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SPECIAL ISSUE:
Deterring China in the Taiwan Strait

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National Institute for Public Policy, 9302 Lee Highway, Suite 750, Fairfax, VA 22031 USA,
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Design by Stephanie Koeshall

*This study is dedicated to Dr. John S. Foster Jr.
A true American hero.*

SPECIAL ISSUE: DETERRING CHINA IN THE TAIWAN STRAIT

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FOREWORD

Ambassador Robert G. Joseph

Today, the world's attention is focused on the war in Ukraine. Clearly, the United States and the West more broadly failed to deter Putin from initiating his brutal aggression. In particular, and perhaps not surprisingly, the threat of severe economic sanctions was not sufficient to deter Putin from the pursuit of his stated goal of restoring Russia as a great power. As a result, the bloody assault, accompanied by shocking images of Russian atrocities, may serve as a transformative event, one that could alter the course of modern history in Europe and beyond. Never before has there been a greater need for American leadership to shape the security environment in Europe, to manage the newly unified and potentially expanded NATO, and to restore the alliance's defense and deterrent posture.

But American leadership is equally imperative in the Pacific region where the United States faces an even more challenging adversary, an ascending China whose declared goal is to replace the United States as the preeminent power in Asia. In doing so, one essential step for Beijing is to absorb Taiwan through force if necessary. Success on China's part would have enormous negative political and military consequences for the United States, likely more consequential than a Russian victory in Ukraine. In short, the cost of deterrence failure could be greater than in Europe.

In this study, *Deterring China in the Taiwan Strait*, the authors present a comprehensive and sophisticated assessment of what can and should be done to improve the prospects for effectively deterring China from attacking Taiwan. This is not a class in deterrence 101. As the authors point out, the challenge is both complex and daunting as the deterrence circumstances in the region have fundamentally changed. There is no alliance structure similar to NATO; there is no formal U.S. commitment to Taiwan's security; there are no forward-deployed conventional and nuclear forces on the scale of those in Europe during the Cold War. The United States is no longer the undisputed dominant Asia-Pacific power. Chinese leaders may well believe U.S. options today are limited to escalation at the risk of self-destruction. Consequently, they may see current U.S. red lines, backed by current U.S. forces, as lacking in credibility.

While reaffirming the enduring principles for deterrence success, the study highlights the requirement to tailor our deterrence posture to account for China's current perspectives, interests, and capabilities. Given major changes in what the Soviets called the correlation of forces, including the decade-long expansion of China's conventional capabilities and its rapidly expanding nuclear forces, the United States can no longer rely on concepts of strategic ambiguity for deterrence success. In fact, uncertainty about the U.S. reaction to China's use of force may well undermine contemporary deterrence as Beijing may believe, for good reasons, that it now enjoys deterrence advantages in military and non-military options, risk tolerance, and determination.

So, what can be done to convince China's leadership that the status quo is preferable to running the risks and paying the costs of attacking Taiwan? On this question, the report provides a roadmap for future action across the diplomatic, economic, and military fields. Most important is what the report describes as a victory denial deterrence strategy, whereby China's leadership is denied the expectation of a quick victory and the belief that coercive



threats of nuclear use will result in the U.S. abandonment of Taiwan. The study is clear that this does not require U.S. conventional military superiority or escalation dominance in nuclear force capabilities. Instead, the strategy relies on the right mix of conventional and forward-deployed nuclear weapons, including the nuclear SLCM, on effective regional and homeland active and passive defenses, on reducing economic dependencies and vulnerabilities, and on sound diplomatic approaches to signal that opposition to China's aggression is shared by a broad coalition of states.

Dr. Payne, perhaps the most accomplished national authority on deterrence theory and practice, and his team deserve great credit for their insightful analysis of perhaps the most important national security challenge facing the nation. Their overall conclusion is that, while it is far from certain that deterrence will prevail, sound policy choices and effective action can improve the prospects for success. This balanced position reflects the hard realities and the many uncertainties of deterring an adversary that is prepared for conflict and is convinced that the asymmetry of interest weighs in its favor. But one thing is certain. If the United States continues to hold to outdated assumptions, especially concerning the efficacy of uncertainty in upholding deterrence, it will surely fail.





PREFACE

Dr. Keith B. Payne

It is now widely recognized and accepted in U.S. policy that deterrence best practice must take into account opponents' unique goals, values, risk tolerances, channels of communication, and "worldviews" in the context of a particular deterrence engagement, i.e., the "tailoring" of deterrence.

Recognition of the need to tailor deterrence, and the analytical challenge of doing so, is hardly new. Carl von Clausewitz emphasized the need for tailoring preparations for war in precisely the same terms that apply to the tailoring of deterrence strategies—which are no less important or intellectually difficult: "To discover how much of our resources must be mobilized for war, we must first examine our own political aim and that of the enemy. We must gauge the character and abilities of its government and people and do the same in regard to our own. Finally, we must evaluate the political sympathies of other states and the effect the war may have on them. To assess these things in all their ramifications and diversity is plainly a colossal task."¹

While the value of tailoring deterrence is now recognized widely, the challenging analytical work needed for actually doing so—understanding and characterizing opponents' unique worldviews in context to support U.S. deterrence calculations and strategies—does not appear to be undertaken in much of the open literature. Yet, this is the needed preliminary work that can be applied to the tailoring of U.S. deterrence strategies. Still apparent in most commentary on the requirements for deterrence is a more convenient methodology inherited from the early-to-mid Cold War years, i.e., the positing of a standard of adequacy for deterrence that seems reasonable to the observer, but reflects little effort to understand the opponent's decision making in the context of the deterrence engagement. Effectively ignoring opponents' actual decision-making drivers in context has led to deterrence failures in the past and will likely do so again in the future if it is the basis for deterrence strategy.

This study advances the challenging work that must undergird efforts to tailor a deterrence strategy for a particular opponent—in this case, China—in a specific prospective deterrence engagement over Taiwan. It builds on a similar effort, now more than two decades old, that focused on the question of how to tailor the deterrence of China in the event of a crisis over Taiwan.² That 2001 study may have been helpful at the time, but changes in the threat context warrant a new look at the question, including a steady and rapid expansion of China's conventional and nuclear capabilities relative to those of the United States and China's apparent new urgency to resolve the Taiwan Question, by force if necessary.

The questions addressed herein as critical for deterrence do not begin with the usual immediate focus on relative force measures, conventional or nuclear, or various possible alterations in U.S. declaratory policy. Instead, à propos the tailoring of deterrence, the initial priority questions of interest involve China's unique goals and worldview, the value the

¹ Carl von Clausewitz, edited and translated by Michael Howard and Peter Paret, *On War* (New York: Alfred A. Knopf, 1993), p. 708.

² Keith B. Payne, *The Fallacies of Cold War Deterrence and a New Direction* (Lexington, KY: University Press of Kentucky, 2001).



Chinese Communist Party (CCP) attaches to the unification of Taiwan, and its willingness to accept risk to achieve this goal, i.e., the political background of the Taiwan Question.

In addition, the fundamental deterrence question confronting the United States is not simply what threatened sanction may appear intolerable to the CCP. The more complicated question addressed in this study is how the United States might establish a deterrence strategy that presents the CCP with the prospective consequences of a decision to conquer Taiwan that are credible and more intolerable than enduring a continuation of the status quo. The CCP may deem both of these prospects to be intolerable; for deterrence to function, the former must be more so.

Answering this question is a formidable task. The methodology employed in this study builds on that of the earlier 2001 effort. It begins with a detailed set of questions regarding China's goals and worldview pertinent to the U.S. deterrence goal (see the set of questions in Appendix A) and from there sought to create the outlines of a proposed deterrence strategy tailored to the opponent and occasion.

In seeking to understand China's goals and worldview pertinent to the Taiwan Question, the authors of this study called on the outstanding help of 21 subject matter experts—interviewing each at length at least once, and several repeatedly (see the list of experts interviewed in Appendix B and a select summary of “lessons learned” via these interviews in Appendix C). This methodology brought analysts with extensive professional backgrounds in the area of deterrence theory and policy together with analysts who have comparably deep professional backgrounds in Indo-Pacific security matters. This is the merger of different but complementary areas of expertise to focus on a question of common interest: how to envisage a deterrence strategy tailored to the CCP threat to Taiwan. The result is not a deterrence strategy that is foolproof; no deterrence strategy is foolproof. But it is a deterrence strategy more likely to function as hoped than one that essentially dismisses or ignores the value of understanding the opponent in context.

The specific conclusions of this study likely do not transfer without modification to many other prospective U.S. deterrence engagements given the uniqueness of the Taiwan strait context, but the general approach to tailoring deterrence employed herein is not limited to deterrence questions involving China and Taiwan; it also applies to tailoring the deterrence of Russia's obvious revanchist ambitions in Europe. Understanding how best to deter Russia in this regard may be too late to help Ukraine in the current crisis but extremely important for the future.

Many thanks are due to the outstanding analysts and former senior officials who contributed to this study and to the senior reviewers who provided their comments throughout the study effort, but are not responsible for its conclusions. All members of this study team wish to express great thanks to the 21 experts who participated in the dozens of interviews that proved so valuable. Those experts also should not be considered responsible for the conclusions reached in this study. Special thanks are due to Amy Joseph for expertly managing this study project from start to finish and also for turning multiple disparate draft chapters into a remarkably coherent whole. And, finally, many thanks to the Smith Richardson Foundation and the Sarah Scaife Foundation for the generous support that made this study possible.





ABOUT THE CONTRIBUTORS

Dr. Keith Payne (Study Director), Co-founder, National Institute for Public Policy; Professor Emeritus and former Department Head, Graduate Defense and Strategic Studies Program, Missouri State University; former Commissioner, Congressional Commission on the Strategic Posture of the United States, Deputy Assistant Secretary of Defense for Forces Policy, and Senior Advisor to the Office of the Secretary of Defense.

Dr. Kathleen Bailey,** Senior Associate, National Institute for Public Policy; former Assistant Director of the Arms Control and Disarmament Agency, Deputy Assistant Secretary in the U.S. Department of State's Bureau of Intelligence and Research, and head of the Bureau for Research in the U.S. Information Agency.

Gen. Kevin Chilton (USAF, Ret.),** Former Commander, U.S. Strategic Command and Commander, Air Force Space Command.

Matthew Costlow, Senior Analyst, National Institute for Public Policy; former Special Assistant in the Office of Nuclear and Missile Defense Policy, Office of the Secretary of Defense.

Hon. Christopher Ford, Visiting Fellow at Stanford University's Hoover Institution; former U.S. Assistant Secretary of State.

Amb. Robert Joseph,** Senior Scholar, National Institute for Public Policy; Professor of Defense and Strategic Studies at Missouri State University; former Under Secretary of State for Arms Control and International Security.

Hon. Franklin C. Miller,** Former Special Assistant to President George W. Bush, Senior Director for Defense Policy and Arms Control on the National Security Council Staff, Acting Assistant Secretary of Defense.

Hon. David Trachtenberg, Vice President, National Institute for Public Policy; former Deputy Under Secretary of Defense for Policy, Principal Deputy Assistant Secretary of Defense for International Security Policy, and Professional Staff Member, House Committee on Armed Services.

Alexander Vaughn, doctoral student in the graduate Defense and Strategic Studies Program, Missouri State University.



EXECUTIVE SUMMARY

Introduction

The basic nature of deterrence endures across time and place, but as U.S. policy now recognizes, the application of deterrence must be “tailored” to the specific opponent, occasion and context. A fundamental deterrence question now is: can the United States tailor its deterrence strategy to prevent the Chinese Communist Party (CCP) from deciding to conquer Taiwan and installing the CCP’s own repressive governing authority instead? For decades, to help achieve this deterrence goal the United States has pursued a general deterrence policy of “strategic ambiguity.”

In no other field is ambiguous signaling considered a useful means of shaping behavior. Yet, in this case, China’s leadership is expected to calculate that because the United States *might* respond very forcefully, it will *not* attack Taiwan rather than calculating that the United States *might not* respond so forcefully, and therefore it *can* risk attack. In short, ambiguity is expected to impose caution on the CCP rather than *invite* aggression.

The expectation that the uncertainty associated with ambiguity will *deter the opponent more than the deterrer* is the prerogative of the power that enjoys a deterrence advantage. If the state seeking to deter, in this case the United States, is *not manifestly advantaged* in its deterrent position relative to its opponent, there is *no reason whatsoever* to believe that *it will be any less deterred by uncertainty than will be the CCP*. Deterrence advantage does not necessarily imply military dominance, but an advantageous position in those various levers of power that can provide deterrent effect, including will, risk tolerance, determination, and military and non-military options. *In the absence of some form of deterrence advantage*, however, there is no logical basis for expecting the United States to be *more resolute* in an uncertain context than is the CCP.

The Role of Uncertainty in U.S. Cold War Deterrence Policy

The optimistic presumption that uncertainty will contribute to, rather than undermine, deterrence has been an enduring theme in U.S. deterrence theory and policy. During the Cold War, once the Soviet Union acquired the capability to retaliate with nuclear weapons against the United States, the U.S. extended deterrence threat to escalate a conflict in Europe to a superpower thermonuclear war could hardly be considered reasonable for the United States given the potentially self-destructive consequences of nuclear escalation. This harsh reality essentially compelled the United States to rely heavily on Soviet uncertainty about possible U.S. behavior for deterrent effect rather than the logic of a U.S. nuclear escalation deterrent threat. The *possibility* of U.S. nuclear escalation, despite its illogic, and the uncertain risk/cost involved for Moscow inherent in that possibility, were expected to deter Soviet leaders.

As the Soviet Union continually expanded its nuclear and conventional forces, the United States sought to ameliorate the increasing illogic of its nuclear escalation deterrent threat on behalf of allies—and the corresponding increasing doubt about the credibility of that threat—by placing significant “tripwire” forces in Europe and integrating them with allied forces. This forward deployment of U.S. forces included thousands of nuclear weapons and, at the strategic force level, new planning for limited nuclear options (LNOs). The United



States took these steps in a bid to sustain the credibility of an extended nuclear deterrent threat built on uncertainty even as the United States lost its militarily dominant position. Sizable U.S. forces forward deployed in Europe and LNOs could not magically make an illogical U.S. nuclear escalation deterrent threat reasonable and credible, but they did provide “tangible evidence” of “the risk of escalation to total nuclear war.”¹

Deterrence via Uncertainty Now

Given the apparent great Cold War success of extended deterrence based ultimately on Soviet uncertainty, and the apparent past success of U.S. “strategic ambiguity” for deterring China from resolving the Taiwan Question forcefully, most commentators continue to assert essentially familiar narratives regarding deterrence as guidance for contemporary U.S. deterrence policy. However, the oft-neglected contemporary political background of the Taiwan Question is of paramount significance in this regard, and very different from the political background of the superpower deterrence engagement during the Cold War.

The key political background questions that must now precede U.S. consideration of how to deter and calculate the capabilities needed for deterrence involve CCP perceptions of cost and risk versus benefit: how does the CCP leadership define cost and what value does it place on changing the status quo on Taiwan? Does the CCP envisage a tolerable alternative to changing the status quo on Taiwan? And, how tolerant of risk is the CCP leadership likely to be when it makes decisions regarding the Taiwan Question? These are the first-order questions when seeking to understand the contemporary deterrence challenge confronting the United States.

For deterrence to function by design in any context, the opponent must decide that some level of accommodation or conciliation to U.S. demands is more tolerable than testing the U.S. deterrent threat. There must be this space for deterrence to work. Yet, China’s officials have stated openly that they have no room to conciliate on the Taiwan Question. The drive to integrate Taiwan with the mainland under CCP rule appears to be a matter of territorial integrity and regime legitimacy—*an existential requirement*. 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 legitimacy*.

Fundamental questions now must be asked: is there sufficient flexibility in the CCP’s goal and timeline for deterrence to operate in this case, even in principle? If so, does an uncertain U.S. commitment to support Taiwan, i.e., “strategic ambiguity,” now contribute to or degrade deterrence? Do old notions that uncertainty about U.S. actions provides adequate U.S. deterrence credibility remain useful guidance?

While during the Cold War the United States essentially continued to follow a deterrence strategy predicated on Soviet uncertainty even as U.S. military dominance vis-à-vis the Soviet Union faded, the United States also took costly denial and punitive deterrence steps to preserve its position—steps *that appear to be nowhere in sight in U.S. policy regarding Taiwan*. Perhaps more importantly, the United States never had to contend with a Soviet leadership that was driven by the nationalist myth that NATO territory belonged to Moscow and, as a matter of national integrity and regime survival, had to be recovered sooner rather

¹ *NATO Handbook* (Brussels: NATO Information Series, February 1974), p. 16.

than later. Cold War extended deterrence did not have to carry such a heavy load. Indeed, the political background of the contemporary deterrence goal could not be more challenging—especially as the United States appears to be losing the military dominance that could, in principle, make its favored approach to deterrence coherent. In short, the United States now faces the unprecedented question of how, without existing or readily apparent forms of deterrence advantage, to deter an opponent who may perceive an existential risk in *not* violating U.S. deterrence redlines.

The United States, understandably, would like to continue enjoying the benefits of effective deterrence via uncertainty without expending the effort now needed to sustain a credible deterrent position, but the past circumstances that allowed this U.S. approach to deterrence are not a U.S. birthright. The United States took extensive and expensive steps to help preserve its deterrence position during the Cold War even as it lost military dominance. However, unlike in the Cold War, and in the absence of any comparable steps, the United States appears now to face a foe that is virtually compelled by the political context to challenge the U.S. position, by force if necessary.

A Changing Correlation of Forces and Contemporary Deterrence

Nuclear weapons will, without doubt, cast a shadow over any great power confrontation, and the potential effects of that shadow on the Taiwan Question may be significant, even decisive. Unlike the U.S. extended deterrent to many allies during the Cold War that included the threat of nuclear escalation, the United States does not have any apparent nuclear umbrella commitment to Taiwan and no bloody history of national sacrifice for Taiwan. And, while the Cold War extended deterrent was accompanied by the U.S. deployment of large numbers of “tripwire” forces and thousands of forward-deployed nuclear weapons to buttress its credibility, the United States appears to have no serious “tripwire” forces on Taiwan and has eliminated virtually all of its forward-deployable, non-strategic nuclear weapons following the end of the Cold War.

In contrast, China appears to leave open the option of nuclear first use with regard to the Taiwan Question and has numerous and expanding nuclear and non-nuclear capabilities to support, by threat or employment, the forceful resolution of the Taiwan Question, if necessary. The United States now faces the possible reality of an opponent with both local conventional force advantages and a nuclear escalation threat in the event of a conflict over Taiwan. China’s capacity to wield a nuclear escalation threat has profound implications for deterrence. The United States has existential stakes involved in the Taiwan question *only* in the context of an escalating conflict—a possibility it will likely seek strenuously to avoid. The United States must, correspondingly, deal with the caution that this nuclear context forces on Washington—it now is the United States that must face a possible nuclear escalation threat with no apparent deterrence advantages to mitigate its coercive effect beyond the capability to engage in a nuclear escalation process that could be self-destructive.

The CCP understandably expresses the view that it is not China but the United States that will be compelled to greater caution by the uncertainty and risks of this context. This may be bluster, but the United States must calculate whether it or China is the party more willing to risk great injury if the CCP decides to resolve the Taiwan Question forcefully. The potential for China’s nuclear escalation and its overriding determination given its stakes in this case

hardly point to greater apparent U.S. will to engage in a competition of threats, potentially including China's nuclear threats, in the absence of U.S. advantages that help to mitigate the risks for the United States.

For decades, the United States was the undisputed dominant power in the Taiwan Strait. The CCP could reasonably be expected to be cautious and thus deterred by uncertainty given the significant U.S. local and strategic power advantages. That U.S. dominance appears to be fading fast or has ended. Yet, the United States still appears to rely on uncertainty to deter—without now the deterrence advantages needed for that to be a credible deterrent option.

Unfortunately, the basic structure of the deterrence equation in this case appears to argue that ambiguity and uncertainty may not work in favor of the United States. In the absence of some U.S. deterrence advantage that is not now obvious, there is no apparent reason for the CCP to be more cautious in an uncertain context than the United States—and given the asymmetry of stakes involved, there is reason to expect the CCP to be less cautious than the United States. These are the harsh deterrence realities imposed by the context of this case, particularly its political background.

What to Do?

Potential denial and punitive deterrence tools that the United States may be able to exploit are diplomatic, economic and military, and could be pursued simultaneously and in concert with allies. The task is to ensure that the CCP recognizes that a redline exists to deter its decision to attack Taiwan, and that the CCP calculates that violating the U.S. deterrence redline would *entail more intolerable consequences than would allowing Taiwan to remain autonomous*.

While diplomatic and economic deterrence measures have the potential to contribute to that CCP calculation significantly, an adequate U.S. deterrent position will likely require U.S. and allied capabilities sufficient to deny China any anticipation of a prompt military victory over Taiwan, a rapid *fait accompli*, and to deny China any expectation that its nuclear threats will paralyze U.S. and allied support for Taiwan if it is attacked. Doing so does not necessarily demand U.S. “escalation dominance” in this case—which likely is infeasible in any event; it does, however, demand that the United States and allies work to ensure that the CCP does not believe that China has escalation dominance. In short, the United States must foreclose a CCP “theory of victory” for the Taiwan Question.

Simply acknowledging the deterrence challenge facing the West is the needed first step. Unless and until the stark deterrence problem confronting the United States is recognized for what it is, any recommendations for restoring the U.S. deterrence position that call for serious rethinking and efforts undoubtedly will fall on deaf ears.

For decades, the United States has acted as if China would shed its appetite to reorder the world in its image—status-quo powers often cling to the self-serving belief that the rising non-status quo power will follow their preferred values, norms and behaviors. That clearly has not happened in the case of post-Cold War China.

If the United States is to deter by design in this case, it must recover a deterrence posture that addresses a context in which the opponent is committed to an existential goal in opposition to the U.S. deterrence redline, and has consciously sought to shift the correlation

of forces, including nuclear forces, to its advantage for the very purpose of defeating the U.S. deterrence position.

It is, however, an open question whether U.S. policy makers will recognize and respond adequately to the challenge now facing the United States and the demands for innovative U.S. deterrence thinking and actions that challenge now imposes on Washington. A key deterrence lesson from the Cold War that should now inform us is that the United States needs to recover a deterrence position tailored to the opponent and context if it hopes to deter by design vice luck. Previous generations of U.S. civilian and military leaders took extensive steps to help preserve an adequate deterrence position vis-à-vis the Soviet Union. The question is whether the current generation of U.S. leaders will take the steps necessary to do the same vis-à-vis China and accept the expense involved, or cling to fanciful notions of easy deterrence that are likely to fail in current circumstances.

A Victory Denial Deterrence Strategy for the Taiwan Strait

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 *fait accompli* in the Taiwan Strait that is secured by coercive nuclear escalation threats. The U.S. supreme interest in avoiding nuclear escalation in a conflict over Taiwan must be apparent to CCP leaders as a potential avenue for deterring the United States via coercive escalation threats. Plainly stated, the apparently larger number of U.S. strategic nuclear forces does not translate directly to a U.S. deterrence advantage in the case of Taiwan. Rather, 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 escalation threats against the United States and its allies, if necessary to succeed.

The U.S. deterrence strategy to meet this challenge must be to deny China the expectation that it has escalation dominance vis-à-vis the United States and its allies. 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 attempting to conquer Taiwan. 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.

Denying China a *Fait Accompli* and Escalation Dominance

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; that China’s victory, either locally or via escalation threats, is improbable and risky; and, that 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 posture in this context would exploit 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.

Integrated Tools for Deterring War: Military, Diplomatic, Economic

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 meet and stalemate an invasion force—whether quickly or over a lengthier period of time through defense in depth. At the level of China’s nuclear escalation

threats, the United States must deploy the numbers and types of weapons deemed necessary to deter a range of threat scenarios—including China’s limited regional nuclear attacks 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 the nuclear-armed, sea-launched cruise missile (SLCM-N) on both surface and sub-surface vessels. To preserve deterrence, the United States should consider the need to expand its capabilities beyond the existing nuclear modernization program of record given: 1) China’s and Russia’s continuing nuclear buildups; 2) China’s and Russia’s aggressive and revanchist efforts to revise the international political order; 3) the coercive role that both China and Russia appear to envision for their respective nuclear capabilities; and, 4) the increasing cooperation between China and Russia to achieve their respective international goals. It is important to recall that the existing program of record was largely set in motion years ago, well before general recognition of these developments, and that it is long-standing, bipartisan U.S. practice to adapt deterrence strategy as needed to meet worsening threat conditions.

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 and passive regional and homeland defenses. 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, U.S. homeland defenses 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 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. active and passive defensive system in this case would be intended to limit the damage to the United States and allies 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 defensive capabilities could provide the needed credibility of U.S. deterrence threats in some scenarios by demonstrating that 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 defensive capabilities is within the realm of possibility and is not inconsistent with established policy guidelines regarding Taiwan, nuclear weapons, and missile defense. Indeed, the 1979 Taiwan Relations Act and 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 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 brandished in a coordinated fashion internationally well before any invasion of 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 clear to the CCP that a direct and natural 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 weapons 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, and defensive 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.

Denying China a *Fait Accompli*: A Potential “Porcupine Strategy”

Preventing China from achieving an easy *fait accompli* with respect to Taiwan is an essential element of an overall victory denial deterrent. The objective is to make Taiwan “indigestible.” Doing this requires what often is described as a “porcupine” strategy, the goal of which is to make any military aggression against Taiwan prolonged and costly. A successful porcupine strategy at the local level is a necessary, but not sufficient, part of a victory denial deterrent. The broader strategic context must deny China any confidence in escalation (threatened or actual) to salvage a failing regional gambit. The deterrence goal is to create the conditions, locally and more broadly, in which China should be deterred at each threshold. Stopping an easy *fait accompli* is the first, local threshold and a key part of an overall victory denial deterrent. A victory denied locally could lead to internal dissent that would undermine the legitimacy of the CCP, and thus be a deterring prospect for the CCP. It is apparent that China’s officials are acutely concerned with internal dissent, especially if it leads to a popular movement within the country. To the extent possible, therefore, U.S. and allied officials could encourage CCP recognition that a failed or stalled Taiwan invasion is a great risk with a potentially existential cost. The prospect of this outcome could serve as a useful deterrent to China’s military action against Taiwan.

Such a porcupine strategy requires significant changes in Taiwan’s defensive approach which include reforming its acquisition policy to focus on procurement of the kinds of capabilities most useful to defending against and defeating an invasion of the island; adapting the organizational structure of its armed forces to be more resilient against China’s potential tactics; and, revising its doctrinal approach to provide for a comprehensive defense in depth of the island that acknowledges the prospect that an assault by China will likely be multifaceted, involving traditional kinetic and non-kinetic asymmetric capabilities. This means procuring sea mines; coastal defense cruise missiles (CDCMs); unmanned aerial vehicles (UAVs); unmanned underwater vehicles (UUVs); small patrol craft; and, mobile, land-based munitions. It also means procuring defensive capabilities that make the island less vulnerable to missile strikes, and employing information operations, including cyber warfare and other so-called “gray zone” tactics. Above all, Taiwan must assume a greater burden of responsibility for its own defense, and do so in a way that does not suggest to

either friends or adversaries a lack of resolve on the part of the United States (and possibly others) to come to Taiwan's defense, if attacked.

In addition to the actions Taiwan must take to improve its own defense capability, the hardening of U.S. assets in the region is also necessary, given the possibility that China might launch attacks on U.S. forces to prevent the United States from coming to Taiwan's defense. This includes strengthening U.S. active and passive defenses in the region to enhance deterrence by complicating any military action intended to degrade U.S. military capabilities. Moreover, stronger collaboration between Taiwanese forces and the U.S. military may bolster the defense of the island and thus strengthen deterrence. This should include greater senior-level engagement between U.S. and Taiwanese government officials, high-level contacts between U.S. military officials and their Taiwanese counterparts, and sharing threat intelligence information. A victory denial deterrent should also encompass non-military elements, including an international communications strategy and a diplomatic strategy. For example, strengthening the Quadrilateral Security Dialogue (Quad)—consisting of India, Australia, Japan, and the United States—through intensified military exercises, coordination, and cooperation would also contribute to deterrence by sending a strong message of opposition to an invasion of Taiwan.

Potential Diplomatic Tools for Deterrence: A Latticework of Mutually Supporting Relationships

The contemporary challenges associated with deterring China from attacking Taiwan are more complex, and fundamentally more problematic, than those the United States faced in the Cold War. One major difference is the absence of a NATO-like alliance that was instrumental in deterring the Soviet Union. Cold War collective security alliances focused primarily on the Soviet threat and were a part of the U.S. defense and deterrence posture. And, indeed, were it now possible to construct a robust form of collective security for the Indo-Pacific along the lines of NATO, that would certainly help provide a strong bulwark against China's aggression.

Nevertheless, it is not clear that such security multilateralism is viable for the Indo-Pacific, at least not yet. Given the geography, historical relationships and animosities, and, most importantly, differences in the national objectives of the regional states, it is unlikely that the United States could now create an Indo-Pacific multilateral treaty organization similar to NATO. Attempts in the 1950s failed and the prospects to do so today appear even more uncertain. But there may well be opportunities for deepening existing, and creating alternative, alliance/partnership structures, both multilateral and bilateral, that include a commitment to the peaceful resolution of the Taiwan Question. If the United States and its allies fully exploit these opportunities as part of a victory denial deterrence strategy, it could increase the prospects for successfully deterring China's aggression.

While an appreciation for the magnitude and immediacy of China's military threats certainly *is* growing in the Indo-Pacific—and is indeed making possible a growing breadth and depth of regional security cooperation—it is far from clear that enough of a “demand signal” yet exists for a NATO-style collective security “Indo-Pacific Treaty Organization” (IPTO) to succeed. Many regional states that increasingly fear China and seek closer relationships with America appear nonetheless reluctant to “choose sides” against Beijing in

the overt way that an outright military alliance would imply. It is also the case that some of them have difficulties *with each other* that would make formalizing a NATO-style defensive architecture challenging.

Nevertheless, it is possible to build habits of effective security-focused collaboration through networks of formal and informal cooperation. Therefore, it should be the focus of U.S. regional foreign and security policy to build a cross-cutting latticework of separate and distinct but mutually supporting relationships that can help weave the Indo-Pacific into a stronger cooperative fabric of security cooperation against China's threats.

This agenda should include a strong emphasis upon security sector capacity building. Such capacity building would be essential. Not only would it help regional countries build autonomous national capabilities that make them more resistant to China's coercion and more able to defend themselves, it also would make regional forces more *interoperable*—i.e., augmenting their ability to work together, including with the United States, if they need to do so in a future crisis.

The growing U.S. strategic relationship with Vietnam may offer substantive prospects for future joint security efforts to deter aggression in the South China Sea and could have broader implications affecting Beijing's Taiwan calculations. While encountering significant political and trade obstacles in recent years, the overall forward trajectory of the bilateral relationship has continued in both the economic and, to a lesser but still important degree, military spheres. As with Vietnam, India may offer the prospect for closer security ties that could affect China's calculations over Taiwan. India has long been considered a potentially important partner in countering China's presence and influence in the Indo-Pacific region. While there is little prospect that New Delhi would play a direct role in deterring an attack on Taiwan, India's nuclear and missile force is structured with the goal of deterring Beijing from using large-scale military force against India. Others in the region share both the threat perception of China and the need to deter Beijing's expansion in the region, including its use of force against Taiwan.

Working with regional allies and partners can add to the credibility of the U.S. deterrence position and influence China's perception of the costs/risks of military aggression. The American deterrence message may be strengthened in this regard by expanding security dialogues and defense cooperation with key allies. As with the NATO experience, regular higher-level consultations on China's unprecedented nuclear buildup should seek to assure allies and signal to Beijing the collective will of the alliance partners not to be coerced into accepting aggression against Taiwan. Public summit-level statements and joint communiqués emphasizing allied resolve to act against the use of armed force may affect CCP thinking about the potential costs of its actions. The United States should undertake a diplomatic campaign advocating a strong, public deterrence message with non-treaty regional partners, and should also seek to promote the deterrence message in broader multilateral fora, such as the Quad and within the Association of Southeast Asian Nations (ASEAN).

In addition to strengthening deterrence through declaratory statements, the United States and select allies should take material steps to demonstrate the resolve and the capability to act jointly in the event of China's armed aggression. An important element in a victory denial deterrence posture is to deploy and sustain in the region the necessary military capabilities, conventional and nuclear, to counter the decade-long buildup of China's forces i.e., to help rebalance the local correlation of forces. For the United States, this requires

an enhanced presence of military assets in the Indo-Pacific to offset the wide-scale qualitative and quantitative expansion of China's military. Given China's large-scale missile deployments, U.S. missile defenses and a countervailing missile force would add greatly to the perception of both resolve and capability essential to deterrence.

In addition to building ever closer defense relations with treaty allies through greater interoperability, operational exercises, and joint deployments, the United States can begin to lay the groundwork for a broader and more capable collective defense framework in the Indo-Pacific. While deep-seated historical and complex current political conditions still present a substantial challenge to this goal, the growing perception and reality of China's threat across the region may in time overcome these impediments sufficiently to permit the establishment of a future multilateral collective security structure.

In sum, for deterrence of China to have the best chance of success, U.S. leadership with current and potential allies in the diplomatic, political, and military fields is essential. Close consultations—perhaps leading to an “Article V”-type security commitment with Australia and Japan—and increasingly integrated military planning and exercises, can make clear that deterrence is the first priority for key U.S. allies. A latticework approach to weaving webs of economic, trade, diplomatic, technological, cultural, academic, and other relationships among the democracies can play a powerful complementary role in building “connective tissue” among Indo-Pacific partners in ways that will, *by definition*, help undermine Beijing's agenda of building a new global order around itself and CCP authoritarianism.

With sustained and credible U.S. leadership, China will have to plan on U.S. allies and partners responding collectively to aggression against Taiwan, raising the costs and uncertainties, and strengthening the prospects for a victory denied to the CCP and thus U.S. deterrence success.

Potential Economic Tools for Deterrence

Economic tools can be valuable elements in a victory denial strategy that helps to strengthen America's deterrence position in the Taiwan Strait. The United States has a plethora of economic, financial, trade, and investment tools, including the use of sanctions, that can be used to apply pressure in those areas where China's economy is vulnerable and to penalize China for aggressive behavior. Brandishing sanctions alone is likely to be an insufficient deterrent, though doing so would complement an integrated approach to a victory denial strategy.

For sanctions to have a useful effect on China's decision making, they must target what the CCP values and will likely need to be in effect for a prolonged period of time, most likely years. This could lead to U.S. and allied “sanctions fatigue” and a desire to avoid extensive economic disruptions by abandoning sanctions before they have full effect. However, China's leaders must be convinced of U.S. seriousness and must not perceive sanctions to be a transitory phenomenon that will be reassessed, eased, or lifted by subsequent U.S. administrations without acceptable CCP behavior. Although the United States has the ability to implement sweeping sanctions on China unilaterally, the effect of sanctions will be magnified if more U.S. allies and partners join in this approach. Growing European recognition of the danger posed by China may be leveraged to build support for sanctions and economic penalties that have significant impacts on Beijing. In addition, America's Asian

allies increasingly express concern over China. A sanctions strategy should provide disincentives for companies to invest in China's market while offering prudent alternatives that cause greater economic discomfort to China than to themselves.

The imposition of sanctions may lead China to retaliate against U.S. companies. Therefore, the U.S. government—as part of an integrated strategy—should work with private sector entities in the United States and American companies operating abroad to mitigate in advance the impact of any retaliatory actions directed against U.S. economic interests. Doing so can help insulate the U.S. economy from potential negative consequences of China's reaction and, by minimizing U.S. economic vulnerabilities, can help strengthen the credibility of overall U.S. deterrent threats.

China is involved in numerous supply chains that affect U.S. companies and the American consumer, including solar panels, lithium batteries, pharmaceuticals, and rare earth minerals. Disruptions in these markets may trigger greater near-term hardship to the American consumer than to China's population and may be seen by Americans as unacceptable. But the United States should take action in advance to prepare for such disruptions and to convince China's leaders that such market disruptions will be more painful for Beijing than for Washington.

Decoupling China from international trade institutions would be an overt and powerful signal to Beijing that its unwanted behavior will have detrimental effects. Moreover, although past efforts have not resulted in major successes, reducing investments in China's economy, reducing supply chain dependence on China, punishing its intellectual property theft, and mapping the economic interests of those who are part of the CCP leadership and tailoring sanctions and economic tools to those individuals and their personal economic interests would all help build credibility in the minds of China's leaders that the United States has the resolve to act. The United States should also consider ways to offset China's exploitative "Belt and Road Initiative" by expanding its economic relationships with countries feeling the pressure of Beijing's predatory lending policies.

In addition, China relies heavily on semiconductor chips produced in Taiwan and a CCP desire to control the supply of Taiwanese chips—as well as to deny them to the West—could make an invasion scenario appear attractive to the CCP leadership. As part of a cost-imposition strategy to deter China's aggression against the island, Taiwan could threaten to destroy its own semiconductor facilities if China attacks Taiwan, essentially immobilizing China's high-tech industries and imposing severe, long-term economic costs on China.

Above all, the United States must formulate an approach that capitalizes on the strength and resiliency of the U.S. economy, which remains a more productive engine of economic, technological, and social progress than that of China. An economic strategy that combines the various measures discussed above with elements of an integrated approach to deterrence may prove valuable in restoring American dominance and deterring China's military action against Taiwan.

The Potentially Detering Prospect of Proliferation

The CCP leadership follows closely nuclear weapon-related developments in states around its periphery as well as in the United States. Should China invade Taiwan, the resulting degraded U.S. extended deterrence credibility and the need to halt further aggression would

likely lead to nuclear proliferation consequences that could cause a dramatic shift in China's nuclear threat environment. Some non-nuclear weapon states threatened by China are likely to fundamentally reassess their security requirements and reconsider their nuclear status. This unavoidable potential for horizontal nuclear proliferation—especially among non-nuclear states around China—is a reality that U.S. and allied officials should communicate to the CCP leadership for deterrence purposes. Current non-nuclear weapon states, including Japan, South Korea, and Australia, might all consider pursuing a nuclear weapons capability in response to an invasion attempt—especially if that attempt involved China's coercive nuclear threats or employment against the United States. The fact is that an invasion of Taiwan could lead to unpredictable and long-lasting nuclear risks for China. Brandishing this natural consequence of a CCP decision to attack Taiwan could be an important element in a victory denial deterrence strategy. Although not an element controlled or created by the United States, U.S. and allied officials could communicate to China the likely nuclear proliferation danger it would almost certainly provoke if it were to invade Taiwan.

A successful invasion of Taiwan could also lead to further vertical nuclear proliferation—qualitative and/or quantitative expansion of existing nuclear arsenals—in the United States, Russia, India, and potentially others. They may view a newly-empowered China—especially one that perhaps successfully employed nuclear coercive threats against the United States and its allies—as a growing danger that prudently requires hedging through growth in nuclear arsenal sizes and capabilities. Thus, U.S. and allied officials should make clear to the CCP leadership that there would likely be horizontal and vertical proliferation consequences of an invasion of Taiwan, resulting in a decrease in China's security. When combined with other potential victory denial deterrence threats, the threat of nuclear proliferation may contribute to a CCP leadership decision to endure the costs of the political status quo on Taiwan versus provoking potentially greater costs through invasion.



Tailored Deterrence: China and the Taiwan Question

To win one hundred victories in one hundred battles is not the acme of skill. To subdue the enemy without fighting is the acme of skill.

Sun Tzu, sixth century, B.C.

Introduction

Carl von Clausewitz wrote that the nature of war has enduring continuities, but its characteristics change with different circumstances.¹ Similarly, the basic nature of deterrence endures across time and place: a threatened response to an adversary's prospective provocation causes that adversary to decide against the provocation, i.e., the adversary is deterred from attack because it decides that the cost of prospective consequences would outweigh the gains. Effective deterrence shapes the calculations and thus the decision making of an adversary in a more benign direction than otherwise would have been the case.

While this threat-based nature of deterrence endures, its application must answer particular questions: who deters whom? from what action? by threatening what response? in what circumstances? in the face of what counterthreats?² Numerous factors can necessitate adapting a deterrence strategy for greatest effect, including the adversary's character, attention, military and non-military capabilities, values, will and health, the deterrence goal, the historical and cultural contexts, and the available channels of communication, *inter alia*.

