stated U.S. policy has intentionally reinforced China's perceptions that there is no NATO-like U.S. commitment to defend Taiwan. Simply put, the U.S. Cold War extended deterrence strategy for NATO is not an apt comparison to the current Sino-American dispute over Taiwan. The differences in the political context are profound for deterrence. Perhaps most importantly, during the Cold War, the Soviet Union – unlike China today – did

⁴ See the discussion in, Sugio Takahashi, *Pitfalls in Deterring a Taiwan Strait Conflict: "Unpreparable War," Information Series*, No. 516 (Fairfax, VA: National Institute Press, March 1, 2022), available at https://nipp.org/information_series/sugio-takahashi-pitfalls-in-deterring-a-taiwan-strait-conflict-unpreparable-war-issue-no-516-march-1-2022/.

not base its ruling legitimacy on nationalist promises to incorporate Western Europe into its political system. The Soviet Union grudgingly recognized the sovereignty of NATO states whereas China (and the United States) today recognizes only “one China,” and Taiwan as a part of China.

The differences between the China of today and the Soviet Union of the Cold War pertinent to extended deterrence are even deeper. During the Cold War, the United States made official defense commitments to its allies in Europe, including the stationing of significant forces (including nuclear weapons) within allied states and creating an integrated command and control structure—honed and practiced over multiple decades via numerous joint military exercises.

In contrast, the United States and Taiwan currently share no such formal military relationship, no such coordination, and no such recognition as a formal ally. Unlike the Cold War, the United States has no plausible options under current political policy to demonstrate the credibility of its deterrence commitment by basing significant numbers of military forces in Taiwan or concluding a nuclear-basing agreement. In short, the conditions relevant to extended deterrence that existed during the Cold War are, in part by long-standing U.S. policy choice, either entirely absent or significantly different from those pertinent to the Taiwan Question.

Recognizing the significance of these differences for the functioning of deterrence is at the heart of the need for “tailored” deterrence—now well-acknowledged in official U.S. policy.⁵ That is, a universal “to whom it may concern”

⁵ See, for example, The White House, *National Security Strategy* (Washington, D.C.: The White House, December 2017), p. 45, available at <https://trumpwhitehouse.archives.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>.; and, U.S. Department of Defense, *Nuclear Posture Review* (Washington, D.C.:

approach to deterrence eschews the study of unique adversary characteristics (worldview, goals, risk calculus, ability to concede, etc.) and instead presumes the opponent adheres to a generic form of “rationality” that mirrors Western standards, i.e. “mirror imaging.” In contrast, a tailored approach to deterrence recognizes that understanding unique adversary characteristics and circumstances is the key to anticipating the kind of deterrence threats and mode of communication the adversary may find most credible.

Tailored deterrence in the context of a potential invasion of Taiwan by China also requires U.S. officials to understand that deterrence can, and possibly will, fail for a number of reasons—some of which the United States can control, and some that it cannot. For example, Beijing has suggested that it has a greater stake (at the existential level) in a potential conflict over Taiwan, the local preponderance of immediate military power, and possesses the willingness to sacrifice more in pursuit of its goals than the United States. Nevertheless, according to traditional (Cold War-era) U.S. deterrence expectations, CCP leaders should recognize the risk of uncontrolled escalation in any sharp confrontation with the United States—whether intentional or unintentional—and this ambiguous danger will induce caution and restraint on their part, i.e., it will deter them.⁶

In reality though, China’s leaders appear to perceive the deterring risk of escalation as applying *more to the United States*—thus adding to China’s other perceived deterrence advantages in political will and local correlation of military forces that tip the deterrence context in its favor. Essentially, if Beijing believes that the United States is unwilling to

Department of Defense, 2018), pp. 25-40, available at <https://media.defense.gov/2018/Feb/02/2001872886/-1/-1/1/2018-NUCLEAR-POSTURE-REVIEW-FINAL-REPORT.PDF>.

⁶ As a representative example, see Thomas C. Schelling, *Arms and Influence* (New Haven, CT: Yale University Press, 2008 ed.), pp. 97-99.

tolerate the prospect of China's escalation in a conflict, then it may conclude that China has the deterrence advantage and that the risks of *not* invading Taiwan are greater than the risk of a confrontation with the United States. Plainly stated, even if the current count of strategic nuclear forces favors the United States, the apparent larger number of U.S. strategic nuclear forces does not translate directly to U.S. deterrence advantage in the case of Taiwan. China's perception of an asymmetry of stakes and its capability to threaten the U.S. homeland with devastating strikes may allow it, even encourage it, to engage in coercive nuclear threats against the United States and its allies – threats the United States cannot now counter.

The deterrence challenge for the United States in this context, therefore, is to adopt the deterrence strategy and capabilities needed to deny the CCP any plausible confidence in the potential for a local *fait accompli* that is secured by coercive nuclear escalation threats, and to instill in the minds of China's leadership the credibility of U.S. deterrent threats. In short, the U.S. deterrence strategy must deny China the expectation that it has escalation dominance vis-à-vis the United States and allies regarding the Taiwan Question. Escalation dominance may be attributed to numerous possible deterrence conditions, e.g., an advantage in manifest will, stakes, determination, geography, temporal constraints, and local and/or broader military capabilities. Unfortunately, the CCP may, for understandable reasons, be confident that it has advantages that give it escalation dominance with regard to the Taiwan Question. In this challenging context, the U.S. deterrence strategy must now threaten to impose costs that the CCP leadership finds more intolerable than a continuation of the status quo. This deterrence threat must be credible or, as Herman Kahn said, at least "not incredible," i.e., it must not entail likely costs to the United States that are so great that

