



# APPENDIX C

## Interview Findings

Over the course of several months, interviews conducted by National Institute with nearly two dozen policy experts and China specialists provided numerous insights regarding the Taiwan Question. These insights provided a foundation for developing a tailored victory denial deterrence strategy. As these interviews proceeded, a general congruence of viewpoints, with some differences and nuances in perspectives, emerged on themes that fundamentally define the Taiwan Strait deterrence problem.

The interviews centered around fundamental issues regarding the characteristics of the Taiwan Strait deterrence problem—to include questions regarding the CCP’s motives and stakes for bringing Taiwan under its political rule; China’s theory of victory in the Taiwan Strait; its leadership’s perception of U.S. stakes in the Taiwan Strait and the credibility of U.S. commitments to Taiwan’s defense; and the shifting balance of forces that increasingly favors China. Also examined were the risks China’s leadership likely perceives in attacking Taiwan, and the potential leverage points or vulnerabilities that could be exploited for U.S. deterrence purposes. Tools available to U.S. policymakers for deterring Chinese aggression were identified as well.

The following is a general summary of the deterrence problem and expert views that contribute to outlining a deterrence strategy that is tailored to the specific characteristics of the Taiwan Question. *As noted, the summary below is a broad overview; not every expert agreed with all specific points and should not be considered responsible for them.*

### The CCP’s Values and Priorities

There was broad consensus among those interviewed that the CCP’s highest value is perpetuating its rule. Every priority of the CCP—including controlling Taiwan—is subordinated to, and pursued with the aim of, sustaining and enhancing its political position and power. This is the salient point for deterring China’s use of force against Taiwan.

Another common point emphasized by interviewees is the notion that the CCP’s fixation on uniting Taiwan to the mainland has deep roots in how the leadership perceives China’s history. Those interviewed described a narrative that focuses on a long period of exploitation by foreign powers, which China’s leadership refers to as “the century of humiliation.” The goal of bringing Taiwan under CCP rule was described as being shared across China’s political spectrum, including its leadership and general population.

China’s “national myth” regarding Taiwan is intimately connected to this “century of humiliation” narrative. Its hypersensitivity regarding Taiwan was described within the context of China losing the island to Japan after China’s defeat in the First Sino-Japanese War of 1895, to be regained after Japan’s defeat in 1945, and lost again in 1949 when the CCP’s mortal political enemy, the Kuomintang, fled to Taiwan where it continued to claim rulership over all of China, with the military backing of a foreign power, the United States. Thus, for the CCP, Taiwan is a lost province that must be recovered as part of the process of correcting the “century of humiliation.” There was a clear consensus that China’s leadership is willing to tolerate great risks to restore what it believes is rightfully China’s, but denied by foreign interference.



Placing Taiwan under CCP governance was presented as key to China's broader program of national rejuvenation and, therefore, vital to sustaining the CCP's political legitimacy. The CCP has staked its claim to power on its self-appointed position as guardian of China and its national interests. In the words of one expert, the CCP's national rejuvenation program is a "legitimacy contract" with China's population whereby, in exchange for its political loyalty, the CCP will bring national rejuvenation, including economic prosperity and quality of life improvements. Taiwan unification is an essential component of this legitimacy contract—the restoration of China as a powerful, respected, and *territorially unified* nation on the world stage.

Those interviewed for this study generally agreed that the CCP cannot break this "contract" with China's population without suffering grave domestic political consequences; the CCP has imposed upon itself high stakes for meeting these goals. As the study states in Chapter 1, "the CCP appears to have created for itself a *high-risk cul de sac* by elevating nationalism and the incorporation of Taiwan into China as *essential rationales for its continuing legitimacy*." The passing of the 2005 Anti-Secession Law by the Chinese National People's Congress is one concrete example of the CCP institutionalizing its political obligation to bring Taiwan under its power.

The CCP's Taiwan narrative contrasts with the Taiwanese people's growing sense of themselves as an autonomous people different and independent from mainland China. The CCP's complete subjugation of Hong Kong in violation of its agreement with the United Kingdom, and its increasingly aggressive behavior towards Taiwan, is a source of concern that suggests an attack on Taiwan may appear all but inevitable. If the CCP were to fail in living up to its self-imposed goals, the credibility of its public commitment as the guardian of China's national interests becomes doubtful and the CCP's domestic political standing is threatened.