For example, the most effective deterrent may be based on a threat to punish the adversary in a manner that aligns with the adversary's fears. Depending on the opponent and context, this threatened punishment could be communicated via a variety of possible channels and be based on a range of possible military and non-military threat instruments. In another case, the necessary deterrent threat may be to deny the adversary its specific political or military objectives.³ In yet another case, a combination of unique punishment and denial threats may be necessary to deter. In all of these cases, effective deterrence may require adjusting the instruments of deterrence as well as the means of communicating the

¹ This is the theme of the first chapter of the first book in, Carl Von Clausewitz, *Vom Kriege* (Hamburg, Germany: Nikol Verlag, 2008), p. 49.

² This is the classic formulation by Herman Kahn and Raymond Aron. See Herman Kahn, *Thinking About the Unthinkable in the 1980s* (New York: Simon and Schuster, 1985), p. 120; and, Raymond Aron, *The Great Debate: Theories of Nuclear Strategy* (New York: Doubleday & Company, 1965), p. 163.

³ For an early discussion of the distinction between deterrence by punishment and deterrence by denial see, Glen H. Snyder, *Deterrence and Defense: Toward a Theory of National Security* (Princeton, NJ: Princeton University Press, 1961), pp. 3-16, 33-40.

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needed threat and the basis for its credibility per the unique conditions of opponent, time, and place.

Understanding the basic threat-based nature of deterrence is no challenge. Illustrated children's books have been written on the subject.⁴ That simplicity is deceptive, however, because understanding how to adjust the character of deterrence strategies in practice across different adversaries and contexts is a significant challenge. Doing so is complicated by adversaries' divergent worldviews, values, goals, priorities, risk tolerances, motivations, levels of pragmatism and determination, channels of communication, and perceptions of U.S. credibility.⁵ The significance of meeting that challenge is of unparalleled value when the deterrence goal is the prevention of conflict and nuclear attack.

During the Cold War, U.S. nuclear deterrence strategies adjusted slowly given the enduring continuities of the U.S.-Soviet bipolar strategic environment. Thereafter, U.S. leaders adjusted to the dramatic systemic transformation brought on by the collapse of the Soviet Union and Warsaw Pact and a prevalent assumption that China would rise peacefully. The common belief was that the prospect for interstate nuclear crises and the need for nuclear deterrence was dwindling. The hope and expectation—shared by many senior officials and commentators alike—was that nuclear threats and the potential for nuclear employment belonged to the past, never to return.⁶ The West generally welcomed the sanguine expectations and claims that, because the Cold War had ended, interstate nuclear threats and the need for nuclear deterrence were largely a thing of the past. As then-Commander of European Command, General Philip Breedlove, remarked in 2016, “We embarked on a policy of ‘hugging the bear’ with what we perceived was a former adversary turned strategic partner.”⁷ These conditions and expectations led to what has been called a 30-year U.S. strategic “holiday from history” and serious thinking about deterrence policy vis-à-vis great nuclear powers.⁸

Suffice to say, however, neither China nor Russia took a comparable “holiday.” A primary task now is to understand how a third and dramatically different new strategic threat environment should shape U.S. understanding of opponents and contexts, and, correspondingly, U.S. deterrence strategies. Why? Because, “Nations as different as China and Russia have chosen to be strategic competitors as they seek to create a world consistent with their authoritarian models and pursue veto power over other nation's economic,

⁴ See Herbert Scoville and Robert Osborn, *Missile Madness* (Boston: Houghton Mifflin Co., 1970).

⁵ The diversity of such variables and their significance to the functioning of deterrence is presented in, Keith B. Payne, *The Fallacies of Cold War Deterrence* (Lexington, KY: University Press of Kentucky, 2001), pp. 1-77.

⁶ “The risk of nuclear confrontation between the United States and either Russia or China belongs to the past, not the future...” James Cartwright, Chair, Global Zero U.S. Nuclear Policy Commission, *Modernizing U.S. Nuclear Strategy, Force Structure and Posture* (Washington, D.C.: Global Zero, May 2012), p. 6, available at http://www.globalzero.org/files/gz_us_nuclear_policy_commission_report.pdf. Renewed hostility with Russia is described as, “hardly more likely to be revived than the religious wars of the sixteenth and seventeenth centuries between Catholics and Protestants in Europe.” Carl Kaysen, Robert S. McNamara, and George W. Rathjens, “Nuclear Weapons After the Cold War,” *Foreign Affairs*, Vol. 70, No. 4 (Fall 1991), p. 96.

⁷ Philip Breedlove, “U.S. European Command Posture Statement 2016,” *EUCOM.mil*, February 25, 2016, available at <http://www.eucom.mil/media-library/article/35164/u-s-european-command-posture-statement-2016>.

⁸ Robert Gates, “We Need a More Realistic Strategy for the Post-Cold War era,” *The Washington Post*, March 3, 2022, available at <https://www.washingtonpost.com/opinions/2022/03/03/why-ukraine-should-force-a-total-overhaul-of-our-national-security-strategy/>.

diplomatic, and security decisions.”⁹ U.S. Strategic Command Commander, ADM Charles Richard, has rightly emphasized that these developments demand that the United States think anew about its approach to deterrence.¹⁰

Tailoring Deterrence

By definition, effective deterrence requires that U.S. deterrence strategies be sufficiently credible to different adversaries to shape their decision making decisively. However, given the great potential variation in adversaries, the United States must adjust the character of its deterrence strategies, i.e., “tailor” them as necessary to the unique characteristics of diverse adversaries and circumstances. Indeed, the U.S. strategy to deter one opponent may be wholly inadequate for deterring another and different U.S. deterrence strategies may be needed for the same opponent in different circumstances. Simply communicating deterrence redlines to opponents may require wholly different approaches.

Recognition of the need to tailor deterrence is not new. Decades ago, U.S. scholars of deterrence pointed in their own words to the need to adjust deterrence strategies to the specific opponent and circumstances.¹¹ As a relatively early academic discussion of the need to adjust deterrence strategies to the differing possible opponents and contexts rightly concludes, “If one does not threaten the right target for the right reasons, it may not matter how well one does it.”¹² To do so, of course, demands the hard work necessary to understand opponents, as well as possible, as the foundation on which to build a deterrence strategy that is calibrated to their unique characters and circumstances. This “hard work” is necessary because, as two deterrence scholars observed decades ago: “Not all actors in international politics calculate utility in making decisions in the same way. Difference in values, culture, attitudes toward risk-taking, and so on vary greatly. There is no substitute for knowledge of the adversary’s mind set and behavioral style.”¹³

This need to understand opponents and to tailor deterrence according to their unique characters and the pertinent contexts will likely shape the appropriate form and substance of deterrence threats, the source of their delivery, their timing, content, format, and the channels of their communication. The potential value of so tailoring deterrence cannot be overstated. The failure to understand the unique characteristics of diverse adversaries and adjust deterrence accordingly has, on numerous past occasions, led the United States to be shocked by unexpected foreign actions, including the failure of deterrence.¹⁴

For example, in August 1941, Assistant Secretary of State Dean Acheson reassured President Roosevelt that war with Japan was unlikely because “no rational Japanese could

⁹ Secretary of Defense Jim Mattis, *Senate Armed Services Committee, Written Statement for the Record*, April 26, 2018, p. 3.

¹⁰ Amy McCullough, “Russia, China Push STRATCOM to Reconsider Strategic Deterrence,” *Air Force Magazine Online*, October 21, 2021, available at <https://www.airforcemag.com/russia-china-push-stratcom-to-reconsider-strategic-deterrence/#>.

¹¹ See for example, Alexander George and Richard Smoke, *Deterrence in American Foreign Policy* (New York: Columbia University Press, 1974), pp. 82-83.

¹² Peter Karsten, Peter Howell and Artis Frances Allen, *Military Threats: A Systemic Historical Analysis of the Determinants of Success* (Westport, CT: Greenwood Press, 1984), p. xii.

¹³ Gordon Craig and Alexander George, *Force and Statecraft*, Third Edition (New York: Oxford University Press, 1995), p. 188.

¹⁴ See the discussion in Payne, *The Fallacies of Cold War Deterrence*, op. cit., pp. 1-15.

believe an attack on us could result in anything but disaster for his country.”¹⁵ Four months later Japan launched a surprise attack against the United States at Pearl Harbor. Despite Acheson’s confident expectation, Japanese leaders apparently calculated that they had no acceptable alternative to war with the United States.¹⁶

On September 19, 1962, less than one month before photographic evidence proved that the Soviets had placed missiles in Cuba, Special National Intelligence Estimate 85-3-62, *The Military Buildup in Cuba*, essentially stated that the Soviet Union would not place missiles in Cuba because doing so “would indicate a far greater willingness to increase the level of risk in US-Soviet relations than the USSR has displayed thus far....”¹⁷ Sherman Kent, then-head of the National Board of Estimates, stated of this mistake regarding missiles in Cuba, “We missed the Soviet decision to put the missiles into Cuba because we could not believe that Khrushchev could make a mistake.”¹⁸

The 1973 Yom Kippur War is a final illustration here of surprise flowing from misunderstanding opponents. On October 6, 1973, Egypt and Syria launched a coordinated, surprise assault against Israel. Avner Cohen reports that: “The Arabs were not deterred from waging the 1973 war by the knowledge that Israel was in possession of nuclear weapons....”¹⁹ President Anwar Sadat apparently initiated the attack in the hope that it would “precipitate” superpower intervention.²⁰ For American leaders convinced that prudence in the face of great risk must lead to cautious behavior, the decision to strike against a putative nuclear-armed opponent was inexplicable. Secretary of State Henry Kissinger observed that, despite ample information about Arab troop movements, “no one believed” they would launch an attack because, “Our definition of rationality did not take seriously the notion of [Egypt and Syria] starting an unwinnable war to restore self-respect.”²¹

Not until relatively late in the Cold War, however, did U.S. deterrence policy focus on the unique character of the opponent and context. Rather, from the early 1960s through the mid-1970s, the United States declared its strategic deterrent to be based on an “assured destruction” threat to Soviet urban/industrial assets. In 1964, Secretary of Defense McNamara quantified this threat as, “the destruction of, say, 25 percent of its population (55 million people) and more than two-thirds of its industrial capacity...Such a level of destruction would certainly represent *intolerable punishment to any industrialized nation*

¹⁵ Quoted in, Scott Sagan, “The Origins of the Pacific War,” *Journal of Interdisciplinary History*, Vol. 18, No. 4 (Spring 1988), p. 906.

¹⁶ See, for example, Louis Morton, “Japan’s Decision for War,” *Command Decisions* (New York: Harcourt, Brace, 1959). See also, Richard Betts, *Surprise Attack* (Washington, D.C.: Brookings Institution, 1982), pp. 133-137.

¹⁷ Sherman Kent, “A Crucial Estimate Relived,” in, *Sherman Kent and the Board of National Estimates, Collected Essays* (Washington, D.C.: Center for the Study of Intelligence, Central Intelligence Agency, 1994), accessed at <www.cia.gov/csi/books/shermankent/toc.html> on August 9, 2000.

¹⁸ Ibid.

¹⁹ Avner Cohen, *Israel and the Bomb* (New York: Columbia University Press, 1998), p. 342.

²⁰ See, R. Ernest Dupuy and Trevor N. Dupuy, *The Encyclopedia of Military History* (New York: Harper and Row, 1977), p. 1235; and, Karl P. Mueller et al., *Striking First* (Santa Monica, CA: RAND Corp., 2006), p. 210.

²¹ Henry Kissinger, *Years of Upheaval* (Boston, MA: Little Brown and Company, 1982), p. 46.

and thus should serve as an effective deterrent.”²² He later observed that, “It is important to understand that assured destruction is the very essence of the whole deterrence concept.”²³

Secretary McNamara did *not* link this “assured destruction” deterrence threat with the Soviet leadership’s specific values and priorities. Rather, Secretary McNamara and senior DoD officials appear to have assumed urban/industrial targeting to be the basis for deterring the leaders of “any industrialized nation,” including the Soviet Union. Senior DoD officials said explicitly that the “assured destruction” metric was based on the “flat in the curve” for this form of threat, i.e., the point where additional nuclear weapons would have been of rapidly decreasing value for destroying additional societal targets, and thus would be “insignificant for deterrence.”²⁴

In short, this U.S. deterrence strategy was not obviously tailored to Soviet leadership values and priorities; it was instead based on a presumption that this type of threat would deter “any industrialized nation.” As such, it ignored or discounted the need to understand the unique character of the opponent and context and tailor deterrence accordingly.

However, recognition of the value of tailoring deterrence to the opponent and circumstance appears to have consciously shaped U.S. policy later in the Cold War. For example, Secretary of Defense Harold Brown stated openly that the Carter Administration’s “Countervailing Strategy” and the 1980 Presidential Directive-59 were designed to take the Soviet leadership’s values and priorities specifically into account.²⁵

Secretary Brown had directed immediate implementation of recommendations contained in the 1978 Nuclear Targeting Policy Review.²⁶ Its basic conclusion illustrates these early efforts to tailor U.S. strategic deterrence: “The Nuclear Targeting Policy Review has emphasized the importance of implementing a nuclear strategy and developing supporting capabilities that will deter the Soviet Union from using their military power not only by threatening the Soviet Union but also by making Soviet military victory, *as seen through Soviet eyes*, as improbable as we can make it...Our objective is not to create war fighting capabilities, but to strengthen deterrence.”²⁷ A key conclusion of this effort to tailor deterrence was that, “Among the most important characteristics that we should build into our strategic plans and capabilities are flexibility and endurance.”²⁸

Shortly thereafter, under the Reagan Administration, the 1983 bipartisan *Report of the President’s Commission on Strategic Forces* (“Scowcroft Commission”) essentially presented the need to tailor deterrence to the specific “set of beliefs in the minds of the Soviet leaders,

²² Draft Memorandum for the President, Secretary of Defense [Robert S. McNamara] to the President [Lyndon B. Johnson], Subj: Recommended FY 1966-FY 1970 Programs for Strategic Offensive Forces, Continental Air and Missile Defense Forces, and Civil Defense, December 3, 1964, p. 4. (Originally classified; sanitized and declassified on January 5, 1983); cited hereafter as *1964 DPM*. (Emphasis added).

²³ Robert S. McNamara, *The Essence of Security: Reflections in Office* (New York: Harper and Row, 1968), p. 53.

²⁴ Alain Enthoven and K. Wayne Smith, *How Much Is Enough? Shaping the Defense Program, 1961-1969* (New York: Harper and Row, 1971), p. 67; and *1964 DPM*, op. cit., p. 17.

²⁵ See the discussion in, Colin S. Gray, *Nuclear Strategy and Strategic Planning* (Philadelphia: Foreign Policy Research Institute, 1984), pp. 71-72.

²⁶ Office of the Assistant Secretary of Defense, International Security Affairs, Memorandum from Leon Sloss, Director Nuclear Targeting Review to the Director of the Joint Staff, et al., December 13, 1978, p. 2. (Declassified on October 24, 2013.)

²⁷ *Ibid.* (Emphasis added).

²⁸ *Ibid.*

given their own values and attitudes.”²⁹ This was the tailoring of U.S. strategic deterrence plans, although the catchword “tailoring” itself came into play only much more recently.

Since the end of the Cold War, U.S. deterrence policy has increasingly emphasized the need to tailor deterrence strategies to the specific opponent and circumstances for any given deterrence engagement.³⁰ The aspiration to do so is now a well-established principle of U.S. deterrence policy. The acceptance in U.S. policy of the need for deterrence tailoring was highlighted in DoD’s 2004 *Strategic Deterrence Joint Operating Concept* and more recently in the 2018 *Nuclear Posture Review*.³¹ The ubiquitous observation reflecting this development in U.S. deterrence policy is that, for deterrence, “one size does not fit all.”³²

U.S. acceptance of the need to tailor deterrence strategies to different opponents and circumstances is now driven by growing recognition that U.S. deterrence strategies must adapt to multiple opponents and their diverse worldviews, goals, behavioral norms, value hierarchies, calculations of risk and cost, and strategic cultures.

Deterring Aggression in the Taiwan Strait

During the Cold War, the need to adjust deterrence to different opponents and contexts was limited because the U.S. focus was largely on a single threatening superpower, i.e., the Soviet Union. To the extent that other powers were considered, they were deemed to be lesser included cases.³³ A prominent deterrence challenge now confronting Washington, however, is how to deter China from resolving the Taiwan Question forcefully.

There are many nuances to the Taiwan Question and the U.S. deterrence challenge involved, but the fundamental deterrence question is: can the United States now tailor its deterrence strategy to prevent the Chinese Communist Party (CCP) from deciding to conquer Taiwan, i.e., from removing the current democratically-elected governing authority and installing the CCP’s own repressive governing authority instead? Why might the CCP decide to do so? Perhaps because an economically successful, autonomous and democratic Taiwan is “a daily reminder to mainland China that yes, the Chinese can have a successful democracy too. They don’t have to only live under authoritarian rule.”³⁴ China’s recent harsh repression in Hong Kong in violation of the 1984 Sino-British Joint Declaration looms large in the background.

²⁹ Brent Scowcroft, Chair, *President’s Commission On Strategic Forces*, April 6, 1983, p. 3.

³⁰ The need to “tailor” deterrence for the post-Cold War era is first presented in Keith B. Payne, *Deterrence in the Second Nuclear Age* (Lexington, KY: University Press of Kentucky, 1996), pp. 127-129. See also, Payne, *The Fallacies of Cold War Deterrence and a New Direction*, op. cit., pp. 87-114.

³¹ The 2018 *Nuclear Posture Review* (NPR) culminated a decades-long road to the elevation of tailoring deterrence to a fundamental principle of U.S. policy. Department of Defense, *Nuclear Posture Review Report* (February 2018), pp. viii, ix, 26, available at <https://media.defense.gov/2018/Feb/02/2001872886/-1/-1/1/2018-NUCLEAR-POSTURE-REVIEW-FINAL-REPORT.PDF>.

³² *Ibid.*, p. 26.

³³ James Anderson, “China’s Arms Buildup Threatens the Nuclear Balance,” *The New York Times*, July 29, 2020, at <https://nyti.ms/3f6A4NH>; and, Rachel Cohen, “USAF Rethinks Relationship Between Conventional, Nuclear Weapons,” *Air Force Magazine Online*, August 19, 2020, at <https://www.airforcemag.com/usaf-rethinks-relationship-between-conventional-nuclear-weapons/>.

³⁴ Shelley Rigger, professor of political science at Davidson College, quoted in, Andy Serwer and Max Zahn, “You Should Care About Taiwan,” *Yahoo Finance*, November 20, 2021, available at <https://finance.yahoo.com/news/why-you-should-care-about-taiwan-103511885.html?guccounter=1>.

Deterrence success in this regard is not likely to end in any definitive sense China's desire to unite Taiwan with the mainland; that is a much heavier political burden than deterrence can or should be expected to bear. The goal of bringing Taiwan under CCP governance, by force if necessary, appears to be an essential part of the CCP's broader program of national rejuvenation. China's President and the General Secretary of the CCP, 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 China to be a prosperous, powerful, and *unified* country by its centenary in 2049. Xi's subjugation of Hong Kong reflects his definition of, and willingness to pursue, this goal at the expense of the West's good will.

For the CCP and Xi Jinping in particular, similarly controlling Taiwan appears to be a matter of *existential* importance. Effective U.S. deterrence in this case is for China's leadership to conclude, when considering its options for Taiwan, that the risks/costs of attempting to conquer Taiwan militarily are intolerable compared to the relative greater safety of deciding, "not this year." Deterrence surely cannot solve all geopolitical problems, but it may be able to accomplish that much.

Numerous commentators and academics present their competing opinions on how the United States should pursue deterrence in this case—there seems to be a daily publication on the subject. In most cases, however, this advice is derived from jargon and principles taken from America's Cold War deterrence experience. That is understandable, but a mistake.

The current deterrence challenge posed by China and the Taiwan Question is unprecedented and commentary on the subject that is derived from U.S. Cold War deterrence experience, including extended deterrence, typically is now of limited value. The U.S. deterrence goal now must be to understand the contemporary CCP worldview per the specific circumstances of the Taiwan Question, and tailor a U.S. deterrence strategy in light of that understanding.

The Taiwan Question

China's leadership considers Taiwan to be a renegade part of China but, in the past, referred to "one country, two systems," suggesting some level of tolerance of a democratic Taiwan. However, the CCP's tolerance of a successful, democratic Taiwan appears to be at an end, and China's extreme pressure on Taiwan, backed by increasingly bellicose military threats, suggests a growing deterrence challenge—particularly following China's brutal imposition of control over Hong Kong, which also earlier enjoyed the apparent freedom of "one country, two systems." Xi Jinping has stated that "unification" cannot be put off indefinitely.³⁵ Indeed, ADM John Aquilino said in his confirmation hearing for Commander of Indo-Pacific Command that China's use of force in this regard is "much closer to us than most think."³⁶

³⁵ Quoted in, Keith Griffith, "Nine US Generals Send '36-Star Memo' Begging Spy Chiefs to Declassify Intelligence," *Dailymail.com*, April 27, 2021.

³⁶ Quoted in, *Economist* Editorial, "China and Taiwan: Something Wicked This Way Comes," *The Economist* (UK), May 1, 2021, available at <https://www.economist.com/weeklyedition/2021-05-01>.

The Taiwan Question, of course, is whether Taiwan will continue to have political autonomy, free of the CCP's dictatorial rule, or come under China's heavy thumb via Beijing's use of force or coercion to change the status quo. China's leadership may be determined to resolve the Taiwan Question, whether peacefully or forcefully, within this current generation of CCP leadership. Although a precise deadline for this action is not obvious and may not exist, the CCP appears to have a general timeline that does not conveniently postpone this pending crisis to the distant future.

In contrast, the United States has declared its commitment to ensuring the peaceful resolution of the Taiwan Question via Congress' 1979 Taiwan Relations Act (TRA) and subsequent policy statements by a succession of U.S. presidents. Indeed, the TRA provides the fundamental elements of enduring U.S. policy regarding the Taiwan Question:

- "The United States' decision to establish diplomatic relations with the People's Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means."
- "It is the policy of the United States...to consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States."
- "It is the policy of the United States...to provide Taiwan with arms of a defensive character."
- "It is the policy of the United States...to maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan."
- "The United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability."
- "The President is directed to inform the Congress promptly of any threat to the security or the social or economic system of the people on Taiwan and any danger to the interests of the United States arising therefrom."

Since the TRA, the United States has walked the fine balance between two different unwanted possibilities: 1) backing Taiwan's autonomy to such an extent that U.S. support effectively encourages Taiwanese leaders to declare formal sovereign state independence from China; and, 2) failing to support Taiwan's autonomy to the extent that the CCP feels free to resolve the Taiwan Question forcefully. The United States has pursued this balancing act via a general policy of "strategic ambiguity." That is, a measure of ambiguity in the depth and scope of the U.S. commitment to Taiwan is intended to discourage Taiwan from provoking China by moving toward full sovereign state independence, while the same ambiguity also is intended simultaneously to help deter China from moving forcefully against Taiwan.

Deterrence and Ambiguity

It may seem counterintuitive to suggest that ambiguity in the scope of the U.S. commitment to Taiwan should be thought of as contributing to the deterrence of China. In no other arena

is the uncertainty associated with ambiguous signaling typically thought of as the most efficient means of shaping behavior. Yet, in 1995, Harvard professor and former Assistant Secretary of Defense Joseph Nye exposed the expected deterrence value of “strategic ambiguity” when he said to Chinese officials that, in the event of China moving militarily against Taiwan: “We don’t know what we would do, and you don’t—because it is going to depend on the circumstances.”³⁷ This advertised ambiguity regarding prospective U.S. behavior explicit in Nye’s statement was expected to have deterrent effect. For many years, U.S. officials appear to have had considerable confidence in the value of ambiguity for sustaining the deterrence of China while simultaneously not stirring Taiwan toward independence.³⁸ Most recently, Defense Secretary Lloyd Austin reportedly expressed this approach to deterrence by observing that the United States would continue to *avoid* setting “redlines” regarding Taiwan.³⁹ The intentional absence of specified “redlines” ensures a level of ambiguity regarding the U.S. commitment.

It is critical to understand the presumption underlying the expected deterrence value of strategic ambiguity. Uncertainty regarding the scope of prospective U.S. actions permits the listener, in this case the CCP, to conclude the U.S. response to an attack on Taiwan *might* be very powerful. The long-standing U.S. expectation that uncertainty provides decisive deterrent effect presumes that China’s calculations will be determined by the deterring *possibility* of a very robust U.S. military commitment to protecting Taiwan and not by the alternative possibility also inherent in uncertainty, i.e., that the United States would not be so committed.

When considering the deterrence issues now associated with the Taiwan Question, this convenient presumption underlying the expected deterrence value of uncertainty and “strategic ambiguity” must be understood: China’s leadership is expected to decide that because the United States *might* respond very forcefully, it will be deterred from attacking Taiwan rather than deciding that the United States might *not* respond so forcefully, and therefore it can risk attacking Taiwan. China’s fear of the *possibility* of a very strong U.S. reaction will render the U.S. deterrent sufficiently potent and credible to be effective rather than the alternative possibility that China will instead *be reassured* by U.S. ambiguity and thereby conclude that the risk of moving against Taiwan would be acceptable. In short, uncertainty is expected to compel prudent caution rather than invite aggression. If the former expectation regarding CCP perceptions and calculations is valid, then “strategic ambiguity” may be consistent with effective deterrence; if the latter is the case, then

³⁷ Quoted in Martin L. Lasater, “A U.S. Perception of a PLA Invasion of Taiwan,” in Peter Kien-hong Yu, ed., *The Chinese PLA’s Perception of an Invasion of Taiwan* (New York: Contemporary U.S.-Asia Research Institute, 1996), p. 252. See also, *Press Briefing by Deputy Press Secretaries Barry Toiv and David Leavy*, August 13, 1999. Transcript released by the Office of the White House Press Secretary, available at

<http://www.pub.whitehouse.gov/urires/I2R?urn:pdi://oma.eop.gov.us/1999/13/8.text.1>; and, *Press Briefing by National Security Advisor Sandy Berger, National Economic Advisor Gene Sperling, and Press Secretary Joe Lockhart*, Sky City Hotel, Auckland, New Zealand, September 11, 1999. Transcript released by the Office of the White House Press Secretary, available at <http://www.pub.whitehouse.gov/urires/I2R?urn:pdi://oma.eop.gov.us/1999/9/12/7.text.1>.

³⁸ See, for example, Demetri Sevastopulo and Andrew Ward, “Clinton Backs ‘Ambiguity’ on Taiwan Policy,” *Financial Times*, August 3, 2007, available at <http://www.ft.com/cms/s/fd5cc702-4153-11dc-8f37-0000779fd2ac.html>.

³⁹ Tara Copp, “Austin Rejects ‘Red Lines’ for Taiwan, Ukraine: As crises loom, defense secretary reveals a bit of his diplomacy-first thinking,” *DefenseOne.com*, December 7, 2021, available at <https://www.defenseone.com/policy/2021/12/conveying-red-lines-only-exacerbates-problem-crises-loom-austin-puts-diplomacy-first/187329/>.

“strategic ambiguity” may provoke the failure of deterrence. The functioning of deterrence does not depend on U.S. decision making, *per se*; rather it depends largely on China’s expectations regarding U.S. capabilities, decision making, will and determination.

Clearly, it is comforting and convenient to expect that ambiguity in signaling will compel an opponent’s caution and contribute to deterrence rather than encourage aggression and undermine deterrence. Yet, it must be recognized that because there is no way to predict future CCP calculations confidently, relying on uncertainty or ambiguity to provide reliable deterrent effect is largely an act of faith. As Colin Gray observed in 1986, “The virtue of uncertainty that looms so large in Western theories of deterrence could mislead us. Strategic uncertainty should provide powerful fuel for prudence, but it might also spark hope for success.”⁴⁰

U.S. deterrence theory and policy has long been based on the possibly optimistic presumption that uncertainty will contribute to, rather than undermine, deterrence. This has been an enduring theme in U.S. deterrence theory and policy generally. It can be traced to the pioneering work of Thomas Schelling, an early architect of U.S. deterrence thinking, and his famous formulation that effective deterrence can be based on a threat that “leaves something to chance,”⁴¹ i.e., the fear of uncertainty.

The Role of Uncertainty in U.S. Cold War Deterrence Policy

During the Cold War, Joseph Nye clearly emphasized the expected value of *uncertainty* as the basis for U.S. extended nuclear deterrence covering NATO, *not* the rationality of a U.S. nuclear escalation threat: “So long as a Soviet leader can see little prospect of a quick conventional victory *and some risk of events becoming out of control and leading to nuclear escalation*, the expected costs will outweigh greatly any benefits.”⁴² McGeorge Bundy, National Security Advisor to Presidents Kennedy and Johnson, observed similarly that the basis for deterrence success in Europe was “simply the probability that any large-scale use of force against a NATO country would set loose a chain of events that could lead to nuclear war.”⁴³

Once the Soviet Union acquired the capability to retaliate with nuclear weapons against the United States, the U.S. extended deterrence threat to escalate a conflict in Europe to a superpower thermonuclear war could hardly be considered reasonable for the United States given the potentially self-destructive consequences of U.S. nuclear escalation. As Colin Gray asked rhetorically at the time, “Why would not an American president be deterred from inflicting ‘unacceptable damage’ by the certain knowledge of the unacceptable character of the anticipated Soviet retaliation?”⁴⁴ This harsh deterrence reality continued to the end of the Cold War. It essentially compelled the United States to rely heavily on Soviet uncertainty about possible U.S. behavior for deterrent effect rather than the logic of a U.S. nuclear

⁴⁰ Colin S. Gray, *Nuclear Strategy and National Style* (Lanham, MD: Hamilton Press, 1986), p. 146.

⁴¹ See, Thomas Schelling, *The Strategy of Conflict* (Cambridge, MA: Harvard University Press, 1960), pp.187-188.

⁴² Joseph S. Nye, “The Role of Strategic Nuclear Systems in Deterrence,” *The Washington Quarterly*, Vol. 11, No. 2 (Spring 1988), p. 47. (Emphasis added).

⁴³ McGeorge Bundy, “To Cap the Volcano,” *Foreign Affairs*, Vol. 48, No. 1 (October 1969), pp. 17-18.

⁴⁴ See, Colin S. Gray, “Targeting Problems for Central War,” in, *Strategic Nuclear Targeting*, Desmond Ball and Jeffrey Richelson, eds. (Ithaca, NY: Cornell University Press, 1986), p. 172.

escalation deterrent threat. The *possibility* of U.S. nuclear escalation, despite its illogic, and the uncertain risk/cost involved for Moscow inherent in that possibility, were expected to deter Soviet leaders.

In a 1979 address to an audience of Europeans and Americans, former U.S. Secretary of State Henry Kissinger called out the irrationality of the U.S. nuclear escalation deterrence threat with considerable candor: “If my analysis is correct we must face the fact that it is absurd to base the strategy of the West on the credibility of the threat of mutual suicide...and therefore I would say—what I might not say in office—that our European allies should not keep asking us to multiply strategic assurances that we cannot possibly mean, or if we do mean, we should not want to execute, because if we execute, we risk the destruction of civilization.”⁴⁵ Nevertheless, the United States and NATO continued to expect that *the possibility* that events could be beyond control and the United States could illogically escalate to thermonuclear war (and had the capabilities to do so) would help deter Soviet leaders reliably.⁴⁶

The expected deterrence value of uncertainty clearly was not confined to academic discussions. The official *NATO Handbook* during the Cold War stated that the alliance’s nuclear deterrence intention was “leaving the enemy in doubt” about “the escalation process.”⁴⁷ A now-declassified 1984 Department of Defense report entitled, *Report on the Nuclear Posture of NATO*, stated similarly that NATO’s response to Soviet aggression could take a variety of possible forms that would involve “a sequence of events” that posed “risks” for Moscow “which could not be determined in advance.”⁴⁸ Perhaps more importantly, Secretary of State Dean Rusk employed this approach to deterrence, i.e., relying on the opponent’s expected fear of *uncertain* risk to provide reliable deterrent effect, in a direct exchange with the Soviet leadership. At a time of considerable U.S. strategic nuclear advantage, Soviet Premier Nikita Khrushchev raised the fundamental question about U.S. will and deterrence credibility when the potential U.S. suffering for carrying out its deterrent threat could easily have been intolerable for the United States. Khrushchev directly challenged Rusk regarding the *credibility* of the U.S. nuclear umbrella by asking: “Why should I believe that you Americans would fight a nuclear war over Berlin?”⁴⁹ Clearly, Khrushchev’s question asked aloud why Moscow should fear the U.S. deterrent threat when executing that threat on behalf of an ally could have led to horrific consequences for the United States itself.

Secretary Rusk’s response to Khrushchev reflected the U.S. expectation of deterrence via uncertainty. Rusk moved the question away from any rational logic behind the U.S. nuclear escalation threat and brandished instead the uncertainty of U.S. behavior as the basis for U.S. deterrence. Khrushchev should be deterred, he said, because the United States just might

⁴⁵ See, Henry Kissinger, “The Future of NATO,” in, *NATO, The Next Thirty Years*, Kenneth Myers, ed. (Boulder, CO: Westview Press, 1981), p. 8.

⁴⁶ British Defence Minister Denis Healey captured this belief with his famous dictum that, “it takes only five percent credibility of American retaliation to deter the Russians,” i.e., an almost entirely incredible threat would suffice for deterrence. See Denis Healey, *The Time of My Life* (London: Michael Joseph, 1989), p. 243.

⁴⁷ *NATO Handbook* (Brussels: NATO Information Series, February 1974), p. 16.

⁴⁸ Department of Defense, *Report on the Nuclear Posture of NATO* (Washington, D.C.: Department of Defense, May 1, 1984); (Secret/Restricted Data; declassified in part, October 1984). Available at http://www.dod.mil/pubs/foi/reading_room/394.pdf.

⁴⁹ Dean Rusk, *As I Saw It* (London: W.W. Norton & Company, 1990), p. 228.

illogically escalate to nuclear war despite the potentially self-destructive consequences of such a decision. Secretary Rusk tells of this exchange with Khrushchev: “That was quite a question, with Khrushchev staring at me with his little pig eyes. I couldn’t call [President] Kennedy and ask, ‘What do I tell the [expletive] now?’ So I stared back at him, ‘Mr. Chairman, you will have to take into account the possibility we Americans are just [expletive] fools.’”⁵⁰ Secretary Rusk had put into practice the proposition that the United States could rely on Soviet uncertainty regarding U.S. reason to deter over high stakes and at the highest possible political level. We do not know if this deterrence via uncertainty “worked” in this case; we do know that it did not fail.

Deterrence via Uncertainty Now

When now considering deterrence and the Taiwan Question, it must be understood that the expectation that a context of uncertainty will deter the opponent more than the deterrer is the prerogative of the power that enjoys an advantageous deterrence position. Deterrence advantage does not necessarily imply military dominance, but an advantageous position in those various manifest levers of power that can provide deterrent effect, including will, risk tolerance, determination, and military and non-military options.

If the state seeking to deter, in this case the United States, is not manifestly advantaged in its deterrent power position relative to China, there is no reason whatsoever to believe that *the United States will be any less driven to caution by uncertainty than will be China*. As noted, the presumed greater U.S. willingness to engage in a competition of threats in the context of uncertainty can logically only come from some perceived advantage over the opponent. Put differently, in *the absence of some form of U.S. deterrence advantage*, there is no reasonable basis for expecting the United States to appear to be, or to be, *more resolute* in an uncertain context than is the CCP. The dominant deterrence power may reasonably anticipate that its relationship with its opponent is so manifestly asymmetrical that even a small, uncertain chance that it would respond forcefully will reliably deter that opponent from a highly provocative act. The weaker opponent should fear the dominant power’s potential reaction, and that fear may reasonably be expected to produce greater caution and deterrent effect. In the absence of some level of deterrence advantage, however, that expectation has no logical basis.

It is no surprise that the founders of U.S. deterrence theory were from that generation of scholars and policy makers active immediately after the Second World War—when the United States was at the height of its power relative to the rest of the world. The U.S. power advantages at the time suited the narrative that the United States could endure uncertainty with greater determination than any other state. Most deterrence theorists and officials almost naturally embedded that context in their notions of U.S. deterrence policy: opponents could be deterred by uncertainty, but it would not compel the more powerful United States to similar caution and susceptibility to the opponent’s deterrent threat.⁵¹

⁵⁰ Ibid. See also, Arnold Beichman, “How Foolish Khrushchev Nearly Started World War III,” *The Washington Times*, October 3, 2004, p. B 8.

⁵¹ See the discussion of this expectation reflected in U.S. deterrence theory in, Keith B. Payne, *The Great American Gamble: Deterrence Theory and Practice From the Cold War to the Twenty-First Century* (Fairfax, VA: National Institute Press, 2008), pp. 255-261.

NATO's reliance on extended nuclear deterrence continued throughout the Cold War because, "at no point...did the [NATO] allies face up to the feasibility of conventional defense in Europe and the possibility of successfully meeting a conventional attack with conventional forces."⁵² To a large extent, NATO continued to rely on a threat of nuclear escalation for deterrence, despite the fact that the execution of that threat, as Henry Kissinger observed at the time, would have been an illogical, even self-destructive act for the United States. This reality compelled the United States to pursue an approach to deterrence based on uncertainty vice the logical credibility of its nuclear escalation threat. Consequently, even as the United States lost its position of military dominance during the Cold War, it continued to base its extended nuclear deterrence "umbrella" to NATO allies on the comforting presumption that uncertainty regarding the potential for U.S. nuclear escalation would contribute to, rather than undermine, deterrence. That threat was far from certain, but the potential consequences for Moscow were thought to be so severe that even an uncertain deterrent would deter.

As the Soviet Union continually expanded its nuclear and conventional forces, the United States sought to ameliorate the increasing illogic of its nuclear escalation deterrent threat on behalf of allies—and the corresponding increasing doubt about the credibility of that threat—by placing significant "tripwire" forces in Europe and integrating them with allied forces. This forward deployment of U.S. forces included thousands of nuclear weapons.⁵³ At the strategic level, the United States added limited nuclear options (LNOs) to its deterrence planning,⁵⁴ despite sharp domestic criticism that it was unnecessary to do so.⁵⁵ Of course, the United States also continued to affirm its deterrence commitment to allies.

Sizable U.S. forces forward deployed in Europe and LNOs could not magically make an illogical U.S. nuclear escalation deterrent threat reasonable and credible because neither could eliminate U.S. unmitigated vulnerability to Soviet nuclear retaliation. But large-scale forward military deployments integrated with allied forces (and LNOs) did provide "tangible evidence" of the hopefully deterring "risk of escalation to total nuclear war."⁵⁶

The United States took these steps in a bid to sustain the credibility of an extended nuclear deterrent threat built on uncertainty even as the United States lost its militarily dominant position and that U.S. deterrence threat became manifestly illogical given the likely

⁵² Lawrence S. Kaplan, Donald D. Landa, and Edward J. Drea, *The McNamara Ascendancy 1961-1965, History of the Office of the Secretary of Defense*, Vol. 5 (Washington, D.C.: Historical Office, Office of the Secretary of Defense, 2006), p. 309.

⁵³ Amy Woolf, *Nonstrategic Nuclear Weapons* (Congressional Research Service, September 6, 2019), available at <https://fas.org/sgp/crs/nuke/RL32572.pdf>.

⁵⁴ In 1974, Secretary of Defense James Schlesinger announced publicly that the United States would introduce limited nuclear threat options to provide greater deterrence credibility. He said this was made necessary because increased Soviet nuclear capabilities had rendered the credibility of large-scale US response options to limited attacks "close to zero." See, James Schlesinger, *US/USSR Strategic Policies*, Testimony in, U.S. Senate, Committee on Foreign Relations, 93rd Congress, 2nd Session, March 4, 1974, p. 9; see also, pp. 7, 12-13, 55. See also, James Schlesinger, *Annual Defense Department Report, FY 1976 and FY 1977* (Washington, D.C.: USGPO, February 5, 1975), pp. II-3-II-4; and, James Schlesinger, *Annual Defense Department Report FY 1975* (Washington, D.C.: USGPO, March 4, 1974), pp. 32, 42.