the U.S. deterrence position itself lacks sufficient credibility.⁷

The Political Aims of U.S. Strategy

What then are the U.S. political goals relative to the Taiwan Question? The United States cannot realistically expect to compel the CCP to end its aspiration to incorporate Taiwan into the mainland—doing so would be contrary to the CCP’s core identity and threaten the legitimacy of its rule. Nor is it realistic to expect China to negotiate a status quo-type agreement cooperatively—again, for the same reason. Any plausible U.S. deterrence strategy for the Taiwan Question must account for the unique characteristics that define the CCP leadership’s will and strategy in addition to U.S. national interests, vulnerabilities, and the resources available. Successful deterrence in this case is limited to the U.S. political goal of continuing to prevent the CCP from deciding to forcefully eliminate Taiwan’s political autonomy, as is specified in the 1979 Taiwan Relations Act.

Thus, the United States should state clearly, as it did in the TRA, that it is U.S. policy to support the continuation of the political status quo on Taiwan (neither supporting Taiwan’s declaration of independence as a sovereign state, nor being forced to unite with China under the mainland’s communist political system) i.e., deterring any forceful attempt to alter the status quo. More specifically, U.S. deterrence threats to China must convey three distinct but related messages: that the United States has the will and capabilities necessary to support its political goals; China’s victory, either locally or via escalation threats, is improbable

⁷ Herman Kahn, “United States Central War Policy,” in *Beyond the Cold War*, edited by Robert A. Goldwin (Chicago: Rand McNally, 1966), p. 51.

and risky; and, even if China were to achieve a local military victory, the price it would pay in doing so would be far greater than the hurt involved in enduring a continuation of the status quo. For deterrence purposes, it is of singular importance to remember that the CCP leadership will determine whether the “costs” threatened by U.S. and allied officials are sufficient to deter it from changing the status quo on Taiwan forcefully. That is, Beijing ultimately determines the adequacy of U.S. and allied deterrent threats, not Washington. The usual insular and stovepiped U.S. discussions of deterrence strategy and requirements that ignore this reality are more likely to be dangerous than enlightening.

A “Victory Denial” Deterrence Strategy

The ideal U.S. deterrence strategy is one that prevents war because the opponent calculates that the United States has escalation dominance at every level of the metaphorical escalation ladder. That is, the CCP leadership would fully expect that the United States and allies would be the more able and willing to engage at every possible level of aggression while China would not be able to avoid intolerable costs at any level of conflict. The deterrent effect of those perceptions on the opponent should be decisive. The capabilities needed to support this ideal deterrence strategy would, however, likely mandate a large-scale, forward-based, numerically and technologically superior conventional force; a nuclear force sized to help hold the CCP’s highest values at risk credibly, including its military power and political rule; and overlapping layers of active and passive defenses designed to minimize, if not outright defeat, any strategic attack on the U.S. homeland. As was the case vis-à-vis Moscow during much of the Cold War, given the local imbalance of forces in the Taiwan Strait today, the relevant geography, financial limitations,

political constraints, and a host of other factors, the ideal deterrence strategy is implausible. But in the absence of the ideal approach to deterrence, the United States may be able to establish a *victory denial deterrence strategy* as the best possible option, much as it did during the Cold War vis-à-vis Moscow; it is a potentially effective deterrence strategy even in the absence of superior military capabilities.⁸

The goal of this victory denial approach to deterrence is not escalation dominance or to pretend that it is within the U.S. grasp. Rather, it is to deny escalation dominance to China; it is to create deterrence conditions in which the CCP leadership calculates that every possible aggressive threshold – from an attempted conventional *fait accompli* all the way up to nuclear escalation – would entail cost more intolerable than enduring the continuing autonomy of Taiwan. In other words, such a strategy should “leave them nowhere to go” – except to remain deterred.⁹ This U.S. deterrence strategy would present the CCP leadership with “not incredible” U.S. threat options that are designed to deny China escalation dominance and its preferred theory of military victory at any level of conflict. Although the United States currently does not possess all the required tools for success in this regard, it should strive for such a “victory denial” deterrence strategy as the best possible basis for achieving its deterrence goals relevant to the Taiwan Question.

An initial step in constructing a victory denial deterrence strategy is the identification of what “victory”

⁸ For a discussion of a “victory denial” deterrence strategy as envisaged against Moscow during the Cold War see, Colin S. Gray, *Nuclear Strategy and Strategic Planning* (Philadelphia, PA: Foreign Policy Research Institute, 1984), pp. 75-76.

⁹ This is how former Secretary of Defense James Schlesinger described to Keith Payne his approach to deterring the Soviet Union during the Cold War – as codified in his National Security Decision Memorandum-242 – which was essentially a “victory denial” approach.

likely means to the opponent. This is the basis for creating the deterrence conditions in which the United States and its allies can deny that victory at every level of conflict and, in doing so, threaten China with intolerable costs and thus deter war. To do so credibly, the United States must be able to reduce its risks to a level that it deems tolerable and appears as such to the CCP. The eminent nuclear strategist, Herman Kahn, insisted in this regard that the credibility of the deterrence threat wielded by the United States is determined less by the character of the U.S. threat than by potential harmful consequences for the United States of wielding that threat. That is, the potential risks for the United States in its deterrence strategy must not overwhelm the value of the deterrence goal: "Credibility depends on being willing to accept the other side's retaliatory blow. It depends on the harm he can do, not [only] on the harm we can do...It depends on [U.S.] will as well as capability."¹⁰ This point and the question of competing wills is extremely important in U.S. considerations of deterrence for the Taiwan Question given China's determination to resolve the Taiwan Question and its largely unmitigated capacity to "harm" the United States in an escalating conflict.