The goal of bringing Taiwan under CCP governance, by force if necessary, has important implications for the CCP's broader program of national rejuvenation. Xi Jinping has staked his rule on achieving "socialism with Chinese characteristics," a program that includes transforming China into a moderately prosperous society with the elimination of extreme poverty by the centennial of the CCP's founding in 2021, and for the PRC to be a prosperous, powerful, and *unified* country by the PRC's centenary in 2049.

Those interviewed often portrayed the CCP's long-term goal as the transformation of China into a hegemonic power within the Pacific region, with some suggesting that China seeks global parity with the United States, and that Taiwan unification is both key and catalyst. To this end, the CCP has outlined major priorities for the People's Liberation Army (PLA), three of which are: 1) the PLA shall preserve the rule of the CCP over China; 2) the PLA shall protect China's national development; and, 3) the PLA shall pursue the PRC's national interests, such as the resolution of territorial disputes. Reference was made to a key PLA military document, the 2013 *Science of Military Strategy*, which declares Taiwan unification essential to the realization of the CCP's grand strategic ambitions.

Unifying Taiwan under CCP governance is seen as a centerpiece of achieving Chinese socialism, of transforming China into a globally respected hegemonic power, of fulfilling the CCP's self-appointed role as the guardian of China's national interests by recovering what was "stolen" by foreign interference, and—most importantly—of cementing the CCP's right to rule over China's people. A conclusion to be drawn from the above viewpoints is that, for the CCP and Xi Jinping in particular, controlling Taiwan is a matter of *existential* importance.

What this means for deterrence is that China's leaders are willing to take high risks to bring Taiwan under its rule. For them, the alternative entails a potential loss of their political legitimacy, which would be intolerable. An implication of those perceptions and expectations critical for U.S. deterrence considerations is that the U.S. deterrence strategy must credibly brandish consequences for China's aggression that are more intolerable for the CCP leadership than enduring the continued status quo on Taiwan. Doing so is a significant deterrence challenge.

## **China's Perception of the United States**

Understanding how China's leadership perceives its stakes in the Taiwan Question, the U.S. role and interests in the Taiwan Strait, the credibility of U.S. commitments to Taiwan's defense in face of China's potential aggression, and the balance of forces, provides valuable clues to the CCP's potential calculation of cost and risk regarding an attack on Taiwan.

When comparing China's potential stakes for invading Taiwan with U.S. stakes for defending Taiwan, interviewees generally agreed that there is a major imbalance of stakes favoring China. According to China's Taiwan narrative, the United States is an interfering foreign power with no existential stake in protecting Taiwan's autonomy. This apparent perception carries important implications for deterring aggression. As discussed above, the CCP has connected its continued rule over China to a national rejuvenation program, the success of which includes bringing Taiwan under its political control. These stakes appear existential and non-negotiable. Consequently, a view frequently presented by those interviewed was that the importance of Taiwan unification to China's leadership may, at some point, outweigh the risk of U.S. intervention on Taiwan's behalf.

For deterrence to work, what matters is how China's leaders perceive and interpret U.S. commitments to Taiwan, not how U.S. leaders think their counterparts in Beijing should perceive it. The apparent perception that U.S. stakes in Taiwan are not existential—in contrast to China's—has important implications for the perceived credibility of U.S. commitments to defend Taiwan against China's potential use of force, and raises questions about whether the United States would risk a major war with China to defend Taiwan.

The imbalance of stakes over Taiwan's status also has implications for the credibility of the U.S. policy of strategic ambiguity. On this point, there were interesting nuances of opinion among the experts interviewed. Those who recommended against changing U.S. declaratory policy on Taiwan argued that doing so would make no strategic difference because China's leadership is aware of the potential U.S. defense of Taiwan regardless of policy ambiguity. Those who favored greater clarity in declaratory policy warned that the United States suffers a credibility gap and that the shifting balance of forces that increasingly favors China works against the possible deterrence value of a policy of ambiguity. Others suggested that the U.S. label for its policy makes little difference because the CCP attaches much greater importance to actions and the material balance of forces—regardless of U.S. declarations in this regard. There was general, if not complete, agreement that the embarrassing August 2021 U.S. withdrawal from Afghanistan had degraded U.S. deterrence credibility and that, in a war over Taiwan, China's leaders would be the more risk-tolerant—viewing the United States as risk-averse. In short, a general view emerged that Taiwan unification is an existential goal for

China, while China's leadership believes Taiwan to be a lower level interest for the United States regardless of the labels Washington attaches to U.S. declaratory policy.