⁵⁵ Many commentators past and present assert that nuclear deterrence is easily understood, that it functions reliably against all rational opponents, and that its requirements are relatively modest and simply met. For an extended discussion of this "easy deterrence" narrative see, Keith B. Payne, *Shadows on the Wall: Deterrence and Disarmament* (Fairfax, VA: National Institute Press, 2020), pp. 65-82.

⁵⁶ *NATO Handbook*, op cit., p. 16. In the late 1970s, a senior U.S. official said to this author that the U.S. nuclear escalation threat for NATO should be credible because the number of U.S. forces and dependents in Europe was equivalent to having a city the size of San Francisco located there and at risk.

regrets for the United States. Deterrence via uncertainty in this case also surely was aided by the history of U.S. support for European allies in two bloody world wars and the continuing U.S. commitment to Western Europe demonstrated after World War II by the U.S. Marshall Plan and the creation of the NATO alliance with collective defense provisions. This history and these developments undoubtedly contributed to the credibility of the U.S. deterrence commitment even as the military correlation of forces shifted in favor of the Soviet Union.

Given the apparent great Cold War success of extended deterrence based ultimately on Soviet uncertainty, and the apparent past success of U.S. “strategic ambiguity” for deterring China from resolving the Taiwan Question forcefully, most commentators continue to assert essentially familiar narratives regarding deterrence as guidance for contemporary U.S. deterrence policy. However, looking more deeply into the unique features of deterrence in the case of the Taiwan Question—as is necessary to tailor deterrence—suggests that there are several solid reasons for doubting the comforting expectation that deterrence lacking steps to sustain its credibility can continue to be effective.

Contemporary CCP Goals and Deterrence

Discussions of deterrence pertinent to the Taiwan Question often focus immediately and even solely on the balance of forces at play, with uncertainty as the implicit, assumed basis for deterrence. But the oft-neglected contemporary political background of the Taiwan Question is of paramount significance in this regard, and very different from the political background of the superpower deterrence engagement during the Cold War.

The key political background questions that must now precede U.S. consideration of how to deter and calculate the capabilities needed for deterrence involve CCP perceptions of cost and risk versus benefit: how does the CCP leadership define cost and what value does it place on changing the status quo on Taiwan? Does the CCP envisage a tolerable alternative to changing the status quo on Taiwan? And, how tolerant of risk is the CCP leadership likely to be when it makes decisions regarding the Taiwan Question? These are the first-order questions when seeking to understand the contemporary deterrence challenge confronting the United States. Answers are a function of the CCP perceptions of power relations, regime interests and will, including the national myths that shape those perceptions of power and interests, and CCP perceptions of U.S. will and power. The prevalent discussions in Washington of deterrence and the forces needed for it are unlikely to be meaningful for deterrence purposes in this case unless they follow from the answers to these questions, however tentative they might be.

For deterrence to function by design in any context, the opponent must decide that some level of accommodation or conciliation to U.S. demands is more tolerable than testing the U.S. deterrent threat. There must be this space for deterrence to work. Yet, with regard to the Taiwan Question, the CCP appears to have left itself little or no room to conciliate in the way that the Soviet Union did in its Cold War pursuit of hegemony in Eurasia. This is not to suggest that there was any philanthropy on the part of Soviet leaders, but they typically left themselves room to conciliate if they met forceful resistance. This boundary on forceful Soviet expansionism followed the Leninist adage to probe with bayonets; if you encounter mush, proceed; if you encounter steel, stop. It also facilitated U.S. deterrence success.

In contrast, officials in China have stated openly that they have no room to conciliate on the Taiwan Question. China's leadership appears unanimous in the view that Taiwan is part of China and an issue of national sovereignty;⁵⁷ the drive to integrate Taiwan with the mainland under CCP rule appears to be a matter of territorial integrity and regime legitimacy—an *existential requirement*. This may be a fundamental animating national goal across the CCP leadership spectrum—akin to President Abraham Lincoln's Civil War commitment to reincorporating the South into the United States.⁵⁸ China's leaders and spokespersons have said that Taiwan is an internal affair that does "not tolerate external interference,"⁵⁹ that "there is zero room for compromise and not an inch to give," and warned the United States "not to play with fire on the Taiwan issue."⁶⁰ Most recently, the spokesperson for China's Defense Ministry, Wu Qian, said, "Especially on the Taiwan issue, China has no room for compromise, and the U.S. side should not have any illusions about this."⁶¹ A Foreign Ministry spokesperson also stated explicitly in this manner: "When it comes to issues related to China's sovereignty and territorial integrity and other core interests, there is no room for China to compromise or make concessions. Taiwan is an inalienable part of China's territory. The Taiwan issue is purely an internal affair of China that allows no foreign intervention."⁶²

Such expressions might simply be CCP posturing to intimidate Western observers, but 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*. China's leader Xi Jinping has been explicit in proclaiming that this must be done, peacefully or via force, within the forthcoming general time period. In a prominent speech in October 2021, Xi proclaimed, "The historical task of the complete reunification of the motherland must be fulfilled, and will definitely be fulfilled."⁶³ And, as the Hoover Institution's Elizabeth Economy has concluded, "One thing that you can learn about Xi Jinping from reading all of his speeches and tracking his actions is that there's a pretty strong correlation between what he says and what he does."⁶⁴

This necessary incorporation of Taiwan may be a near-term requirement. ADM Philip Davidson, then-Commander of the U.S. Indo-Pacific Command, reported to the Senate Armed

⁵⁷ See the discussion in, Odd Arne Westad, "Review Essay: Identity Politics With Chinese Characteristics," *Foreign Affairs*, June 1, 2021, available at <https://www.foreignaffairs.com/reviews/review-essay/identity-politics-chinese-characteristics>.

⁵⁸ The author would like to thank Heino Klinck, former Deputy Assistant Secretary of Defense for East Asia, for suggesting this analogy regarding the CCP commitment to reuniting Taiwan with the mainland.

⁵⁹ Quoted in, Rod McGuirk, "Australia security official warns staff of 'drums of war,'" *Associated Press*, April 27, 2021, available at <https://apnews.com/article/asia-pacific-australia-asia-ad208abfcda26414a8266ea0ba432938>.

⁶⁰ Quoted in, Keith Griffith, "Nine US Generals Send '36-Star Memo' Begging Spy Chiefs to Declassify Intelligence," *op. cit.*

⁶¹ Quoted in, Ben Blanchard, "U.S. Should Not Have Any Illusions About Taiwan, China Says," *Reuters*, November 25, 2021, available at <https://www.msn.com/en-us/news/world/us-should-not-have-any-illusions-about-taiwan-says-china/ar-AAR77SC?ocid=uxbnldblng>.

⁶² "China Vows No Concession on Taiwan After Biden's Comments," *AP News*, October 22, 2021, available at <https://apnews.com/article/joe-biden-china-beijing-taiwan-f4fdeb6e15097d55f5d4c06b5f8c9c29>.

⁶³ Vincent Ni, "Xi Jinping vows to fulfill Taiwan 'reunification' with China by peaceful means," *The Guardian*, October 9, 2021, available at <https://www.theguardian.com/world/2021/oct/09/xi-jinping-vows-taiwans-reunification-with-china-will-be-fulfilled/>.

⁶⁴ Quoted in, Demetri Sevastopulo and Kathrin Hille, "Washington Shies Away From Open Declaration to Defend Taiwan White House Official Says Shift to 'Strategic Clarity' Would Carry 'Downsides' in Face of China's Belligerence," *Financial Times Online* (UK), May 5, 2021, available at <https://www.ft.com/content/26b03f60-ac06-4829-b2ed-da78ac47116a>.

Services Committee that, “Taiwan is clearly one of their ambitions ...I think the threat is manifest during this decade, in fact, in the next six years.”⁶⁵ ADM Richard has testified that China’s “intent is to achieve the military capability to reunify Taiwan by 2027 if not sooner.”⁶⁶ Taiwanese intelligence reportedly has claimed that China’s leaders have discussed making this move circa 2024.⁶⁷ Others have suggested even sooner.⁶⁸

The question of an opponent’s determination and timeline may be critical to the possibility that deterrence can operate. If the opponent is fully dedicated to a goal it perceives as of existential importance and has pinned its political legitimacy to that goal and a specific timeline for its realization, deterrence may have no space to function. Deterrence may simply not be applicable in this context, much as it was not applicable to Adolf Hitler’s determination to undertake Operation Barbarossa, i.e., his ill-fated decision to invade the Soviet Union. For various reasons,⁶⁹ it was Hitler’s “irrevocable decision to solve the problem of German ‘living-space’ before 1945 at the latest.”⁷⁰ In the context of such leadership decision making, deterrence may have no space to operate.

With regard to the Taiwan Question, there may be little flexibility with the CCP’s *ultimate goal* of uniting Taiwan with the mainland, but to the extent that there is flexibility *in the timeline* that the CCP envisages for Taiwan’s unification with the mainland,⁷¹ deterrence may have an opportunity to function. It may be possible to compel China’s leadership to decide, “not this year.” As noted above, the plausible U.S. deterrence goal is not to reorder the CCP’s worldview, but to compel the CCP leadership continually to decide that this is not the time to move, i.e., to control the CCP’s calculation of the suitable timeline.

It should be noted that historical arguments that dispute the CCP’s claim of sovereignty over Taiwan are an appropriate interest for historians and perhaps international lawyers, but they are irrelevant to this deterrence question. What matters in this regard is not whether CCP leaders’ beliefs are historically correct, but whether they are strongly and widely held—which certainly appears to be the case.

⁶⁵ Helen Davidson, “China Could Invade Taiwan in Next Six Years, Top Admiral Warns,” *The Guardian* (UK), March 9, 2021, available at <https://www.theguardian.com/world/2021/mar/10/china-could-invade-taiwan-in-next-six-years-top-us-admiral-warns>.

⁶⁶ Quoted, Bryant Harris, “U.S. nuclear commander warns of deterrence ‘crisis’ against Russia and China,” *Defense News Online*, May 4, 2022, available at <https://www.defensenews.com/pentagon/2022/05/04/us-nuclear-commander-warns-of-deterrence-crisis-against-russia-and-china/>.

⁶⁷ Quoted in, Rachael Bunyan, “China ‘has Debated Invading Taiwan Islands After 2024,’ Taiwan Security Official Claims,” *Daily Mail* (UK), November 4, 2021, available at <https://www.dailymail.co.uk/news/article-10165601/China-debated-invading-Taiwan-islands-2024-Taiwan-security-official-claims.html>.

⁶⁸ See, Jimmy Quinn, “Beijing’s Taiwan Invasion Timeline: Two Predictions,” *National Review*, November 9, 2021, available at <https://www.nationalreview.com/corner/beijings-taiwan-invasion-timeline-two-predictions/>.

⁶⁹ Discussed in, Payne, *The Fallacies of Cold War Deterrence and a New Direction*, op. cit., pp. 68-72.

⁷⁰ H.R. Trevor-Roper, “The Mind of Adolf Hitler,” in, *Adolf Hitler, Hitler’s Secret Conversations, 1941-1944*, Norman Cameron and R.H. Stevens, translators (New York: Farrar, Straus, and Young, 1953), p. xxi.

⁷¹ As is suggested in, Michael Swaine, “Recent Chinese Views on the Taiwan Issue,” *China Leadership Monitor*, Issue 70, December 1, 2021 (Winter 2021), p. 1, available at https://www.prclleader.org/_files/ugd/af1ede_390855133e8d4a69b3dd014ed5bc66ac.pdf.

Contemporary Deterrence and the Political Context

The primary U.S. deterrence goal is to prevent the CCP from using force to achieve a goal that China's leadership appears to consider an existential requirement for its governing legitimacy—uniting by force, if necessary, a part of China, i.e., Taiwan, deemed to have been unfairly wrested from the motherland. The apparent CCP perspective that Taiwan is a part of China and must be reunited or risk the loss of legitimacy to rule is of enormous significance for deterrence. Multiple studies show that decision makers who consider themselves aggrieved and responding to the prospect of loss may accept increased levels of risk in their behavioral choices.⁷² Equally important for U.S. deterrence considerations in this regard is the pertinent conclusion, based on a careful examination of historical case studies, that: “To the extent that leaders perceive the need to act, they become insensitive to the interests and commitments of others that stand in the way of the success of their policy.”⁷³ In this case, the United States would be the key party standing in the way.

CCP perceptions and calculations of risk, cost and reward with regard to Taiwan appear to combine both of these factors and so render the U.S. deterrence goal an unparalleled challenge: China's leadership believes Taiwan to be an unarguable part of China—to be rightfully theirs—and they must act, perhaps sooner rather than later, to unite Taiwan with the motherland, with force if necessary. This is a matter of restoring China after past humiliation. The CCP's perceived need may be near absolute and its leadership may thus be relatively “insensitive to the interests and commitments of others” who stand in the way of their cherished goal. If so, *and a rigid timeline pertains*, they have given themselves little or no room to conciliate—no space for deterrence to work.

If the basic CCP perceptions and political beliefs are properly characterized here, fundamental questions must be asked: is there sufficient flexibility in the CCP's goal and timeline for deterrence to operate in this case, even in principle? If so, does an uncertain U.S. commitment to support Taiwan, i.e., “strategic ambiguity,” now contribute to or degrade deterrence? Does the old notion that uncertainty about U.S. actions provides adequate U.S. deterrence credibility—with repeated U.S. expressions of a more or less ambiguous commitment—remain useful guidance? These fundamental questions seem to be only rarely aired, perhaps because past beliefs about deterrence are so convenient and comforting, i.e., U.S. deterrence requirements can be met by uncertainty and a “threat that leaves something to chance.”

Yet, as noted, an approach to extending deterrence that relies heavily on uncertainty is a potentially coherent and logical strategy only for the deterrence dominant power. And, while during the Cold War, the United States essentially continued to follow a deterrence strategy predicated on Soviet uncertainty even as U.S. military dominance vis-à-vis the Soviet Union faded, the United States also took costly denial and punitive deterrence steps to preserve its position—steps *that appear to be nowhere in sight in U.S. policy regarding*

⁷² See the discussion in, Jack S. Levy, “Applications of Prospect Theory to Political Science,” *Synthese*, Vol. 135, No. 2 (May 2003), pp. 215-241. See also, Robert Jervis, “Political Implications of Loss Aversion,” *Political Psychology*, Vol. 13, No. 2 (1992), pp. 187-204; Feroz Hassan Khan, *Eating Grass: The Making of the Pakistani Bomb* (Stanford, CA: Stanford University Press, 2010), p. 70; and, Thomas Scheber, “Evolutionary Psychology: Cognitive Function, and Deterrence,” in *Understanding Deterrence*, Keith B. Payne, ed. (New York: Routledge, 2013), pp. 65-92.

⁷³ Richard Ned Lebow, “The Deterrence Deadlock: Is There a Way Out?,” in Robert Jervis, Richard Ned Lebow, and Janice Gross Stein, *Psychology & Deterrence* (Baltimore: Johns Hopkins University Press, 1985), p. 183.

Taiwan. Perhaps more importantly, the United States never had to contend with a Soviet leadership that was driven by the nationalist myth that NATO territory belonged to Moscow—territory which, as a matter of national integrity and regime survival, had to be recovered sooner rather than later. Cold War extended deterrence did not have to carry such a heavy load. Indeed, the political background of the contemporary deterrence goal could not be more different from that of the Cold War, nor more challenging for deterrence, as U.S. dominance ebbs vis-à-vis China in Asia. In short, the United States now faces the unprecedented question of how, without existing or readily apparent forms of deterrence advantage, to deter an opponent who may perceive an existential risk in *not* violating U.S. deterrence redlines.

This political background of the contemporary Taiwan Question makes the U.S. deterrence goal much more problematic, especially as the United States appears to be losing the military dominance that could, in principle, make its favored approach to deterrence coherent—in this case characterized by “strategic ambiguity.” The *2021 Annual Report of the U.S.-China Economic and Security Review Commission* observes gravely that decades of “improvements in China’s military capabilities have fundamentally transformed the strategic environment and weakened the military dimension of cross-Strait deterrence,” and that, “Today, the PLA [People’s Liberation Army] either has or is close to achieving an initial capability to invade Taiwan—one that remains under development but that China’s leaders may employ at high risk—while deterring, delaying, or defeating U.S. military intervention. The PLA’s development of this capability has involved years of campaign planning and advancements in anti-access and area denial capabilities.”⁷⁴

A recent article appearing in the U.S. Army War College’s journal *Parameters* describes the situation more starkly: “The People’s Liberation Army (PLA) is now powerful enough it probably could overrun Taiwan even if the United States intervened to defend Taipei. Both sides know this—or at least strongly suspect it..Chinese strategists have growing confidence the United States would lose a war over Taiwan.”⁷⁵ Indeed, in Pentagon war games involving an attack against Taiwan, the United States reportedly “has lost every time, more overwhelmingly each year.”⁷⁶

Pertinent developments in Asia include not simply a steady, and in some areas rapid, expansion of China’s conventional and nuclear capabilities but, equally important for deterrence considerations, China’s apparent increased willingness to confront the West to advance its goal of changing the existing international order led by the United States and the

⁷⁴ United States-China Economic and Security Review Commission, *2021 Annual Report of the U.S.-China Economic and Security Review Commission* (Washington, D.C.: U.S. Government Printing Office, 2021), p. 17. See also, Phillip C. Saunders and Kevin McGuiness, *The Changing Balance of Military Power In the Indo-Pacific Region*, The Hoover Institution (26 May 2021), available at <https://www.hoover.org/research/changing-balance-military-power-indo-pacific-region>; and, Jason Sherman, “Report: Cross-Strait Stability Eroding; Robust Funding of INDOPACOM Priorities Urgent,” *InsideDefense.com*, November 17, 2021, available at <https://insidedefense.com/daily-news/report-cross-strait-stability-eroding-robust-funding-indopacom-priorities-urgent#:~:text=Go-Report%3A%20Cross%2DStrait%20stability%20eroding%3B%20robust,funding%20of%20INDOPACOM%20priorities%20urgent&text=Taiwan's%20ability%20to%20deter%20war,according%20to%20a%20new%20report>.

⁷⁵ 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. 25.

⁷⁶ Maj. Gen. A. Bowen Ballard and Richard Amberg, “Team Biden Has No China Strategy: A Looming Catastrophe for the United States?,” *The Washington Times*, December 30, 2021, available at <https://www.washingtontimes.com/news/2021/dec/30/team-biden-has-no-china-strategy/>.

West. This appears to include a desire to hasten the resolution of the Taiwan Question. As one well-regarded academic commentator now observes regarding China: “Its leaders are becoming more provocative and have made it exceedingly clear that unification with Taiwan is a pressing goal.... China will increasingly challenge U.S. commitments, and the probability of war will rise.”⁷⁷ This academic’s recommendation is that, because China’s rise in relative power has placed U.S. deterrence capabilities relevant to Taiwan in doubt, the U.S. commitment to Taiwan is overly dangerous and the United States should be “letting go of Taiwan, and accepting that the United States is no longer the dominant power it once was in the region.”⁷⁸

A problem with this and similar recommendations—beyond the likely disastrous consequences for the people on Taiwan—is that so conceding in Asia and “letting go of Taiwan” would jeopardize U.S. credibility and alliances in the Indo-Pacific region, and undoubtedly have repercussions for U.S. alliances worldwide, including NATO.⁷⁹ One of the most problematic U.S. response options to China’s threat at this point is to take steps towards isolationism that would undermine U.S. credibility and threaten to unravel U.S. alliances worldwide. A step that may now seem most prudent to some at one level, i.e., “letting go of Taiwan,” could have broader consequences that are so disadvantageous as to be unrecoverable strategically.

The United States, understandably, would like to continue enjoying the benefits of effective deterrence via uncertainty without expending the effort now needed to restore its deterrent position, but the past circumstances that favored this U.S. approach to deterrence are not a U.S. birthright. The United States took extensive and expensive steps to help preserve its deterrence position vis-à-vis Moscow during the Cold War even as it lost military dominance. However, unlike in the Cold War, and in the absence of any comparable steps, the United States appears now to face a foe that is virtually compelled by the political context to challenge the U.S. position, by force if necessary. Indeed, in its pursuit of Taiwan, China likely cannot, and does not appear to share the caution generally practiced by the Soviet Union in its pursuit of expansionist goals—caution possible for the Soviet Union because it was not dedicated to an expansionist goal and timeline it deemed to be of existential importance. The fundamental differences in the political contexts of the Cold War and the Taiwan Question degrade the value of the earlier U.S. Cold War deterrence experience that underlies most contemporary discussions of the subject. Commentary on deterrence and its requirements that misses the unique political context of the Taiwan Question is unlikely to be helpful.

⁷⁷ Charles L. Glaser, “Washington Is Avoiding the Tough Questions on Taiwan and China: The Case for Reconsidering U.S. Commitments in East Asia,” *Foreign Affairs Online*, April 28, 2021, available at <https://www.foreignaffairs.com/articles/asia/2021-04-28/washington-avoiding-tough-questions-taiwan-and-china>.

⁷⁸ Ibid.

⁷⁹ See the discussion in, Lt. Col. Matthew R. Crouch, “Eliminate ambiguity over Taiwan, or risk unravelling regional credibility,” *Defense News*, May 4, 2021, available at <https://www.defensenews.com/opinion/commentary/2021/05/04/eliminate-ambiguity-over-taiwan-or-risk-unravelling-regional-credibility/>.

A Changing Correlation of Nuclear Forces and Contemporary Deterrence

Nuclear forces are far from the entire picture with regard to CCP and U.S. deterrence decision making pertinent to the Taiwan Question. Yet, nuclear weapons will, without doubt, cast a shadow over any great power confrontation, and the potential effects of that shadow on the resolution of the Taiwan Question may be significant, even decisive. Even a quick look reveals that, again, the United States faces an unprecedented deterrence challenge in this regard.

China's expansionism and goal of overturning the existing international political order corresponds with its rapidly growing military capabilities, nuclear and non-nuclear. Defense Intelligence Agency Director LTG Scott Berrier said in recent Senate testimony that China has "accelerated its nuclear expansion and is on track to exceed our previous projection," including increasing "the threat to the U.S. homeland."⁸⁰ ADM Richard has described China's nuclear buildup as a "breathtaking" and "unprecedented expansion," and has expressed concern that the combination of China's capabilities now threatens to enable China to deter the United States: "...you add all of this together, and they can do any plausible nuclear employment strategy regionally. This will backstop their conventional capability and will potentially constrain our options, that is, we will be the ones that are getting deterred if I don't have the capability to similarly deter them."⁸¹

In September 2020, China's Air Force apparently released a video of a simulated attack against America's Anderson Air Force Base on Guam by a reportedly nuclear-capable H-6 heavy bomber.⁸² The video was released as China carried out military drills near Taiwan. U.S. officials described the video as an example of China's efforts intended to coerce others in the region.⁸³ Collin Koh, a research fellow at Singapore's Institute of Defence and Strategic Studies, commented that, "The video is meant to warn the Americans that even supposedly safe, rearward positions such as Guam may come under threat when conflicts over regional flashpoints, be it Taiwan or South China Sea, erupt."⁸⁴

⁸⁰ Quoted in, Bill Gertz, "China nuclear buildup faster than expected, U.S. now believes," *Washington Times Online*, April 29, 2021, available at <https://www.washingtontimes.com/news/2021/apr/29/china-nuclear-buildup-faster-expected-us-now-belie/>.

⁸¹ See *Statement of Charles A. Richard, Commander, United States Strategic Command Before the Senate Committee On Armed Forces*, April 20, 2021, p. 6. See also Bill Gertz, "China Engaged in 'Breathtaking Nuclear Expansion'," *The Washington Times*, April 21, 2021, available at https://www.washingtontimes.com/news/2021/apr/21/adm-charles-richard-warns-over-china-nuclear-expan/?utm_source=RSS_Feed; and, Jamie McIntyre, "'We will be the ones deterred': STRATCOM commander on China's 'breathtaking' nuclear buildup," *Washington Examiner* (Daily on Defense Newsletter), April 23, 2021, available at <https://www.washingtonexaminer.com/policy/defense-national-security/we-will-be-the-ones-deterred-stratcom-commander-on-chinas-breathtaking-nuclear-buildup>.

⁸² Yew Lun Tian, "China Air Force Video Appears to Show Simulated Attack on U.S. Base on Guam," *Reuters*, September 21, 2020, at <https://www.reuters.com/article/china-usa-security/china-air-force-video-appears-to-show-simulated-attack-on-us-air-base-on-guam-idUSL3N2GI0J2>.

⁸³ Tom O'Connor, "U.S. Calls Video Showing China Bombing U.S. Air Force Base 'Attempt to Coerce, Intimidate,'" *Newsweek Online*, September 23, 2020, at <https://www.newsweek.com/us-call-video-show-china-bombing-air-base-coerce-intimidate-1533894>. See also, Ben Blanchard, "U.S. base commander calls Chinese Guam attack video 'propaganda,'" *Reuters*, September 15, 2020, at <https://www.reuters.com/article/us-usa-security-guam/u-s-base-commander-calls-chinese-guam-attack-video-propaganda-idUSKCN26G01Z>.

⁸⁴ Quoted in, Yew Lun Tian, "China air force video appears to show simulated attack on U.S. base on Guam," *op. cit.*

More recently, and in the context of Russian nuclear threats regarding possible Western intervention in Ukraine, the CCP has warned that any country that would support Taiwan in the event of a conflict there would face the “worst consequences” and that “no one and no force” could stop China.⁸⁵ In this context, such a statement can only be seen as a thinly veiled coercive nuclear threat.

Indeed, China appears to seek the capability, including via the threat of nuclear escalation, to prevent the United States from intervening militarily to support its allies, partners and interests in the event of a conflict with China.⁸⁶ The *2021 Annual Threat Assessment* by the Office of the Director of National Intelligence suggests this obliquely in the comment: “China is building a larger and increasingly capable nuclear missile force that is more survivable, more diverse, and on higher alert than in the past, including nuclear missile systems *designed to manage regional escalation* and ensure an intercontinental second-strike capability.”⁸⁷ Randall Schriver, a former Assistant Secretary of Defense for Indo-Pacific Affairs, sees this as “part of Beijing’s win-without-fighting strategy. To make everyone believe that they climb the escalation ladder all the way to nukes if they have to.”⁸⁸ This appears to be an unprecedented type of coercive nuclear threat now confronting the United States in both Europe and Asia,⁸⁹ and confirms ADM Richard’s emphasis on the need for renewed U.S. thinking about how to deter.

General Glen VanHerck, Commander of U.S. Northern Command, describes the general situation as follows:

If our competitors believe that they can destroy our will or ability to surge forces from the United States because of a perceived inability to defeat their attacks, they will be emboldened to aggressively pursue their strategic interests. In essence, this

⁸⁵ See “China Warns of ‘Worst Consequences’ For Any Country That Supports Taiwan Militarily,” *Fox News*, March 13, 2022, available at <https://www.foxnews.com/world/china-worst-consequences-taiwan-military-support-warning>.

⁸⁶ This deterrence challenge was identified implicitly by Yale professor Paul Bracken in recent testimony before the Senate Armed Services Committee: “...the United States could be fighting on the doorstep of nuclear weapon states—areas bristling with much larger numbers of weapons than today—[this] is the real deterrence challenge.” Quoted in, Bill Gertz, “Nuclear Deterrence For China Needs Upgrade,” *Washington Times (Inside The Ring)*, April 29, 2021, p. A11, available at <https://www.washingtontimes.com/news/2021/apr/28/nuclear-deterrence-for-china-needs-upgrade/>. See also, Gerald Brown, “Deterrence, Norms, and Uncomfortable Realities of a New Nuclear Age,” *War On The Rocks*, April 20, 2020, p. 1, available at <https://warontherocks.com/2020/04/deterrence-norms-and-the-uncomfortable-realities-of-a-new-nuclear-age/>; and, Richard D. Fisher, Jr., “Taiwan and Nuclear Arms Control Instability,” *Taipei Times Online (Taiwan)*, June 22, 2020, available at <https://www.taipeitimes.com/News/editorials/archives/2020/06/22/2003738629>; and, Patrick Tucker, “US Nuclear Fears Are Shifting From A Clear Russian Threat to a Murkier Chinese One,” *DefenseOne*, April 20, 2021, available at <https://www.defenseone.com/threats/2021/04/us-nuclear-fears-are-shifting-clear-russian-threat-murkier-chinese-one/173501/>.

⁸⁷ Office of the Director of National Intelligence, *Annual Threat Assessment of the US Intelligence Community*, April 9, 2021, p. 7. (Emphasis added).

⁸⁸ Quoted in, *Economist* Editorial, “China and Taiwan: Something Wicked This Way Comes,” *The Economist* (UK), May 1, 2021, available at <https://www.economist.com/weeklyedition/2021-05-01>.

⁸⁹ This point is discussed at length in, Keith Payne, *Redefining “Stability” for the New Post-Cold War Era, Occasional Paper*, Vol. 1, No. 1 (Fairfax, VA: National Institute Press, January 2021). See also, Bradley Roberts, *On Theories of Victory, Red and Blue*, Livermore Papers of Global Security, No. 7 (June 2020), pp. 42-57; Christopher Ford, “Strengthening Deterrence and Reducing Nuclear Risks: The Supplemental Low-Yield U.S. Submarine-Launched Warhead,” *Arms Control and International Security Papers*, U.S. Department of State, Office of the Under Secretary of State for Arms Control and International Security, Vol. 1, No. 4 (April 24, 2020), p. 2; and, Bradley Thayer, “Get Ready for a New Arms Race,” *The National Interest*, May 21, 2020, at <https://nationalinterest.org/feature/get-ready-new-arms-race-why-nuclear-strategic-stability-won%E2%80%99t-work-china-156676>.

situation creates an opportunistic gap between our nuclear strategic deterrent and conventional deterrent capability for potential adversaries to exploit. This opportunity creates intent and, perversely, an incentive for adversary action.⁹⁰

Unlike the U.S. extended deterrent to many allies during the Cold War that included the threat of nuclear escalation in the event of Soviet attack, the United States does not have any apparent nuclear umbrella commitment to Taiwan and no bloody history of national sacrifice for Taiwan. And, while the Cold War extended deterrent was accompanied by the U.S. deployment of large numbers of “tripwire” forces and thousands of forward-deployed nuclear weapons to buttress its credibility, the United States appears to have no serious “tripwire” forces on Taiwan and has eliminated virtually all of its forward-deployable, non-strategic nuclear weapons following the end of the Cold War.⁹¹ Even the venerable submarine-launched, nuclear-armed cruise missile (TLAM-N) was retired from service a decade ago. According to former senior Pentagon official, Mark Schneider:

There is a serious question of whether or not the U.S. has any real capability to forward deploy nonstrategic nuclear weapons to the Asia Pacific on any *timely* basis. It is not only the small number of U.S. nonstrategic nuclear weapons and the lack of stealthy delivery systems. To forward deploy nuclear weapons, it is necessary to have certified aircraft and crews to operate nuclear weapons and nuclear-certified maintenance and security forces. It is quite possible that such a capability does not really exist. There is certainly nothing in the annual presentations to the Congress concerning U.S. fighter capability that suggests there are any high readiness units based in the U.S. for deployment to Asia to deter Chinese, Russian and North Korean first use of nuclear weapons.⁹²

In contrast, China claims to follow a nuclear “no first-use policy,” but appears to leave open the option of nuclear first use with regard to the Taiwan Question and has numerous and expanding nuclear and non-nuclear capabilities to support, by threat or employment, the forceful resolution of the Taiwan Question, if necessary.⁹³ Indeed, former senior Pentagon official, Dr. Mark Schneider, has closely examined China’s declared no first use policy and concludes that it is entirely “propaganda,” while senior US military officials

⁹⁰ Glen D. VanHerck, “Deter in Competition, Deescalate in Crisis, and Defeat in Conflict,” *Joint Force Quarterly*, Number 101 (2nd Quarter 2021), p. 6, available at <https://ndupress.ndu.edu/Media/News/News-Article-View/Article/2553378/deter-in-competition-deescalate-in-crisis-and-defeat-in-conflict/>.

⁹¹ See, Susan J. Koch, *Case Study Series, The Presidential Nuclear Initiatives of 1991–1992* (Washington, D.C.: National Defense University Press, 2021), available at https://ndupress.ndu.edu/portals/68/documents/casestudies/cswmd_casestudy-5.pdf.

⁹² Mark Schneider, “Does the United States Have Any Real Capability to Forward Deploy Nuclear Weapons Rapidly Outside of NATO?,” *RealClearDefense*, August 27, 2021, available at https://www.realcleardefense.com/articles/2021/08/27/does_the_united_states_have_any_real_capability_to_forward_deploy_nuclear_weapons_rapidly_outside_of_nato_europe_791788.html.

⁹³ China claims to follow a nuclear no first-use policy but appears to leave open the option for nuclear first use in the case of Taiwan. See, U.S. Department of Defense, *Military and Security Developments Involving the People’s Republic of China 2013* (Washington, D.C.: Department of Defense, 2013), p. 30, available at https://dod.defense.gov/Portals/1/Documents/pubs/2013_China_Report_FINAL.pdf. For an extensive examination of China’s nuclear first-use doctrine, see Mark Schneider, *The Nuclear Doctrine and Forces of the People’s Republic of China* (Fairfax, VA: National Institute Press, November 2007), pp. 5-8.

reportedly have described it as “ambiguous.”⁹⁴ ADM Richard has said that, “I see China developing a stack of capabilities that would be inconsistent with a no first use policy,”⁹⁵ and that one could “drive a truck through” the loopholes in China’s declared no first-use policy.⁹⁶

The United States now faces the likelihood of an opponent with both local conventional force advantages and a nuclear first-use escalation threat in the event of a conflict over Taiwan.⁹⁷ General Glen VanHerck has testified that, “militarily, China is advancing a modernization program that seeks to erode our military advantages and deter us from intervening in a regional conflict...” and, “will further diversify [its] nuclear strike options and potentially increase the risks associated with U.S. intervention in a contingency.”⁹⁸ In April 2021, Gen. Berrier testified that, “China probably seeks to narrow, match, or in some places exceed U.S. qualitative equivalency with new nuclear warheads and their delivery platforms,”⁹⁹ and the 2021 DoD report on China’s military developments emphasized the extent of—and rapid pace of—China’s strategic nuclear buildup.¹⁰⁰

ADM Richard has provided the most concise yet far-reaching observation with regard to the deterrence challenge facing the United States presented by these developments in China (and Russia). He notes that: “We are facing a crisis deterrence dynamic right now that we have only seen a few times in our nation’s history,” and that, “The war in Ukraine and China’s nuclear trajectory—their strategic breakout—demonstrates that we have a deterrence and assurance gap based on the threat of limited nuclear employment.”¹⁰¹

⁹⁴ Rachel Cohen, “USAF Rethinks Relationship Between Conventional, Nuclear Weapons,” *Air Force Magazine Online*, August 19, 2020, available at <https://www.airforcemag.com/usaf-rethinks-relationship-between-conventional-nuclear-weapons/>.

⁹⁵ Quoted in, Bill Gertz, “China’s ‘No First Use’ Policy In Doubt,” *Washington Times (Inside the Ring)*, Sept. 17, p. A9. See also, Marshall Billingslea, “Arms Control and the New START Treaty,” *Information Series*, No. 472 (December 8, 2020), pp. 5-6.

⁹⁶ See, US Strategic Command and US Northern Command SASC Testimony, As Delivered, Washington, D.C., February 13, 2020, available at https://www.armed-services.senate.gov/imo/media/doc/20-24_02-13-2020.pdf. Senior Chinese General, Li Zuocheng recently stated that “we do not promise to abandon the use of force,” and that “the people’s armed forces” will “take all necessary steps” and “all necessary measures” to control the situation in the Taiwan Strait.” See, Yew Lun Tian, “Attack on Taiwan an Option to Stop Independence, Top China General Says,” *Reuters*, May 29, 2020, available at <https://www.reuters.com/article/us-china-taiwan-security/attack-on-taiwan-an-option-to-stop-independence-top-china-general-says-idUSKBN2350AD>.

⁹⁷ Senior Chinese military leaders have, in the past, made explicit threats regarding China’s use of nuclear weapons if the United States were to intervene over the issue of Taiwanese independence, even if U.S. intervention was non-nuclear. See, for example, the statements by Major General Zhu Chenghu, then-Dean of China’s National Defense University, quoted in, Danny Gittings, “General Zhu Goes Ballistic,” *The Wall Street Journal*, July 18, 2005, p. A13; Alexandra Harney, Demetri Sevastopulo, and Edward Alden, “Top Chinese General Warns US Over Attack,” *Financial Times*, July 15, 2005, p. 5; and, Joseph Kahn, “Chinese General Threatens Use of A-Bomb if U.S. Intrudes,” *The New York Times*, July 15, 2005, p. A8. See also, Nan Li, “China’s Evolving Nuclear Strategy: Will China Drop ‘No First Use’?” *China Brief*, The Jamestown Foundation (12 January 2018).

⁹⁸ U.S. Senate, Armed Services Committee, Subcommittee on Strategic Forces, *Statement of General Glen VanHerck, Commander, United States Northern Command and North American Aerospace Defense Command*, June 9, 2021, pp. 4-5, available at <https://www.armed-services.senate.gov/imo/media/doc/VanHerck%20Written%20Statement%20to%20SASC%206-09.pdf>.

⁹⁹ Quoted in, Shannon Bugos, Julie Masterson, “New Chinese Missile Silo Fields Discovered,” Arms Control Association (September 2021), available at <https://www.armscontrol.org/act/2021-09/news/new-chinese-missile-silo-fields-discovered>.

¹⁰⁰ Department of Defense, Office of the Secretary of Defense, *Report on the Military and Security Developments of the People’s Republic of China*, (2021), available at <https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>, p. viii.

¹⁰¹ Quoted in, Harris, “U.S. nuclear commander warns of deterrence ‘crisis’ against Russia and China,” op. cit.

The United States must, correspondingly, deal with the caution that this nuclear context forces on Washington¹⁰²—it has no readily-apparent deterrence advantage in this context. The United States and NATO built their deterrence policy against the Soviet Union on the presumption that Soviet leaders would be compelled to caution by the West’s threat of nuclear escalation—however uncertain. Yet, now it is the United States that must face China’s possible nuclear escalation threat with no apparent deterrence advantages to mitigate its coercive effect beyond the capability to engage in a nuclear escalation process that could be self-destructive. To the extent that China’s nuclear buildup, theater and strategic, contributes to CCP confidence that it has greater freedom to move regionally, including against Taiwan, it is enormously destabilizing.

The CCP understandably expresses the view that it is not China but the United States that will be compelled to greater caution by the uncertainty and risks of this context.¹⁰³ This may be bluster, but the potential for China’s nuclear escalation and its overriding determination, given its stakes in this case, certainly makes this turnabout plausible. The United States must calculate whether it or China is the party more willing to risk great injury if the CCP decides to resolve the Taiwan Question forcefully. As Herman Kahn observed about deterrence: “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.”¹⁰⁴ The basic facts of the engagement hardly point to greater apparent U.S. will to engage in a competition of threats, potentially including China’s nuclear threats, in the absence of a U.S. deterrence posture that helps to mitigate the risks for the United States.

For decades, the United States was the undisputed dominant power in the Taiwan Strait. As the authors of the *Parameters* article quoted above observe in this regard, “In previous decades, the United States enjoyed clear military superiority over China, and thus American deterrence capabilities were more credible.”¹⁰⁵ Given this past U.S. power position, reliance on “strategic ambiguity” and uncertainty to deter was a logical option once the United States proclaimed its commitment to the peaceful resolution of the Taiwan Question. The CCP could reasonably be expected to be cautious and thus deterred by uncertainty given the significant U.S. local and strategic power advantages. That U.S. dominance appears to be fading fast or has ended. Yet, the United States still appears to rely on uncertainty to deter—without now the deterrence advantages needed for that to be a credible deterrent option. Unfortunately, in the absence of some U.S. deterrence advantage that is not now obvious, there is no apparent reason for the CCP to be more cautious in an uncertain context than the United States—and given the asymmetry of stakes involved, there is reason to expect the CCP to be less cautious than the United States.

Former Japanese Prime Minister Shinzo Abe, recognizes this deterrence problem confronting the United States in the Taiwan Strait, and concludes therefore that the United States must now shed the policy of intentional ambiguity in favor of a deterrence position

¹⁰² As early as 2012, analysts pointed to the great deterrent value PRC military planners may expect by confronting the United States with the prospect of China’s nuclear first-use threat in a local war. See, John W. Lewis and Xue Litai, “Making China’s Nuclear War Plan,” *Bulletin of the Atomic Scientists*, Vol. 68, No. 5 (September 2012), pp. 60-62, available at <http://www.sagepub.com/content/68/5/45>.