A victory denial deterrence strategy, in this context, is distinct from a strategy of escalation dominance or military superiority. The latter suggests the hypothetical deterrence condition in which the United States has such overwhelming conventional, nuclear, and missile defense capabilities that it could militarily defeat China at any given level of conflict and threaten China with escalating destruction, while suffering little, if any, damage itself at any level of escalation. A condition of escalation dominance envisages decisive deterrence effects based on those superior capabilities. In simple terms, the difference between a strategy of strategic superiority/escalation

¹⁰ Herman Kahn, *On Thermonuclear War* (Princeton, NJ: Princeton University Press, 1960), p. 32.

dominance and victory denial is the difference between seeking the capabilities for military victory at each potential threshold of conflict, and thereby deterring decisively, and seeking to deny the opponent victory at each potential level of conflict, and deterring on the basis of the opponent's fear of victory denied.

There obviously are advantages to a deterrence strategy of strategic superiority/escalation dominance, but in the absence of the conditions and capabilities necessary for such a strategy, an alternative approach to deterrence must suffice. Notions of U.S. strategic nuclear superiority and "victory," and the deterrence dominance that could, in theory, follow from such capabilities, are implausible. But the conditions needed to deny China its notions of victory, and the deterrent effect that could follow from a victory denial deterrence strategy, are likely the best plausible option for U.S. officials to strive for with regard to the Taiwan Question.¹¹

Beyond being a plausible approach to deterrence for the Taiwan Question, why may a victory denial deterrence strategy be adequate in this particular case? The answer is clear: the CCP has resorted to nationalism as a primary rationale for its rule. In doing so, it has elevated successful unification with Taiwan as an existential goal—if attempted forcefully, failure would be a wholly intolerable repudiation of the legitimacy of CCP rule. This reality may provide great motivation for the CCP to escalate to win any such conflict, but it also provides a point of great CCP deterrence vulnerability and deterrence leverage for the United States, i.e., a U.S. victory denial deterrence strategy carries tremendous potential leverage for effective

¹¹ For a discussion of the advantages of outright superiority and dominance in a deterrence strategy, see Colin S. Gray, *War, Peace, and Victory: Strategy and Statecraft for the Next Century* (New York: Simon & Schuster, 1990), pp. 12-13; and Colin S. Gray, *Nuclear Strategy and National Style* (Lanham, MD: Hamilton Press, 1986).

deterrence, without demanding the condition of U.S. military superiority and escalation dominance.

This deterrence strategy is not unprecedented. The United States employed a victory denial approach during much of the Cold War—a history it can build on to adapt to current requirements. The foundations for this approach appeared in the 1974 “Schlesinger Doctrine,” and National Security Decision Memorandum 242 (NSDM-242), which stated: “Plans should be developed for limited employment options which enable the United States to conduct selected nuclear operations, in concert with conventional forces, which protect vital U.S. interests and limit enemy capabilities to continue aggression... Thus, [nuclear] options should be developed in which the level, scope, and duration of violence is limited in a manner which can be clearly and credibly communicated with the enemy.”¹² Subsequently, U.S. officials in the Carter Administration began explicitly identifying a victory denial approach to deterrence as possessing sufficient conventional and nuclear forces to ensure that the Soviet leadership could not perceive a plausible theory of military victory at any level of violence. This approach was eventually codified into policy as Presidential Directive 59 (PD-59), which stated in part:

Our strategic nuclear forces must be able to deter nuclear attacks not only on our own country but also on our forces overseas, as well as on our friends and allies, and to contribute to deterrence of non-nuclear attacks. To continue to deter in an era of strategic nuclear equivalence, it is necessary to have nuclear (as well as conventional) forces such that in

¹² Richard Nixon, *National Security Decision Memorandum 242* (Washington, D.C.: National Security Council, January 17, 1974), p. 2, originally Top Secret / Sensitive, now declassified in full, available at https://www.nixonlibrary.gov/sites/default/files/virtuallibrary/documents/nsdm/nsdm_242.pdf.

considering aggression against our interests any adversary would recognize that no plausible outcome would represent a victory on any plausible definition of victory.¹³

Secretary of Defense Harold Brown's efforts were an early precursor to the strategy of tailored deterrence present today, although he did not use that specific term. Similarly, President Reagan signed National Security Decision Directive 13, that superseded PD-59, which entailed a tailored, victory denial approach to deterrence: "Deterrence can best be achieved if our defense posture makes Soviet assessments of war outcomes, under any contingency, so uncertain and dangerous as to remove any incentive for initiating attack. This requires that we be convincingly capable of responding in such a way that the Soviets or other adversary *would be denied their political and military objectives.*"¹⁴

Victory Denial Deterrence Strategy Against China

One of the essential elements of a victory denial deterrence strategy against China is to identify what kind of "victory" the United States will deny. At the level of politics and policy, "victory" for the CCP leadership would be the incorporation of Taiwan into the political system of the

¹³ Jimmy Carter, *Presidential Directive/NSC-59* (Washington, D.C.: The White House, July 25, 1980), p. 1, originally Top Secret, declassified in full in 2009, available at <https://nsarchive2.gwu.edu/nukevault/ebb390/docs/7-25-80%20PD%2059.pdf>.