The experts interviewed typically agreed that U.S. actions on the world stage are an important factor in how China's leadership perceives U.S. commitments to Taiwan. A frequent, if not unanimous, opinion was that the CCP views the United States as a "paper tiger" and a power in decline. They often referenced China's view that the United States experienced "Somalia syndrome" in the 1990s, and Chinese General Xiong Guangkai's infamous remark that the United States will not risk Los Angeles for Taipei. The impact of the "botched" withdrawal from Afghanistan was also a recurring theme during the interviews.

In addition, there was general agreement that the balance of forces has shifted dramatically in China's favor over the last two decades. China's military forces have built up a considerable arsenal of anti-access/area-denial (A2/AD) capabilities, including theater-range ballistic missiles capable of holding at risk the U.S. capability to project forces into the region. Several experts interviewed expressed concern that a slow U.S. response in shoring up defenses against missile attacks for forward deployed military assets, such as on Guam, may communicate to China a lack of U.S. seriousness and a lack of will.

### **China's Taiwan Strategy**

The experts interviewed for this study generally agreed that China is seeking to realize its goal for Taiwan by no later than 2049, the centenary of the founding of the PRC, and possibly earlier if circumstances permit. This is the deadline the CCP has apparently set to transform China into a prosperous, powerful, and unified nation. However, the interviewees identified a variety of factors which may shape when and if China decides to use force against Taiwan.

Among accelerant factors are domestic challenges faced by the CCP that could threaten its political standing. For example, China's aging population, a burgeoning demographic crisis caused by the CCP's population control policies, and the consequences of the COVID-19 pandemic are among the domestic factors that could affect China's decision making regarding Taiwan. Another significant factor raised was China's slowing economic growth. Possible economic problems may be particularly worrisome for Xi Jinping, who has bolstered his iron grip over China by turning away from Dengist economic reforms and returning China to increasing authoritarianism. According to this view of China's goals, the implication for Taiwan is that the CCP may attempt to deflect attention away from its domestic difficulties by bolstering the nationalist element of its national rejuvenation program. Thus, developing domestic problems may intensify leadership temptation to unite Taiwan earlier than 2049.

A successful invasion that brings Taiwan under the CCP's governance would likely bring great political prestige to the leader overseeing the invasion. In this regard, it is conceivable that Xi Jinping hopes to make Taiwan unification part of his legacy before his retirement. However, a common theme among those interviewed was that China's preference for unifying Taiwan under CCP rule is through non-violent means, minimizing the risk of military conflict and foreign intervention while retaining Taiwan's economic value for China. The "Hong Kong" model, whereby the CCP was able to take complete control with modest levels of violence, appears to be the preferred route. However, every new generation of Taiwanese is more conscious of its identity as a people distinctly separate from the mainland.

The favorable political fortunes since 2016 of the independence-oriented Democratic Progressive Party under President Tsai Ing-wen suggest that the window of opportunity for taking Taiwan without the use of force may be closing.

Despite expressed concerns over the credibility of U.S. security assurances to Taiwan, the CCP likely considers the threat of U.S. military intervention to be the biggest obstacle to the successful unification of Taiwan under CCP control. If so, the CCP would require a posture for deterring outside military intervention in the event it decides to use force against Taiwan. There was a near-unanimity of views that China seeks a robust nuclear arsenal to help deter the United States from intervening militarily and as a tool to coerce others. Not only was there consensus that China is seeking to build a nuclear arsenal with which to deter and coerce the United States and U.S. allies, but considerable concern was expressed that China believes it can effectively deter U.S. intervention with threats of limited nuclear first use.

All agreed that there has been a discernible shift in China's nuclear posture away from a minimum deterrence policy to an aggressive posture leveraging nuclear coercion—a new posture not explicitly articulated in official policy or strategy documents, but clearly relevant to a Taiwan scenario. Furthermore, direct nuclear threats aired by Chinese state media against both Japan and Australia, two non-nuclear states, reflect a much more aggressive approach to nuclear policy. Many of those interviewed also noted that official statements suggest that Taiwan, as a “Chinese province,” is not covered by China’s declared no first use (NFU) policy. Several contended that China’s NFU policy is largely “propaganda.”