¹⁰³ As is suggested in, “China’s Will Stronger Than USA Commitment to Taiwan,” *Global Times* (China), October 15, 2021, available at <https://www.globaltimes.cn/page/202110/1236363.shtml>.

¹⁰⁴ Herman Kahn, *On Thermonuclear War* (Princeton, NJ: Princeton University Press, 1960), p. 32.

¹⁰⁵ McKinney and Harris, “Broken Nest: Deterring China from Invading Taiwan,” op. cit., p. 25.

that leaves no doubt about the scope and depth of the U.S. defense commitment: “The policy of ambiguity worked extremely well as long as the U.S. was strong enough to maintain it, and as long as China was far inferior to the U.S. in military power. But those days are over. The American policy of ambiguity toward Taiwan is now fostering instability in the Indo-Pacific region, by encouraging China to underestimate American resolve, while making the government in Taipei unnecessarily anxious...There must no longer be any room for doubt in our resolve concerning Taiwan, and in our determination to defend freedom, democracy, human rights and the rule of law.”¹⁰⁶ The deeper question, of course, is whether any rhetorical change in the U.S. position is sufficient to establish credible deterrence in the absence of a corresponding change in the material components of the U.S. deterrence position.

It must be noted in this regard that history demonstrates repeatedly that pertinent leadership decision making is not always driven by rigorous attention or rationality. A foreign leadership may be deterred or undeterred for no apparent logical reason. But deterrence theory and policy planning must posit some level of attention and rationality in the expectation of leadership calculations; a presumption of ignorance and/or irrationality in leadership decision making provides no basis for bounding expected outcomes, i.e., a truly inattentive or irrational opponent cannot be expected to respond in any predictable fashion to any form of deterrent threat.¹⁰⁷ If attributing attention and reason to the opponent, in this case the CCP, calls into question U.S. deterrence planning, it is the deterrence planning that must be reconsidered.

These are the harsh deterrence realities imposed by the context of this case, particularly its political background. Some commentators point to the currently larger raw number of U.S. strategic nuclear weapons to suggest that concern over China’s growing nuclear arsenal is of little relevance—as if that ratio somehow is enduring and predictably decisive in deterrence considerations.¹⁰⁸ It is neither and, in this case, those numbers do not alter the harsh deterrence realities because they do not determine military or deterrence advantage.

What to Do?

This type of realistic discussion leads some commentators to declare that deterrence in this case is not possible: “If the United States can’t deter Beijing, it is likely that sometime within the next six years Taiwan will be ‘liberated’ by the People’s Liberation Army (PLA). And as

¹⁰⁶ Shinzo Abe, “A clear U.S. defense of Taiwan: Russia’s war on Ukraine makes a pledge of action against a Chinese invasion of Taiwan necessary,” *Los Angeles Times*, April 12, 2022, p. A11, available at <https://news.yahoo.com/op-ed-u-must-clear-100043615.html>.

¹⁰⁷ For a discussion of rationality and its application to deterrence theory and policy see, Payne, *The Fallacies of Cold War Deterrence and a New Direction*, op. cit., pp. 7-15, 23-27.

¹⁰⁸ See, for example, John Isaacs, “The Pentagon’s China Report: Reading Between the Lines,” *National Interest Online*, November 28, 2021, available at <https://nationalinterest.org/feature/pentagon-s-china-report-reading-between-lines-197078>. See also, Walter Pincus, “What the Chinese Think They Know About U.S. Nuclear Strategy,” *The Cipher Brief.com*, December 21, 2021, available at <https://www.thecipherbrief.com/column/fine-print/what-the-chinese-think-they-know-about-us-nuclear-strategy>.

things currently stand, the U.S. can't deter Beijing. So, within the next six years, Taiwan will be 'liberated.'"¹⁰⁹

That conclusion, while understandable, may be too pessimistic. There are mutually reinforcing denial and punitive deterrence steps the United States could take to help restore its position in this case. These need not necessarily mirror those U.S./NATO measures undertaken to deter Moscow during the Cold War, e.g., the local stationing of large numbers of U.S. "tripwire" forces, including integrated nuclear forces. But these steps must serve the same purpose—restoring the U.S. deterrence position.

Potential deterrence tools that the United States may be able to exploit are diplomatic, economic and military, and could be pursued simultaneously and in concert with allies, as is discussed in detail below. CCP international behavior over the past few years has been so egregious that it has heightened concerns among its neighbors, and has created opportunities for the formation of a new "coalition of the willing" that could exploit diplomatic, economic and military tools to restore deterrence. That said, doing so will be a serious task—the coalition must work to ensure that the CCP recognizes that a redline exists to deter its decision to attack Taiwan, and that the CCP calculates that violating that redline is its most miserable option, i.e., that violating the coalition's redline would not just be costly, but would entail consequences *more intolerable than allowing Taiwan to remain autonomous*. That is a formidable deterrence goal.

The United States must not be alone in trying to re-establish the conditions necessary for deterrence. Other countries, notably Japan, would likely be grievously affected by a CCP conquest of Taiwan. Former Japanese Prime Minister Shinzo Abe has observed that, "When there is a threat over Taiwan and its democracy, it is a dire challenge to all of us, especially to Japan."¹¹⁰ Indeed, the prospect that such a development could so shift the Japanese security landscape that it would spur Japan (and South Korea¹¹¹) toward nuclear proliferation may be, should be, a powerful element in a CCP calculation that violating the coalition's redline regarding Taiwan would entail more intolerable consequences than would continuing to tolerate Taiwan's autonomy.¹¹²

While diplomatic and economic deterrence measures have the potential to contribute to that CCP calculation significantly, an adequate U.S. deterrent position will likely require U.S. and allied capabilities sufficient to deny China any anticipation of a prompt military victory

¹⁰⁹ Andrew Latham, "The U.S. can't deter an attack on Taiwan," *The Hill Online*, Nov. 22, 2021, available at <https://thehill.com/opinion/international/582641-the-us-cant-deter-an-attack-on-taiwan>.

¹¹⁰ Quoted in, Joel Gehrke, "Japan's Shinzo Abe Warns China: Invasion of Taiwan Would be 'Suicidal,'" *Washington Examiner Online*, December 14, 2021, available at <https://www.washingtonexaminer.com/policy/defense-national-security/japans-shinzo-abe-warns-china-invasion-of-taiwan-would-be-suicidal>.

¹¹¹ Almost 70 percent of the South Korean public reportedly already believes that South Korea should have its own independent nuclear capability. See Nam Jeong-ho, "The Case for Nuclear Armament," *JoongAng Ilbo Online* (South Korea), December 21, 2021, available at <https://south-korea.timesofnews.com/breaking-news/the-case-for-nuclear-armament.html>. See also, Michelle Ye Hee Lee, "South Koreans Overwhelmingly Want Nuclear Weapons to Confront China and North Korea, Poll Finds," *Washington Post Online*, February 21, 2022, available at <https://www.msn.com/en-us/news/world/south-koreans-overwhelmingly-want-nuclear-weapons-to-confront-china-and-north-korea-poll-finds/arAAU8M7P?ocid=BingNewsSearch>.

¹¹² Chinese publications have emphasized concern about the prospect of Japanese nuclear proliferation. See, for example, Lian Degui, "World Should Keep a Vigilant Eye on Japan's Nuclear Weapons Pursuit," *Global Times Online* (China), December 20, 2021, available at <https://www.globaltimes.cn/page/202112/1242888.shtml?id=11>. This point about the possible deterrent effect of nuclear proliferation is discussed in McKinney and Harris, "Broken Nest: Deterring China from Invading Taiwan," op. cit., p. 32.

over Taiwan, a rapid *fait accompli*, and to deny China any expectation that its nuclear threats will paralyze U.S. and allied support for Taiwan if it is attacked. Doing so does not necessarily demand U.S. “escalation dominance” in this case—which likely is infeasible in any event; it does, however, demand that the United States and allies work to ensure that the CCP does not believe that China has escalation dominance.¹¹³ In short, the United States must be able to integrate thinking about conventional and nuclear deterrence forces to foreclose a CCP “theory of victory” for the Taiwan Question.¹¹⁴ Simply acknowledging the deterrence challenge facing the West is the needed first step, including, as Herman Kahn observed, coming to grips with the reality that the *credibility* of a U.S. deterrence strategy is determined in large part by the level of obvious fear in Washington induced by the prospective “hurt” from “the other side’s [likely] retaliatory blow.”¹¹⁵

Unless/until the stark deterrence problem confronting the United States is recognized for what it is, any recommendations for restoring the U.S. deterrence position that call for serious rethinking and efforts undoubtedly will fall on deaf ears. In this regard, labeling the post-Cold War relationship with the CCP a “competition,” as many do,¹¹⁶ *obscures our understanding* of where we are today.¹¹⁷ The word “competition” substitutes a *benign euphemism* drawn from sports—as if Sino-U.S. relations are reliably rules-based and refereed by impartial officials with authority and power. In fact, there are *no reliably enforced rules and no such referees*. Instead, there are serious conflicts of interest, conflicting perceptions and goals, with the potential for great violence, possibly including nuclear weapons. That is the current reality we *must* recognize if we are to take the steps likely needed to restore deterrence.

Neither variations in the repeated U.S. affirmations of the U.S. commitment to Taiwan—including more or less ambiguity—nor new labels for U.S. deterrence strategies can address the structural challenge to U.S. deterrence goals posed by the shifting correlation of forces and the political background of the Taiwan Question. Changes in declaratory verbiage *suggest* action, but alone cannot solve basic political and material problems. Herman Kahn emphasized this point regarding deterrence more than six decades ago: “About all an unprepared government can do is to say over and over, ‘the other side doesn’t really want war.’ Then they can hope they are right. However, this same government can scarcely expect to make up by sheer determination what it lacks in preparation. How can it persuade its

¹¹³ “Escalation dominance” is a long-standing term of art meaning that one party in a confrontation has the capabilities necessary to win militarily at any plausible level of escalation, and therefore should be able to deter an opponent from initiating military provocations or “climbing” the escalation ladder because, “In the absence of enforceable or acceptable adjudication, the side most afraid of a strike will tend to get the worst of the bargain.” See, Herman Kahn, *On Escalation: Metaphors and Scenarios* (New York: Frederick A. Praeger Press, 1965), p. 10.

¹¹⁴ Colin Gray discussed a “victory denial” deterrence strategy vis-à-vis Moscow during the Cold War. See Gray, *Nuclear Strategy and Strategic Planning*, op. cit., pp. 75-76. More recently see, Roberts, *On Theories of Victory, Red and Blue, Livermore Papers of Global Security*, op. cit., pp. 42-57; and, Bradley Roberts, *The Case for U.S. Nuclear Weapons in the 21st Century* (Stanford, CA: Stanford University Press, 2016), pp. 35, 99, 103-104, 192-194, 260-262, 268-271.

¹¹⁵ Kahn, *On Thermonuclear War*, op. cit., p. 32.

¹¹⁶ See for example, Congressional Research Service, *Renewed Great Power Competition: Implications for Defense—Issues for Congress*, updated, December 21, 2021, available at <https://news.usni.org/2021/12/27/report-to-congress-on-great-power-competition-2>.

¹¹⁷ See the discussion of this point in, Keith Payne, *Redefining Stability for the Post-Cold War Era, Occasional Paper* (Fairfax, VA: National Institute Press, January 2021), pp. 44-45.

opponent of its own willingness to go to war if the situation demands it?”¹¹⁸ And, “Usually the most convincing way to look willing is to be willing.”¹¹⁹ The basic structure of the deterrence equation in this case appears to argue that China is the more willing and that ambiguity and uncertainty need not work in favor of the United States—these realities must be the starting point for renewed U.S. deterrence considerations.

Conclusion

For decades, the United States has acted as if China would shed its appetite to reorder the world in its image—status-quo powers often cling to the self-serving belief that the rising non-status quo power will follow their preferred values, norms and behaviors. The British held out that hope regarding National Socialist Germany far beyond the point when it obviously was fallacious. The expectation that a determined non-status quo power somehow will moderate its outlook and “join the community” of peaceful nations often is frustrated; it clearly has not happened in the case of post-Cold War China. Chairman of the Joint Chiefs of Staff, Gen. Mark Milley, recently observed that a goal of China’s military buildup is “to revise the global rule set.”¹²⁰ The then-Director of the State Department’s Policy Planning Staff observed that, “Beijing’s long-term goal is to fundamentally revise world order, placing the People’s Republic of China (PRC)...at the center and serving Beijing’s authoritarian goals and imperial ambitions.”¹²¹

If the United States is to deter by design in this case, it must recover a deterrence posture that addresses a context in which the opponent appears to be extremely committed to an existential goal in opposition to the U.S. deterrence redline, and has consciously sought to shift the correlation of forces, including nuclear forces, to its advantage for the very purpose of defeating the U.S. deterrence position. The fundamental deterrence questions that must be addressed by the United States are: is there space for deterrence to operate in principle and, if so, what deterrence posture might the United States preserve, or more likely regain, to support the credible deterrence strategy needed to uphold the U.S. position expressed in the 1979 TRA? And, how can the United States achieve that position? What plausible deterrence levers now exist that may be exploited as the basis for an informed, or tailored, U.S. deterrence strategy?

While deterrence advantage is not synonymous with military dominance, identifying the deterrence posture now needed and moving toward it is likely to involve considerable effort—much as it did in Europe during the Cold War. More costly, however, would be a successful CCP military campaign to conquer and occupy Taiwan. The negative consequences for the United States of a successful CCP campaign against Taiwan would be far beyond the consideration of Taiwan alone. These consequences would not likely be

¹¹⁸ Kahn, *On Thermonuclear War*, op. cit., pp. 213-214.

¹¹⁹ *Ibid.*, p. 287.

¹²⁰ Nancy A. Youssef, “China Aims to ‘Revise the Global Rule Set,’ Top U.S. General Says: Gen. Milley, Speaking at the WSJ CEO Council Summit, Warned that China’s Aims Could Lead to More Instability,” *Wall Street Journal Online*, December 7, 2021, available at <https://www.wsj.com/articles/china-aims-to-revise-the-global-rule-set-top-u-s-general-says-11638914747>.

¹²¹ Peter Berkowitz, “The Pattern and Purpose of China’s Actions,” *RealClearPolitics*, October 25, 2020, available at https://www.realclearpolitics.com/articles/2020/10/25/the_pattern_and_purpose_of_chinas_actions_144522.html.

existential, but they would be disastrous and systemic—advancing the success of China’s expansionism globally, contributing to the unraveling of U.S. alliances in Asia and globally, possibly motivating a cascade of nuclear proliferation, and curtailing the West’s ability to operate freely in key areas of the Pacific.

Viewing the prospective costs of a CCP conquest of Taiwan as being of monumental significance only for Taiwan is akin to the view of Germany’s 1938 expansionism at the expense of Czechoslovakia as being of great significance only for Czechoslovakia. The mistake of that parochial perspective among Western audiences was catastrophic. The West’s 1938 capitulation to Germany in Munich, i.e., essentially abandoning Czechoslovakia to Hitler’s expansionist claims, certainly contributed to his underestimation of the Western allies’ likely response to Germany’s later attack on Poland (“Our enemies are little worms, I got to know them in Munich.”)¹²² Whatever may have been the possibility for deterrence to change Hitler’s calculations regarding an attack on Poland in 1939 was lost at Munich in 1938.¹²³

It is, however, an open question whether U.S. policy makers will recognize and respond adequately to the challenge now facing the United States and the demands for innovative U.S. deterrence thinking and actions that challenge now imposes on Washington. U.S. leaders must identify how to restore the U.S. deterrence position and then decide if the value of doing so is worth the price tag. It seems self-evident that effective deterrence is well worth the cost, but the United States has had persistent and strong internal political calls for deterrence without undue effort, i.e., deterrence is easily understood, functions reliably on the basis of uncertainty, and its requirements are relatively modest. For those commentators who remain wedded to such comforting thoughts about deterrence, the preferred Cold War lesson—made possible by the combination of unparalleled U.S. power and a generally prudent Soviet foe—seems to be that the United States can declare its deterrence commitments and foes will reliably bow to U.S. dominance and comply with expressed U.S. redlines. But, that world no longer exists.

The deterrence lesson from the Cold War that should now inform us is that the United States needs to recover a deterrence posture tailored to the opponent and context if it hopes to deter by design vice luck. Unfortunately, that context and opponent with regard to the Taiwan Question now present unprecedented challenges for U.S. deterrence goals. Previous generations of U.S. civilian and military leaders took extensive steps to help preserve a credible deterrence position vis-à-vis the Soviet Union. The question is whether the current generation of U.S. leaders will take the steps necessary to do the same vis-à-vis China and accept the expense involved, or cling to fanciful notions of easy deterrence as an enduring U.S. birthright that are likely to fail in current circumstances. The consequences of the latter would be disastrous, but the verdict is not yet in and time will tell.

¹²² Quoted in, Max Domarus, *Hitler: Speeches and Proclamations 1932-1945*, Vol. III, *The Chronicle of a Dictatorship, 1939-1940* (Wauconda, IL: Bolchazy-Carducci Publishers, 1997), p. 1663.

¹²³ Had the West helped to resist Hitler at Munich and thereby essentially compelled Germany to go to war with Czechoslovakia over the Sudetenland, senior German military officers, including the Chief of the General Staff, Franz Halder, were prepared at that time to undertake a coup against the National Socialist regime.

Recommendations

- Recognize that for the CCP, continued political independence for Taiwan is deemed an intolerable option. Consequently, the deterrence task is *not* simply to pose a generalized, ambiguous deterrent threat to China in this case. It is to establish a deterrence strategy that entails costs, as calculated by China, that are more intolerable if it attacks Taiwan than if it allows Taiwan to remain autonomous.
- Recognize that any generalized deterrent threat of cost may not be adequate vis-à-vis a highly-motivated opponent such as China in this case.
- Recognize the significant deterrence challenge facing the United States with regard to the Taiwan Question and that a deterrence strategy most likely to support U.S. political goals must be tailored in full recognition of the unique political-military realities of the Taiwan Question.
- Recognize that the basic deterrence conditions in this case appear to argue that the uncertainty of “strategic ambiguity” will not work in favor of the United States. In the absence of a revised deterrence posture tailored to the opponent and circumstances, there is no apparent reason for the CCP to be more cautious in an uncertain context than the United States—and given the asymmetry of stakes involved, there is reason to expect the CCP to be less cautious than the United States.
- Address the key political-military background questions that must now inform U.S. considerations of how to deter and the capabilities needed for deterrence:
 - How does the CCP leadership define cost and what value does it place on changing the status quo on Taiwan?
 - How does the CCP define the cost of enduring the status quo?
 - Does the CCP envisage a tolerable alternative to changing the status quo on Taiwan?
 - How tolerant of risk is the CCP leadership likely to be when it makes decisions regarding the Taiwan Question?
 - How can the United States deter in the context of China’s nuclear escalation threat when the United States has no apparent deterrence advantages to mitigate the coercive effect of that threat beyond the capability to engage in a nuclear escalation process that could be self-destructive?



A Victory Denial Approach to Deterrence

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*

Introduction

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).

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

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

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

This chapter is adapted from Keith B. Payne and Matthew R. Costlow, *Victory Denial: Deterrence in Support of Taiwan*, *Occasional Paper*, Vol. 2, No. 3 (March 2022), available at <https://nipp.org/wp-content/uploads/2022/03/OP-Vol.-2-No-3.pdf>.



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 challenge; and, how a deterrence strategy could plausibly achieve those political goals. This chapter of the study briefly restates the fundamental deterrence challenge facing the United States as elaborated above, and subsequently focuses on how the United States and its allies can create the conditions needed to provide the best chance for an effective victory denial deterrence strategy. It concludes by identifying various deterrence tools that could support that strategy. The remainder of the study provides an elaboration on each of those potential tools.

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 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 must be apparent to CCP leaders as a potential avenue for 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

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.

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>.

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/.

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. As discussed above, however, for the past 50 years stated U.S. policy has intentionally reinforced China’s perceptions that there is no NATO-like U.S. commitment to defend Taiwan. Perhaps most importantly, during the Cold War, the Soviet Union—unlike China today—did not base its ruling legitimacy on nationalist promises to incorporate Western Europe into its political system. The United States made treaty-based collective defense commitments to its allies in Europe, stationed significant forces (including nuclear weapons) within allied states, and created an integrated command and control structure.

In contrast, the United States and Taiwan currently share no such formal military relationship, no such coordination, no such recognition as a formal ally, and 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. In short, the conditions deemed critical to extended deterrence 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 differing political-military conditions for the functioning of deterrence is at the heart of the need for “tailored” deterrence—now well-acknowledged in official U.S. policy.⁵ 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. In contrast, according to traditional (Cold War-era) U.S. deterrence expectations, all rational nuclear powers will recognize the risk of uncontrolled escalation in any sharp confrontation with the United States and this risk will reliably induce caution and restraint, i.e., it will deter.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 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 a meaningful 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

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.: 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.

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 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

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

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 costs 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” 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

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.

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. As noted in Chapter 1 above, deterrence 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 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

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

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).

for effective 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 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,

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.

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>.

“victory” for the CCP leadership would be the incorporation of Taiwan into the political system of the 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.

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 newly announced expressions of “integrated deterrence.” As Secretary of Defense Lloyd Austin has stated, “...

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.

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/>.

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 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

¹⁸ Ibid.

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.

rapidly and are resilient enough to stalemate 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 level of China’s nuclear escalation threats, a victory denial deterrence strategy requires that the United States deploy the numbers and types of weapons deemed necessary to deter a range of 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 and passive homeland defenses. 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, U.S. homeland defenses may be capable of defeating *limited* strategic coercive nuclear 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 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. It also should help assure Taiwan of the U.S. commitment to its TRA commitments. 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 and allies that China could threaten to inflict via limited regional or strategic nuclear first use strikes, and thereby minimize the coercive value the CCP leadership may otherwise attribute to limited 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 missile defense capabilities 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. and allied populations 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 U.S. homeland 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,

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.

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](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.

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 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 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

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>.

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.

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 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 (SLCM-N) and deploy it on both surface and sub-surface vessels.³⁰ Finally, to preserve deterrence, the United States should consider the need to expand its capabilities beyond the existing nuclear modernization program of record given: 1) China’s and Russia’s continuing nuclear buildups; 2) China’s and Russia’s aggressive and revanchist efforts to revise the international political order; 3) the coercive role that both China and Russia appear to envision for their respective nuclear capabilities; and, 4) the increasing cooperation between China and Russia to achieve their respective international goals. It is important to recall that the existing program of record was largely set in motion years ago, well before general recognition of these developments, and that it is long-standing, bipartisan U.S. practice to adapt deterrence strategy as needed to meet worsening threat conditions.

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

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>.

²⁷ Ibid. (Emphasis added).

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>.

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).

will concede to its coercive nuclear threats, particularly given the asymmetry in the apparent stakes involved. It invites optimistic 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.

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, 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 brandished in a coordinated fashion internationally well before any invasion of 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 clear to the CCP that a direct and natural 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 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, others 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

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.

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

Declaratory Policy and Deterrence

The CCP has set multiple “redlines,” that if crossed, strongly imply China will forcefully invade Taiwan.³³ One of those redlines is “foreign military intervention in Taiwan’s internal affairs,” a category that CCP officials could, and likely would, cite if the United States were to end its policy of strategic ambiguity and explicitly embrace a commitment to defend Taiwan militarily. Thus, the United States may be in the challenging position of needing to correct the material conditions to preserve deterrence prior to a change in its declaratory policy—which could risk the failure of deterrence at a time when the United States and Taiwan may be not prepared for its failure.

There are three related key points pertinent to considerations of deterrence in the Taiwan Question. First, although the discussion of U.S. declaratory policy is the focus of most public commentary about deterrence and China, at this point, the CCP likely attaches less weight to U.S. rhetoric than it does to the local and strategic correlation of forces—suggesting that the common focus on declaratory policy is a secondary concern to correcting the correlation of forces. If the latter is accomplished, the former will be easier to identify. In contrast, if the correlation of forces is not corrected, the precise character of U.S. declaratory policy may be irrelevant. In short, if the United States and its allies do not achieve the conditions needed to deter a potential invasion, then the niceties of U.S. declaratory policy will likely not matter.

As the United States gains a more favorable deterrence position vis-à-vis the Taiwan Question, the options for modifying the policy of strategic ambiguity into something more compatible with a victory denial deterrence strategy become both clearer and possibly less risky. For instance, the United States could amend the Taiwan Relations Act to declare that it will “ensure that the conditions for a peaceful resolution are maintained”—a way of necessitating action that moves beyond the existing language, which specifies only that the use of force to resolve the Taiwan Question would be a “grave concern.” In any event, an improved material basis for deterrence must take priority, and indeed, could be the catalyst for a declaratory policy better aligned with a victory denial deterrence strategy.

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

³³ U.S. Department of Defense, *Military and Security Developments Involving the People’s Republic of China 2021* (Washington, D.C.: Department of Defense, 2021), pp. 115-116, available at <https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>.

Summary

The United States faces a deterrence challenge wholly unlike its Cold War predecessor. The deterrence conditions 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 deny China escalation dominance, active and passive defenses and sized to defeat limited nuclear coercive threats or attacks by China. This range of U.S. and allied conventional, nuclear, and defensive capabilities is within the realm of possibility and is not inconsistent with established 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.

Recommendations

- Adopt a “victory denial” deterrence strategy against China that seeks to deny China's leadership the belief that there is a plausible means to victory, at an acceptable cost, at any level of conflict over Taiwan—from a conventional *fait accompli* to China's nuclear threat or employment.
- Use a victory denial deterrence strategy to guide U.S. deterrence signaling to China's leadership, and to ensure that the U.S. deterrence position—and the capabilities that underpin that position—are mutually reinforcing and present a coherent, credible deterrence strategy.
- For “integrated deterrence” based on a victory denial deterrence strategy, marshal all relevant deterrence tools in support of U.S. deterrence goals, including traditional conventional and nuclear capabilities, as well as economic and diplomatic means.
- In cooperation with Taiwan—acquire and deploy the capabilities necessary to support a “porcupine strategy.” The goal is to deny China's military theory of victory via a *fait accompli* so that a CCP leadership biased toward optimism regarding its

ability to conquer Taiwan ultimately is deterred from attack because it calculates that the price of conquering Taiwan would be greater than the cost of enduring the political status quo.

- Recognize the likelihood that China will resort to limited nuclear employment threats or strikes, against the United States and its allies, if necessary, either to deter U.S. intervention on behalf of Taiwan or to end the conflict on terms favorable to Beijing. To deter such regional and strategic nuclear threats, at a minimum, proceed with the program of record on nuclear modernization of the entire triad, and with a variety of low-yield and regional options. Consider the deterrence requirement for an expansion of capabilities beyond the existing program of record given a threat environment much starker than when that program was designed over a decade ago.
- Recognize that limited U.S. and allied defensive capabilities may be critical for denying China its strategy for military victory based on coercive threats of limited nuclear employment.
- Acquire active and passive defense capabilities to provide the credibility needed for a U.S. victory denial deterrence strategy.
- Size active and passive defenses, including missile defense, to provide protection against limited regional and strategic nuclear strikes.
- Correct the correlation of forces to preserve deterrence as the priority and prepare to revise intentional ambiguity as a declaratory policy in favor of language that is better aligned with a victory denial deterrence strategy.
- Consider how to apply a victory denial deterrence strategy in other contexts—most immediately, deterring a Russian attack on NATO.



Victory Denial Deterrence and a “Porcupine Strategy” for Taiwan

Introduction

Deterring China from taking action to end Taiwanese autonomy and bring the island under Beijing’s political control requires a strategy that focuses on a broad victory denial approach to deterrence. While China seeks to use multiple means of aggression—including asymmetric “gray zone” tactics and the threat of kinetic military force—to bend Taipei to its will and eliminate the reality of a free and democratic Taiwan, a successful victory denial deterrent must make the costs to Beijing of military aggression outweigh the anticipated cost of tolerating an autonomous Taiwan. As discussed at length above, this is an unprecedented deterrence challenge given contemporary deterrence conditions.

If China expects that a military assault on Taiwan will be relatively quick and easy, the prospect of deterring an attack may be remote. Therefore, it is critically important for Taiwan—with the help of the United States and like-minded partners—to bolster its own self-defense capabilities such that the island becomes “indigestible” and that any military action taken by China will result in a prolonged and costly endeavor—one that might lead to internal dissent and call into question the legitimacy of the ruling Communist Party.

Denying China any anticipation of an easy *fait accompli* is a necessary but insufficient part of a broad victory denial deterrence strategy. Such a deterrence strategy must deny China confidence that its threatened or actual escalation of a local conflict could salvage a failing or stalemated regional attack. The deterrence goal is to create the conditions, locally and more broadly, in which China should logically be deterred at each threshold. Precluding the expectation of a rapid *fait accompli* is the first, local threshold. This is the initial basis for a victory denial deterrence strategy, and it requires an approach to deterrence that integrates multiple potential levers of U.S. power—military, economic, and diplomatic. The requirements for this deterrence goal and strategy are not limited to U.S. and Taiwanese efforts; greater Western collaboration in the military, economic and diplomatic spheres is essential to creating the deterrence conditions in which China’s leadership calculates that continued autonomy for Taiwan, short of statehood, is a more tolerable option than a forceful move to end that autonomy.

Making Taiwan “indigestible” has been referred to as a “porcupine strategy.” It requires significant changes in Taiwan’s defensive approach that include reforming its acquisition policy to focus on procurement of the kinds of capabilities most useful to defending against and defeating a Chinese invasion of the island; adapting the organizational structure of its armed forces to be more resilient against potential Chinese tactics; and revising its doctrinal approach to provide for a comprehensive defense in depth of the island that acknowledges the prospect that a Chinese assault will likely be multifaceted, involving traditional kinetic and non-kinetic asymmetric means.



The Correlation of Forces

China's People's Liberation Army (PLA)¹ is vastly superior in numbers, equipment, and resources than the armed forces of the Republic of China on Taiwan. Indeed, Taiwan's Defense Minister Chiu Kuo-cheng has stated that China will be capable of launching a "full scale" invasion by 2025.² Many experts, including most of those interviewed for this study, agree that successfully defending the island against a potential Chinese assault is likely to be extremely difficult.³

To strengthen a victory denial approach to deterrence, Taiwan needs to boost its defenses in ways that would make invasion extremely painful and costly for Beijing. This approach—a "porcupine strategy"—would find Taiwan "indigestible" should Beijing attempt to take the island through the use of military force.⁴

One analyst has described this strategy as:

An approach that seeks to exploit Taiwan's geographic and innovative advantages to create a painfully costly target for Beijing to seek to subdue. This approach moves Taiwan away from seeking to assert sea control, air superiority, and long-range strike capability toward an emphasis on preventing China's ability to occupy Taiwan with military force. In this concept, Taiwan forces would concentrate the battlefield on their geographic advantages by attacking invading forces at their points of maximum vulnerability near Taiwan's shores, rather than seeking to engage forces on the mainland or in the Taiwan Strait.⁵

As one Taiwanese parliamentarian explained, "We have to let Xi Jinping and the Chinese government understand: If they choose some military way to invade Taiwan, the cost will be so high that they can't afford it."⁶ This is characterized as a deterrence "strategy of denial," that would seek to deny China the expectation of seizing or holding Taiwanese territory.⁷

¹ As used here, the term "PLA" consists of the combined military forces of the Army (PLAA), Navy (PLAN), and Air Force (PLAAF).

² Ben Blanchard, "Taiwan won't start a war with China, defence minister says," *Reuters*, October 14, 2021, available at <https://www.reuters.com/world/china/taiwan-defence-minister-says-china-will-have-ability-mount-full-scale-invasion-2021-10-06/>.

³ See, for example, "Taiwan's army 'ill-prepared' for potential Chinese attack," *Deutsche Welle*, April 5, 2021, available at <https://www.dw.com/en/taiwans-army-ill-prepared-for-potential-chinese-attack/a-57102659>. Also see Ian Easton, "Why a Taiwan Invasion Would Look Nothing Like D-Day," *The Diplomat*, May 26, 2021, available at <https://thediplomat.com/2021/05/why-a-taiwan-invasion-would-look-nothing-like-d-day/>.

⁴ See, for example, "China's might is forcing Taiwan to rethink its military strategy," *The Economist*, January 24, 2019, available at <https://www.economist.com/asia/2019/01/26/chinas-might-is-forcing-taiwan-to-rethink-its-military-strategy>. Also see Iain Marlow, "To deter China, refined 'porcupine strategy' may be more crucial to Taiwan than high-profile arms," *The Japan Times*, January 16, 2020, available at <https://www.japantimes.co.jp/news/2020/01/16/asia-pacific/f-16s-trump-taiwan-looks-inward-deter-china-weighs-porcupine-strategy/>.

⁵ Ryan Hass, "Taiwan's leaders need to coalesce around a defense concept," *Taipei Times*, November 1, 2021, available at <https://www.taipeitimes.com/News/editorials/archives/2021/11/01/2003767097>.

⁶ Marlow, op. cit.

⁷ This "denial" strategy is discussed by Elbridge Colby in *The Strategy of Denial: American Defense in an Age of Great Power Conflict* (New Haven, CT: Yale University Press, 2021). The elements of such a strategy are also discussed in detail in Christopher A. Ford, *Defending Taiwan: Defense and Deterrence, Occasional Paper*, Vol. 2, No. 2 (Fairfax, VA: National Institute Press, 2022), available at <https://nipp.org/wp-content/uploads/2022/02/Vol.-2-No.-2-Ford.pdf>. This paper can also be found at Appendix D of this study.

In extensive interviews for this study, subject matter experts outlined elements of a so-called “porcupine strategy.” The potential deterrent effect of a serious and manifest Taiwanese commitment to improving its defenses, and thereby making a CCP military action costly and time-consuming, could contribute to a victory denial deterrence strategy. The goal would be to compel China’s leaders to calculate that a military attempt to unify the island with the mainland would be prolonged and painful. As one U.S. defense official stated, “Without question, bolstering Taiwan’s self-defenses is an urgent task and an essential feature of deterrence.”⁸ The deterrent effect of such actions would be strengthened when coupled with a clear and credible U.S. commitment to Taiwan’s defense. Nevertheless, given the local correlation of military forces favoring China, and China’s growing assertiveness both regionally and internationally, achieving a credible denial strategy in this fashion will be a challenge.

Implementing a “porcupine strategy” to make Taiwan “indigestible” would appear to require significant changes to Taipei’s current military practice and posture. Given the current political, cultural, economic, and social dynamics on the island, many of these changes may be difficult to implement. Above all, Taiwan must assume a greater burden of responsibility for its own defense, and in a way that does not suggest to either friends or adversaries a lack of resolve on the part of the United States (and possibly others) to come to Taiwan’s defense if attacked.

Making Taiwan “Indigestible”

An amphibious assault against Taiwan would not likely be easy, quick, or without considerable risk. As the U.S. Department of Defense has noted:

Large-scale amphibious invasion is one of the most complicated and difficult military operations, requiring air and maritime superiority, the rapid buildup and sustainment of supplies onshore, and uninterrupted support. An attempt to invade Taiwan would likely strain PRC’s armed forces and invite international intervention. These stresses, combined with the PRC’s combat force attrition and the complexity of urban warfare and counterinsurgency, even assuming a successful landing and breakout, make an amphibious invasion of Taiwan a significant political and military risk for Xi Jinping and the Chinese Communist Party.⁹

Experts interviewed for this study suggested that to bolster Taiwan’s ability to resist military aggression, the Taiwanese military must focus its acquisition priorities on equipment and capabilities that can be used to complicate Beijing’s calculus in seeking a rapid military victory. The procurement from the United States of expensive, high-end systems like fighter aircraft is seen by some as a symbolic demonstration of the

⁸ Statement by Ely Ratner, Assistant Secretary of Defense for Indo-Pacific Affairs, cited in Michael Martina and David Brunnstrom, “U.S. defense official says boosting Taiwan’s defenses an ‘urgent task,’” *Reuters*, December 8, 2021, available at <https://www.reuters.com/world/asia-pacific/senior-us-defense-official-says-boosting-taiwans-defenses-is-an-urgent-task-2021-12-08/>.

⁹ See Office of the Secretary of Defense, *Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China 2021*, November 3, 2021, p. 117, available at <https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>.

government's commitment to protect the population and as necessary to police its own airspace—especially in light of extensive incursions by Chinese aircraft across the midline of the Taiwan Strait and circumnavigation of the island. However, many of those interviewed concluded that Taiwan should deemphasize large, costly capabilities that will have questionable utility in defeating a military invasion force and focus on the procurement of a greater number of smaller, cheaper, maneuverable, resilient, and more versatile systems for defense in depth of the island, particularly including defending against amphibious assault.

Currently, Taiwan relies extensively on military equipment procured from the United States as part of the U.S. Foreign Military Sales (FMS) program. Typically, Taiwan has sought to purchase large and relatively expensive hardware, such as F-16 fighter aircraft, submarines, and main battle tanks—systems which may not be particularly useful against Chinese military forces on the island. While fighter aircraft provide important “steady state” capabilities, Taiwan also needs to focus on asymmetric capabilities, including electronic warfare and C4ISR capabilities.

Several additional factors appear to complicate Taiwan's ability to develop and deploy a credible defensive capability. First, Taiwan has been reluctant to request defense articles that many U.S. analysts believe would provide better defensive value than those articles normally requested. Second, the United States has been reluctant to press Taiwan on submitting purchase requests for those systems of greater defensive value. Third, other countries have been reluctant to engage in arms sales to Taiwan, including arms that are co-produced with the United States, for fear of antagonizing Beijing.¹⁰ This reluctance extends to other countries' willingness to consider direct co-production agreements with Taiwan. However, co-production of systems would strengthen Taiwan's defense industrial base.

Some of the capabilities that could help enable a porcupine strategy for Taiwan include: sea mines; coastal defense cruise missiles (CDCMs); unmanned aerial vehicles (UAVs); unmanned underwater vehicles (UUVs); small patrol craft; and mobile, land-based munitions. As a former Chief of Taiwan's General Staff noted:

The procurement of advanced unmanned aerial vehicles (UAVs) will significantly augment Taiwan's target acquisition, early-warning and tactical reconnaissance capabilities, as will mobile radar platforms. Large inventories of low-cost, short-range precision-guided munitions and mobile coastal defense cruise missiles (CDCMs), including harpoon coastal defense systems (HCDS), can provide shore-based firepower support. Man-portable air-defense systems (MANPADS) and mobile anti-armor weapons, such as high mobility artillery rocket systems (HIMARS), can strengthen guerrilla warfighting capabilities. Stealth fast-attack crafts and miniature missile assault boats can be dispersed among fishing boats across the island's over 200 fishing ports. Sea mines and fast minelaying ships can complicate enemy landing operations. Such asymmetric systems may not generate as much excitement when compared to the PLA's amphibious assault vehicles and

¹⁰ Indeed, China has had some success in isolating Taiwan strategically, as the number of countries extending diplomatic recognition to Taiwan has now dropped to 14. See, for example, Lily Kuo, “Taiwan loses another diplomatic partner as Nicaragua recognizes China,” *The Washington Post*, December 10, 2021, available at https://www.washingtonpost.com/world/asia_pacific/nicaragua-taiwan-china/2021/12/09/741098d8-5954-11ec-8396-5552bef55c3c_story.html. A more forceful U.S. diplomatic effort to change this trajectory would be useful.

advanced aircraft, but they will enhance Taiwan's ability to respond effectively when its defenses are under attack.¹¹

Sea mines would be useful to protect the maritime channel approaches to those beaches that are vulnerable to amphibious landings. Smart, artificial intelligence (AI)-enabled naval mines could be placed in the Taiwan Strait with capabilities that would not interfere with commercial shipping and normal commerce. Beyond what Taiwan produces itself, greater quantities and more sophisticated coastal defense cruise missiles, such as truck-mounted Harpoons, are mobile and flexible and would provide Taiwan with capabilities that their indigenously produced CDCMs lack.¹² These systems could help defend against amphibious assaults. Other advanced CDCM systems are co-produced with countries that appear reluctant to provide them to Taiwan. Unmanned aerial vehicles are useful for intelligence, surveillance, and reconnaissance, as well as for kinetic strike, while unmanned underwater vehicles are difficult to target due to their stealthiness. Small patrol craft that can carry ship-to-ship missiles, lay mines, and defeat amphibious landing vessels would be valuable as would large quantities of precision-guided munitions, including man-portable systems like the Javelin.