¹⁴ Ronald Reagan, *National Security Decision Directive 13* (Washington, D.C.: The White House, October 13, 1981), p. 1, emphasis added, originally Top Secret, declassified in full in 2017, available at <https://nsarchive.gwu.edu/document/20309-national-security-archive-doc-24-national>.

mainland at either no, or tolerable, cost. At the military level, CCP “victory” in a Taiwan scenario entails deterring the United States from intervening, or, if the United States does intervene, winning an “asymmetric, limited war of short duration,” all the way up to a successful protracted war with nuclear threats of escalation, if necessary.¹⁵ Ultimately, the United States cannot *know with confidence* in advance what the CCP leadership will decide is its “culminating point of victory” or the precise costs it is willing to incur, beyond which deterrence becomes a plausible U.S. option (or *if* deterrence is a plausible option). The ambiguities which are inherent in any deterrence engagement, however, do not preclude adopting the informed, and reasonable, assumption that given the history of China-Taiwan relations and the CCP’s professed existential stake in the Taiwan Question, the United States should anticipate China being willing to absorb very significant costs to achieve unification—perhaps beyond what the Western mind might consider “rational.” For the CCP, in any conflict over Taiwan, China must be “undefeatable.”¹⁶ As noted above, however, this unparalleled value of unification for the CCP carries an existential risk in the event of a manifest failure and a victory denied—giving the United States a CCP vulnerability to exploit for deterrence purposes. This is the fundamental basis for recommending an approach to deterrence based on the threat of victory denial at any threshold of conflict.

¹⁵ U.S. Department of Defense, *Military and Security Developments Involving the People’s Republic of China* (Washington, D.C.: Department of Defense, 2021), p. 116, available at <https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>.

¹⁶ Takahashi, *Pitfalls in Deterring a Taiwan Strait Conflict: “Unpreparable War,”* *op. cit.*, p. 2.

The Cold War “victory denial” approach to deterrence must be adapted to reflect the political and strategic realities of this context and the unique characteristics of the CCP leadership. Recognizing these is critical to understanding the deterrence conditions of the Taiwan Question and preparing accordingly. While the Cold War victory denial deterrence strategy focused largely on military tools to deter the Soviet Union, the deterrence problem facing the United States and its allies today in China is different and could benefit from a broader set of military and non-military tools of state power—an “integrated deterrent” in current DoD jargon.¹⁷ In short, the combination of China’s stated existential stakes in a conflict over Taiwan, plus the local balance of military forces, may dash any U.S. confidence that military-oriented deterrence threats *alone* are likely to be sufficient now to deter conflict. To be clear, the CCP leadership appears to have a healthy respect for U.S. military capabilities and may even greatly fear its destructive power in principle, but possible inadequacies in that military power vis-à-vis China and doubts about U.S. will may combine to create a U.S. deterrence position that is incapable of deterring China from resolving the Taiwan Question forcefully if the CCP decides that force is necessary. Consequently, U.S. and allied officials should address possible military gaps and expand the “toolbox” of a victory denial deterrence strategy to include military, economic, and diplomatic tools.

As noted above, this process of coordinating various possible tools of state power to deter China may be understood as a real-world application of the Pentagon’s

¹⁷ Lloyd Austin, “Secretary of Defense Remarks for the U.S. INDOPACOM Change of Command,” *Defense.gov*, April 30, 2021, available at <https://www.defense.gov/News/Speeches/Speech/Article/2592093/secretary-of-defense-remarks-for-the-us-indopacom-change-of-command/>.

newly announced expressions of “integrated deterrence.” As Secretary of Defense Lloyd Austin has stated, “... we’ll use existing capabilities, and build new ones, and use all of them in new and networked ways—hand in hand with our allies and partners. Deterrence still rests on the same logic. But it now spans multiple realms... Under this integrated deterrence, the U.S. military isn’t meant to stand apart, but to buttress U.S. diplomacy and advance a foreign policy that employs all instruments of our national power.”¹⁸

The “integrated deterrence” approach espoused by Secretary Austin, however, only holds promise if it is built on a foundation of a deep understanding of the adversary and context that enables the tailoring of deterrence to the specific conditions of the opponent and context. Even the most powerful and efficient set of deterrence and communication options may be useless if aimed at the wrong audience, in the wrong way, or at the wrong time. In addition to the contextual understanding of the Taiwan Question necessary for tailoring the U.S. deterrence strategy, it must also benefit from new material capabilities—as opposed to being limited to new words.

Thus, a properly constructed victory denial deterrence strategy rests upon identifying China’s goals and capabilities (among other characteristics) and tailoring the application of U.S. and allied tools of state power to deny China its particular theory of victory and escalation dominance. Additionally, it must do so credibly by controlling or minimizing the risks that strategy poses to the United States in its implementation. Secretary Brown’s elaboration on deterrence and victory denial is worth quoting in full on these points:

Deterrence is usually seen as the product of several conditions. We must obviously be able to communicate a message to the other side about the

¹⁸ Ibid.

price it will have to pay for attempting to achieve an objective unacceptable to us. We must have the military capabilities necessary to exact the payment (at a cost acceptable to ourselves), whether by denying our opponent his objectives, by charging him an excessive price for achieving them, or by some combination of the two. We must have the plans and the readiness necessary to demonstrate that we can deliver on our "message." We must be sure there is no way for the opponent to eliminate our deterrent capability. At the same time, our deterrent message must have some degree of credibility. That is to say, both we and our opponent must believe there is a real probability that we will indeed perform the promised action, if required.¹⁹

The factors relevant to deterrence listed in Secretary Brown's statement form the basis for a victory denial deterrence strategy: communication in a manner the adversary both receives and understands; the capabilities and will to deny victory; the capabilities and will to threaten intolerable costs; and, the deterrence *credibility* that flows from the adversary's calculation that the United States has controlled its risks such that Washington's deterrence threats are not implausible given the stakes in contention.