All those interviewed acknowledged China’s dramatic expansion of its nuclear arsenal, exceeding 2020 U.S. Department of Defense predictions in scale, and encompassing a full modernization program for its entire strategic triad, to include strategic bombers capable of carrying ballistic and cruise missiles, and a follow-on class of ballistic missile submarine. China’s apparent construction of hundreds of new ballistic missile silos matches even the largest Soviet nuclear expansion during the 1960s; these silos were described as likely capable of housing DF-41 intercontinental ballistic missiles that can deliver multiple warheads each. It was also generally observed that China is developing novel strategic weapons systems, such as the fractional orbital bombardment system tested in August 2021, as well as theater nuclear capabilities that include weapons systems for low-yield precision strikes against military targets in the Pacific region. Dual-capable variants of medium-range and intermediate-range ballistic missile also serve China’s A2/AD strategy by threatening U.S. warships and other forces that may be deployed to defend Taiwan.

There also was general agreement that China seeks to use nuclear threats to deter U.S. military intervention, combining an asymmetrical theater advantage and strategic buildup to exploit possible gaps in U.S. escalation capabilities. With regional and strategic nuclear threats backed by a local superiority of immediately available non-nuclear forces, the CCP appears to believe it can use escalation threats to deter or curtail U.S. intervention.

### **General Recommendations for Deterring Aggression by China**

There was a broad consensus among interviewees that the crux of deterring aggression depends on changing the CCP leadership’s cost/benefit calculus for using force to bring Taiwan under control. For deterrence to work, the deterrer must credibly hold at risk what



the target state values most. In this regard, participants generally agreed that China's leadership most values the perpetuation of its political rule over China.

Those interviewed also generally suggested that the United States must integrate military, diplomatic and economic tools to create a deterrence strategy against a CCP leadership that appears increasingly willing to use force against Taiwan. They also emphasized the importance of clear, consistent messaging because deterrence depends heavily on China's leaders clearly understanding the prospective costs of invasion *before* they make a decision to move, not after.

There was a general consensus that financial and economic tools could provide a necessary but insufficient means of deterrence. As noted, one of the major goals of the CCP's program for China's national rejuvenation is for China to be a prosperous society with an economically contented populace. The United States has powerful financial and economic leverage at its disposal that could threaten China's economic growth and seriously undermine the CCP's political legitimacy, although economic interdependencies between and among the United States, China, and other countries, may complicate effective implementation of such policies. Nevertheless, a deterrence strategy crafted to impose relatively greater economic hardship on China than on the United States or its allies may help influence the decision calculus of China's leaders and bolster deterrence. The promise of economic penalties such as sanctions was seen as potentially helpful for deterrence, whether brandished unilaterally or multilaterally, although a comprehensive sanctions campaign likely would require cooperation and coordination among many countries, some of which may be unwilling to risk their strong interests in economic engagement with China. It was noted that sanctions have limitations—they must be persistently sustained for the target state to feel their effects. In addition, the CCP likely anticipates their potential use and is taking steps to insulate China against them.

A number of recommendations for denying the PRC's theory of victory and strengthening deterrence were proposed by at least several of the experts interviewed for this study. These included:

- Change China's perception of an imbalance of stakes. In essence, the United States should signal to China's leadership that the United States is willing to risk conflict to defend Taiwan from a forceful resolution of the Taiwan Question because significant U.S. interests are involved.
- Shift from a policy of strategic ambiguity to one that draws a redline against aggression towards Taiwan. However, this was not a universally supported recommendation, as several participants warned that even the most explicit U.S. commitment to Taiwan's defense is incredible in the absence of the appropriate capabilities to back it up.
- Recognize that the fate of Taiwan can signal whether the world order of the mid-to-late 21<sup>st</sup> century will continue to be a free, open one led by the United States or a dark future in which a transition to a Chinese-led world order entails great violence and loss.
- Support U.S. messages and signals with actions that credibly demonstrate U.S. resolve. Among the actions recommended was to increase the activity of the United States in the region to demonstrate heightened U.S. interest, including diplomatic,

cooperative, and trade activities, and increasing the presence of U.S. military forces in the region, as well as the frequency of military activities.

- Leverage the U.S. advantage with allies, including engaging in more joint military exercises with regional partners (e.g., AUKUS and “Quad” partners), and convincing NATO allies that they also have a shared interest in deterring Chinese aggression against Taiwan.
- Maintain robust U.S. nuclear capabilities, including credible limited nuclear threat options to counter China’s attempts to exploit gaps in U.S. escalation threat options.
- Deploy active and passive defenses to protect critical U.S. and allied forces in the Pacific to reduce their vulnerability and the coercive power of China’s expanding nuclear arsenal and threat options.