As one recent study concluded:

If Taiwan acquires, over roughly the next five years, large numbers of additional anti-ship missiles, more extensive ground-based air defence capabilities, smart mines, better trained and more effective reserve forces, a significantly bolstered capacity for offensive cyber warfare, a large suite of unmanned intelligence, surveillance, and reconnaissance (ISR) and strike systems, and counterstrike capabilities able to hit coastal targets on the mainland, it will continually increase the price China will have to pay to win a war.¹³

The acquisition of these types of systems would provide Taiwan with greater anti-amphibious assault capability as well as a broader capability for island self-defense. Assuming that any Chinese attack on Taiwan would involve the launch of numerous missiles, the systems Taiwan procures should be numerous, mobile and survivable. Moreover, as one analyst has recommended, "Taiwan's leadership must prioritize the acquisition or production of asymmetric capabilities. Such systems are far less expensive to operate and maintain, and are more survivable, compared to more conventional platforms such as fighter aircraft or large naval vessels."¹⁴

Taiwan's armed forces are heavily reliant on an active component and an individual ready reserve that may be inadequately equipped and trained to support the active military's efforts to defend against an invasion. Training of the reserve force reportedly is focused on

¹¹ Lee Hsi-min and Eric Lee, "Taiwan's Overall Defense Concept, Explained," *The Diplomat*, November 3, 2020, available at <https://thediplomat.com/2020/11/taiwans-overall-defense-concept-explained/>.

¹² Some experts interviewed for this study suggested that greater information sharing with the United States on the capabilities of Taiwan's indigenously produced systems would also be beneficial.

¹³ Patrick Porter and Michael Mazarr, *Countering China's Adventurism over Taiwan: A Third Way*, Lowy Institute, May 2021, available at <https://www.lowyinstitute.org/sites/default/files/PORTER%20MAZARR%20Taiwan%20Third%20Way%20COMPLETE%20PDF%20V1.pdf>.

¹⁴ Heino Klinck, "Taiwan's Turn – Deterring and Derailing an Existential Threat," National Institute for Public Policy Information Series, No. 508, November 11, 2021, available at <https://nipp.org/wp-content/uploads/2021/11/IS-508.pdf>.

defending Taiwan's beaches from amphibious landings, i.e., forward defense, rather than adopting a "defense in depth" strategy. One analysis concluded that many reservists have a "just passing through' mentality."¹⁵ The apparent reluctance of the Taiwanese military to move beyond the approach of defending the beaches is thought to be related to concerns that doing so would be a tacit admission that China will be successful in the initial stages of its invasion plans.

Some modest organizational reforms have occurred within the Taiwanese military, including an effort to restructure its armed forces into regional commands with asymmetric capabilities,¹⁶ but additional efforts may be critical to improve the fighting capability of the overall armed forces. One commentator referred to the Taiwanese armed forces as a "hollow shell," noting that "Taiwan's military is in a crisis it can barely admit exists.... Taiwan's Ministry of Defense always says they have no problem whatsoever, everything is working, everything is fine. Even when reports surface that is not the case. They do not want to face the reality."¹⁷

Experts interviewed suggested that Taiwan needs to focus its military efforts on territorial defense, and that adapting the reserve system in a way that parallels that of the Israeli or Swiss reserve system, where reservists keep their weapons at home and act as a type of militia, would provide additional military capability and be consistent with a true territorial defense. Some have called for the establishment of "shooting clubs, similar to those popular in Central and Eastern Europe."¹⁸ Others have called on Taiwan to pursue an approach whereby the Taiwanese population adopts measures to resist occupation by stockpiling food and reinforcing communications capabilities—similar to the approach Sweden has taken—should China cut off utilities and essential means of sustenance.¹⁹ However, political considerations appear to have stymied attempts to refocus Taiwan's organizational approach to its national defense.

The seriousness of the threat posed by China has resulted in some modest changes to improve training of reserves. For example, the Taiwanese Ministry of Defense has announced an increase in mandatory training for approximately 13 percent of the reserve force and Defense Minister Chiu Kuo-cheng has called for an increase in funding for what has been described as "home-made weapons."²⁰ In addition, a new All-Out Defense Mobilization

¹⁵ Joyu Wang and Alastair Gale, "Does Taiwan's Military Stand a Chance Against China? Few Think So," *The Wall Street Journal*, October 26, 2021, available at <https://www.wsj.com/articles/taiwan-military-readiness-china-threat-us-defense-11635174187> (paywall).

¹⁶ See Ministry of National Defense, R.O.C., *Quadrennial Defense Review: The Republic of China, 2021*, available at <https://www.ustaiwandefense.com/tdnswp/wp-content/uploads/2021/03/2021-Taiwan-Quadrennial-Defense-Review-QDR.pdf>. Also see Mike Yeo, "Taiwan to continue strengthening asymmetric capabilities, reserve force," *Defense News*, November 16, 2021, available at <https://www.defensenews.com/global/asia-pacific/2021/11/16/taiwan-to-continue-strengthening-asymmetric-capabilities-reserve-force/>.

¹⁷ "Taiwan's army 'ill-prepared' for potential Chinese attack," op. cit.

¹⁸ Robert C. O'Brien and Alexander B. Gray, "How to Deter China From Invading Taiwan," *The Wall Street Journal*, September 15, 2021, available at <https://www.wsj.com/articles/china-invade-taiwan-strait-pla-missile-mines-counterinsurgency-biden-xi-tsai-ing-wen-11631721031> (paywall).

¹⁹ Kathleen C. Bailey, *Maintaining Taiwan's Democracy*, Information Series, No. 479 (Fairfax, VA: National Institute Press, February 11, 2021), p. 5, available at <https://nipp.org/wp-content/uploads/2021/03/IS-479.pdf>.

²⁰ "Taiwan to boost reserve training amid China tension," *Reuters*, November 2, 2021, available at <https://www.reuters.com/world/asia-pacific/taiwan-boost-reserve-training-amid-china-tension-2021-11-02/>.

Agency has been established to improve training and mobilization plans for the reserve forces.²¹

Taiwan's defense budget has increased by roughly 5 percent from 2020 to 2021.²² Taipei has sought to avoid constraints imposed on the normal budget process by funding the acquisition of indigenously produced defense equipment through "special budgets."²³ Nevertheless, Taiwan's defense spending accounts for less than 3 percent of Taiwan's Gross Domestic Product (GDP), an amount that one analyst has noted "falls short for a nation that is facing an existential threat and has almost daily incursions into its air, sea, and cyber space by an openly hostile foreign power."²⁴

Taiwan's 2021 *Quadrennial Defense Review* acknowledges that China poses "the major threat to our national security," noting, "Aside from posing threats of conventional military invasion and continuous war preparation, the PRC has been (sic.) imposed new security challenges on us, including the using of gray zone tactics, such as the intrusion and provocation by aerial and maritime assets, waging cognitive warfare by verbal intimidation, saber-rattling, and initiating cyberattacks." Yet, it notes that the island's armed forces "respond cautiously to those threats to our national security."²⁵ As one expert has observed:

Taiwan's previous Overall Defense Concept (ODC), widely supported by U.S. defense officials, appears to be abandoned by Taiwan's military leadership in the face of overwhelming evidence that such an asymmetric approach is exactly what is needed to deter, and if necessary, derail Chinese aggression. In fact, there is not a single reference to ODC in Taiwan's Quadrennial Defense Review (QDR) published in early 2021. This perpetuates the growing view that Taipei is not being truly serious about its own defense despite the almost universal assessment that the Chinese Communist Party (CCP) and its PLA pose an existential threat to democratic Taiwan.²⁶

Other "Quills"

In addition to the defensive preparations discussed above, experts interviewed suggested that Taiwan could usefully strengthen its overall defensive capabilities to make itself less vulnerable to missile strikes, including surface-to-surface missile strikes from the mainland. This could be done in several complementary ways, e.g., through passive measures such as distributed basing of military assets on the island and the dispersion and hardening of

²¹ Matt Yu and Joseph Yeh, "New mobilization agency formed to show Taiwan's resolute all-out defense: Tsai," *Focus Taiwan*, December 30, 2021, available at <https://focustaiwan.tw/politics/202112300004>.

²² Lawrence Chung, "Taiwan's biggest defence budget includes US\$1.4 billion for new warplanes," *South China Morning Post*, August 26, 2021, available at <https://www.scmp.com/news/china/military/article/3146510/taiwans-biggest-defence-budget-includes-us14-billion-new>.

²³ Fang Cheng-hsiang and Teng Pei-ju, "Legislature approves special budget for weapons purchases," *Focus Taiwan*, January 11, 2022, available at <https://focustaiwan.tw/politics/202201110016>.

²⁴ Heino Klinck, op. cit.

²⁵ See "Minister's Foreword" in Ministry of National Defense, R.O.C., *Quadrennial Defense Review: The Republic of China, 2021*, op. cit.

²⁶ See Heino Klinck, op. cit. Other experts, however, believe that although there is some resistance to the ODC within the Taiwanese military, there is generally strong support within the various military services.

targets; as well as by implementing active measures like improving Taiwan's missile defense posture.

Although deployment of missile defense systems in Taiwan would incur the wrath of Beijing, Taiwan's Air Force reportedly has already decided to purchase a number of Patriot Advanced Capability 3 (PAC-3) Missile Segment Enhancement (MSE) missiles, which are expected to be deployed in 2026.²⁷ However, other missile defense capabilities could improve Taiwan's ability to defend against Chinese missile attack, including the Terminal High-Altitude Area Defense (THAAD) system and the sea-based Aegis missile defense system. U.S. forward-based missile defense capabilities could also have an important role to play in defending Taiwan against what is likely to be a severe missile threat. Increased rotational deployments of U.S. forces could help bolster missile defenses in the region.²⁸

Hardening and increasing the resiliency of U.S. assets in the region also is suggested as necessary, given the possibility that China might launch attacks on U.S. forces to prevent the United States from coming to Taiwan's defense. This includes strengthening U.S. active and passive defenses in the region to enhance deterrence by complicating Chinese actions intended to degrade U.S. military capabilities.²⁹ In particular, Secretary of the Air Force Frank Kendall has stated, "They [China] have noticed it's quite obvious that we depend on a small number of assets, including forward air bases, to conduct operations.... Because they're fixed, they're easily targetable, and they've built the assets to come after them. So we have got to respond to that."³⁰ Secretary Kendall called on DoD to exercise "a sense of urgency" in order to "change the equation fundamentally" in ways that increase China's "uncertainty about how successful" any attack might be.³¹

Information operations, including cyber warfare and other so-called "gray zone" tactics, can also be employed to counter aggressive actions against Taiwan. Taiwan has cited China's use of such tactics, noting, "the PRC [People's Republic of China] has been frequently using gray zone tactics, such as cognitive warfare, IW [information warfare], and incursion by aircraft and vessels, aiming at weakening morale, depleting the resources of the ROC [Republic of China] Armed Forces, and eroding the national security, which urgently require precautions and responds (sic)."³² This approach by Beijing has been referred to as a

²⁷ Yimou Lee, "Taiwan to buy new U.S. air defence missiles to guard against China," *Reuters*, March 31, 2021, available at <https://www.reuters.com/article/us-taiwan-defence/taiwan-to-buy-new-u-s-air-defence-missiles-to-guard-against-china-idUSKBN2BN1AA>.

²⁸ For example, see "Don't Let Taiwan Become the Next Ukraine," *Bloomberg Opinion*, March 22, 2022, available at <https://www.bloomberg.com/opinion/articles/2022-03-22/u-s-should-learn-from-ukraine-invasion-to-defend-taiwan-from-china>.

²⁹ See, for example, Rebecca Heinrichs, "How The United States Needs To Start Deterring China From Taking Over Taiwan," Hudson Institute, January 21, 2022, available at <https://www.hudson.org/research/17488-how-the-united-states-needs-to-start-deterring-china-from-taking-over-taiwan>.

³⁰ Marcus Weisgerber, "Air Force Must Harden Pacific Bases Against Missiles, Secretary Says," *DefenseOne*, January 19, 2022, available at <https://www.defenseone.com/threats/2022/01/air-force-must-harden-pacific-bases-against-missiles-secretary-says/360924/>.

³¹ *Ibid.*

³² Ministry of National Defense, R.O.C., *Quadrennial Defense Review: The Republic of China, 2021*, op. cit., p. 54.

“cabbage strategy’ of layered envelopment, forcing opponents to deal with the increasing strategic, operational, and public relations costs of penetrating each layer.”³³

Taiwan plans to develop asymmetric capabilities to counter China’s gray zone pressure tactics. For example, the *2021 Quadrennial Defense Review* notes that, “coastal mobile asymmetric anti-ship capabilities are to be strengthened against the enemy vessels in transit.”³⁴ Taiwan has also commissioned a new flagship for its Coast Guard and plans to build more than 140 such ships by 2028 to counter China’s provocative maritime activity.³⁵ One analysis has suggested that the United States “should prioritize efforts aimed at asymmetrically undermining China’s confidence in the PLA’s ability to achieve its desired end state” by “significantly increasing intelligence collection not only on China but also regional host countries’ receptivity to Beijing’s overtures, the Achilles’ heel of China’s strategy.”³⁶ Another expert has argued that the United States should help “prepare Taiwan to put up an intolerable degree of irregular, non-conventional resistance to any PLA invasion and occupation. We need, in other words, to turn Mao Zedong’s theories of ‘People’s War’ back against the People’s Republic of China (PRC).”³⁷ This would include preparing Taiwan to conduct guerilla-type insurgency operations should China establish a foothold on the island.

Stronger collaboration between Taiwanese forces and the U.S. Coast Guard, including in the areas of training, vessel protection and security, and bilateral exercises would be consistent with the Coast Guard’s history of deployments to regions of potential conflict and could bolster the defense of the island,³⁸ and thus contribute to deterrence.

The United States has long encouraged Taiwan to do more for its own defense; adopting a defense-in-depth posture would enhance Taiwan’s ability to defend itself against all means of Chinese aggression. Above all, Taiwan’s commitment to its own defense needs to be manifest to have a credible deterrent effect on Beijing’s calculations of gain and cost.

U.S. congressional actions have also sought to prompt greater efforts by Taipei to bolster its own defenses. For example, the *Arm Taiwan Act of 2021* would condition U.S. military assistance on Taiwan’s actions to spend more on its own defense and on “undertaking the defense reforms required to maximize the effectiveness of an asymmetric defense against an invasion by the People’s Republic of China.”³⁹ The proposed legislation notes that “historically, the Government of Taiwan has prioritized the acquisition of conventional

³³ Eric Chan, “Escalating Clarity without Fighting: Countering Gray Zone Warfare against Taiwan (Part 2),” *Global Taiwan Brief*, Global Taiwan Institute, Vol. 6, Issue 11, June 2, 2021, available at <https://globaltaiwan.org/2021/06/vol-6-issue-11/>.

³⁴ Ministry of National Defense, R.O.C., *Quadrennial Defense Review: The Republic of China, 2021*, op. cit., p. 23.

³⁵ “Taiwan’s new coast guard flagship to counter China’s ‘gray zone’ threat,” *CNN*, April 30, 2021, available at <https://www.cnn.com/2021/04/29/asia/taiwan-new-coast-guard-ship-intl-hnk/index.html>.

³⁶ Craig Singleton, “Flip the gray zone script: How the US can customize its approach to China,” *Defense News*, February 26, 2021, available at <https://www.defensenews.com/opinion/commentary/2021/02/26/flip-the-gray-zone-script-how-the-us-can-customize-its-approach-to-china/>.

³⁷ Christopher A. Ford, “A ‘People’s War’ against the People’s Republic: Deterring an Invasion of Taiwan (in three parts),” *New Paradigms Forum*, *The SCIF*, October 7, 2021, available at <https://www.newparadigmsforum.com/a-people-s-war-against-the-people-s-republic-deterring-an-invasion-of-taiwan-in-three-parts>.

³⁸ Adam Stahl and Bradley A. Thayer, “The Coast Guard is vital to defending Taiwan against China,” *The Hill*, October 31, 2021, available at <https://thehill.com/opinion/national-security/578615-the-coast-guard-is-vital-to-defending-taiwan-against-china>.

³⁹ *S.3131 – Arm Taiwan Act of 2021*, available at <https://www.congress.gov/bill/117th-congress/senate-bill/3131/text>.

weapons that would be of limited utility in deterring or defeating an invasion by the People's Republic of China at the expense of the timely acquisition of cost-effective and resilient asymmetric defense capabilities" and declares that future U.S. arms transfers "should be conditioned on meaningful progress by the Government of Taiwan on the acquisition of appropriate asymmetric defense capabilities."⁴⁰

Another bill, the *Taiwan Deterrence Act*, includes a reporting requirement on "a priority list of defense and military capabilities that Taiwan must possess" and conditions U.S. Foreign Military Financing (FMF) on various commitments, including that the United States and Taiwan agree "to conduct joint long-range planning for capability development."⁴¹ These legislative vehicles, however, do not enjoy universal support among those who believe Taiwan should do more for its own defense. For example, as one analyst has noted, there is no "shared strategy" between the United States and Taiwan for addressing the threat posed by China and, therefore, such congressional legislation "could be counterproductive."⁴²

Another approach that has been suggested and is consistent with these legislative efforts is to foster greater senior-level engagement between U.S. and Taiwanese government officials. This could include direct contacts between the U.S. Secretary of Defense and the Taiwanese Minister of Defense, as well as interactions between various senior OSD-level officials and their counterparts in Taipei. The former Chief of Taiwan's General Staff has called for the establishment of a U.S.-Taiwan Joint Working Group to implement and institutionalize Taiwan's ODC, noting:

Through conducting contingency simulations and exercises, U.S. officials could offer their operational experience and expertise to guide Taiwan's force restructuring and doctrinal reforms, with an emphasis on military doctrine, force planning and logistical support, as well as operational tactics. The Joint Working Group would be composed of policy and working-level officials from each country. Policy-level exchanges would include active duty flag officers as well as senior defense officials to provide expertise and guidance on restructuring Taiwan's force and weapon systems acquisition process, as well as operational support for developing Taiwan's joint doctrine, joint operational planning and joint training. Frequent exchanges by working-level officials would focus on innovative solutions to implement policy-level decisions and account for current conditions on the ground.⁴³

Sharing threat intelligence information along with recommendations for appropriate action could help align U.S. and Taiwanese approaches. In short, the U.S. policy of limiting official engagements with Taiwan should be reassessed, as greater bilateral engagement could have positive deterrent effects on China's calculations vis-à-vis the island, as well as helping to overcome current domestic Taiwanese political and bureaucratic impediments to making Taiwan an "indigestible porcupine."

⁴⁰ Ibid.

⁴¹ S.3192 - *Taiwan Deterrence Act*, available at <https://www.congress.gov/bill/117th-congress/senate-bill/3192/text?r=1&s=1>.

⁴² Michael Mazza, "Limits to proposed US security assistance measures to Taiwan," American Enterprise Institute, December 15, 2021, available at <https://www.aei.org/articles/limits-to-proposed-us-security-assistance-measures-to-taiwan/>.

⁴³ Lee Hsi-min and Eric Lee, op. cit.

As a recent war game reportedly concluded, a Chinese move on Taiwan may be preceded by an attack on the smaller islands near Taiwan that are more difficult to defend. Therefore, the United States and Taiwan should “plan, coordinate, and above all communicate their deterrence policies in advance of a crisis rather than improvising a response after China has acted.”⁴⁴ Turning such offshore islands into “poison frogs” would make aggression “so militarily, economically, and politically painful from the outset that the costs of coercion or aggression would be greater than the benefits.”⁴⁵

There are other non-military elements to a porcupine strategy as well. These include, for example, an international communications strategy and a diplomatic strategy. Identifying Chinese aggression against Taiwan as an unjustifiable assault by a large authoritarian regime on a much smaller free and democratic society should be part of any communications strategy and should help generate international condemnation of Beijing’s actions. Diplomatically, any Chinese attack on the island should also lead to growing international solidarity with Taiwan and support from other countries that may have been reluctant to provide it previously due to a desire to avoid antagonizing Beijing. The international community needs to “band together diplomatically in order to multi-lateralize risk” and to consolidate opposition to China’s policies within the Association of Southeast Asian Nations (ASEAN).⁴⁶ Strengthening the Quadrilateral Security Dialogue or Quad—consisting of India, Australia, Japan, and the United States—through intensified military exercises, coordination, and cooperation would also contribute to deterrence by sending a strong message of support for Taiwan’s autonomy.

Japan, in particular, has expressed solidarity with Taiwan and has indicated that any Chinese aggression against the island would be met with a strong reaction from Tokyo. Japan has territorial disputes with China over the Senkaku Islands (which China refers to as the Diaoyu Islands) and has increased its defense budget to record levels as a result of the growing threat from China.⁴⁷ Former Japanese Prime Minister Shinzo Abe has stated, “A Taiwan emergency is a Japanese emergency, and therefore an emergency for the Japan-U.S. alliance. People in Beijing, President Xi Jinping in particular, should never have a misunderstanding in recognizing this.”⁴⁸

One Japanese defense policy expert has highlighted the advantages that accrue to China as a result of its geographic proximity to Taiwan, the fact that its forces are concentrated on the Chinese mainland whereas U.S. forces are globally dispersed, and the “temporal

⁴⁴ Chris Dougherty, Jennie Matuschak, and Ripley Hunter, *The Poison Frog Strategy: Preventing a Chinese Fait Accompli Against Taiwanese Islands*, Center for a New American Security, October 2021, p. 8, available at https://s3.us-east-1.amazonaws.com/files.cnas.org/documents/TaiwanWargameReport_Formatted-1-1.pdf?mtime=20211025143441&focal=none.

⁴⁵ Ibid.

⁴⁶ Heino Klinck, “Deterring The Dragon – What China’s Neighbors Can Do To Hem In Its Adventurism And Aggression,” *MEMRI*, January 12, 2022, available at <https://www.memri.org/reports/deterring-dragon-%E2%80%93-what-chinas-neighbors-can-do-hem-its-adventurism-and-aggression>.

⁴⁷ Kosuke Takahashi, “Japan Approves Record Extra Defense Budget,” *The Diplomat*, November 26, 2021, available at <https://thediplomat.com/2021/11/japan-approves-record-extra-defense-budget/>.

⁴⁸ Ben Blanchard, “Former PM Abe says Japan, U.S. could not stand by if China attacked Taiwan,” *Reuters*, November 30, 2021, available at <https://www.reuters.com/world/asia-pacific/former-pm-abe-says-japan-us-could-not-stand-by-if-china-attacked-taiwan-2021-12-01/>.

dimension of mobilization [that] magnifies the risk of deterrence failure.”⁴⁹ Moreover, he notes that the lack of a standing combined headquarters to coordinate contingency planning among regional allies prior to any Chinese military action is a sign of “unpreparedness” that could exacerbate a “de-coupling” effect between U.S. goals and objectives and those of its regional partners.⁵⁰ Published reports suggest Japan and the United States have developed joint contingency plans that would include the deployment of U.S. forces on Japanese islands in the event of a Chinese attack on Taiwan.⁵¹ And Japan’s ambassador to the United States has reportedly stated that Tokyo is open to the possibility of deploying U.S. intermediate-range ballistic and cruise missiles on Japanese territory as a counter to China, declaring, “We are starting to see an increasingly troubling security picture. Our security environment is getting very severe.”⁵²

Australia, too, has expressed a willingness to come to Taiwan’s defense should China engage in military aggression that prompts a U.S. response. As Australian Defense Minister Peter Dutton stated, “It would be inconceivable that we wouldn’t support the U.S. in an action if the U.S. chose to take that action.”⁵³ Prime Minister Scott Morrison also declared that Australia would “stand up to any form of coercion that occurs,” leading Taiwan’s Ministry of Foreign Affairs “to express its sincere gratitude for this.”⁵⁴ Recognizing the growing threat posed by China, Australia and Japan signed a defense treaty in early 2022.⁵⁵ And the recent Australia-United Kingdom-United States (AUKUS) agreement to provide nuclear-powered attack submarines to Australia is clearly a reflection of concern over China’s growing military might in the region, prompting Beijing to accuse Canberra of being “a running dog of the US” and threatening to “punish [Australia] with no mercy” if it participates in a “US-led strategic siege of China.”⁵⁶

Given the shifting correlation of forces in favor of China, the United States should consider additional measures, such as naval ship visits to Taiwan and more visible combined training exercises with Taiwanese armed forces. Although some analysts argue that a restoration of U.S. military dominance over China is “simply no longer attainable,” and “would likely be counterproductive” because of China’s economic capacity and geographic

⁴⁹ 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/.

⁵⁰ *Ibid.*

⁵¹ “Japan, U.S. draft operation plan for Taiwan contingency: sources,” *Kyodo News*, December 23, 2021, available at <https://english.kyodonews.net/news/2021/12/f5ed60ab6502-japan-us-draft-operation-plan-for-taiwan-contingency-sources.html>.

⁵² Statement of Tomita Koji, reported in Alexander Ward and Quint Forgey, *Politico National Security Daily*, January 31, 2022, available at <https://www.politico.com/newsletters/national-security-daily/2022/01/31/japan-not-closing-door-on-hosting-american-inf-missiles-00003840>.

⁵³ “‘Inconceivable’ Australia would not join U.S. to defend Taiwan - Australian defence minister,” *Reuters*, November 12, 2021, available at <https://www.reuters.com/world/asia-pacific/inconceivable-australia-would-not-join-us-defend-taiwan-australian-defence-2021-11-12/>.

⁵⁴ Daniel Hurst and Helen Davidson, “Taiwan thanks Australian PM and defence minister for grim warning over China,” *The Guardian*, November 29, 2021, available at <https://www.theguardian.com/australia-news/2021/nov/30/taiwan-thanks-australian-pm-and-defence-minister-for-grim-warning-over-china>.

⁵⁵ “Japan, Australia sign defence treaty with eyes on China,” *Agence France-Presse*, January 6, 2022, available at <https://www.france24.com/en/live-news/20220106-japan-australia-sign-defence-treaty-with-eyes-on-china>.

⁵⁶ “AUKUS to bring ‘nuclear-powered submarine fever’ across globe: Global Times editorial,” *Global Times*, September 16, 2021, available at <https://www.globaltimes.cn/page/202109/1234459.shtml>.

proximity to Taiwan,⁵⁷ restoring a degree of balance does not imply an exclusive focus on the military dimension or an effort to regain dominance. Nevertheless, implementing the steps outlined here systematically over time could help restore conditions more favorable to a victory denial deterrence strategy.

Importantly, however, it remains critical for Taiwan to bear the brunt of the burden for its own defense. Reforming its military acquisition policies, revising the organizational structure and defensive focus of its armed forces, and updating its doctrinal concepts to align better with the security threat China poses so as to make the island truly “indigestible” to Beijing are essential first steps toward a potentially credible and effective deterrent posture.

The Possible Impact on China of a Prolonged Conflict

Successful implementation of a “porcupine strategy” would mean that any Chinese military aggression against Taiwan will inevitably be prolonged and costly. This could lead to internal dissent that undermines the legitimacy of the CCP. The prospect of this outcome could contribute to a victory denial deterrence strategy.

The CCP believes internal forces—which it claims are either funded or controlled by external states—threaten its continued grip on political power in China. The theme of “Western” or “liberalism” threats to regime security is a regular feature in CCP official documents and speeches, and the sprawling domestic surveillance network within China is one—if only the most striking—manifestation of China’s fears concerning civil unrest and a “color revolution.” In fact, the CCP has “judged that ideological threats to the regime were at least as severe as traditional national security challenges.”⁵⁸ If left unaddressed, CCP leaders warn external threats could merge with or initiate internal threats to the CCP’s continued political dominance—thus placing a premium on retaining “political security” as the ultimate CCP priority.⁵⁹

Can the United States and its allies utilize the CCP’s apparent fear of internal dissent as an element of a victory denial deterrence strategy? Traditional deterrence theory suggests that the United States should hold at risk that which the opponent values most—in this case, continued CCP political rule in China. The following discussion addresses this question.

Evidence the CCP Greatly Values Political Control

The CCP has amassed perhaps one of the most pervasive and technologically sophisticated domestic surveillance systems in the world to further its primary goals of staving off domestic unrest and retaining sole political power in China. The myriad of organizations in China with internal security missions—including the People’s Liberation Army (PLA), People’s Armed Police (PAP), Ministry of Public Security (MPS), Ministry of State Security

⁵⁷ Elbridge Colby, op. cit., p. 148.

⁵⁸ Carolyn Bartholomew and Robin Cleveland, Chairman and Vice Chairman, U.S. China Economic and Security Review Commission, *2021 Report to Congress of the U.S.-China Economic and Security Review Commission* (Washington, D.C.: U.S. Government Publishing Office, 2021), p. 292, available at https://www.uscc.gov/sites/default/files/2021-11/2021_Annual_Report_to_Congress.pdf.

⁵⁹ *Ibid.*, pp. 291-294.

(MSS), and others—is testament to how highly Chinese officials prioritize regime survival.⁶⁰ In fact, as Susan Shirk, an expert on Chinese domestic politics notes, “... Chinese leaders have shown themselves more worried about regime stability than about any international threat.”⁶¹ Some analysts have noted that China spends more on domestic security measures than on external security threats.⁶² What, therefore, are the roots of the CCP’s fears concerning domestic unrest?

It appears that 1989 was perhaps the most formative year for Chinese threat perceptions relating to internal instability—a year in which both the Tiananmen Square crisis nearly brought down the regime and where popular uprisings did bring down other communist regimes in the Soviet Union. Deng Xiaoping, after 1989, began describing the United States as a threat—particularly one that wanted to cause social unrest in China by rhetorically supporting democracy and liberal values.⁶³ These threat perceptions continue to this day under Xi Jinping. As Rush Doshi documents in his book, *The Long Game*:

Under Xi Jinping, Beijing has continued to promote these ideological lines... in October 2013, the PLA released a popular documentary, *Silent Contest*, intended for military indoctrination that argued that Washington sought to use liberal values to undermine the CCP and China’s national rejuvenation. This sentiment not only finds expression in the hawkish corners of Chinese officialdom, it even finds expression among those retired diplomats who often serve as the reassuring face of Chinese diplomacy in the United States.⁶⁴

Even seemingly innocuous trade agreements, including China’s accession to the World Trade Organization in 2001, appeared to China’s elite politicians not to be a sign of Western good faith, but rather as a nefarious tactic to “peacefully evolve” the CCP out of power.⁶⁵ Thus, Chinese leaders have, according to one commentator, drawn three primary conclusions about how they can stay in power: “... prevent large-scale social unrest, avoid public leadership divisions, and keep the military loyal. As China’s leaders make their foreign policy decisions, these domestic imperatives are very much on their minds.”⁶⁶

What then are some of the indicators that Chinese officials view internal security as their main priority? First, there are an increasing number of senior officials in charge of domestic stability within the CCP’s leadership. “As domestic security challenges have risen in importance over the past two decades, and the *weiwen* [“stability maintenance”] apparatus

⁶⁰ For more in-depth discussions of these organizations and their responsibilities, see, U.S. Department of Defense, *Military and Security Developments Involving the People’s Republic of China* (Washington, D.C.: Department of Defense, 2021), pp. 73-75, available at <https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>.; and, Xuezhong Guo, *China’s Security State: Philosophy, Evolution, and Politics* (New York: Cambridge University Press, 2012).

⁶¹ Susan Shirk, “The Domestic Context of Chinese Foreign Security Policies,” chapter in, Saadia Pekkanen, John Ravenhill, and Rosemary Foot, eds., *The Oxford Handbook of the International Relations of Asia* (London: Oxford University Press, 2014), p. 401.

⁶² See, for example, C.K. Tan, “China spending puts domestic security ahead of defense,” *Nikkei Asia*, March 14, 2018, available at <https://asia.nikkei.com/Spotlight/China-People-s-Congress-2018/China-spending-puts-domestic-security-ahead-of-defense>.

⁶³ As documented amply in Rush Doshi, *The Long Game: China’s Grand Strategy to Displace American Order* (New York: Oxford University Press, 2021), pp. 50-53.

⁶⁴ *Ibid.*, p. 309.

⁶⁵ *Ibid.*, p. 310.

⁶⁶ Shirk, *op. cit.*, p. 401.

has ballooned in size, the Chinese bureaucratic state may have found it necessary to task ever-increasing numbers of senior officials with responsibility for domestic security work.”⁶⁷ In addition, not only are the number and seniority of officials in charge of domestic security growing, but so too are the financial and career incentives that are tied to keeping domestic protests at a minimum. As China scholars Yuhua Wang and Carl Minzer document, “Faced with increasingly tough career sanctions whenever outbreaks of citizen petitioning occur within their jurisdictions, local Chinese authorities have resorted to both the widespread use of hired thugs to intercept petitioners seeking to reach higher authorities and the calculated application of pressure on petitioners’ families and friends (‘relational repression’) to convince them to give up their petitioning efforts.”⁶⁸

China’s investment in an extensive and highly-sophisticated domestic surveillance network—targeted both at political elites as well as potential political dissidents among ethnic minorities—is a credible indicator that the CCP highly values its continued sole rule of China. This domestic surveillance network reportedly incorporates both publicly and privately-owned security cameras, facial recognition software, data on social interactions, information on financial transactions, and even perhaps some level of artificial intelligence (AI) technology.⁶⁹ There are also reports that the CCP has incorporated the use of biometric and genetic data to identify potential political dissidents.⁷⁰ In addition to China’s “Great Firewall” that blocks or censors media deemed to be against the Party’s interests, these technologies aid the CCP’s ability to track individuals or groups that could undermine its political rule—something the CCP identifies as akin to an existential threat.

Domestic Dissent and a Potential Taiwan Invasion

It is unclear how much Chinese leaders have considered the domestic security implications of a failed, or stalled invasion of Taiwan—but it may complement a victory denial deterrence strategy to either make those connections in the minds of the Chinese leadership or reinforce the existing connections. A Chinese invasion of Taiwan could spark domestic dissent on the Chinese mainland for a number of different reasons—some of which may be more plausible than others depending on such factors as the length of the conflict, the amount and type of destruction or disruption to the mainland, the number and visibility of military casualties, etc. For deterrence purposes, what matters is not whether the United States or its allies believe the possibility of domestic Chinese unrest is plausible in the event of a failed or stalled attempt to conquer Taiwan; what matters is the CCP’s perception of the possibility and its potential effect on CCP calculations of prospective cost and gain.

⁶⁷ Yuhua Wang and Carl Minzer, “The Rise of the Chinese Security State,” *The China Quarterly*, No. 222 (2015), p. 355.

⁶⁸ *Ibid.*, pp. 351-352.

⁶⁹ For some useful overviews of these technologies, see, Dahlia Peterson, “How China Harnesses Data Fusion to Make Sense of Surveillance Data,” *Brookings Institution*, September 23, 2021, available at <https://www.brookings.edu/techstream/how-china-harnesses-data-fusion-to-make-sense-of-surveillance-data/>.

⁷⁰ Bartholomew and Cleveland, *op. cit.*, p. 179.

Economic Damage Could Threaten Regime Survival

There is a real possibility of widespread and long-lasting damage to the Chinese economy, even if an invasion is successful. Given that the CCP has tied its legitimacy to broad-based economic prosperity in China, in addition to nationalism, a failed or stalled invasion of Taiwan that threatens not only nationalist sentiment but also economic prosperity and prospects for future improvement, could spark internal dissent. Such dissent may lead to another major CCP fear, a split in its leadership, where one faction seeks to hold the line of current policies while another faction—sensing the opportunity to take power—sides with dissenters. In either case, the CCP cannot expect easily or quickly to rebuild the economic prosperity its citizens enjoyed prior to an invasion of Taiwan, possibly entailing a threat to regime survival.

The advantage of this deterrence threat is that the United States has a history of imposing sanctions—although not to this prospective level—which increases the potential for China’s leaders to find the threat at least partially credible. Additionally, given that the CCP already perceives the United States and its allies as seeking to subvert CCP authority through economic liberalization, it may also believe that the United States and its allies would seek to punish China economically in the event of a Taiwan invasion—a plausible complement to an overarching victory denial deterrence strategy.

The CCP’s Ability to Control Information Would be Compromised

During an invasion of Taiwan, the CCP will likely be on high alert for the possibility of domestic unrest or coup attempts should the conflict go poorly. If the United States became involved, along with other potential allies, U.S. leaders could opt to send a deterrence message to the CCP that continuing the conflict would risk its hold on power. For example, the United States may be able to conduct cyber attacks to disrupt or deny the CCP’s ability to access its social surveillance network for a time. Alternatively, the United States could attempt to provide Chinese citizens with a way around the “Great Firewall” of internet censorship, presenting the CCP with the prospect of its citizens gaining greater access to information—particularly Western information sources.

It is unknown just how credible Chinese leaders would perceive the threat of the United States compromising its access to social control tools—although existing Chinese paranoia about Western influences penetrating its society supports prospects for some level of influencing Chinese decision making. The United States may or may not have the ability to substantively affect China’s control of its domestic surveillance network, but the CCP perception of that possibility could contribute to deterrence.

International Support for Internal “Threats” Would Grow

One final potential deterrent threat related to internal dissent is the prospect for international support growing for groups the CCP leadership view as threatening—such as ethnic minorities or religious groups: “The CCP believes that China is threatened by ‘Western hostile forces,’ led by the United States, and that those forces are attempting to Westernize, divide, and overthrow the CCP by supporting democracy activists, religious groups (including practitioners of *falun gong*), separatists (Tibetans, Uighurs, and Taiwan), and

political dissidents.”⁷¹ Should China use force to reunify Taiwan with the mainland, international attention may be directed at other groups that have been the victims of Chinese oppression—potentially leading to third states supporting those groups that the CCP fears could threaten its hold on power.

The possible deterrent effect of this threat may be minor in shaping CCP calculations of cost and gain as Beijing has likely concluded that oppressing these groups has had no unmanageable consequences. On the other hand, oppressed groups could believe that their best prospect for success is drawing attention to their plight during an invasion of Taiwan, when an international spotlight will be on China and its malevolent actions.

Prospects for Success

Ultimately, the question is not whether each of these potential deterrent threats of internal unrest will succeed in isolation from each other; rather, it is whether each of these deterrence signals will have the cumulative effect of affecting CCP decision making. The CCP has made clear in both its official speeches and in the investments it makes in domestic surveillance that it highly values its continued hold on power. Thus, the main issue facing the United States is whether it can successfully convey to China’s leaders that the risk of social unrest following a decision to invade Taiwan is both real and severe enough to help make postponing an invasion the least intolerable choice. Whether doing so can contribute to deterrence is unclear, but as some research has concluded, “Chinese citizens distrust the ruling CCP, at least at the local level, and believe party cadres do not care about their material interests.”⁷² Additionally, even the most trusted military groups in China have failed to implement previous political decisions—e.g., during the Tiananmen Square crisis—where some military officials refused to impose martial law.⁷³ These factors suggest that China’s leaders may fear the prospect of social unrest—a possibility that the United States and allies may be able to exploit to strengthen the chances of deterrence success.

Conclusion

For a victory denial deterrent to be successful, it must prevent China from achieving an easy *fait accompli* as a critical part of an overall deterrence strategy to deter China at each level of potential escalation. As this chapter has discussed, the Taiwanese military must prioritize its acquisition strategy to focus on equipment and capabilities that will complicate Beijing’s ability to achieve a rapid military victory. This includes procurement of a greater number of smaller, cheaper, maneuverable, resilient, and more versatile systems for defense in depth of the island, including defending against amphibious assault. It also requires attention to asymmetric capabilities, such as electronic warfare and C4ISR. Moreover, Taiwan must deploy systems that are mobile and survivable against a likely Chinese missile threat. This

⁷¹ Ibid., p. 418.

⁷² Daniel C. Mattingly, *The Art of Political Control in China* (New York: Cambridge University Press, 2020), p. 182.

⁷³ Xuezhong Guo, *China’s Security State: Philosophy, Evolution, and Politics* (New York: Cambridge University Press, 2012), p. 411.

could be done in several ways, e.g., by improving Taiwan’s missile defense posture; through distributed basing of military assets on the island; and by dispersing and hardening targets.