At this point, the United States does not appear to have the various capabilities and deterrence tools likely needed to establish a credible victory denial approach to deterrence at acceptable levels of U.S. risk. At the conventional military level, a victory denial deterrence strategy includes the requirement for U.S., Taiwanese, and allied forces that can be employed rapidly and are resilient enough to stalemate

¹⁹ Harold Brown, *Department of Defense, Annual Report Fiscal Year 1980* (Washington, D.C.: Department of Defense, January 25, 1979), p. 61, available at

https://history.defense.gov/Portals/70/Documents/annual_reports/1980_DoD_AR.pdf?ver=2014-06-24-150830-927.

an invasion force—whether quickly or over a lengthier period of time through defense-in-depth. The specific quantities and types of weapons needed for such a defense should be guided by China’s likely planning and capabilities for attack, but their ultimate goal is the denial of any attempted *fait accompli*. If the CCP leadership believes its goal could be denied at the level of local conventional conflict, its choices would be either to remain deterred and not attack, or to attack with the planned option of escalating the operation to another level of conflict, including to nuclear threats and possible employment.

An integrated U.S. deterrent must brandish the prospect of intolerable costs to the CCP leadership at any level of conflict—costs which the CCP leadership deems to be more intolerable than allowing the perpetuation of the status quo on Taiwan. At the possible nuclear level, a victory denial deterrence strategy requires that the United States deploy the numbers and types of weapons deemed necessary to deter a range of possible threat scenarios—including a limited regional nuclear attack and a limited or large-scale CCP strategic nuclear attack. Ideally for deterrence purposes, the United States should be able to do so in a manner that limits the potential risk to the United States to levels that are aligned with the stakes involved.

With respect to a Taiwan scenario, for deterrence purposes the CCP leadership must recognize that the U.S. force posture includes credible response options to a massive invasion force or China’s prospective nuclear escalation threats. But, again, the credibility of U.S. response options will be shaped by the risk of “harm” (to use Kahn’s term) to the United States in issuing or executing its deterrence threats. In the absence of U.S. and allied capabilities to limit damage from an opponent’s decision to engage in nuclear escalation, the credibility of the U.S. deterrence position will be problematic, and especially so

with regard to the Taiwan Question given the comparatively limited U.S. stakes involved.

In short, if the potential risks to the United States inherent in its deterrence position manifestly outweigh the values at stake, the credibility of the U.S. deterrence strategy will suffer. Consequently, a victory denial deterrence strategy in this case demands a U.S. capability to defend against China's prospective limited nuclear escalation threats, regional and strategic.

This victory denial deterrence strategy does not presume U.S. capabilities for a decisive, local military victory or the U.S. escalation dominance that would enable fully credible U.S. deterrence threats—backed by highly-effective defenses against all prospective forms of China's strategic nuclear escalation. If the United States and allies are able to stalemate China at the local conventional level of conflict, the U.S. deterrent position does not require a credible U.S. nuclear escalation threat. However, a victory denial deterrence strategy does demand U.S. and allied expressions and capabilities that deny CCP leaders confidence that China has the capabilities for a *fait accompli* and escalation dominance, and can thereby realize its theory of victory via local conventional operations and coercive first-use nuclear threats. CCP *doubts* about China's ability to succeed via the combination of regional military operations and coercive nuclear escalation threats—and fears of the costs that would attend the lack of success—are the fundamental instruments for a U.S. victory denial deterrence strategy.

Because the credibility of any U.S. deterrence strategy requires that the risks involved not be manifestly out of balance with the stakes in contention, as is suggested above, a condition the United States must create to make a victory denial deterrence strategy most likely to succeed is a system of damage limitation that does not depend on U.S. nuclear escalation—i.e., active homeland defense. With the current

state of technology, a homeland missile defense system that is capable of denying any and all missile strikes by China may not be technically or financially feasible. Nevertheless, a U.S. homeland missile defense system that is capable of defeating *limited* strategic and theater coercive nuclear threats and strikes may be feasible and sufficient for the victory denial deterrence purposes discussed here, given additional investments. In the past, missile defense advocates, including Herman Kahn and Colin Gray, emphasized the value of U.S. missile defense for the credibility it could provide for U.S. nuclear escalation deterrence threats.²⁰ In this case, however, the value is in helping to deny China any expectation that *it can wield credible* nuclear first-use escalation threats.

The U.S. ability to defeat a limited strike on the U.S. homeland by China would help to eliminate the CCP's capacity to threaten the U.S. homeland with coercive limited strategic nuclear escalation—doing so may be essential to the credibility of a deterrence strategy that denies the CCP the anticipation of escalation dominance. In the absence of the capability to so defeat limited strikes, U.S. deterrence threats are likely to be incredible if the CCP calculates that the United States will be paralyzed by China's limited first-use nuclear threats or employment for fear of continued escalation—recall that the Taiwan Question now becomes an existential threat to the United States only in the context of such an escalating conflict.

A U.S. defensive system in this case would be intended to limit the damage to the United States that China could threaten to inflict via limited nuclear first use strikes, and thereby minimize the coercive value the CCP leadership may otherwise attribute to limited nuclear escalation

²⁰As Colin Gray observes, "...the very obvious point [is] that a country cannot prudently take nuclear action if it has every reason to expect an intolerably damaging retaliatory response." Colin S. Gray, *Nuclear Strategy and National Style* (Lanham, MD: Hamilton Press, 1986), p. 118.

threats – threats and possible strikes designed to signal the ability to inflict more damage if the CCP’s demands of U.S. surrender are unmet. Such a homeland missile defense capability designed to deny China’s limited coercive threats and attacks could provide the needed credibility of U.S. deterrence threats in some scenarios by demonstrating the United States could limit damage to itself, thereby helping to control the risks to the United States, while continuing to threaten China with intolerable “harm.” The value of such a system, in addition to the greater safety for the U.S. population from limited or accidental missile strikes in general, would be in its potential to help deny China confidence in its potential coercive nuclear threats and associated theory of victory.