### **Taiwan-Specific Deterrence and Defense Recommendations**

Another area of general consensus emerged around the belief that deterrence of China’s aggression can be strengthened by undermining China’s likely aim for a swift victory in an invasion of Taiwan. Many of those interviewed suggested a deterrence by denial strategy that threatens intolerable costs to the CCP by making an invasion of Taiwan protracted and problematic. In general, there was unanimity in this regard that, although the United States should continue to help support Taiwan’s defense needs, Taiwan must do more for its own defense. The prospect of a highly problematic, costly and prolonged fight for control of Taiwan in which the PLA suffers mounting casualties would help deter China’s leaders from attacking Taiwan. Several of those interviewed referred to this as a “porcupine strategy.” The contention is that drawn-out war or military failure would threaten Xi Jinping’s legacy as a great leader and strategic mastermind, and disrupt other goals on which the CCP’s political legitimacy has been staked, including China’s economic growth. In short, implementation of a “porcupine strategy” could help change the CCP’s cost/benefit calculus such that it finds the status quo on Taiwan preferable to the realistic possibility of a painful and embarrassing denial of victory in the Taiwan Strait.

Various recommendations for implementing this strategy included the following:

- Procurement by Taiwan of the appropriate capabilities to defeat China’s attempts to penetrate Taiwan’s littorals, and to resist PLA forces on the island itself if necessary. This requires asymmetric capabilities that can be obtained cheaply and in large numbers, and which exploit vulnerabilities in China’s invasion strategy. Many of those interviewed identified as ideal for this purpose weapons that can threaten the PLA Navy and Air Force, such as fast attack boats, anti-ship missiles, coastal missile batteries, sea mines, and surface-to-air missiles.
- Acquisition by Taiwan of armed UAVs, which can be used for surveillance and target acquisition, and equipping of Taiwanese forces with sniper rifles and handheld anti-armor weapons that could threaten PLA ground forces attempting to establish control over the island.
- Make visible and credible, Taiwan’s “porcupine” posture so that the CCP understands that invading and occupying Taiwan will be problematic and costly.

U.S. transfers of required capabilities should be made public, and U.S. and Taiwanese forces should engage in open military cooperation, including joint exercises, to demonstrate the resolve and capability for resisting attack.

- Consider a “broken nest” approach, whereby Taiwan denies China any material gain from dominating Taiwan by arranging for Taiwan Semiconductor Manufacturing Company (TSMC) plants to be destroyed rather than captured. As TSMC is one of the world's largest semiconductor manufacturers and a major source of semiconductors for the United States and China, promising to deny China access to Taiwanese semiconductor facilities could help negate China’s goal of gaining economic advantage by moving militarily to revoke Taiwan’s autonomy.
- Employ U.S. Navy warships to challenge China’s dubious territorial claims and help signal to China’s leaders that the United States will not be deterred by Chinese coercion.

## Conclusion

The many interviews conducted for this study identified fundamental characteristics shaping the China-Taiwan deterrence problem, to include: the CCP’s perception of existential stakes motivating it to resolve the Taiwan Question, by force if necessary; China’s correspondingly high risk-tolerance; its leaders’ perceptions concerning the credibility of U.S. resolve and commitments for defending Taiwan; and the CCP’s prospective willingness to deter U.S. military intervention by engaging in risky nuclear brinkmanship. These interviews provided background insights important for considering how best to apply a strategy of deterrence to shape China’s decision calculus. At its core, it was agreed that a successful deterrence strategy should hold at risk the CCP’s political legitimacy, and influence China’s decision calculus away from invading Taiwan by threatening costs to the CCP leadership that are more intolerable than continuing to endure the status quo on Taiwan.

While some variations in approach were proffered, there was general agreement among most of those interviewed that an important element of a deterrence strategy is closing gaps in U.S. escalation threat options to counter the belief that China can coerce the United States and thereby deter U.S. intervention against its aggression.

Lastly, there was a broad consensus that diplomatic, economic, and military tools should complement each other as part of a comprehensive deterrence strategy and that clear messaging and demonstrated resolve, if backed by corresponding military capabilities, could help address the apparent imbalance of stakes in the Taiwan Strait and be the basis for a credible deterrence position.