The United States must also seek to make its assets in the region resilient, as China may launch attacks on U.S. forces to prevent the United States from actively defending Taiwan. Strengthening U.S. active and passive defenses in the region has the potential to enhance deterrence significantly. Moreover, stronger collaboration between the U.S. military and Taiwanese forces—including greater senior-level engagement and sharing threat intelligence information—may reinforce both deterrence and defense.

A comprehensive “porcupine strategy” should include non-military elements as well, e.g., an international communications strategy and a diplomatic strategy. For example, the Quadrilateral Security Dialogue or Quad—consisting of India, Australia, Japan, and the United States—could strengthen deterrence of any Chinese aggression and send a strong message of support for Taiwan’s autonomy by broadening joint military exercises, coordination, and cooperation. Importantly, however, Taiwan must bear the brunt of the burden for ensuring its own defense.

To be successful, a “porcupine strategy” must help to convince China that any military aggression against Taiwan will not be easy or quick. Preventing China from obtaining an *easy fait accompli* should cause the leadership in Beijing to calculate carefully the potential costs and gains of any aggressive moves to eliminate Taiwan’s autonomy. A victory denial approach to deterrence, with the “porcupine strategy” outlined here, appears to be a plausible way to strengthen overall deterrence and prevent conflict.

Recommendations

- Deny China any anticipation of an *easy fait accompli*. Taiwan must—with the help of the United States and like-minded partners—bolster its own self-defense capabilities such that the island becomes “indigestible” and that any military action taken by China will result in a prolonged and costly endeavor—one that might lead to internal dissent and call into question the legitimacy of the ruling Communist Party.
- Focus Taiwanese military acquisition priorities on equipment and capabilities that can be used to complicate Beijing’s calculus in seeking a rapid military victory.
- Consider ways to strengthen Taiwan’s defense industrial base through direct co-production agreements with other nations.
- Focus Taiwan’s organizational approach to its national defense in ways that bolster a true territorial defense posture. Taiwan should consider increasing its defense budget and work to improve the readiness and capabilities of its reserves and Special Forces.
- Examine measures to lessen Taiwan’s vulnerability to missile strikes from the mainland through passive measures such as distributed basing of military assets on the island and the dispersion and hardening of targets, as well as by implementing active measures like improving Taiwan’s missile defense posture with THAAD and the sea-based Aegis missile defense system with SM-3 interceptors.
- Consider forward basing and hardening of U.S. missile defense assets in the region, including strengthening both active and passive missile defenses to enhance

deterrence by complicating any Chinese military action intended to degrade U.S. military capabilities.

- Develop options to employ information operations, including cyber warfare and other so-called “gray zone” tactics and consider actions that would allow Taiwan to conduct guerrilla-type insurgency operations should China establish a foothold on the island.
- Evaluate measures to encourage stronger collaboration between Taiwanese forces and the U.S. Coast Guard, including in the areas of training, vessel protection and security, and bilateral exercises. Consider other measures, such as naval ship visits to Taiwan and more visible combined training exercises with Taiwanese armed forces.
- Seek to foster greater senior-level engagement between U.S. and Taiwanese government officials, including direct contacts between the U.S. Secretary of Defense and the Taiwanese Minister of Defense, as well as interactions between various senior OSD-level officials and their counterparts.
- Share threat intelligence information along with recommendations for appropriate action to help align U.S. and Taiwanese approaches. In short, reassess the U.S. policy of limiting official engagements with Taiwan, as greater bilateral engagement could have positive deterrent effects on China’s calculus for action against the island.
- Formulate an international communications strategy and a diplomatic strategy that identify CCP aggression against Taiwan as an unjustifiable assault by a large authoritarian regime on a small, free and democratic society.
- Strengthen multilateral security fora, including the Quadrilateral Security Dialogue or Quad—consisting of India, Australia, Japan, and the United States—through intensified military exercises, coordination, and cooperation.
- Portray the risk of social unrest following a CCP decision to invade Taiwan as both real and severe.
- Develop capabilities to disrupt or deny the CCP’s ability to access its social surveillance network and to provide Chinese citizens with a way around the “Great Firewall” of internet censorship.



Building Alliance Partnerships in Support of Deterrence

Introduction

At a time in which the developed democracies of the West surprised many observers—and perhaps even themselves—by displaying an impressive degree of unity and resolution in imposing sweeping economic and political sanctions on Russia in response to Vladimir Putin’s brutal invasion of Ukraine, there is no gainsaying the importance of international partnerships and collective action in facilitating effective responses to security challenges. Yet, by invading Ukraine, it is also obvious that Moscow was not deterred from forcefully challenging an obvious U.S. interest.

The Ukraine conflict has moved the question of security partnerships against authoritarian aggression into the foreground of international security policy, not least in the Indo-Pacific.¹ Not surprisingly, these events have led many to wonder what implications Putin’s European war might have for long-standing U.S. hopes of deterring a Chinese invasion of Taiwan and, more broadly, for whether it will be possible for America to rally its allies and partners to prevent Beijing from seeking hegemony forcefully in the Indo-Pacific and beyond.

The preceding chapters make clear that the contemporary challenges associated with deterring China from attacking Taiwan are more complex, and fundamentally more problematic, than those the United States faced in the Cold War. One major difference is the absence of a NATO-like alliance that was instrumental in deterring the Soviet Union. Given the geography, historical relationships and animosities, and, most importantly, differences in the national objectives of the regional states, it is unlikely that the United States could replicate an Asian multilateral treaty organization similar to NATO. Attempts to do so in the 1950s failed and the prospects today are likely even more uncertain. But there may well be opportunities for deepening existing, and creating alternative, alliance/partnership structures, both multilateral and bilateral, that include a commitment to Taiwan’s autonomy and the peaceful resolution of the Taiwan Question. If the United States and its allies fully

¹ At the time of writing, the Ukrainian armed forces seem to be performing remarkably well against the odds, see, e.g., “As Russia’s Military Stumbles, its Adversaries Take Note,” *DNYUZ* (March 7, 2022), available at <https://dnyuz.com/2022/03/07/as-russias-military-stumbles-its-adversaries-take-note/>; see also Eric Schmitt, Helene Cooper, & Julian E. Barnes, “How Ukraine’s Military Has Resisted So Far,” *The New York Times* (March 3, 2022), available at <https://www.nytimes.com/2022/03/03/us/politics/russia-ukraine-military.html>. The Ukraine crisis—which has left the Russian army with its reputation for brutality undiminished but its reputation for competence and effectiveness in tatters – may also suggest lessons about the limitations of force in subduing democratic polities disinclined to be conquered by regional hegemons. In particular, the challenges faced by the Russian expeditionary force in the face of sophisticated Ukrainian small-unit, guerrilla, and popular mobilization tactics, for instance, as well as the willingness of key developed Western democracies to funnel effective arms and other assistance to Ukraine as it combats Kremlin forces, may suggest worrisome lessons for China as it contemplates a potential invasion of Taiwan. See Christopher Ford, “A People’s War Against the People’s Republic,” *The SCIF* blog (October 5-11, 2021), available at <https://www.newparadigmsforum.com/a-people-s-war-against-the-people-s-republic-detering-an-invasion-of-taiwan-in-three-parts>.

exploit these opportunities, it could increase the prospect for successfully deterring Chinese aggression.²

Strengthening current and establishing new political and military relationships could signal to Beijing that the United States will have some, perhaps even substantial, support from allies if China chooses to employ armed force to subdue Taiwan. As is discussed at length above, over the past decade, Beijing has shifted the regional power balance more in its favor—both military and economic—undermining the chances for effective deterrence.³ To reverse this trend, the United States must work to bring to bear the political and, where feasible, military support of other regional states that believe China is a strategic threat to their national interests and to the region. When combined, the current resources of the United States, its allies and prospective partners in the Asia-Pacific far exceed those of China. The challenge is to bring these individual national resources into collective defense arrangements that can affect the existing power realities in the region—and thus favorably alter China’s deterrence calculus. Doing so may contribute significantly to a victory denial deterrence strategy.

For nearly 20 years, the United States and many of its partners have focused on the war on international terrorism. Until recently, the growing Chinese military threat, if not unnoticed altogether, was still considered a less urgent threat and one that could be managed over time. Only recently have the United States and other Western governments abandoned the false hope that Beijing would become a responsible stakeholder in the rules-based international order. It is evident that countering China is now a primary task at hand, as recognized by key allies such as Australia and Japan (and possibly South Korea in the future). With some notable exceptions, such as Vietnam, convincing other regional states of the need to respond to the growing Chinese threat remains a challenge, but a necessary one if the United States is to succeed in deterring China.

This chapter explores opportunities to strengthen a victory denial deterrence strategy through collective defense relationships, recognizing the inherent, substantial limitations noted above. It first examines the NATO model to identify lessons learned that may be relevant to the current security environment in the Asia-Pacific. It then examines existing U.S. alliance relationships to determine if and how they might be better structured to contribute to deterring or dissuading China from attacking Taiwan. It concludes by identifying steps that the United States, in concert with allies and other partners, could take to deny China any anticipation that achieving its war aims could be worth the likely costs. Given the broader recommended U.S. deterrence strategy of victory denial, the United States should approach alliance-building efforts with the intention of bringing to bear collective power sufficient to make clear to the CCP that enduring the political status quo of Taiwan is more tolerable than the costs that would be incurred in a failed or stalled invasion.

² For additional commentary on the alliance implications of a Chinese invasion of Taiwan, see, Sugio Takahashi, *Pitfalls in Deterring a Taiwan Conflict: “Unpreparable War”* (Fairfax, VA: National Institute for Public Policy, March 1, 2022), available at <https://nipp.org/wp-content/uploads/2022/03/IS-516.pdf>.

³ Such views are common even in broad surveys of the literature. For one such example, see, U.S.-China Economic and Security Review Commission, *2021 Report to Congress* (Washington, D.C.: USCC, November 2021), available at https://www.uscc.gov/sites/default/files/2021-11/2021_Annual_Report_to_Congress.pdf.

Drawing from the NATO Experience

One of the most important assets in the U.S.-led effort to contain and deter the Soviet Union during the decades of the Cold War was the establishment of the NATO alliance in 1949. Originally comprised of 12 founding members (Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom and the United States), NATO further expanded during the Cold War to include Greece and Turkey (1952), West Germany (1955), and Spain (1982). Additional countries have joined since the end of the Cold War,⁴ and several more now appear eager to join the alliance. The primary driver behind building this alliance was the military and political threat emanating from the Soviet Union. Each of the participating countries benefitted from its NATO membership militarily and diplomatically.

First and foremost, the alliance—with its integrated political and military structures—signaled to the Soviet leadership that if Soviet and other Warsaw Pact forces were to attack, NATO members would respond collectively to the assault. The attack on any one member would be met, consistent with Article 5 of the Treaty, with a potential response not only by U.S. forces but by the combined and integrated forces of alliance members, raising the costs and uncertainties associated with the Soviet war plan and Moscow's geostrategic goals. NATO thus contributed to the United States and allies achieving a more effective deterrent posture vis-à-vis the Warsaw Pact than they would have been able to achieve individually. According to General Leopold Chalupa, Commander-in-Chief, Headquarters Allied Forces Central Europe (HQ AFCENT), from 1983 until 1987, "Neither the Americans on their own, nor the Europeans on their own would have been able to present a credible military deterrence and thus fight a credible war in Central Europe."⁵

Extending deterrence under conditions of Soviet regional military superiority and the ability to reach the U.S. homeland with long-range nuclear weapons was extremely difficult. The U.S. military posture in Europe was designed to make these commitments credible to the Soviet Union and U.S. allies alike. Even then, the United States was forced "to rely heavily on uncertainty for deterrent effect rather than the logic of a U.S. nuclear escalation deterrent threat."⁶

The French example illustrated the problems the United States faced in assuring allies given the Soviet Union's ever expanding nuclear and conventional capabilities, including at the strategic level. The Soviet Union's capability to reach the U.S. homeland with nuclear weapons made it "incumbent upon France to acquire its own nuclear force," as French President Charles de Gaulle stated at the time.⁷ Despite this French decision, U.S. guarantees

⁴ Post-Cold War enlargement includes the Czech Republic, Hungary and Poland (1999), Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia (2004), Albania and Croatia (2009), Montenegro (2017), and North Macedonia (2020).

⁵ Jan Hoffenaar and Christopher Findlay, eds., *Military Planning for European Theater Conflict during the Cold War: An Oral History Roundtable Stockholm, 24-25 April 2006* (Center for Security Studies, ETH Zurich, 2006), p. 59, available at <https://nsarchive2.gwu.edu/nukevault/ebb285/ZB-79.pdf>.

⁶ Keith Payne, *Tailored Deterrence: China and the Taiwan Question, Occasional Paper*, Vol. 2, No. 1, January 2022, p. vi, available at <https://nipp.org/wp-content/uploads/2022/01/Payne-OP-Vol-2-No-1-final.pdf>.

⁷ "Press Conference by President de Gaulle, Paris, 14th January 1963," in *Political Union of Europe*, Western European Union Assembly, General Affairs Committee, 10th Ordinary Session (Paris, June 1964), p. 88, available at <http://aei.pitt.edu/5777/1/5777.pdf>.

were essential for the Federal Republic of Germany, Italy, and Japan to join the Nuclear Nonproliferation Treaty as non-nuclear weapon states.⁸ NATO's nuclear deterrent, underpinned primarily by U.S. strategic and forward-deployed nuclear forces, assured allies and provided them with the confidence needed to refrain from developing their own nuclear weapons.

NATO's political leaders were careful to craft a strong deterrent message, beginning in the early years of the alliance and carrying forward until the final days of the Soviet Union. This message took multiple forms, political and military, working together to deter Soviet leaders from pursuing armed conflict. The objective was spelled out in alliance doctrine, official communiques, and other public documents: communicate prospective costs and uncertainties that outweigh Moscow's potential gains. While the alliance deterrence posture maintained a degree of ambiguity about the specific military responses to aggression, NATO leaders understood that the deterrent message had to be backed by credible forces in being—including conventional, theater nuclear, and strategic—sufficient to convince Moscow that NATO had the will and the means to deny the Soviet Union its war aims. Together, this demonstration of collective resolve solidified alliance cohesion and provided members with the assurance of the U.S. commitment to their security.

U.S. forward-deployed forces increased the credibility of U.S. commitments. Forward deploying allowed for shorter reaction and response times in the event of a Warsaw Pact invasion of Western Europe. It enabled NATO countries to increase harmonization and interoperability, improve training procedures, and gain military proficiency through joint exercises and planning. This was particularly important for employment concepts and doctrine underpinned by NATO's integrated command structure. Equipment standardization contributed to achieving these goals more efficiently and at lower cost than would have been the case if each country had developed military capabilities on its own. Intelligence sharing also provided allied countries with a better operational picture than they would have achieved otherwise.

U.S. forward deployments helped ease the logistical burden of moving a large number of troops, equipment, and material from overseas to the European theater, a critical step given the Warsaw Pact's proximity to NATO's borders. They also served diplomacy because forward deployments created opportunities to build people-to-people relations and advance the U.S. image among allied countries' populations. Interactions within the NATO framework created additional opportunities for allies to access U.S. high-level leadership.

A more effective military posture and closer cooperation with the United States allowed NATO countries in Europe, recently ravaged by World War II and lacking any appetite for a conflict with the Soviet Union, to avoid being overrun by Soviet troops and to focus on rebuilding their economies and creating wealth. That in turn benefitted the American economy.

NATO also contributed to security among allies within NATO that had ongoing territorial conflicts. These conflicts did not end up escalating to a full-fledged war among NATO members (e.g., Turkey and Greece over Cyprus).⁹

⁸ Susan Koch, "Extended Deterrence and the Future of the Nonproliferation Treaty," August 2018, p. 1, available at https://cgsr.llnl.gov/content/assets/docs/Security_Assurances_and_NPT_8-29.pdf.

⁹ Hoffenaar and Findlay, eds., *Military Planning for European Theater Conflict during the Cold War: An Oral History Roundtable Stockholm, 24-25 April 2006*, op. cit., p. 216.

Over the years, Soviet leaders placed a high priority on driving wedges between the United States and its European allies in order to loosen Western deterrence constraints. This effort was reflected in the late 1970s and early 1980s with the large-scale Soviet deployment of intermediate-range nuclear force (INF) missiles, particularly the SS-20, and the related massive Soviet disinformation and political subversion campaign designed to prevent the countervailing deployment of INF missiles by NATO. When the alliance held together and this Soviet campaign failed, Moscow knew that the resolve of NATO could not be upended. Deterrence prevailed and the collapse of the Soviet Union followed.

In part, the willingness of NATO members to sustain their commitment to deploy INF missiles to counter those of the Soviet Union was due to sustained U.S. leadership backed by consistent, high-level consultations among NATO governments, including at the highest political levels. Highly visible sessions of the Nuclear Planning Group (defense ministers), the North Atlantic Council (foreign affairs ministers), and NATO summits (heads of government) issued strong deterrent messages every year, warning Soviet leaders that NATO would respond forcefully to any aggression. Complementing a consistent, focused deterrent message were the conventional and nuclear military steps taken by the alliance. Close consultations and integrated military planning and exercises, including a biennial nuclear war game, made clear that deterrence was the first line of protection for all alliance members.

Although the situation today vis-à-vis China is different, with the weight and sophistication of Chinese military power growing at an alarming rate, both in the Indo-Pacific and in its potential for truly global power projection,¹⁰ it is perhaps natural that questions should arise about whether the region would benefit from further multilateral security structures—perhaps even institutions analogous to those of NATO. In 2020, then-Deputy Secretary of State Stephen Biegun, for instance, noted to an audience in India that the:

Indo-Pacific region is actually lacking in strong multilateral structures. They don't have anything of the fortitude of NATO or the European Union.... [T]here is certainly an invitation there at some point to formalize a structure like this.¹¹

And, indeed, were it actually possible to construct a robust form of collective security for the Indo-Pacific along the lines of what NATO provides in Europe, that would certainly help provide a strong bulwark against Chinese aggression and thereby contribute significantly to a victory denial deterrence strategy. It is not clear, however, that such security multilateralism is viable for the Indo-Pacific, at least not yet.

Alliance Relationships in the Asia Indo-Pacific

Collective security alliances focused primarily on the Soviet threat were also a part of the U.S. defense and deterrent posture in the Asia-Pacific during the Cold War years. In 1951, the United States established ANZUS, a trilateral treaty with Australia and New Zealand. Under

¹⁰ See, generally, U.S. Department of Defense, *Military and Security Developments Involving the People's Republic of China 2021: Annual Report to Congress* (Washington, D.C.: Defense Department, 2021) [hereinafter "DoD China Report"], available at <https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>.

¹¹ Quoted by Joshua Alley, "Does the Indo-Pacific Need an Alliance Like NATO?" *National Interest* (October 17, 2020), available at <https://nationalinterest.org/blog/buzz/does-indo-pacific-need-alliance-nato-170896>.

the treaty, each party was committed to consult in the event that the independence or security of any party was threatened and to “act to meet the common danger” consistent with the party’s “constitutional processes.” In practice, the arrangement provided Australia and New Zealand (until the latter’s suspension from the treaty by the United States in 1984 over Wellington’s anti-nuclear policies) with greater access to U.S. military capabilities, as well as improved policy coordination and defense planning.

It is worth remembering, in this regard, that such an effort *was* made once before. In 1954, the United States, Australia, Britain, France, New Zealand, Pakistan, the Philippines, and Thailand came together to form the Southeast Asia Treaty Organization (SEATO), a direct analogue to NATO which had been formed just a few years earlier, and which was similarly designed to help regional countries resist Communist threats.

SEATO, however, is today remembered as a failure. Despite its ostensible focus upon “Southeast Asia,” it contained only two countries actually located in that region—the Philippines and Thailand—and it lacked institutional mechanisms for intelligence sharing or military coordination. More importantly, its members lacked a clear view of, and approach to, the very threats the organization supposedly existed to combat, with SEATO internally divided essentially from the outset about what (if anything) should be done about regional Communist guerrilla insurgencies and the growing U.S. role in Vietnam. By the early 1970s, members were beginning to pull out and the organization collapsed, being formally disbanded in 1977.¹² As one modern observer harshly appraises it:

...as a vehicle for collective defense, SEATO was a poor substitute [for NATO]. It neither provided for true common security, with no joint military command, no standing armed forces, and had only a vague and ineffective commitment against a ‘common danger.’¹³

While patterned after NATO, SEATO did not include an Article V-type commitment obligating members to respond collectively to aggression and did not lead to the creation of effective integrated commands and standing forces. Prior to its dissolution in 1977, SEATO (like its Middle East-focused counterpart, the Central Treaty Organization, or CENTO) was generally considered ineffective as a security alliance in largely due to political differences within its membership.

The fact that NATO-style collective security failed then, of course, does not necessarily mean that it would fail again, nor that such mechanisms have no role in the future of an Indo-Pacific that is increasingly threatened by Chinese power and aggression. Nevertheless, the SEATO example highlights the degree to which military alliances are institutions that rely upon geopolitical “likemindedness,” including a common perception of threats, for their effectiveness.

The point here is simply that *alliances rely more upon shared values and vision* than they do upon specific treaty provisions. Where partners generally share commitments and threat perceptions, as with NATO, alliances can thrive for decades. Where they do not, they will not.

¹² See, generally, U.S. Department of State, Office of the Historian, “Southeast Asia Treaty Organization (SEATO), 1954,” (undated), available at <https://history.state.gov/milestones/1953-1960/seato>.

¹³ John J. Tierney, Jr., “Reviving SEATO,” *Institute for World Politics* (August 25, 2020), available at <https://www.iwp.edu/articles/2020/08/25/reviving-seato/>.

While an appreciation for the magnitude and immediacy of Chinese military threats certainly *is* growing in the Indo-Pacific—and is indeed making possible a growing breadth and depth of regional security cooperation—it is unclear that enough of a “demand signal” yet exists for NATO-style collective security for a future “Indo-Pacific Treaty Organization” (IPTO)¹⁴ to succeed. Many regional states that increasingly fear China and seek closer relationships with America appear nonetheless reluctant to “choose sides” against Beijing in the overt way that an outright military alliance would imply.¹⁵ It is also the case that some of them have difficulties *with each other* that would make formalizing a NATO-style defensive architecture challenging. Anti-Japanese sentiment remains a powerful element of South Korean nationalism,¹⁶ for instance, and has sometimes made it difficult for Seoul and Tokyo even to do common-sense things like share intelligence about North Korea or China.¹⁷ Moreover, while the various countries that surround the South China Sea all resent Beijing’s claims and fear China’s militarized self-aggrandizement there, many of them also have territorial claims *against each other*.¹⁸ (It makes it more difficult for alliance partners to promise to defend each other’s territorial integrity against China if *they themselves* dispute the precise contours of the territories in question.)

Furthermore, some countries, such as India, also carry the political and psychological legacy of decades of anti-colonial activism and national self-identification *against* the former imperial powers of the developed West,¹⁹ which makes the idea of a military alliance *with* countries such as the United States and Great Britain more problematic. Thankfully, India’s traditional anti-Western political culture does not rule out closer ties²⁰—or even a “strategic partnership” with the United States²¹—but at least barring a significant escalation in Chinese

¹⁴ Some observers concerned about Chinese regional threats have indeed called for the establishment of such an organization. See, e.g., Lianchao Han and Bradley Thayer, “The Need for an Indo-Pacific Treaty Organization is Critical,” *The Hill* (September 30, 2021), available at <https://thehill.com/opinion/international/574204-the-need-for-an-indo-pacific-treaty-organization-is-critical>.

¹⁵ See, generally, e.g., “Asian countries fear China but many won’t side with America,” *The Economist* (June 8, 2019), available at <https://www.economist.com/asia/2019/06/06/asian-countries-fear-china-but-many-wont-side-with-america>.

¹⁶ See, e.g., Gi-Wook Shin, “On Korean Nationalism and its Role in the Escalating Japan-South Korea Friction,” *Stanford Korea Program News* blog (September 5, 2019), available at <https://aparc.fsi.stanford.edu/korea/news/korean-nationalism-and-its-role-escalating-japan-south-korea-friction>; and, Tae-Jun Kang, “One South Korean Province Wants to Tag Japanese Firms as ‘War Criminals,’” *The Diplomat* (March 22, 2019), available at <https://thediplomat.com/2019/03/one-south-korean-province-wants-to-tag-japanese-firms-as-war-criminals/>.

¹⁷ Compare the following two references: Sasha Ingber, “South Korea To Scrap Military Intelligence-Sharing Agreement With Japan,” *NPR* (August 22, 2019), available at <https://www.npr.org/2019/08/22/753348880/south-korea-to-scrap-military-intelligence-sharing-agreement-with-japan>; and, Motoko Rich and Edward Wong, “Under U.S. Pressure, South Korea Stays in Intelligence Pact With Japan,” *The New York Times* (November 22, 2019), available at <https://www.nytimes.com/2019/11/22/world/asia/japan-south-korea-intelligence.html>.

¹⁸ See, generally, e.g., Ben Dolven, Susan V. Lawrence, and Ronald O’Rourke, “China Primer: South China Sea Disputes,” *Congressional Research Service Report IF 10607* (February 2, 2021), p. 1 (describing competing claims in South China Sea), available at <https://crsreports.congress.gov/product/pdf/IF/IF10607>.

¹⁹ See, e.g., Richard M. Fontera, “Anti-Colonialism as a Basic Indian Foreign Policy,” *Western Political Quarterly*, Vol. 13, No. 2 (June 1960), pp. 421-432.

²⁰ Raja Mohan, “India Gives Up Its Anti-Colonial Obsessions and Embraces Europe,” *Foreign Policy* (May 18, 2021), available at <https://foreignpolicy.com/2021/05/18/india-china-narendra-modi-johnson-britain-europe-eu-anti-colonialism-strategy-geopolitics/>.

²¹ See, e.g., U.S. Department of State, “The United States and India: Deepening our Strategic Partnership,” *Fact Sheet* (July 27, 2021) (“The United States and India have a strong strategic partnership founded on shared values and a commitment to a free and open Indo-Pacific region. The United States supports India’s emergence as a leading global power and vital partner in

threats, formal alliances still seem problematic. For all these reasons, we should not expect a full-blown NATO-style alliance network to be possible anytime soon. Similarly, there is little prospect for re-establishing a SEATO-like entity focused on the China threat. Pakistan has become a close ally of China. Thailand and the Philippines, as discussed below, have also grown closer to and, in the former's case, increasingly dependent on China. New Zealand's nuclear policies continue to prevent any close security involvement with U.S. forces.

Currently, while ANZUS remains formally in effect (specifically between Australia and New Zealand), more recent steps have shifted the focus of the U.S.-Australian security relationship based on a shared assessment of China as the main strategic threat in the Asia-Pacific region. In September 2021, the United States, UK, and Australia announced the AUKUS initiative, intended specifically to counter China's growing military might in Asia. The initiative calls for an 18-month consultative period during which the parties are expected to select a design for a nuclear submarine for the Australian navy. While the submarine component of the agreement received the bulk of public attention, in part because of the consequent cancellation of a preexisting Australian commitment to purchase submarines from France, the scope of the initiative is potentially much broader. It includes looking at other military projects, such as unmanned undersea vessels, cyber technologies, artificial intelligence, and long-range missiles. On a political level, the three partners share both the threat perception of China and the need to deter Beijing's expansion in the region, including its use of force against Taiwan.

The groundbreaking AUKUS agreement of 2021, moreover, aims to "sustain peace and stability in the Indo-Pacific region" by improving the "interoperability, commonality, and mutual benefit" of AUKUS partners in order "to protect our shared values and promote security and prosperity" there.²² Under its auspices, Australia is to acquire eight nuclear-powered attack submarines²³ and develop "cyber capabilities, artificial intelligence, quantum technologies," and "additional undersea capabilities" in partnership with the British and Americans.²⁴ One open question with implications for deterring China is whether AUKUS could be expanded to include other regional states, such as Japan, who share a deep concern about China and the goal of deterring China from the use of force against Taiwan.

The English-speaking democracies of the "Five Eyes" relationship—the United States, Britain, Australia, Canada, and New Zealand—have also built a deep collaborative culture over their decades of intelligence sharing and cooperative collection, which has been reported to include a division of labor for coverage of major portions of the world, including the Indo-Pacific.²⁵ As one recent history of that relationship describes things, the Five Eyes

efforts to ensure that the Indo-Pacific is a region of peace, stability, and growing prosperity and economic inclusion."), available at <https://www.state.gov/the-united-states-and-india-deepening-our-strategic-partnership/>; and, Indian Ministry of External Affairs, "Brief on India-U.S. Relations" (June 2017) ("India-U.S. bilateral relations have developed into a 'global strategic partnership,' based on shared democratic values and increasing convergence of interests on bilateral, regional and global issues."), available at https://www.mea.gov.in/Portal/ForeignRelation/India_US_brief.pdf.

²² The White House, "Joint Leaders Statement on AUKUS" (September 15, 2021), available at <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/15/joint-leaders-statement-on-aukus/>.

²³ See "Enter AUKUS," *The Economist* (September 25, 2021), pp. 17-18.

²⁴ "Joint Leaders Statement on AUKUS," *op. cit.*

²⁵ See J. Vitor Tossini, "The Five Eyes – The Intelligence Alliance of the Anglosphere," *UKDJ* (April 14, 2020) ("alleging, in relevant part, that 'Britain monitors ... Hong Kong' Canada and the United States both monitor China, 'Australia is responsible for South and East Asia[,] and New Zealand for the South Pacific and Southeast Asia'"), available at <https://ukdefencejournal.org.uk/the-five-eyes-the-intelligence-alliance-of-the-anglosphere/>.

partnership now goes far deeper than just the technicalities and procedures of sharing information, having over the years led to the development of a “Five Eyes Enduring Culture” of “abiding professional loyalty” and sense of shared mission: “the Five Eyes have defined the strength of the values and commitment that underpin the essence of each nation’s sense of democracy and freedom in a very uncertain world.”²⁶

The Five Eyes partnership is perhaps an unusually successful example of building thick connective tissue across national boundaries to help meet common threats—and an example, moreover, that has been able to take advantage of the commonalities of language, culture and history that exist within the so-called “Anglosphere” in ways that may not be replicable across the diverse nations of the Indo-Pacific. Nevertheless, Five Eyes illustrates the broader point that it *is* possible to build habits of extremely effective security-focused collaboration through networks of formal and informal cooperation. Inspired by this example, it should be the focus of U.S. regional foreign and security policy to build a cross-cutting latticework of mutually supporting relationships that over time can help weave the Indo-Pacific into a stronger cooperative fabric of security cooperation against Chinese threats.

This agenda should include a strong emphasis upon security sector capacity building. Such capacity building will be essential not merely in helping regional countries build autonomous national capabilities that will make them more resistant to Chinese coercion and more able to defend themselves against threats from the People’s Liberation Army (PLA). It will also be essential in making regional forces more *interoperable*—augmenting their ability to work together, and with the United States, if they need to do so in some future crisis.

Beyond the limited multilateral security arrangements, U.S. defense agreements in the Indo-Pacific during the Cold War were based primarily on a set of bilateral defense treaties. The most prominent was—and remains—with Japan. The Treaty of Mutual Cooperation and Security between the United States and Japan, signed in 1960, grants the United States the right to base military forces on Japanese territory and obligates the United States to come to the defense of Japan if it is attacked by a third party. During the Cold War, Japan’s contribution to a collective defense relationship was severely constrained by its pacifist national constitution, a constraint that continues, but with more flexibility today for Japan’s self-defense forces to act in the broader Indo-Pacific area.

Japan’s constitution was intentionally designed to prohibit the use of armed force in international disputes—a position that held with little change until the reforms of 2015. Those changes allow Tokyo to employ military force when an attack on a foreign country threatens Japan’s survival and also permit the deployment of forces for logistical support to foreign partners contributing to Japan’s security. Placed in the context of a Taiwan crisis, with the threat of an armed attack from mainland China, these changes take on strategic significance as reflected in recent statements by Japanese officials.

Japan’s official position, that Taiwan is part of China and Beijing is the legitimate Chinese authority, has not changed. Moreover, given that China is a major trading partner, Japan has much to lose economically if the Beijing-Tokyo relationship turns confrontational. Yet, Japanese leaders, including the deputy prime minister, have become increasingly vocal and clear that the defense of Taiwan is a vital national interest and that an attack on Taiwan is a

²⁶ Anthony R. Wells, *Between Five Eyes: 50 Years of Intelligence Sharing* (Oxford: Casemate Publishers, 2020), p. 202.

threat to Japan's own security, perhaps signaling that an armed assault on the island would meet the required conditions for the use of military force by Japan against the attacker.

Different from Australia and Japan, the other U.S. bilateral treaty allies in the Asia-Pacific currently offer substantially less prospect for building defense and deterrent capabilities to counter the Chinese threat to Taiwan. The mutual defense treaty with Thailand, providing for the longest standing security relationship in the region, played an important role during the Cold War in the containment of China and in support of the U.S. war in Vietnam. In recent years, the relationship has continued to offer military benefits, including access and forward positioning for U.S. Air Force assets, and combined air combat training with Singapore. Yet, overall, the U.S.-Thai relationship has entered a period of atrophy, increasing doubt, and decline. The military coup and the turn toward authoritarianism in Bangkok have raised further questions about shared interests, especially as Thailand's military has looked increasingly to China for legitimacy and assistance. While the return to a more democratic government might offer the potential for greater defense cooperation, perhaps even extending to Taiwan, current circumstances give little room for optimism.

As with Thailand, other Asian treaty allies, including South Korea and the Philippines, have moved increasingly to balance or hedge their relations with the United States to avoid alienating China. This has resulted from both expanding trade relationships and from sustained and skillful Chinese policies, propaganda, and programs to neutralize U.S. alliance relationships throughout the region. While South Korea continues to place a high priority on maintaining U.S. troop presence to deter and defend against aggression from North Korea, Seoul under the Moon government sought to hedge against Chinese economic retaliation for actions ranging from U.S. missile defense deployments to criticisms of Beijing's human rights violations. While the United States continues to benefit from each of these alliance relationships, both politically and militarily, none would likely be willing to pay a high cost in the event of conflict over Taiwan or to support in any forceful way efforts to strengthen deterrence before the onset of a crisis or conflict.

Given the change in the ruling party in South Korea, however, the United States should reassess its opportunity to engage the Republic of Korea (ROK) in broader regional security issues such as Taiwan. The new president-elect, Yoon Suk Yeol, has expressed a desire to improve ties with the United States and to strengthen cooperation with the Quadrilateral Security Dialogue, or "Quad," consisting, as noted above, of the United States, Australia, India, and Japan.²⁷ Similarly, when President Duterte leaves office, there may be more opportunities for the Philippines to play a more positive role in advocating the non-use of force against Taiwan by Beijing and perhaps even in re-building the once close, and at the time, critically important defense relationship with the United States, including Clark Air Force Base and Subic Bay Navy Base.

While not formally treaty allies, the United States has maintained a strong strategic partnership with Singapore, including deep security ties, providing U.S. military access to Singapore's air and naval bases. To a lesser degree, the United States is considered a close economic and, in some sectors, military partner with Malaysia. Yet, both countries have strong economic and cultural ties with China and have acted to hedge or balance their U.S.

²⁷ Anthony Kuhn, "South Koreans vote political conservative as new president," *National Public Radio*, March 10, 2022, available at <https://www.npr.org/2022/03/10/1085680648/south-koreans-vote-political-conservative-as-new-president>.

and China relationships. At least under current circumstances, neither would likely be prepared to participate in activities that would be deemed overtly anti-Chinese, especially over the Taiwan Question. The same is probably the case for Indonesia, a country with even deeper suspicions of China than Singapore and Malaysia.

In contrast, the growing U.S. strategic relationship with Vietnam may offer substantive prospects for future joint security efforts to deter Chinese aggression in the South China Sea that could have broader implications affecting Beijing's Taiwan calculations. While encountering significant political and trade obstacles in recent years, the overall forward trajectory of the bilateral relationship has continued in both the economic and, to a lesser but still important degree, military spheres.

As with Vietnam, India may offer the prospect for closer security ties that could affect Chinese calculations over Taiwan. Sino-Indian relations continue to be influenced by long-standing border disputes, Chinese assistance to Pakistan, and rivalries in the South China Sea. India has long been considered a potentially important partner in countering the Chinese presence and influence in the Indo-Pacific region. For decades, Beijing and New Delhi have competed for influence in South Asia and have fought border wars that remain unresolved and subject to deadly flare-ups. U.S.-Indian economic, cultural, and political relations have grown substantially along with a comparatively modest expansion of military cooperation, including in the counterterrorism field. Yet, despite several major steps, such as the 2005 civil nuclear agreement, the hoped-for close strategic partnership with India has not yet materialized. India remains close to Russia in the defense field and China has become its largest trading partner. Nevertheless, there may be an opportunity for progress in the future given China's increasingly belligerent expansionism.

Strengthening Deterrence in the Indo-Pacific: Building the Messaging

A victory denial deterrence strategy could be enhanced substantially by working with regional allies and partners, adding to the credibility of the deterrent message, and influencing China's perception of the likely costs and risks of military action against the collective capabilities of regional states opposed to Chinese aggression.²⁸ The deterrence message may best be strengthened by expanding our security dialogues and defense cooperation with key allies, including within an enlarged AUKUS framework, prospectively adding Japan. Established consultations with Australia and Japan and, when feasible with South Korea, at the Secretary of State and Defense levels, should put more specific focus on the deterrence of aggression against Taiwan. This same message should also be explicit in meetings at the heads of government level. As with the NATO experience, regular higher-level consultations on China's unprecedented nuclear buildup should seek to reassure allies and signal to Beijing the collective will of the alliance partners not to be coerced into conceding to aggression against Taiwan. Public summit-level statements and joint

²⁸ Recent public comments indicate that Chinese leaders are, at some level, concerned about greater cooperation among U.S. allies in the Indo-Pacific. For example, see, "China Warns U.S. Over Forming Pacific NATO, Backing Taiwan," *Bloomberg*, March 7, 2022, available at <https://www.bloomberg.com/news/articles/2022-03-07/china-urges-world-not-to-add-fuel-to-fire-in-war-in-ukraine>.

communiqués emphasizing allied resolve to act against the use of armed force may affect China's thinking about the potential costs of its actions.

The United States should also undertake a diplomatic campaign advocating a strong, public deterrent message with non-treaty regional partners. While recognizing the challenges mentioned earlier, the United States should seek in a series of bilateral talks to leverage long-standing security relationships with Singapore, the Philippines, and Thailand to advance region-wide opposition to the use of force by China in the South and East China Seas, and against Taiwan. This diplomatic campaign should also extend to new partners, most notably, with Vietnam, but also perhaps with other states such as Malaysia and Indonesia. The first step could be to expand consultations on the nature of the Chinese military and economic threat similar to those currently conducted with close allies. In-depth threat briefings—in particular, to Singapore, Vietnam, Malaysia, and the Philippines—could improve general threat awareness and may serve as a starting point for closer political and military interactions.

The United States should also seek to promote the deterrent message in broader multilateral fora. Importantly, India's economic and political relations with Japan may have served to bring India closer to the United States and other allies in their goal of deterring Chinese aggression. Specifically, at Japan's initiative in 2007, India joined with Japan, the United States, and Australia in setting up the Quad, a multilateral forum for security consultations that has included combined military exercises. After a dormant period, the Quad was re-established in 2017 with the goal of countering China diplomatically and militarily in the South China Sea and the broader Indo-Pacific region.

The Quad has significant potential for strengthening the deterrent message to deter China from the use of armed force, including against Taiwan. The 2021 "Spirit of the Quad" joint statement called for a "rules based maritime order in the East and South China Seas" which members made clear was intended to counter Chinese claims and actions.²⁹ With skillful diplomacy, and perhaps with an expanded dialogue to include Vietnam and others, the United States may encourage the Quad to become a voice to help deter China from aggression.

To a lesser but perhaps still meaningful extent, this same political message of respect for international order and the non-use of force to settle disputes may be promoted within ASEAN, the Association of Southeast Asian Nations. Given that ASEAN operates on the basis of consensus of its 10 members, and that some members, such as Cambodia and Myanmar are closely tied to China, there is no chance for a firm joint statement opposing by name China's use of force. Yet, the ASEAN Declaration calls for the promotion of regional peace and stability through respect for rule of law.³⁰ Although certainly on its own not likely to help deter China from aggression against Taiwan, an ASEAN open discussion opposing the use of force to settle disputes, perhaps led by Vietnam, may indirectly add more uncertainty to China's assessments of the cost of attacking Taiwan.