Critics of U.S. homeland defense frequently argue that China sees such U.S. defenses as “destabilizing” deterrence, and thus should be rejected.²¹ China may indeed see U.S. homeland defenses as “destabilizing” because its definition of deterrence includes China’s capability to coerce opponents into submission.²² U.S. homeland defenses threaten to undercut China’s capacity to do so, and thus may well be opposed by the CCP. However, contributing to the CCP’s potential to coerce the United States and other opponents, including with nuclear threats, by continuing to leave the U.S. homeland vulnerable to limited nuclear

²¹ See for example, Ankit Panda, “A New U.S. Missile Defense Test May Have Increased the Risk of Nuclear War,” Carnegie Endowment for International Peace, November 19, 2020, available at <https://carnegieendowment.org/2020/11/19/new-u.s.-missile-defense-test-may-have-increased-risk-of-nuclear-war-pub-83273#:~:text=Issues>; and, Andreas Kluth, “A Successful U.S. Missile Intercept Ends the Era of Nuclear Stability,” *Bloomberg Opinion*, November 30, 2020, available at <https://www.bloomberg.com/opinion/articles/2020-11-30/a-successful-u-s-missile-intercept-ends-the-era-of-nuclear-stability#:~:text=Politics%20%26%20Policy.20nukes>.

²² See the discussion in, Dean Cheng, “Chinese Views on Deterrence,” *Joint Forces Quarterly*, No. 60 (April 2019), pp. 91-94.

threats by China is inconsistent with any reasonable U.S. definition of stable deterrence. Indeed, countering China's confidence in coercive nuclear threats should be deemed critical for stable deterrence; doing so now demands the necessary measure of U.S. homeland missile defense.²³

It should be noted that this deterrence value of defenses presumes that China would be deterred from escalating beyond limited coercive strategic nuclear threats and strikes against the U.S. homeland because any large-scale CCP nuclear attack would be considered likely to provoke a correspondingly large-scale (and thus, presumably intolerable) U.S. strategic nuclear response. In short, active defenses would help to deny China the potential coercive value of limited strategic nuclear threats and strikes while the traditional nuclear balance of terror would be expected to preclude large-scale strategic nuclear escalation. The assumption here is that, regardless of what CCP leaders may say, they are unlikely to engage in a large-scale central nuclear war with the United States over Taiwan, so if the United States can effectively deny the prospect of victory to China in a range of scenarios at the conventional and limited nuclear levels of escalation, deterrence may have the best chance to prevent war.

The deterrence force posture needed to help deter China's prospective limited nuclear threats credibly also likely includes U.S. limited nuclear threat options that correspond to the limited options available to an opponent—as has been part of bipartisan U.S. nuclear policy initiatives since the mid-1970s, i.e., NSDM-242 and PD-59. The need for U.S. limited options and deterrence flexibility is not a matter of mimicking the great diversity of

²³ See the extended discussion of the need to revise previous definitions of deterrence stability in, Keith B. Payne, *Redefining 'Stability' for the New Post-Cold War Era, Occasional Paper*, Vol. 1, No. 1 (January 2021), available at, <https://nipp.org/wp-content/uploads/2021/04/Payne-OP-distro-1.1.pdf>.

China's (and Russia's) regional and strategic nuclear capabilities. It simply recognizes that large-scale U.S. strategic nuclear retaliatory threats alone are unlikely to be credible for most deterrence purposes given U.S. vulnerability to a large-scale nuclear reply by China. Why so? Because, absent low-yield, discriminate capabilities, the United States may lack the appropriate means necessary to threaten a proportional response to China's limited nuclear options, likely reducing the credibility of the U.S. nuclear deterrent in key scenarios. In short, limited U.S. nuclear options need have nothing to do with acquiring a "destabilizing," "war-fighting" capability that is contrary to deterrence, as often is charged.²⁴ Rather, limited regional and strategic nuclear options may be key to wielding a credible deterrent to CCP (and Russian) limited nuclear escalation threats, and thereby preventing conflict.²⁵

China's on-going nuclear buildup has reached the point defined by DoD as a "strategic breakout" – a status that reportedly demands that DoD undertake "significant new planning."²⁶ Admiral Charles Richard, Commander of U.S. Strategic Command has observed in this regard: "I am fully convinced the recent strategic breakout points towards an emboldened PRC that possesses the capability to employ

²⁴ See, for example, Andrew Weber, "Here is the Nuclear Triad We Actually Need for Deterrence," *The Hill Online*, May 20, 2021, available at <https://thehill.com/opinion/national-security/553914-here-is-the-nuclear-triad-we-actually-need-for-deterrence>.

²⁵ See, Keith B. Payne, *Redefining "Stability" For the New Post-Cold War Era*, op. cit., pp. 41-42; and, Christopher Yeaw, "The Escalatory Attraction of Limited Nuclear Employment for Great Power Competitors of the United States," National Strategic Research Institute (University of Nebraska, 2021) p. 8.

²⁶ Jason Sherman, "DOD Assesses China Has Achieved 'Strategic Breakout' Requiring U.S. Policy, Capability Response," *InsideDefense.com*, March 1, 2022, (Emphasis added), available at <https://insidedefense.com/daily-news/dod-assesses-china-has-achieved-strategic-breakout-requiring-us-policy-capability>.

any *coercive nuclear strategy* today.”²⁷ As part of this buildup, China is developing regional lower yield nuclear weapons capable of counterforce targeting with precision strike.²⁸

The consequences of these developments, along with the conventional force and political conditions surrounding the Taiwan Question, are fundamental for U.S. consideration of deterrence requirements. At a minimum, in addition to fully modernizing and replacing the traditional Triad of strategic nuclear systems to preserve credible deterrence against large-scale strategic nuclear attack, the United States should remain committed to fielding low-yield nuclear weapons, as outlined in the 2018 *Nuclear Posture Review*. The United States has fielded the W76-2 low-yield warhead on some strategic missile-carrying submarines,²⁹ but should also continue developing and deploying low-yield precision strike capabilities for the bomber force and for non-strategic, dual capable fighter aircraft. Further, to strengthen U.S. non-strategic regional deterrence options, the United States should continue developing the nuclear-capable sea-launched cruise missile

²⁷ Ibid.

²⁸ U.S. Department of Defense, *Military and Security Developments Involving the People's Republic of China* (Washington, D.C.: Department of Defense, 2021), p. 93, available at <https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>.

²⁹ U.S. Department of Defense, "Statement on the Fielding of the W76-2 Low-Yield Submarine Launched Ballistic Missile Warhead," *Defense.gov*, February 4, 2020, available at <https://www.defense.gov/News/Releases/Release/Article/2073532/statement-on-the-fielding-of-the-w76-2-low-yield-submarine-launched-ballistic-m/>; see also, Shannon Bugos, "U.S. Deploys Low-Yield Nuclear Warhead," *Arms Control Today* (March 2020) <https://www.armscontrol.org/act/2020-03/news/us-deploys-low-yield-nuclear-warhead>.

(SLCM-N) and deploy it on both surface and sub-surface vessels.³⁰

Although the United States has made some progress in conventional and nuclear forces as needed to support a victory denial deterrence strategy, more must be done. And, the inadequacy of existing homeland missile defenses against limited coercive nuclear threats by China remains an obvious shortcoming that undermines the whole. Even if the United States makes the necessary investments in conventional and nuclear capabilities, an effectively defenseless U.S. homeland likely encourages the CCP to anticipate that U.S. leaders will concede to its coercive nuclear threats, particularly given the asymmetry in the apparent stakes involved. It invites CCP expectations of escalation dominance. And, in the event of a raging regional conflict, a well-timed nuclear escalatory threat by China could render all the sacrifices made by the United States and partners up to that point meaningless if the U.S. leadership rationally decides to submit to a loss “over there” rather than risk greater losses in the U.S. homeland – with the likely attendant collapse of U.S. extended deterrence credibility worldwide. In short, a U.S. homeland missile defense system capable of denying limited nuclear strikes can strengthen deterrence at the level where the United States is at the greatest risk and where China may believe it has the greatest leverage, i.e., via coercive nuclear threats.

³⁰ For an excellent discussion of these options that informed this paragraph see, Jennifer Bradley, *China's Strategic Ambitions: A Strategy to Address China's Nuclear Breakout, Information Series* (Fairfax, VA: National Institute Press, forthcoming, 2022).

From Conditions to Courses of Action

While deterrence efforts are never finished, there are a number of results that a successful victory denial deterrence strategy should produce, including: 1) deterrence of attack at the conventional level; 2) deterrence of escalation to limited nuclear use; 3) deterrence of central nuclear war; and, 4) overall, placing the onus of escalation on China while making the likely consequences of the attempt too costly. In short, the CCP leadership should perceive the U.S. victory denial deterrence strategy, and the capabilities that support it, as making the continuation of the status quo on Taiwan more tolerable than seeking to resolve the Taiwan Question forcefully. This does not presume that the CCP would abandon its goal of incorporating Taiwan, but that it would be compelled continually to postpone an operation to achieve that goal forcefully—an outcome that would be fully compatible with the U.S. commitment outlined in the Taiwan Relations Act.

A victory denial deterrence strategy also holds promise for other potential “flashpoints” around the world that threaten U.S. and allied vital national interests. As explained above, the United States likely cannot achieve strategic superiority/escalation dominance against every opponent in every scenario, but most obviously in deterrence scenarios involving China and Russia. Washington must prioritize how it allocates its resources to provide for the best possible functioning of deterrence against a range of threats. A victory denial deterrence strategy offers a coherent and plausible approach with clear, attainable goals: to identify the opponent’s definition of victory, and to organize the U.S. and allied capabilities and policies that present the most deterring challenges to the opponent’s vision of victory—and do so while minimizing the risks to the United States should it have to implement its deterrent threats. A victory denial deterrence

strategy appears reasonable and plausible for the Taiwan Question; it also appears increasingly relevant to the United States and NATO given Russia's revanchist and expansionist military moves against Ukraine, and the potential for a future invasion of one or more neighboring states.

After acknowledging the deterrence problem described above and after identifying the conditions that form the foundation of a new victory denial deterrence strategy, it is important to identify the range of potential deterrence tools, beyond those discussed above, relevant to a Taiwan scenario. The formidable deterrence challenges inherent in the Taiwan Question require the United States and its allies to coordinate all the relevant tools of state power to provide the victory denial deterrence strategy the greatest chance to work as intended. The potential deterrence tools available to U.S. and allied officials for this purpose are military, economic and diplomatic. These are not mutually exclusive; they could, in fact, be integrated, pursued simultaneously, and together help provide an adequate basis for a victory denial deterrence strategy.