²⁹ The White House, *Quad Leaders' Joint Statement: 'The Spirit of the Quad,'* March 12, 2021, available at <https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/12/quad-leaders-joint-statement-the-spirit-of-the-quad/>.

³⁰ *The ASEAN Declaration (Bangkok Declaration)*, August 8, 1967, available at <https://agreement.asean.org/media/download/20140117154159.pdf>.

Strengthening Deterrence: Backing the Message with Military Capabilities

In addition to promoting the deterrent message through declaratory statements, the United States and select allies should take concrete military steps to demonstrate the resolve and the capability to act in the event of China's armed aggression. As noted earlier, for the United States this begins with the 1979 Taiwan Relations Act which codifies the U.S. commitment to assist Taiwan in maintaining its defense. The Act explicitly opposes unilateral changes to the status quo and insists on the peaceful resolution of differences between Beijing and Taipei.

Under the Act, and consistent with the long-standing goal of discouraging Taiwan from declaring independence, the United States may take steps to be less ambiguous about its commitment to defend Taiwan. Among the actions that could be considered, as discussed at length above, the United States could provide Taiwan with more advanced military capabilities to strengthen anti-access defenses and repel air and maritime attacks—raising the costs to China of any armed invasion.

Without the requisite forward deployment of naval and air forces in-being, the United States is unlikely to be effective in leading the allied effort to deter China. With such forces in place, however, the United States will be able to work with existing treaty allies to build their individual and collective military capabilities. Working with allies bilaterally and, for greatest effect, multilaterally, will entail a multistep approach over time. It will include everything from training and exercises, combined military planning, an integrated command structure, and joint operations. One early step may be conducting anti-access military exercises with Australia, the UK, and Japan in the waters and air space near Taiwan.

In particular, the key will be expanding political and military cooperation with Japan and Australia, the two treaty allies with substantial defense capabilities and the shared perception of China as the principal threat in the region. Both appear to accept that the first line of defense in countering the threat is deterrence of an attack on Taiwan. A failure of deterrence, and a successful takeover of the island, would change the overall power balance for a generation.

In addition to building ever closer defense relations with treaty allies through greater interoperability, operational exercises, and joint deployments, the United States can begin to lay the groundwork for a broader and more capable collective defense framework in the Asia-Pacific. While deep-seated historical and complex current political conditions still present a substantial challenge to this goal, as discussed above, the growing perception and reality of China's threat across the region may in time overcome these impediments sufficiently to permit the establishment of a future multilateral collective security structure. Perhaps accelerating this dynamic, the Russian invasion of Ukraine has undermined the confidence of many Indo-Pacific states in the rules-based international order, making clear that authoritarian regimes will use armed force against weaker neighbors to achieve their goals. This change in perception may result in countries considering new options for their defense, including new collective security arrangements with the United States. The United States should build on this change to advance its objective of deterring China from invading Taiwan.

It has long been a U.S. priority to ensure that its allies and partners have the military technology and capabilities they need to defend themselves, but this has taken on a special

urgency as the comparatively benign post-Cold War security environment has given way to an era of uglier great power competitiveness.³¹ With the White House's issuance of *National Security Presidential Memorandum 10* in 2018, for instance, extra emphasis was placed upon:

bolster[ing] the security of the United States and our allies and partners, including by defending against external coercion, countering terrorism, and providing capabilities in support of shared security objectives.³²

Under the resulting new U.S. conventional arms transfer (CAT) policy, arms transfers, military training, and other capacity-building programs are key policy instruments for “enhancing partner capabilities in ways that support U.S. competitive strategy and interfere with our adversaries’ strategies”³³ by “improv[ing] and support[ing] our partners’ capabilities to directly counter PRC and Russian malign influence and aggression.”³⁴ As the United States in recent years has started to do in tailoring its arms sales to Taiwan to provide capabilities intended to make that island “indigestible” to the PLA and thus support a strategy of “denial” that will hopefully deter Chinese aggression³⁵—and just as it has been willing to relax some traditional export control restrictions in order to facilitate helping its partners meet their security needs³⁶—so, too, should the countries of the developed West support their Indo-Pacific partners in building the region’s military capacities and resilience in the face of authoritarian geopolitical revisionism.

This progress need not await some future moment in which the PLA’s threat to the region has become *so* terrifying that Indo-Pacific nations would set aside their current qualms about NATO-style collective security. Remembering that effective cooperation against shared security threats is less about formal legalities than about building and leveraging shared visions, values, and collaborative habits, there is much that the United States can do to build effective connective tissue across the Indo-Pacific through diverse, overlapping, cross-cutting bilateral and small-scale multilateral networks of security engagement and capacity-

³¹ See, e.g., *National Security Strategy of the United States* (Washington, D.C.: The White House, 2017), pp. 2-3 (“China and Russia challenge American power, influence, and interests, attempting to erode American security and prosperity. ... These competitions require the United States to rethink the policies of the past two decades – policies based on the assumption that engagement with rivals and their inclusion in international institutions and global commerce would turn them into benign actors and trustworthy partners.”), available at <https://trumpwhitehouse.archives.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>.

³² *National Security Presidential Memorandum-10* (April 19, 2018), at § 2(a) (declaring this to be the first objective of U.S. arms transfer policy, available at <https://irp.fas.org/offdocs/nspm/nspm-10.pdf>).

³³ Assistant Secretary of State Christopher Ford, “Security Assistance and U.S. Competitive Strategy: Improving our Game,” *Arms Control and International Security Papers*, Vol. 1, No. 3 (April 21, 2020), p. 2 (Emphasis deleted), available at <https://irp-cdn.multiscreensite.com/ce29b4c3/files/uploaded/ACIS%20Paper%203%20-%20Security%20Assistance%20and%20Strategy.pdf>.

³⁴ Assistant Secretary of State Christopher Ford, “Competitive Strategy vis-à-vis China and Russia: A View from the ‘T Suite,’” *Arms Control and International Security Papers*, Vol. 1, No. 6 (May 11, 2020), p. 5, available at https://irp-cdn.multiscreensite.com/ce29b4c3/files/uploaded/ACIS%20Paper%206%20-%20T_%20Strategy.pdf.

³⁵ See, e.g., Christopher A. Ford, *Defending Taiwan: Defense and Deterrence, Occasional Paper*, Vol. 2, No. 2 (Fairfax, VA: National Institute Press, 2022), pp. 22-24. See also, generally, Elbridge A. Colby, *The Strategy of Denial* (New Haven: Yale University Press, 2021).

³⁶ See, e.g., Assistant Secretary of State Christopher Ford, “The New U.S. Policy on UAS Exports: Responsibly Implementing the MTCR’s ‘Presumption of Denial,’” *Arms Control and International Security Papers*, Vol. 1, No. 13 (July 24, 2020), pp. 4-6, available at <https://irp-cdn.multiscreensite.com/ce29b4c3/files/uploaded/ACIS%20Paper%2013%20-%20MTCR%20Policy%20Reform.pdf>.

building support. Doing so, in turn, could provide a valuable contribution to an overarching victory denial deterrence strategy.

Conclusion

To begin to build a more cohesive multilateral response to the China threat, the United States must exert consistent and competent leadership, integrating the main instruments of a comprehensive deterrence strategy directed at deterring against Chinese aggression. For deterrence of China to have the best chance of success, U.S. leadership with current and potential allies in the diplomatic, political, and military fields is essential. Close consultations, perhaps leading to an “Article V”-type security commitment with Australia and Japan, and increasingly integrated military planning and exercises, can make clear that deterrence is the first priority for key U.S. allies. A “latticework” approach to weaving webs of economic, trade, political, technological, cultural, academic, and other relationships among the democracies can play a powerful complementary role in building “connective tissue” among Indo-Pacific partners in ways that will, *by definition*, necessarily serve to undermine Beijing’s agenda of building a new global order around itself and CCP authoritarianism.

With sustained and credible U.S. leadership, China will have to plan on U.S. allies and partners responding collectively to aggression against Taiwan, raising the costs and uncertainties, and strengthening the prospects for a victory denial deterrence strategy.

Recommendations

- Lay the groundwork for a broader and more capable collective defense framework in the Asia-Pacific.
- Explore opportunities for deepening existing, and creating alternative alliance/partnership structures, both multilateral and bilateral, that include a commitment to Taiwan’s autonomy and the peaceful resolution of its future status. If the United States and its allies fully exploit these opportunities, it could increase the prospects for successfully deterring Chinese aggression.
- Focus U.S. regional foreign and security policy on building a cross-cutting latticework of separate and distinct, but mutually supporting, relationships that over time can help weave the Indo-Pacific into a stronger cooperative fabric of security cooperation against Chinese threats. Emphasize security sector capacity-building.
- Engage the Republic of Korea (ROK) in broader regional security issues such as Taiwan, as the new president-elect, Yoon Suk Yeol, has expressed a desire to improve ties with the United States and to strengthen cooperation with the Quadrilateral Security Dialogue, or “Quad.”
- Consider ways to expand the U.S. strategic relationship with Vietnam. This may offer substantive prospects for future joint security efforts to deter Chinese aggression in the South China Sea that could have broader implications affecting Beijing’s Taiwan calculations.

- Expand U.S. security dialogues and defense cooperation with key allies, including within an enlarged Australia-UK-United States (AUKUS) framework, prospectively adding Japan.
- Initiate regular higher-level consultations on China’s unprecedented nuclear buildup, along with public summit-level statements and joint communiqués emphasizing allied resolve to act against the use of armed force, including any aggression against Taiwan.
- Undertake a diplomatic campaign advocating a strong, public deterrent message with non-treaty regional partners, including Singapore, the Philippines, and Thailand, to forge region-wide opposition to the use of force by China in the South and East China Seas, and against Taiwan. Seek to promote the deterrent message in broader multilateral fora, such as the Quad and the Association of Southeast Asian Nations (ASEAN).
- Expand consultations on the nature of the Chinese military and economic threat similar to those currently conducted with close allies. In-depth threat briefings—in particular, to Singapore, Vietnam, Malaysia, and the Philippines—could improve general threat awareness and may serve as a starting point for closer political and military interactions.
- Expand joint exercises with Taiwan and other U.S. allies, beginning with an invitation to Taiwan to participate in some way in the Rim of the Pacific (RIMPAC) exercise.
- Consider forward deployment of U.S. naval and air forces, and conducting anti-access military exercises with Australia, the UK, and Japan in the waters and air space near Taiwan.
- Expand political and military cooperation with Japan and Australia, the two treaty allies with substantial defense capabilities and the shared perception of China as the principal threat in the region. Close consultations, perhaps leading to an “Article V”-type security commitment with Australia and Japan, and increasingly integrated military planning and exercises, can make clear that deterrence is the first priority for key U.S. allies.



Potential Economic Tools for a Victory Denial Deterrence Strategy

Introduction

As discussed in the preceding chapters of this study, implementation of a broad victory denial approach to deterrence of Chinese aggression against Taiwan requires the integration of multiple tools—military, economic and diplomatic. These tools may be integrated and applied both unilaterally by the United States and multilaterally, with like-minded countries, to help ensure that the CCP calculates that the risks and costs of military action against Taiwan would exceed the costs and risks of enduring the continuation of the status quo on Taiwan.

China's economy today is the second largest in the world after that of the United States and it has expanded its economic activity and influence around the world. Unlike the Soviet Union during the Cold War, there is significant trade and investment among China, the United States, and U.S. allies and partners. Despite a growing recognition that China is becoming increasingly belligerent and provocative—in its policies, statements, and military actions—and that coordinated, multilateral approaches are necessary to convince the Chinese leadership of the severe consequences they will face should China move against Taiwan, trade and economic links likely complicate the ability of the United States and others to impose strong sanctions and penalties on China that do not cause significant economic hardship for their citizens.

Deterring military aggression against Taiwan is a daunting task, especially in light of China's military buildup in conventional and nuclear forces, the CCP leadership's declared goal of integrating Taiwan with the mainland by 2049, and China's threats—including nuclear threats—against states that stand in Beijing's way. An effective deterrence policy requires an integrated strategy, involving all elements of state power. This includes using economic tools, as appropriate, in a measured and deliberate manner to convey to China's authorities that any use of force against Taiwan will carry consequences beyond potential military responses, which—when taken together—would be more intolerable than enduring the status quo on Taiwan.

Economic prosperity is one of the imperatives for the CCP to maintain legitimacy. Therefore, economic tools can be valuable elements of an integrated victory denial approach to deterrence. Importantly in this regard, there is a temporal dimension to any credible, effective deterrence strategy. It is impossible to build U.S. deterrence credibility via prospective deterrence actions that are taken in secret and/or not communicated *prior to any potential hostilities*. The United States needs to organize and communicate prospective deterrence sanctions well in advance of hostilities for those sanctions to have any pre-war deterrence effect on China's leadership. Sanctions organized and communicated *after* hostilities commence may serve a useful purpose, but they cannot contribute to deterring China's decision to launch hostilities.

For example, threatening to decouple China from international trade institutions in the event of an attack on Taiwan would be an overt and powerful signal to China that its unwanted behavior will entail significant costs. Deterrence threats organized and



communicated in advance to reduce investments in China's economy, reduce supply chain dependence on China, and punish intellectual property theft, along with mapping and threatening the economic interests of the CCP leadership, could help to build credibility in the minds of China's leaders that the United States has both deterrence tools and resolve. As one former U.S. State Department official stated, "The most powerful weapon America has to reverse Xi Jinping's march to global domination is economic."¹

In short, the United States has a plethora of economic, financial, trade, and investment tools, including the use of sanctions, that can be organized and brandished to apply pressure in those areas where China's economy is vulnerable and threaten to penalize China for aggressive behavior. Often, the United States announces these tools in a reactive manner—in other words, after actions are taken that the United States sought to deter. Transitioning from a reactive to a proactive approach that organizes and brandishes economic sanctions in advance of a crisis could yield important deterrence benefits, as it likely is better to communicate clearly U.S. intentions and the prospect of economic loss *before* China engages in aggression, rather than after the fact.²

The Potential Impact of Sanctions

The utility of sanctions to deter aggression has been challenged as a result of Russia's invasion of Ukraine. President Biden has stated, "Sanctions never deter";³ however, senior administration officials have declared that the purpose of sanctioning Russia was to deter its invasion of Ukraine. For example, Secretary of State Antony Blinken stated, "The purpose of those sanctions is to deter Russian aggression."⁴ And, the president's National Security Advisor, Jake Sullivan, declared, "The president believes that sanctions are intended to deter."⁵ Brandishing sanctions alone and after an invasion is not a deterrence strategy and cannot contribute to an integrated victory denial strategy.

¹ Len Khodorkovsky, quoted in Gordon G. Chang, "What America must do about China in 2022," *Fox News*, January 3, 2022, available at <https://www.foxnews.com/opinion/america-biden-china-2022-gordon-chang>.

² Russia's invasion of Ukraine sparked a debate over the utility of preemptive sanctions as a deterrent, with some contending that the imposition of sanctions before the invasion could have prevented Russian aggression; the Biden Administration maintained that imposing sanctions preemptively could prompt Russia to invade. As Pentagon press secretary John Kirby stated, "If it's a deterrent and you use it before the aggression is made or the transgression is made, then you lose your deterrent effect. If you punish somebody for something that they haven't done yet, then they might as well just go ahead and do it." See Ronn Blitzer, "Pentagon spox says threat of Russia sanctions has 'deterrent effect,' but admits invasion may be 'days away,'" *Fox News*, February 13, 2022, available at <https://www.foxnews.com/politics/pentagon-spox-kirby-us-not-considering-sanctions-against-russia>. Some Members of Congress, however, challenged this view. For example, Rep. Mike Waltz (R-FL) argued that "promising tough action... after an invasion will do very little" to deter aggression. See "US lawmakers urge pre-emptive sanctions, Ukraine arms to deter Putin," *Agence France-Presse*, December 15, 2021, available at <https://www.france24.com/en/live-news/20211214-us-lawmakers-urge-pre-emptive-sanctions-ukraine-arms-to-deter-putin>.

³ "Remarks by President Biden in Press Conference," March 24, 2022, available at <https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/03/24/remarks-by-president-biden-in-press-conference-7/>.

⁴ "Secretary Antony J. Blinken With Dana Bash of CNN State of the Union," January 23, 2022, available at <https://www.state.gov/secretary-antony-j-blinken-with-dana-bash-of-cnn-state-of-the-union-2/>.

⁵ "Press Briefing by Press Secretary Jen Psaki and National Security Advisor Jake Sullivan," February 11, 2022, available at <https://www.whitehouse.gov/briefing-room/press-briefings/2022/02/11/press-briefing-by-press-secretary-jen-psaki-and-national-security-advisor-jake-sullivan-february-11-2022/>.

The use of sanctions, as with other economic penalties, can be tailored, i.e., ratcheted up or down, narrowed or broadened, depending on circumstances. This may be referred to as “volume control,” i.e., economic sanctions can be strengthened, suspended or reversed depending on China’s behavior.

For sanctions to have a deterring effect on China’s decision making, they will likely need to be in effect for a prolonged period of time, most likely years. This could lead to U.S. and allied “sanctions fatigue” and a desire to avoid extensive economic disruptions by abandoning them. China’s leaders must be convinced of U.S. seriousness and must not perceive threatened sanctions to be a transitory phenomenon that will be reassessed, eased, or lifted by subsequent U.S. administrations unless CCP behavior conforms to U.S. redlines. This may be difficult given the ease of sanctions waivers and China’s perceptions of the United States as unwilling to absorb significant economic hardship over the long term on behalf of Taiwan. However, if CCP leaders believe they face an indefinitely long sanctions campaign, one in which the United States can adjust the supply chain away from China, they may grudgingly weigh the long-term impacts to China’s economic growth and prosperity.

The degree to which CCP leaders may be deterred by economic threats is debatable—even if they are properly brandished. CCP leaders who doubt U.S. resolve to defend Taiwan militarily and question the credibility of U.S. military threats may be more likely to view American economic ultimatums as credible. However, given the economic ties between the United States and China, it is also possible that China views the threat of economic sanctions as lacking the credibility needed to help deter aggression.

Financial sanctions may be more effective than trade-related measures and may provide the most important leverage by targeting a vulnerable sector of China’s economy. They may also have the greatest impact on China’s decision-making calculus as part of a consolidated approach to deter it from engaging in military aggression against Taiwan. For example, sanctions targeting banks could have a negative impact on China’s economy by preventing Beijing from engaging in crucial U.S. dollar transactions in the United States. In addition, China’s financial and banking sectors are heavily indebted, poorly managed, and highly corrupt, which may provide opportunities for institutional disruption.⁶

Recognizing its potential vulnerabilities, China has made moves to insulate its economy from possible sanctions. For example, Beijing recognizes its dependency on the U.S. dollar and is attempting to overcome that by internationalizing the yuan, or Renminbi (RMB), its official currency. One approach China has adopted is using digital currency to decouple its economy from the U.S. dollar.⁷ The movement to digital currency would allow China to phase out physical bank notes and potentially give China the ability to mitigate the impact of economic sanctions. In addition, as one analysis noted, “the long-term potential of the digital yuan will be its ability to subvert the power of the American dollar by enabling countries sanctioned by the United States, such as Iran, North Korea and possibly Afghanistan, to

⁶ See *Global Times*, “Chinese bank executives investigated, arrested amid tightened crackdown on corruption,” September 13, 2021, available at <https://www.globaltimes.cn/page/202109/1234151.shtml>. Also see Nathaniel Taplin, “For China’s Banks, Corruption Is Only Half the Problem,” *The Wall Street Journal*, October 12, 2021, available at <https://www.wsj.com/articles/for-chinas-banks-corruption-is-only-half-the-problem-11634044402>. (paywall)

⁷ Alex J. Rouhandeh, “China Could Curb Reliance on U.S. Dollar, Avoid Sanctions Through Digital Currency Apps,” *Newsweek*, January 5, 2022, available at <https://www.newsweek.com/china-could-curb-reliance-us-dollar-avoid-sanctions-through-digital-currency-apps-1666116>.

conduct greater business with China.”⁸ However, China’s digital currency will still depend on its real economy; i.e., the digital currency will still be just as weak as the RMB. As one analyst has stated, “the current low status of the RMB means that even a digitised version will find it difficult to budge the power of the mighty US greenback.”⁹ In addition, because China owns so many assets in the United States, the United States still has credible options to impose hardship on China’s economy, despite the potential for its retaliation.

The effect of sanctions on China’s financial sector can also be increased through the application of so-called secondary sanctions. This involves imposing penalties not only on companies but on domestic and foreign entities that do business with China. However, the United States should be prepared for a negative international reaction if it embarks on a unilateral sanctions campaign. Secondary sanctions often affect many parties, and therefore may be seen by some as counterproductive if other countries that trade and do business with China, including U.S. allies and strategic partners, find their own economic health and prosperity at risk as a result of U.S. actions. This risk can be mitigated, however, by a U.S. policy that encourages greater trade and economic ties with other countries that currently have strong economic ties with China. Beijing’s “Belt and Road Initiative” (BRI) has made inroads throughout Africa, Latin America, and Asia; however, some countries are now actively questioning the economic benefits of Chinese investment. For example, BRI projects have been canceled in countries like Bolivia, Kazakhstan, and Malaysia.¹⁰ Although China continues to press forward with its BRI activities, the United States should consider ways to offset China’s exploitative actions by expanding its economic relationships with countries subject to Beijing’s predatory lending policies.

Unilateral Versus Multilateral Approaches

The use of economic tools to impose costs on China (or any opponent for that matter) can have significant consequences. Those consequences can be enhanced if economic tools like sanctions are applied multilaterally rather than unilaterally. This can also mitigate the potentially negative effects on other countries of secondary sanctions. However, the United States would need to coordinate actions with its strategic partners, with the level of coordination dependent on the scope of the sanctions. As described elsewhere in this study, achieving concurrence among Asian allies and strategic partners on a strong approach to sanctioning China is complicated by regional political and economic dynamics. Nevertheless, although the United States has the ability to implement sweeping sanctions on China unilaterally, the effect of sanctions will be magnified if U.S. allies and partners join in this approach.

There are historical precedents that demonstrate the United States can successfully obtain allied support for comprehensive sanctions campaigns. For example, the Cold War-era Coordinating Committee for Multilateral Export Controls (CoCom)—a multilateral

⁸ Evan Freidin, “China’s digital currency takes shape,” *The Interpreter*, September 8, 2021, available at <https://www.lowyinstitute.org/the-interpreter/china-s-digital-currency-takes-shape>.

⁹ *Ibid.*

¹⁰ David Stanway, “China’s Belt and Road plans losing momentum as opposition, debt mount -study,” *Reuters*, September 29, 2021, available at <https://www.reuters.com/world/china/chinas-belt-road-plans-losing-momentum-opposition-debt-mount-study-2021-09-29/>.

export control regime established in the years after World War II and lasting until 1994—was a trade embargo campaign that placed export controls on sensitive technologies with the intent of preventing their acquisition by the Soviet Union and its Warsaw Pact allies.¹¹ CoCom was a voluntary and informal arrangement among states with a common purpose. Clearly, the situation with respect to China today is more challenging, given the greater economic robustness of the Chinese economy compared to the Soviet economy, and the more extensive economic ties many Asian nations have to China, but this is not to discount the possibility that a multilateral approach could yield greater deterrence benefits than a unilateral one.

More recently, comprehensive sanctions were imposed upon Russia by the United States and its European allies following Russia's 2014 annexation of Crimea. These sanctions have continued, with the Group of Seven (G7) countries announcing in 2021 that they were “fully committed to the implementation of sanctions” on Russia for its military actions.¹² And, in the wake of Russia's unprovoked and unjustified invasion of Ukraine, the United States, its allies and strategic partners imposed an unprecedented number of sanctions on Russia, including sanctioning Russian financial institutions, oligarchs, and even Vladimir Putin himself.¹³

Enlisting European support for trade embargoes or economic penalties has been complicated by the 2020 Comprehensive Agreement on Investment between the European Union (EU) and China, which is intended to “ensure that EU investors achieve better access to a fast growing 1.4 billion consumer market, and that they compete on a better level playing field in China.”¹⁴ However, there is some indication that America's European allies appear to be more willing to risk displeasure in Beijing by engaging directly with Taiwan as a result of a growing recognition of the danger China poses to international peace and stability. For example, several delegations from Central and Eastern European countries visited Taiwan in 2021 in defiance of China in an effort to strengthen economic cooperation with the island. Lithuania has borne the brunt of the CCP's displeasure since its withdrawal from the “17+1” group, a forum to promote Chinese investments in Central and Eastern European countries.¹⁵ Lithuania also permitted Taiwan to open a representative office in Vilnius, its capital, in 2021. In retaliation, China downgraded Lithuania's diplomatic mission in Beijing and harassed its diplomats and their families to the point of Lithuania having to evacuate them

¹¹ John H. Henshaw, *The Origins of CoCom: Lessons for Contemporary Proliferation Control Regimes* (Washington, D.C.: The Henry L. Stimson Center, May 1993), available at https://www.stimson.org/wp-content/files/file-attachments/Report7_1.pdf.

¹² German Federal Foreign Office, “G7 Foreign Ministers' Statement on Ukraine,” March 18, 2021, available at <https://www.auswaertiges-amt.de/en/newsroom/news/g7-ukraine/2448536>.

¹³ In this connection, it is important to note that these sanctions were imposed only *after* Russia invaded, as a form of punishment. The threat of prospective sanctions, which was clearly and publicly articulated to Russia prior to its military action, and which undoubtedly factored into Putin's calculus, failed to deter him from launching a war of aggression against a free and democratic neighbor. What the Ukraine experience demonstrates is that punishment is not a deterrent and that, even with the prospect of crippling sanctions, a determined opponent bent on conquest is unlikely to be deterred by the prospect of future penalties.

¹⁴ European Commission Press Release, “Key elements of the EU-China Comprehensive Agreement on Investment,” December 30, 2020, available at https://ec.europa.eu/commission/presscorner/detail/en/IP_20_2542.

¹⁵ Stuart Lau, “Lithuania pulls out of China's '17+1' bloc in Eastern Europe,” *Politico*, May 21, 2021, available at <https://www.politico.eu/article/lithuania-pulls-out-china-17-1-bloc-eastern-central-europe-foreign-minister-gabrielius-landsbergis/>.

on short notice.¹⁶ Additionally, China declared an import ban on products with goods made in Lithuania, potentially in violation of World Trade Organization (WTO) rules.¹⁷ The EU has pushed back against China, taking its case to the WTO and declaring China's action to be "discriminatory and illegal."¹⁸

In 2021, the European Parliament voted overwhelmingly to support upgraded economic ties with Taiwan that would include a bilateral investment agreement.¹⁹ Former NATO Secretary General Anders Fogh Rasmussen praised this move, saying "Beijing uses its economic might to blackmail countries and corporations," and calling on the free world to "create an 'Economic Article 5' to blunt China's abuse of strategic investment and economic coercion to geopolitical ends."²⁰

Growing European recognition of the danger posed by China may be leveraged to build support for sanctions and economic penalties on China that have significant impacts for Beijing: "There has been a clear realization that the situation in Taiwan is of concern to Europeans not only from a values perspective but from the perspective of regional security architecture."²¹

In addition, America's Asian allies continue to express increasing concern over China. Australia has suffered from actions that one U.S. official referred to as "really dramatic economic warfare."²² Japan continues to be threatened with nuclear attack by China should it come to the defense of Taiwan militarily, yet appears willing to impose economic costs on Beijing should China attack Taiwan. Former Japanese Defense Minister Taro Kono stated, "If China actually tries to use force against Taiwan, it would probably lead to a very dire

¹⁶ Milda Seputyte, "Foreign Diplomats Helped Lithuania Evacuate Staff From China," *Bloomberg*, December 20, 2021, available at <https://www.bloomberg.com/news/articles/2021-12-20/foreign-diplomats-helped-lithuania-evacuate-staff-from-china>.

¹⁷ See Tod Lindberg and Peter Rough, "Lithuania Is the 'Canary' of World Order," *The Wall Street Journal*, December 28, 2021, available at <https://www.wsj.com/articles/lithuania-is-the-canary-of-world-order-russia-china-baltic-states-putin-xi-jinping-11640726280>. Also see Stuart Lau and Barbara Moens, "China's trade attack on Lithuania exposes EU's powerlessness," *Politico*, December 16, 2021, available at <https://www.politico.eu/article/china-trade-attack-on-lithuania-exposes-eu-powerlessness/>.

¹⁸ Daniel Michaels and Drew Hinshaw, "EU Hits Back at China Over Trade Limits, Taking Lithuania Fight Global," *The Wall Street Journal*, January 27, 2022, available at [https://www.wsj.com/articles/eu-takes-china-to-wto-over-lithuania-trade-restrictions-11643271938#:~:text=BRUSSELS%E2%80%94The%20European%20Union%20hit,presure%20to%20advance%20political%20objectives.&text=The%20EU%20handles%20foreign%20trade%20on%20behalf%20of%20its%2027%20members.\(paywall\)](https://www.wsj.com/articles/eu-takes-china-to-wto-over-lithuania-trade-restrictions-11643271938#:~:text=BRUSSELS%E2%80%94The%20European%20Union%20hit,presure%20to%20advance%20political%20objectives.&text=The%20EU%20handles%20foreign%20trade%20on%20behalf%20of%20its%2027%20members.(paywall))

¹⁹ See Keoni Everington, "China cries foul at EU report backing closer Taiwan ties," *Taiwan News*, October 22, 2021, available at <https://www.taiwannews.com.tw/en/news/4322319>. Also see Samson Ellis and Cindy Wang, "European Lawmakers Seek to Upgrade Ties With Taiwan," *Bloomberg*, September 2, 2021, available at <https://www.bloomberg.com/news/articles/2021-09-02/european-lawmakers-seek-to-upgrade-ties-with-taiwan>.

²⁰ Anders Fogh Rasmussen, "China Is Using Economic Coercion as Blackmail. The US and EU Must Fight Back," *Newsweek*, January 11, 2022, available at <https://www.newsweek.com/china-using-economic-coercion-blackmail-us-eu-must-fight-back-opinion-1667958>.

²¹ Amy Qin and Steven Erlanger, "As Distrust of China Grows, Europe May Inch Closer to Taiwan," *The New York Times*, November 10, 2021, available at <https://www.nytimes.com/2021/11/10/world/asia/taiwan-europe-china.html>.

²² "Aukus deal: US accuses China of 'economic warfare' against Australia," *Agence France-Presse*, December 1, 2021, available at <https://www.france24.com/en/asia-pacific/20211201-aukus-deal-us-accuses-china-of-economic-warfare-against-australia>.

situation that would probably include some kind of economic sanctions.”²³ And former Japanese Prime Minister Shinzo Abe declared that a Chinese attack on Taiwan would result in “economic suicide” for Beijing.²⁴ A Chinese threat to Taiwan, he declared, “is a dire challenge to all of us, especially to Japan.”²⁵

As a former senior U.S. State Department official has contended, the United States should “do extensive preparatory work—in conjunction with key allies and partners around the world” to impose international sanctions against China and to prepare “a ‘menu’ of such policies ahead of time, in order to enable them to be implemented more thoroughly and effectively if and when the need arises.”²⁶ Doing so, and “[m]aking it known that such economic measures were indeed being prepared, moreover, could also serve the cause of deterrence.”²⁷

It is possible, of course, that this approach would not have the intended deterrent effect. The United States and Western allies threatened Russia with sanctions in advance of its invasion of Ukraine, yet this proved to be an insufficient deterrent as President Putin chose to take military action despite multiple warnings of the consequences. As emphasized above, punishment after the fact may serve some purpose, but it is not a deterrent. Nevertheless, organizing and communicating the prospective scope and certainty of economic punishment in advance should China take military action against Taiwan may be a useful part of a victory denial deterrent strategy.

Although a multilateral approach to sanctions would be useful, a number of experts interviewed for this study suggested that unilateral sanctions imposed on China by the United States could be just as useful, if properly applied. China’s export economy is highly dependent upon the U.S. market. This dependency should be leveraged as part of a coordinated strategy to help bolster the U.S. deterrence position.

The imposition of sanctions would likely lead China to retaliate against U.S. companies. For many U.S. technology companies, for example, the Chinese market is seen as irreplaceable. As the U.S.-China Economic and Security Review Commission concluded, “Despite ongoing political frictions and concerns about discriminatory treatment, many U.S. companies remain committed to the Chinese market.”²⁸ Indeed, one estimate concludes that the level of U.S. investment in China likely exceeds \$1 trillion.²⁹ Consequently, alternative approaches must be developed to satisfy U.S. importers and manufacturers so that the

²³ “China attack on Taiwan could draw economic sanctions: Japan’s Kono,” *Kyodo News*, December 2, 2021, available at <https://english.kyodonews.net/news/2021/12/d66059529168-update1-china-attack-on-taiwan-could-draw-economic-sanctions-japans-kono.html>.

²⁴ *Ibid.*

²⁵ Joel Gehrke, “Japan’s Shinzo Abe warns China: Invasion of Taiwan would be ‘suicidal,’” *Washington Examiner*, December 14, 2021, available at <https://www.washingtonexaminer.com/policy/defense-national-security/japans-shinzo-abe-warns-china-invasion-of-taiwan-would-be-suicidal>.

²⁶ Christopher A. Ford, *Defending Taiwan: A Study in Defense and Deterrence, Occasional Paper*, Vol. 2, No. 2 (Fairfax, VA: National Institute Press, February 2022), pp. 49-50, available at <https://nipp.org/wp-content/uploads/2022/02/Vol.-2-No.-2-Ford.pdf>.

²⁷ *Ibid.*, p. 50.

²⁸ *2021 Report to Congress of the U.S.-China Economic and Security Review Commission* (Washington, D.C.: U.S. Government Printing Office, 2021), p. 120, available at https://www.uscc.gov/sites/default/files/2021-11/2021_Annual_Report_to_Congress.pdf.

²⁹ Derek Scissors, “American Funding of China Is Becoming Dangerous,” American Enterprise Institute, December 2020, available at <https://www.aei.org/research-products/report/american-funding-of-china-is-becoming-dangerous/>.

impact on U.S. industries from the prospective loss of China's market can be minimized to the greatest extent possible.

Beijing will likely seek to prevent or counter U.S. economic sanctions through a variety of means, including actions to minimize its own economic vulnerabilities and imposing costs on the U.S. economy by targeting U.S. companies that have strong economic ties to China. Therefore, the U.S. government—as part of an integrated strategy—should work with private sector entities in the United States and American companies operating abroad to mitigate in advance the impact of any Chinese retaliatory actions directed against U.S. economic interests. Doing so can help insulate the U.S. economy from the potential negative consequences of China's actions and, by minimizing U.S. economic vulnerabilities, can help strengthen the credibility of U.S. economic-oriented deterrent threats.

To have maximum deterrent effect, a sanctions campaign against China must target what the CCP values most. This may not be limited solely to traditional economic, financial, or trade entities but may also include key portions of China's war-making enterprise, including its nuclear, missile, space, cyber, and biotechnology sectors. Although the vulnerability of China's defense sector to outside pressure varies, such a comprehensive approach not only would demonstrate seriousness on the part of the United States but may be perceived by China as a more believable deterrent threat than military threats, particularly if sanctions prepared and communicated in advance appear to be certain, with no exemptions or waiver provisions.

Finance, investment, regulation, and trade are all areas where U.S. deterrence threats can promise the degradation of China's ability to attain its foreign policy goals and objectives. Trade and investment can be powerful near-term tools. The United States can limit U.S. investment in Chinese firms either through executive action or legislative mandate. China's financial stability is heavily dependent on foreign investment, which is a vulnerability that can be exploited by cultivating alternatives to the Chinese market. One area to consider is Chinese intrusion into the European automobile manufacturing industry. China owns significant portions of automobile companies such as Daimler-Benz (20 percent)³⁰ and is seeking to dominate the electric car sector. In fact, Mercedes-Benz has made China its "second home," has opened a major automotive technology and engineering center in Beijing, and has moved its design studio to Shanghai.³¹ U.S. automotive companies have also invested in China, with Tesla opening a showroom in Urumqi, the capital of Xinjiang—where China has been conducting a campaign of persecution and genocide against the ethnic Uighur population.³²

China's efforts to attract foreign investment as a means to accelerate its own economic growth can be countered through a sanctions strategy that provides disincentives for Western companies to invest in its market while offering prudent alternatives that cause

³⁰ "Chinese carmakers may soon own a fifth of Daimler," *The Economist*, December 21, 2019, available at <https://www.economist.com/business/2019/12/18/chinese-carmakers-may-soon-own-a-fifth-of-daimler>.

³¹ Norihiko Shirouzu, "Home from home: Mercedes-Benz doubles down on China," *Reuters*, October 11, 2021, available at <https://www.reuters.com/business/autos-transportation/home-home-mercedes-benz-doubles-down-china-2021-10-10/>.

³² Liza Lin, "Tesla Opens Showroom in China's Xinjiang, Region at Center of U.S. Genocide Allegations," *The Wall Street Journal*, January 4, 2022, available at https://www.wsj.com/articles/tesla-opens-showroom-in-chinas-xinjiang-region-at-center-of-u-s-genocide-allegations-11641214630?mod=hp_lead_pos4&etype=EmailBlastContent&id=97a41203-73d6-41f3-8094-ec5249c1a164. (paywall)

greater economic discomfort to China. Canada, in particular, has sought to bolster its economic ties with Taiwan, with the country's International Trade Minister calling the island "a key trade and investment partner as Canada broadens its trade links and deepens its economic partnerships in the Indo-Pacific region."³³ Canadian Prime Minister Justin Trudeau accused China of "very cleverly playing us off each other in an open market competitive way," saying that China has sought to "play the angles and divide us, one against the other."³⁴ Bolstering trade ties with Taiwan would also send an important political message to Beijing.³⁵

Sanctions can be legislatively mandated, and, in fact, Congress has often required that sanctions be imposed on foreign individuals and entities who act against U.S. national security interests. With congressional support, legislation can be crafted that specifies the kinds of behavior that would trigger sanctions against China, e.g., the manner and degree by which China violates Taiwanese sovereignty. Sanctions triggers could be defined by the law to strengthen their credibility.

While legislative action would be useful, sufficient legal authority already exists empowering the executive branch to take punitive actions against China, including preemptive actions intended to deter aggression. This requires policy decisions, not legislative mandates. For example, the president has authority under the 1977 International Emergency Economic Powers Act (IEEPA) to prohibit certain foreign transactions in response to any "unusual and extraordinary threat, which has its source in whole or substantial part outside the United States, to the national security, foreign policy, or economy of the United States."³⁶ In fact, presidents have used IEEPA to control economic transactions more than 60 times by declaring national emergencies since it was first invoked in response to the Iran hostage crisis in 1979.³⁷

Various U.S. administrations have relied on sanctions as a tool to punish those who violate U.S. laws or engage in nefarious behavior, to include imposing penalties on foreign leaders and regimes, freezing financial assets, and prohibiting travel. The 2018 *National Strategy for Countering Weapons of Mass Destruction Terrorism*, for example, called for "targeted" sanctions "to deter individuals and institutions who are beyond state control from

³³ Statement of International Trade Minister Mary Ng, cited in Star Editorial Board, "With Taiwan talks, Ottawa is finally pushing back against Beijing," *Toronto Star*, January 11, 2022, available at <https://www.thestar.com/opinion/editorials/2022/01/11/with-taiwan-talks-ottawa-is-finally-pushing-back-against-beijing.html>.

³⁴ Rachel Gilmore, "Canada working on new China strategy, Joly says as PM calls out Beijing's 'coercive diplomacy,'" *Global News*, January 9, 2022, available at <https://globalnews.ca/news/8496485/china-strategy-canada-joly-trudeau-beijing-coercive-diplomacy/>.

³⁵ Kathleen C. Bailey, *Maintaining Taiwan's Democracy, Information Series No. 479* (Fairfax, VA: National Institute Press, February 11, 2021), available at <https://nipp.org/wp-content/uploads/2021/03/IS-479.pdf>.

³⁶ See Legal Information Institute, "50 U.S. Code § 1701 - Unusual and extraordinary threat; declaration of national emergency; exercise of Presidential authorities," available at <https://www.law.cornell.edu/uscode/text/50/1701>.