For example, a potential deterrence tool under the victory denial banner is the U.S. and allied pursuit of a "porcupine strategy" intended to deny the CCP any anticipation of a rapid *fait accompli* in an attempt to incorporate Taiwan with the mainland at an acceptable cost. Doing so as part of a victory denial deterrence strategy would include the possibly intolerable consequences of a drawn-out conflict over Taiwan—which could entail the potential for domestic unrest on the mainland that a victory denied might inspire.

A second potential tool as part of a victory denial approach to deterrence is related to the first; it is the development of a U.S.-led alliance structure or structures intended to help deter China in general, but also to help preclude the CCP's anticipation of a rapid *fait accompli*.

While such an alliance arrangement may never achieve NATO's full collective security commitment and integrated command structure, a more coordinated political and diplomatic effort with allies and partners could pay deterrence dividends by making it clear to China that it should not expect the United States to act alone or an *ad hoc* and haphazard allied response to a potential invasion.

A third possible deterrence tool available to the United States and its allies is the preparation of a broad economic and financial package of sanctions, tariffs, and other monetary tools that could be used in a coordinated fashion internationally should China invade Taiwan. While brandishing sanctions alone is very unlikely to provide an effective deterrent in this case, they might contribute. The deterrent effect would likely be enhanced if allies and partners also joined the effort—and were well understood by the CCP to be a sure and lasting consequence of a military operation against Taiwan.

A fourth deterrence tool consistent with victory denial is a concerted effort to communicate to the CCP leadership the potential nuclear proliferation consequences of an attempted or even successful invasion of Taiwan. The United States could make it clear to the CCP that a direct consequence of its actions would likely be a far worsened nuclear threat environment for China given the possibility that currently non-nuclear states like Japan and South Korea would initiate independent nuclear weapon programs.³¹ This obviously would not involve overt U.S. encouragement along these lines, but may be a natural response by these states to the collapse of U.S. deterrence credibility that would likely follow a successful takeover of Taiwan. The resulting nuclear threat environment for China—in combination with other factors—could help to

³¹ See the discussion in, Jared McKinney and Peter Harris, "Broken Nest: Deterring China from Invading Taiwan," *The US Army War College Quarterly: Parameters*, Vol. 51, No. 4 (Winter 2021), p. 32.

make an invasion of Taiwan a more intolerable option than accepting the status quo on Taiwan.

There simply is no guarantee that deterrence will function and that China will choose to tolerate the status quo even if the United States and its allies vigorously pursue the military and non-military courses of actions described above. A victory denial deterrence strategy would be intended to convince China to continue accepting an autonomous Taiwan; yet a dozen other factors—some obvious, other not—may pull the CCP leadership in the opposite direction. The CCP leadership may simply refuse to be so constrained.

Nevertheless, the first step in preparing a potentially effective deterrence strategy for the Taiwan Question is to recognize the nature of the deterrence challenge and tailor deterrence accordingly—with full recognition that the functioning of deterrence is neither easy nor highly predictable. As Herman Kahn described the necessary U.S. approach to deterrence, “Our attitude should be the same as an engineer’s when he puts up a structure designed to last twenty years or so. He does not ask ‘Will it stand up on a pleasant June day?’ He asks how it performs under stress, under hurricane, earthquake, snow load, fire, flood, thieves, fools, and vandals... Deterrence is at least as important as a building, and we should have the same attitude toward our deterrent systems. We may not be able to predict the loads it will have to carry, but we can be certain there will be loads of unexpected or implausible severity.”³²

Summary

The United States faces a deterrence challenge wholly unlike its Cold War predecessor. The deterrence conditions

³² Herman Kahn, *On Thermonuclear War* (Princeton, NJ: Princeton University Press, 1960), p. 138.

of the Taiwan Question are unique, particularly including the asymmetry in the interests at stake and a host of geographic and logistical challenges for the United States and its allies. Given the contemporary level of U.S. homeland vulnerability, the United States would confront an existential risk – for a less-than existential stake – *only* in the context of an escalating conflict. Consequently, the credibility of any implicit or explicit U.S. deterrence threat to engage in such a conflict is likely to be modest.

In response, the United States and its allies should adopt a new victory denial deterrence strategy, one that incorporates military and non-military deterrence tools, including some in the realms of diplomacy and economics. To support this deterrence strategy, the United States must deny the CCP any confidence in a regional *fait accompli*, i.e., deny the expectation of a quick local military victory, and any confidence that threats of escalation, including limited nuclear escalation, will provide the solution to the prospect of a local victory denied. This is a deterrence strategy to deny China escalation dominance and thereby prevent conflict. It mandates: the conventional forces necessary to deny China's expectation of a *fait accompli*; the spectrum of regional and strategic nuclear forces needed to deter threats of limited and large-scale nuclear escalation; and, to buttress the credibility of U.S. deterrence threats in response to CCP escalation, active homeland and regional missile defenses sized to defeat limited nuclear coercive threats or attacks by China. This range of U.S. and allied conventional, nuclear, and missile defense capabilities is within the realm of possibility and is not inconsistent with established U.S. policy guidelines regarding Taiwan, nuclear weapons, and missile defense. Indeed, the TRA and other U.S. extended deterrence commitments worldwide essentially now demand this U.S. deterrence posture. Backed by such capabilities, a victory denial deterrence strategy that also incorporates potentially potent economic and diplomatic

tools stands a chance of functioning in the face of a severe deterrence challenge, while limiting the risks to the United States that can otherwise undermine the credibility of any U.S. deterrence strategy.

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