³⁷ See Christopher A. Casey, Ian F. Fergusson, Dianne E. Rennack, and Jennifer K. Elsea, *The International Emergency Economic Powers Act: Origins, Evolution, and Use*, Congressional Research Service, July 14, 2020, available at https://www.everycrsreport.com/files/2020-07-14_R45618_aadd12ce75fbb55365c4c4eb58a135d2791a245a.pdf. Also see Andrew Boyle, *Checking the President's Sanctions Powers: A Proposal to Reform the International Emergency Economic Powers Act*, Policy Report, Brennan Center for Justice at New York University School of Law, June 10, 2021, available at <https://www.brennancenter.org/sites/default/files/2021-06/BCJ-128%20IEEPA%20report.pdf>.

aiding and abetting WMD terrorism.”³⁸ The Trump Administration imposed multiple sanctions on China, to include sanctioning elements of the Defense Ministry, a high-ranking official of the CCP’s Politburo, PLA officers, and state-owned business enterprises, including the China National Offshore Oil Corporation.³⁹ More recently, in 2021, the Biden Administration imposed sanctions on dozens of Chinese companies for enabling “China’s destabilizing military modernization efforts” and for their “support of the military modernization of the People’s Liberation Army.”⁴⁰

In coordination with the Department of State, the Department of the Treasury has applied sanctions numerous times over the past two decades, noting, “When used effectively, sanctions have the capacity to disrupt, deter, and prevent actions that undermine U.S. national security.”⁴¹ Since 2000, the use of sanctions has increased by more than 900 percent.⁴² The Biden Administration has called for sanctions to be applied “as part of a larger strategy in support of specific policy objectives” and in coordination with allies where possible.⁴³

China is still dependent on overseas sources for metals and fuel. The oil industry is another area where sanctions could prove effective in threatening significant costs. China’s industry relies on substantial imports of foreign oil and China has become the world’s biggest importer of crude oil, importing more than 10 million barrels of oil per day in 2019.⁴⁴ Most of China’s oil imports—some 55 percent—come from the Organization of Petroleum Exporting Countries (OPEC) member countries, with Russia as the largest non-OPEC supplier, providing roughly 15 percent of China’s oil imports.⁴⁵ However, targeted sanctions against the Chinese oil industry, along with secondary sanctions that impose costs on supplier states, including Russia, may have prospective economic consequences for China that would affect Beijing’s deterrence calculus.

³⁸ The White House, *National Strategy for Countering Weapons of Mass Destruction Terrorism*, December 2018, p. 9, available at https://www.whitehouse.gov/wp-content/uploads/2018/12/20181210_National-Strategy-for-Countering-WMD-Terrorism.pdf.

³⁹ “US sanctions under Trump: A legacy that could box in Biden?,” *Aljazeera*, January 21, 2021, available at <https://www.aljazeera.com/news/2021/1/21/us-sanctions-under-trump-all-you-need-to-know>.

⁴⁰ See, “U.S. adds 14 Chinese companies to economic blacklist over Xinjiang,” *CNBC*, July 10, 2021, available at <https://www.cnbc.com/2021/07/10/us-adds-14-chinese-companies-to-economic-black-list-over-xinjiang.html>. Also see Jill Disis and Kylie Atwood, “US adds a dozen Chinese companies to its trade blacklist,” *CNN*, November 25, 2021, available at <https://www.cnn.com/2021/11/25/tech/us-chinese-companies-trade-blacklist-intl-hnk/index.html>; Alexandra Alper, David Shepardson, and Humeyra Pamuk, “U.S. blacklists dozens of Chinese firms including SMIC, DJI,” *Reuters*, December 18, 2020, available at <https://www.reuters.com/article/us-usa-china-sanctions-idUKKBN28S0HL>; and, U.S. Department of Commerce, “Commerce Lists Entities Involved in the Support of PRC Military Quantum Computing Applications, Pakistani Nuclear and Missile Proliferation, and Russia’s Military,” November 24, 2021, available at <https://www.commerce.gov/news/press-releases/2021/11/commerce-lists-entities-involved-support-prc-military-quantum-computing>.

⁴¹ Department of the Treasury, *The Treasury 2021 Sanctions Review*, October 2021, p. 2, available at <https://home.treasury.gov/system/files/136/Treasury-2021-sanctions-review.pdf>.

⁴² *Ibid.*, p. 3.

⁴³ *Ibid.*, p. 4.

⁴⁴ Jeff Barron, “China’s crude oil imports surpassed 10 million barrels per day in 2019,” U.S. Energy Information Administration, March 23, 2020, available at <https://www.eia.gov/todayinenergy/detail.php?id=43216>.

⁴⁵ *Ibid.*

The Semiconductor Challenge

Because the United States currently relies heavily on semiconductor imports from China, and the imposition of strong sanctions would cause a major disruption to the semiconductor market, China may not take this potential U.S. threat seriously and may believe that China has greater retaliatory power over semiconductor imports from the United States. If China shuts that down, it would impact U.S. industry negatively. Moreover, a number of U.S. companies have reportedly been investing in China's semiconductor industry. A recent analysis indicates that "U.S. venture-capital firms, chip-industry giants and other private investors participated in 58 investment deals in China's semiconductor industry from 2017 through 2020, more than double the number from the prior four years."⁴⁶

Working to stem the flow of U.S. investment in China could lead to retaliatory action by Beijing that may be directed against other U.S. technology sectors, as well as financial institutions that have assets in China. However, Taiwan is also a lead manufacturer of semiconductor chips, producing more than 60 percent of the world's supply compared to only 16 percent supplied by China,⁴⁷ and expanded trade with Taiwan in this area could mitigate supply chain issues resulting from the loss of the Chinese chip market. As one analyst noted, "Democracy coupled with chips is a winning formula in Europe."⁴⁸ Moreover, Taiwan's largest semiconductor chip manufacturer, TSMC, which reportedly manufactures roughly half of the semiconductors in the world today and approximately 90 percent of the most advanced chips,⁴⁹ signed a deal to begin manufacturing advanced 5-nanometer chips in 2024 at a new \$12 billion plant being built in Phoenix, Arizona.⁵⁰ In December 2021, the United States and Taiwan agreed to work together to "strengthen critical supply chains," including semiconductor supply chains.⁵¹ As a U.S. defense official noted, "Indeed, our economy—like many others around the world—has come to count on Taiwan as a critical supplier of high-technology, including semiconductors."⁵² Therefore, a Chinese takeover of Taiwan could have significant consequences for the United States.

⁴⁶ Kate O'Keeffe, Heather Somerville and Yang Jie, "U.S. Companies Aid China's Bid for Chip Dominance Despite Security Concerns," *The Wall Street Journal*, November 12, 2021, available at <https://www.wsj.com/articles/u-s-firms-aid-chinas-bid-for-chip-dominance-despite-security-concerns-11636718400>.

⁴⁷ Caitlin McFall, "China could win 'trump card' over global economy by taking over Taiwan semiconductor manufacturing," *Fox News*, December 3, 2021, available at <https://www.foxnews.com/politics/china-taiwan-semiconductor-manufacturing>.

⁴⁸ Qin and Erlanger, op. cit.

⁴⁹ Charlie Campbell, "Inside the Taiwan Firm That Makes the World's Tech Run," *Time*, October 1, 2021, available at <https://time.com/6102879/semiconductor-chip-shortage-tsmc/>.

⁵⁰ See Katie Schoolov, "Inside TSMC, the Taiwanese chipmaking giant that's building a new plant in Phoenix," *CNBC*, October 16, 2021, available at <https://www.cnn.com/2021/10/16/tsmc-taiwanese-chipmaker-ramping-production-to-end-chip-shortage.html>. Also see Yen Nee Lee, "2 charts show how much the world depends on Taiwan for semiconductors," *CNBC*, March 15, 2021, available at <https://www.cnn.com/2021/03/16/2-charts-show-how-much-the-world-depends-on-taiwan-for-semiconductors.html>; and, Caitlan McFall, op. cit.

⁵¹ Department of Commerce Press Release, "Secretary of Commerce Gina M. Raimondo holds introductory call with the Taiwan Minister of Economic Affairs Mei-hua Wang," December 6, 2021, available at <https://www.commerce.gov/news/press-releases/2021/12/secretary-commerce-gina-m-raimondo-holds-introductory-call-taiwan>.

⁵² Huileng Tan, "Taiwan, the world's biggest chip-maker, just set up a new trade framework with the US amid tensions with China," *Business Insider*, December 9, 2021, available at <https://www.businessinsider.com/taiwan-sets-up-trade-framework-with-united-states-chip-maker-2021-12>.

In 2020, the Trump Administration restricted trade with China's largest semiconductor chip manufacturer, SMIC, placing them on the U.S. entities list—along with dozens of other companies in China—noting that this action “stems from China's military-civil fusion (MCF) doctrine and evidence of activities between SMIC and entities of concern in the Chinese military industrial complex.”⁵³ As Commerce Secretary Wilbur Ross stated at the time, the United States would “not allow advanced U.S. technology to help build the military of an increasingly belligerent adversary.”⁵⁴ The impact of these actions has prompted negative rejoinders from Beijing, with one commentary published by the China Global Television Network (CGTN) contending that the United States is engaged in a “tech war” with China and that “the blocking of China's semiconductor industry is an attempt to block the construction of socialism.”⁵⁵ The Biden Administration is also considering further restrictions on exports to SMIC and is seeking to enlist international partners in this effort. As U.S. Secretary of Commerce Gina Raimondo stated, “If America puts export controls vis-à-vis China on a certain part of our semiconductor equipment—but our allies don't do the same thing, and China can therefore get that equipment from our ally—that's not effective.”⁵⁶ This reinforces the need to work with allies and partners to develop a multilateral approach that minimizes China's ability to circumvent restrictions on its importation of critical technologies.

The relationship between Taiwan's semiconductor industry and foreign economies has been referred to as a “silicon shield” that will help deter Chinese aggression against the island.⁵⁷ As TSMC's chairman Mark Liu stated, “the world all needs Taiwan's high-tech industry support. So, they will not let the war happen in this region because it goes against [the] interest of every country in the world.”⁵⁸ China itself relies heavily on semiconductor chips produced by TSMC and, despite efforts to increase domestic production, less than 6 percent of semiconductor chips used in China in 2020 were manufactured domestically.⁵⁹ Moreover, since 2005, China has imported more semiconductor chips than any country in the world and, according to its own data, spent more in 2020 on the importation of chips than on oil.⁶⁰ Hence, China's desire to control the supply of Taiwanese chips—as well as to deny them to the United States and allies—could help make an invasion scenario appear attractive to the CCP leadership. As part of a cost-imposition strategy to deter China's

⁵³ “U.S. blacklists dozens of Chinese firms including SMIC, DJI,” *Reuters*, December 18, 2020, available at <https://www.cnbc.com/2020/12/18/us-adds-chinese-drone-company-dji-to-economic-blacklist.html>.

⁵⁴ *Ibid.*

⁵⁵ Keith Lamb, “U.S. seeks to engage in tech war by strangling China's semiconductor industry,” *CGTN*, November 23, 2021, available at <https://news.cgtn.com/news/2021-11-23/U-S-to-wage-a-tech-war-by-strangling-China-s-semiconductor-industry-15q13B7M1uE/index.html>.

⁵⁶ Jenny Leonard and Ian King, “Biden Team Mulls New Clampdown on China's Largest Chipmaker,” *Bloomberg*, December 14, 2021 (updated December 15, 2021), available at <https://www.bloomberqint.com/china/biden-team-considers-new-clampdown-on-china-s-biggest-chipmaker>.

⁵⁷ The term “silicon shield” was first attributed to Craig Addison, who wrote in 2000 that Taiwan's growth in fueling the world's digital economy would be “a deterrent against possible Chinese aggression.” See Joyce Huang, “Can Taiwan's Silicon Shield Protect It against China's Aggression?,” *Voice of America*, May 10, 2021, available at https://www.voanews.com/a/east-asia-pacific_can-taiwans-silicon-shield-protect-it-against-chinas-aggression/6205660.html.

⁵⁸ *Ibid.*

⁵⁹ Wei Sheng, “China made 6% of chips it used in 2020: report,” *TechNode*, February 19, 2021, available at <https://technode.com/2021/02/19/china-made-6-of-chips-it-used-in-2020-report/>.

⁶⁰ Wei Sheng, “China spends more importing semiconductors than oil,” *TechNode*, April 29, 2021, available at <https://technode.com/2021/04/29/china-spends-more-importing-semiconductors-than-oil/>.

potential aggression against the island, Taiwan could threaten to destroy its own TSMC facilities if China attacks Taiwan, essentially immobilizing China's high-tech industries as part of what some analysts have referred to as a "broken nest" approach that would impose severe, long-term economic costs on China.⁶¹

In addition, export controls targeting China's communications and technology firm Huawei seriously undermined its bid to dominate 5G development and industry.⁶² However, U.S. companies that sell components, such as computer chips, to firms in China depend on the money generated from business with these companies to fund research and development, so it is also important to consider the secondary effects of any policy as part of an integrated approach. Beijing is also seeking ways to insulate itself from penalties imposed on it by foreign states. As the U.S.-China Economic and Security Review Commission notes, "China's government is formalizing a legal and regulatory framework to counter foreign trade restrictions and sanctions, aimed especially at U.S. export controls on Chinese companies and financial sanctions on Chinese individuals."⁶³ This may further limit the value of threatened U.S. economic sanctions for deterrence purposes.

Imposing Costs on China While Hedging Against Retaliatory Actions

While it is true that Beijing is seeking to limit its vulnerability to U.S. sanctions, it continues to have significant dependencies on the United States. In addition, China's economic growth—once seen as a juggernaut of success—has been slowing, and its official Gross Domestic Product (GDP) has been in decline since 2007.⁶⁴ One recent analysis has highlighted China's economic vulnerabilities, including its significant debt burden.⁶⁵ Other analyses have cited the problems with Evergrande—a major real estate developer in China that has been declared in default and is facing collapse under a crushing debt of \$300 billion—as indicative of larger economic challenges.⁶⁶ These problems may make threatened economic pressure much more useful as a deterrent and help shift Beijing's calculations away from an attack on Taiwan.

⁶¹ Jared M. McKinney and Peter Harris, "Broken Nest: Deterring China from Invading Taiwan," *Parameters*, Vol. 51, No. 4 (Winter 2021-22), pp. 30-31, available at <https://press.armywarcollege.edu/cgi/viewcontent.cgi?article=3086&context=parameters>.

⁶² See Kathrin Hille, "Huawei woes hide 'toothless' US export controls against Chinese tech," *Financial Times*, August 18, 2021, available at <https://www.ft.com/content/2f5fc6c9-ca2b-496c-9783-b47bf060769d>. Also see Dan Strumpf, "U.S. Restrictions Push Huawei's Revenue Down by Nearly a Third," *The Wall Street Journal*, December 31, 2021, available at <https://www.wsj.com/articles/u-s-restrictions-push-huaweis-revenue-down-by-nearly-a-third-11640934969>. (paywall)

⁶³ *2021 Report to Congress of the U.S.-China Economic and Security Review Commission*, op. cit., p. 120.

⁶⁴ Derek Scissors, "China's Growth Spurt Ends. What's Next?," American Enterprise Institute, November 2021, available at <https://www.aei.org/research-products/report/chinas-growth-spurt-ends-whats-next/>.

⁶⁵ Ibid.

⁶⁶ See, for example, Weizhen Tan, "China's embattled developer Evergrande is on the brink of default. Here's why it matters," *CNBC*, September 16, 2021, available at <https://www.cnbc.com/2021/09/17/china-developer-evergrande-debt-crisis-bond-default-and-investor-risks.html>. Also see Andrew Galbraith and Clare Jim, "Evergrande teeters on edge of default as \$148 mln payment falls due," *Reuters*, November 10, 2021, available at <https://www.reuters.com/business/investors-await-evergrandes-overdue-148-mln-payment-amid-contagion-fears-2021-11-09/>; and, Alexandra Stevenson and Cao Li, "China Evergrande Defaults on Its Debt. Now What?," *The New York Times*, December 9, 2021, available at <https://www.nytimes.com/2021/12/09/business/china-evergrande-default.html>.

China's economic weaknesses reportedly have been exacerbated by the policies implemented by Xi Jinping. Though not a universally shared view, one analyst has noted, "an economic meltdown is a potential threat to the implicit social compact in China between authoritarian rulers and a quiescent population."⁶⁷ Moreover:

Despite the frequent assertions that China is catching up or moving ahead of the West in technology industries, it has a long way to go to achieve the self-sufficiency and global leadership it seeks....

In short, it is difficult to escape the conclusion that China's economy is systematically weakening and that Mr. Xi's new priorities offer little hope for a quick turnaround. The U.S. and its allies could further compound Mr. Xi's challenges by vigorous enforcement of trade laws, limiting Chinese access to technology and financing from the West, and imposing sanctions against China's brutal human-rights abuses in Xinjiang and in countries in the developing world that it is trying to exploit through its Belt and Road Initiative....

A major slowdown or acute financial crisis in China would certainly have a negative impact on the global economy. But U.S. and allied policy makers do have tools that could both influence the direction of the Chinese economy and help repair some of the accumulated damage to their economies from Chinese mercantilism. A first step is to undermine the narrative of a relentless, unstoppable economic advance under Mr. Xi's leadership.⁶⁸

China's Economic Resilience

Despite the economic difficulties China faces, as noted above, Beijing is making extensive efforts to insulate the country's domestic economy from the potentially negative effects of sanctions and penalties that could disrupt China's supply of needed foreign goods. From foodstuffs to technology to energy production, China is seeking to become more self-sufficient and less dependent on foreign sources of supply. As President Xi reportedly stated, "The Chinese people's rice bowl must be firmly held in their own hands at all times, and the rice bowl must mainly contain Chinese grain."⁶⁹ Nevertheless, despite China's extensive moves to decouple its economy from the West, there are indications that China's efforts are falling short. As one analysis has suggested, "China is likely to be the biggest loser from the technological and economic decoupling under way" between it and the United States. In half a dozen critical areas—including mRNA vaccines, semiconductors, civil aerospace, computer

⁶⁷ Thomas J. Duesterberg, "The Slow Meltdown of the Chinese Economy," *The Wall Street Journal*, December 20, 2021, available at <https://www.wsj.com/articles/slow-meltdown-of-china-economy-evergrande-property-market-collapse-downturn-xi-cewc-11640032283>. (paywall)

⁶⁸ Ibid.

⁶⁹ Lingling Wei, "China Looks to Secure Supplies as Strains With U.S. and Its Allies Grow," *The Wall Street Journal*, January 13, 2022, available at <https://www.wsj.com/articles/china-looks-to-secure-supplies-as-strains-with-u-s-and-its-allies-grow-11642075381>. (paywall)

operating systems, agrochemicals, and payments networks—“self-reliance is some way off.”⁷⁰

Beijing could retaliate against American economic pressure, but in ways that would be detrimental to China as well. Although retaliatory actions by China would not likely cause devastating or permanent economic damage to the United States, a sound U.S. deterrent strategy would nevertheless seek to cushion the impact of such retaliatory measures by encouraging the development of alternative supply chains that reduce dependence on sources in China.⁷¹ Doing so would provide a measure of protection for the United States if economic sanctions were implemented and thereby add credibility to the deterrent threat.

As the U.S. Congress considers legislation to improve U.S. economic competitiveness against China,⁷² CCP authorities are pushing back, suggesting that such legislation would be met with a harsh reaction by Beijing and would be detrimental to U.S. interests. A Foreign Ministry spokesman criticized congressional actions as “Cold War thinking.”⁷³ In addition, China’s Embassy in Washington reportedly sent letters to various U.S. business executives encouraging them to “play a positive role in urging members of Congress to abandon the zero-sum mindset and ideological prejudice, stop touting negative China-related bills, delete negative provisions, so as to create favorable conditions for bilateral economic and trade cooperation before it is too late.”⁷⁴ As one letter notes, “The result of those China-related bills with negative impacts will not be that the interests of U.S. companies will be protected while those of Chinese companies will suffer. It is only going to hurt everyone.... Promoting a China-free supply chain will inevitably result in a decline in China’s demand for U.S. products and American companies (sic.) loss of market share and revenue in China.”⁷⁵ Indeed, the U.S. share of global semiconductor manufacturing has declined since 1990 from roughly 40 percent to just 13 percent, and congressional legislation seeks to address this downturn by

⁷⁰ “China wants to insulate itself against Western sanctions,” *The Economist*, February 26, 2022, available at <https://www.economist.com/business/china-wants-to-insulate-itself-against-western-sanctions/21807805?giftId=d6059b83-4163-4186-a290-0a572855ab94>. (paywall)

⁷¹ One expert has noted that “Beijing derives so much leverage from this dependency, which in some case borders on addiction, that supply chain diversification, selective de-coupling, and a consistent demand for real reciprocity in market access must become a clarion call.” See Heino Klinck, “Deterring The Dragon – What China’s Neighbors Can Do To Hem In Its Adventurism And Aggression,” *MEMRI*, January 12, 2022, available at <https://www.memri.org/reports/deterring-dragon-%E2%80%93-what-chinas-neighbors-can-do-hem-its-adventurism-and-aggression>.

⁷² Legislation currently under consideration includes the *U.S. Innovation and Competition Act of 2021 (USICA)*, which would restrict U.S. cooperation with China, support working with strategic partners to compete more effectively with China, and establish U.S. policy to “strenuously oppose any action by the People’s Republic of China to use force to change the status quo of Taiwan.” The bill declares that “in order to deter the use of force by the People’s Republic of China to change the status quo of Taiwan, the United States should coordinate with allies and partners to identify and develop significant economic, diplomatic, and other measures to deter and impose costs on any such action by the People’s Republic of China, and to bolster deterrence by articulating such policies publicly, as appropriate and in alignment with United States interests.” See *United States Innovation and Competition Act of 2021 (S.1260)*, available at <https://www.congress.gov/bill/117th-congress/senate-bill/1260/text>.

⁷³ Michael Martina, “EXCLUSIVE Chinese embassy lobbies U.S. business to oppose China bills – sources,” *Reuters*, November 12, 2021, available at https://www.reuters.com/business/exclusive-chinese-embassy-lobbies-us-business-oppose-china-bills-sources-2021-11-12/?mkt_tok=ODUwLVRBQS01MTEAAAGAwrjNu6qGIHaj6AK2MZvVijwdnaN-bbuTo7zQw6vgKmJSMXEiE_EPA0i8AES8KErof_Sybo8j1Z0pVFW21KBDJL0im8AUNxujQPCsr_bQR_C.

⁷⁴ *Ibid.*

⁷⁵ *Ibid.*

funding more domestic research, development, and production of advanced semiconductor chips.⁷⁶

China is involved in numerous supply chains beyond the semiconductor industry that affect U.S. companies and the American consumer; it is now the dominant supplier of solar panels and is looking to duplicate its success in the clean hydrogen energy market.⁷⁷ Another area is lithium; China is the world's largest producer of lithium batteries, which are key components in electric vehicles. As sales of electric vehicles increase due to a growing desire to transition from fossil fuels, as well as U.S. and European policies that seek to increase the use of electric vehicles,⁷⁸ China occupies an advantageous position as the world's main supplier of relatively low-cost lithium batteries.⁷⁹ However, Australia, Chile, and Argentina are the world's largest suppliers of lithium,⁸⁰ and the prospect of restricting the supply of lithium to China could provide useful leverage as part of an overall economic strategy to bolster deterrence, although Beijing's economic investments in Australia and South America could complicate this strategy.⁸¹

In addition, China has a near monopoly in some rare earth minerals such as dysprosium and neodymium, which are key components of electric vehicle motors.⁸² Rare earth minerals are also critical elements in consumer electronics like smartphones as well as military equipment, including missile defense systems.⁸³ In February 2021, the Biden Administration

⁷⁶ Mark Granahan, "All talk and no action keeps the U.S. in last place on semiconductors," *VentureBeat*, November 24, 2021, available at <https://venturebeat.com/2021/11/24/all-talk-and-no-action-keeps-the-us-in-last-place-on-semiconductors/>.

⁷⁷ "China's Solar Giants Make a Bid to Dominate Hydrogen Power," *Bloomberg News*, December 12, 2021, available at <https://www.bloomberg.com/news/articles/2021-12-12/china-s-solar-giants-make-a-bid-to-dominate-hydrogen-power>.

⁷⁸ For example, President Biden has stated that "we have hundreds—we have thousands and thousands of vehicles in the federal fleet. They're going to all go electric—all of them—down the road, supporting electric transit systems, electric school buses." See Blog Post, "2021 Congressional Activity & Anticipated 2022 Action," *Amentum*, December 7, 2021, available at <https://www.amentum.com/blog/2021-congressional-activity-anticipated-2022-action/>. Also see The White House, "FACT SHEET: The Biden-Harris Electric Vehicle Charging Action Plan," December 13, 2021, available at <https://www.whitehouse.gov/briefing-room/statements-releases/2021/12/13/fact-sheet-the-biden-harris-electric-vehicle-charging-action-plan/>.

⁷⁹ Amrith Ramkumar, "Lithium prices soar, turbocharged by electric-vehicle demand and scant supply," *The Wall Street Journal*, December 13, 2021, available at https://www.wsj.com/articles/lithium-prices-soar-turbocharged-by-electric-vehicle-demand-and-scant-supply-11639334956?reflink=share_mobilewebshare (paywall), and <https://www.foxbusiness.com/markets/lithium-prices-soar-turbocharged-by-electric-vehicle-demand-and-scant-supply>.

⁸⁰ Emmanuel Latham and Ben Kilbey, "Lithium supply is set to triple by 2025. Will it be enough?," *S&P Global*, October 24, 2019, available at <https://www.spglobal.com/en/research-insights/articles/lithium-supply-is-set-to-triple-by-2025-will-it-be-enough>.

⁸¹ For example, China operates a lithium plant in western Australia and China's Tianqi Lithium Corporation recently recorded record quarterly profits as a result of high lithium prices. See "China's Tianqi Lithium posts best profit in almost 3 yrs," *Reuters*, October 29, 2021, available at <https://www.reuters.com/world/china/chinas-tianqi-lithium-posts-best-profit-almost-3-yrs-2021-10-29/>. Also see, *ibid.* Chinese companies have also invested approximately \$4.5 billion in lithium ventures in Mexico and South America over the past three years. See Clifford Krauss, "Green-Energy Race Draws an American Underdog to Bolivia's Lithium," *The New York Times*, December 16, 2021, available at <https://www.nytimes.com/2021/12/16/business/energy-environment/bolivia-lithium-electric-cars.html>.

⁸² Robert Bryce, "The Electric-Vehicle Push Empowers China," *The Wall Street Journal*, December 23, 2021, available at <https://www.wsj.com/articles/the-electric-vehicle-push-empowers-china-rare-earths-mining-motors-rivals-11640290395>. (paywall)

⁸³ Keith Zhai, "China Set to Create New State-Owned Rare-Earths Giant," *The Wall Street Journal*, December 3, 2021, available at <https://www.wsj.com/articles/china-set-to-create-new-state-owned-rare-earths-giant-11638545586>. (paywall)

issued an Executive Order requiring the Secretary of Defense to report on supply chain risks for rare earth elements and how to mitigate them.⁸⁴ A White House report in June 2021 noted that China's policies, including massive subsidies to producers, have created "a distorted supply chain landscape" and noted, "Given the similar history of Chinese non-market intervention in the solar and rare earth industries...there is cause for concern that, without a proactive response from the United States, this growing field will face those same challenges."⁸⁵ Consequently, the report recommended that the United States "increase the resilience of strategic and critical material supply chains."⁸⁶ China has hinted that it may retaliate if the United States takes actions that "hurt China's interests,"⁸⁷ threatening that "if China is severely hurt, its powerful revenge will be inevitable."⁸⁸

Pharmaceuticals is another major area of concern. Even if the medications themselves are manufactured outside of China, Beijing may supply the precursor ingredients needed to manufacture them. Animal feed is a similar case in point, and actions by China could disrupt the U.S. agriculture industry, at least until alternative sources of supply are procured. Although China's actions would not be detrimental to the U.S. economy as a whole—which remains hugely productive and robust despite the impact of a global pandemic⁸⁹—prolonged supply shortages that affect Americans personally could occur.

In the interim, shortages could continue to impact the American consumer due to supply chain vulnerabilities. Given the American penchant for prompt consumer satisfaction, such disruptions may trigger greater near-term hardship for the American consumer than for China's population and may be seen by Americans as unacceptable. Tariffs on imports from China would also affect consumer prices; indeed, in certain areas, U.S. policies are creating greater dependencies on China. However, to strengthen the credibility of economically-oriented U.S. deterrence threats, the United States should seek *in advance* to prepare for such disruptions and to convince China's leaders that market disruptions will be more painful for Beijing than for Washington. Some of these actions could include the use of legislative tools like the Defense Production Act and the Trade Expansion Act of 1962; these could restrict the amount of content from China that is in imported products, particularly including those used by the U.S. military.⁹⁰

⁸⁴ The White House, "Executive Order on America's Supply Chains," February 24, 2021, available at <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/02/24/executive-order-on-americas-supply-chains/>.

⁸⁵ The White House, *Building Resilient Supply Chains, Revitalizing American Manufacturing, and Fostering Broad-Based Growth*, June 2021, pp. 92-93, available at <https://www.whitehouse.gov/wp-content/uploads/2021/06/100-day-supply-chain-review-report.pdf>.

⁸⁶ *Ibid.*

⁸⁷ GT Staff Reporters, "China not targeting US in rare-earth exports, but option remains," *Global Times*, February 17, 2021, available at <https://www.globaltimes.cn/page/202102/1215758.shtml>.

⁸⁸ Hu Xijin, "Whether China plays 'rare-earth card', there will be no winner in China-US decoupling," *Global Times*, February 17, 2021, available at <https://www.globaltimes.cn/page/202102/1215748.shtml>.

⁸⁹ Martin Crutsinger and the Associated Press, "U.S. economy is bigger than it was pre-COVID after quarter of booming consumer spending," *Fortune*, July 29, 2021, available at <https://fortune.com/2021/07/29/us-economy-bigger-than-pre-covid-quarter-booming-consumer-spending/>.

⁹⁰ Derek Scissors, "Partial Decoupling from China: A Brief Guide," American Enterprise Institute, July 2020, p. 4, available at <https://www.aei.org/wp-content/uploads/2020/07/Partial-decoupling-from-China.pdf?x91208>.

Conclusion

The application of economic tools—in addition to military, political, and diplomatic—can enhance the prospects for success of a victory denial deterrent. The use of economic, financial, trade, and investment tools, including the use of export controls and sanctions, could be useful instruments for applying pressure on Beijing’s economy and for penalizing aggressive behavior. Adopting a proactive rather than reactive approach in this regard by planning and communicating the reality of prospective sanctions as part of a broader deterrence strategy could yield important deterrence benefits.

To maximize the chance of success, sanctions would likely need to be imposed over the long term, targeting what China’s leadership values most. This is necessary to convince the CCP that the United States is serious and that the threatened imposition of sanctions is not empty and, if implemented, would not be transitory.

Financial sanctions may be more effective than trade-related measures and may also have the most impact on the CCP’s decision-making calculus. Such sanctions could be part of an integrated approach to deter China from engaging in military aggression against Taiwan. In addition, any sanctions strategy should counter China’s efforts to attract foreign investment by providing disincentives for investment in its market while offering prudent alternatives. The goal is to place the United States and its allies in a position that threatens greater economic discomfort to China than to themselves. Moreover, because China relies heavily on exports to the United States, this dependency on the U.S. market should be leveraged as part of a coordinated strategy to bolster a victory denial deterrent.

Sanctions will have a greater impact if implemented multilaterally. However, regional political and economic dynamics may complicate the effort to achieve concurrence among Asian allies and strategic partners on a multilateral approach. Nevertheless, a U.S. policy that encourages greater trade and economic ties with other countries that currently have strong economic ties with China can mitigate the risk that secondary sanctions could pose to U.S. allies and strategic partners. Congress can also craft legislation tailoring the imposition of sanctions to specific actions by China, e.g., the manner and degree to which it violates Taiwanese sovereignty.

Importantly, an increase in U.S., allied, and partner engagement with Taiwan may contribute to deterring a CCP move against Taiwan’s autonomy. Growing European and Asian recognition of the danger posed by China may also be useful in leveraging support for prospective sanctions and economic penalties on China.

As part of an integrated strategy, the United States should work with private sector entities to mitigate the impact on U.S. economic interests of any retaliatory actions by China. By seeking to minimize U.S. economic vulnerabilities, the credibility of U.S. deterrent threats would likely be strengthened. Moreover, the development of alternative supply chains that reduce dependence on Chinese sources, including lithium, rare earth minerals, agricultural products, and pharmaceuticals, could cushion the impact of China’s retaliatory measures.

In addition, because China imports more semiconductor chips than any other country, its reliance on external sources of supply—including Taiwan—may be an exploitable vulnerability for deterrence purposes. Denying China access to semiconductor chips as part of a cost-imposition strategy to deter Chinese aggression against Taiwan would be

devastating to China's high-tech industries and would impose severe, long-term economic costs on China.

The United States should take action to reduce its economic dependence on China and bolster deterrence by preparing for supply chain disruptions and taking steps to convince the Chinese leadership that market disruptions would be more painful for Beijing than for Washington. Legislative tools like the Defense Production Act and the Trade Expansion Act of 1962 could restrict the amount of content from China in imported products.

The bottom line is that the United States must develop policies that make the consequences of China's aggression more intolerable than enduring a continuation of the political status quo on Taiwan. In other words, the objective is to convince China that any action to eliminate Taiwan's autonomy will carry greater risks than allowing the status quo to continue. As noted above, one former U.S. State Department official stated, "The most powerful weapon America has to reverse Xi Jinping's march to global domination is economic."⁹¹

Above all, it is necessary to formulate proactively a broad deterrence strategy that capitalizes on the strength and resiliency of the U.S. economy, which remains a more productive engine of economic, technological, and social progress than that of China. A victory denial deterrence strategy that includes the various measures discussed above could make integrated deterrence a reality and contribute to the deterrence of a CCP decision to attack Taiwan.

Recommendations

- Convey to CCP authorities well in advance of a crisis that any use of force against Taiwan will carry economic consequences that would contribute significantly to the cost of aggression.
- Transition from a reactive to a proactive approach regarding sanctions by clearly communicating in advance of aggression U.S. intentions and capabilities to impose economic penalties on Beijing.
- Consider measures to reduce investments in China's economy, reduce supply chain dependence on Beijing, punish China's intellectual property theft, and map the economic interests of those who are part of the CCP leadership and tailor sanctions and economic tools to those individuals and their personal economic interests.
- Consider financial sanctions, which may be more effective than trade-related measures, and may provide the most important leverage by targeting a vulnerable sector of China's economy.
- Assess the effectiveness of sanctions on China's financial sector through the imposition of so-called secondary sanctions. This involves imposing penalties not only on Chinese companies but on domestic and foreign entities that do business with China. Mitigate risk and negative international reaction by encouraging greater trade and economic ties with other countries that currently have strong economic ties with China.

⁹¹ Len Khodorkovsky, quoted in Gordon G. Chang, *op. cit.*

- Coordinate actions with strategic partners to apply sanctions multilaterally as well as unilaterally. Although the United States has the ability to implement sweeping sanctions on China unilaterally, the effect of sanctions will be magnified if more U.S. allies and partners join in this approach.
- Leverage China's dependency on the U.S. market as part of a coordinated strategy to bolster deterrence.
- Adopt a sanctions strategy that provides disincentives for Western companies to invest in China's market while offering prudent alternatives that cause greater economic discomfort to China than to Western companies.
- Consider the imposition of targeted sanctions against China's oil industry, along with secondary sanctions that impose costs on supplier states, including Russia.
- Discuss with Taiwan the "broken nest" option of threatening to destroy its own semiconductor chip facilities if China attacks, essentially immobilizing China's high-tech industries.
- Work with private sector entities in the United States and American companies operating abroad to mitigate in advance the impact of China's retaliatory actions directed against U.S. economic interests. Minimizing U.S. economic vulnerabilities can help strengthen the credibility of overall U.S. deterrent threats.



The Prospect of Nuclear Proliferation as a Deterrent Factor

Introduction

Since China conducted its first nuclear weapons test in 1964, the number of states with nuclear weapons, and those “latent nuclear powers” (without weapons but retaining the capability to make them), has risen steadily. Historically, China has viewed either the Soviet Union, and subsequently Russia, or the United States as the predominant nuclear threats—but the possibility of one or more of China’s neighbors obtaining nuclear weapons has remained worrisome to the CCP leadership.

If China attempted to invade Taiwan and used nuclear employment threats as part of its “theory of victory,”¹ the resulting damage to U.S. credibility and extended deterrence efforts could trigger a cascade of proliferation in the region, including nuclear proliferation. If China were unsuccessful in its initial invasion attempt, Taipei might face enormous pressure to restart a nuclear weapons program. If China were successful, or unsuccessful in its invasion attempt, Tokyo and/or Seoul could be motivated to develop their own nuclear weapons programs—developments certain to dramatically raise Beijing’s threat perceptions. Could the United States take advantage of the possibility of nuclear proliferation to help deter a CCP decision to invade Taiwan? This chapter examines the possibilities of both horizontal proliferation (states without nuclear weapons initiating nuclear weapon programs) and vertical proliferation (increased quantities or capabilities of nuclear weapons among current nuclear powers) in response to a prospective or actual Chinese invasion of Taiwan.

As part of the broader “victory denial” deterrence strategy, the United States, allies and partners could brandish the potentially deterring effects of a worsened nuclear threat environment for China. Although not a deterrent tool controlled or created by the United States, U.S. and allied officials could communicate to China the likely nuclear proliferation danger it would naturally and almost certainly provoke if it were to invade Taiwan.

The possibility of horizontal and/or vertical nuclear proliferation after an attack against Taiwan, in conjunction with the other tools discussed previously in this report, could add significant deterrent effects. The goal for this deterrence tool would be to introduce or reinforce the belief within China’s leadership that a successful or unsuccessful invasion of Taiwan would ultimately be a Pyrrhic victory, due in part to a potentially long-lasting and significantly more menacing nuclear threat environment—an intolerable outcome that would contribute to the CCP’s calculation that the political status quo is the less intolerable option.

¹ See Bradley Roberts, *On Theories of Victory, Red and Blue*, Livermore Papers of Global Security, No. 7 (June 2020), pp. 42-57; Bradley Roberts, *The Case for U.S. Nuclear Weapons in the 21st Century* (Stanford, CA: Stanford University Press, 2016), pp. 35, 99, 103-104, 192-194, 260-262, 268-271; Christopher Ford, “Strengthening Deterrence and Reducing Nuclear Risks: The Supplemental Low-Yield U.S. Submarine-Launched Warhead,” *Arms Control and International Security Papers*, U.S. Department of State, Office of the Under Secretary of State for Arms Control and International Security, Vol. 1, No. 4 (April 24, 2020), p. 2. And, Bradley Thayer, “Get Ready for a New Arms Race,” *The National Interest*, May 21, 2020, at <https://nationalinterest.org/feature/get-ready-new-arms-race-why-nuclear-strategic-stability-won%E2%80%99t-work-china-156676>.

Do Increased Nuclear Threats Worry China?

The possibility of nuclear proliferation can only act as a deterrent if such a threat is a credible cause for concern in Beijing. Based on the available evidence, China's leadership does appear to track and protest perceived increases in the nuclear threat to China. The recent defense white paper, *China's National Defense in the New Era*, cites both the United States and Russia strengthening their nuclear capabilities as worrying developments.² China's officials have also indicated that they view latent nuclear powers, such as Japan, as potential threats and have tacitly endorsed apparent nuclear threats against Japan while denouncing any change to Japan's non-nuclear status.³ In addition, China has stated that it would consider using force against Taiwan if it attempts to acquire nuclear weapons.⁴

Given this evidence, it appears likely that China's leadership is aware that current and potential nuclear-armed states could react negatively to an invasion of Taiwan. Communicating to China that an invasion of Taiwan would likely entail unpredictable and long-lasting nuclear proliferation risks that threaten China could be an important additional element in a victory denial deterrence strategy.

Horizontal Proliferation Before and After an Invasion of Taiwan

Should China attempt invading Taiwan, current non-nuclear states may seek their own independent arsenals as a response to a seismic shift in threat perceptions.⁵ As detailed below, each potential nuclear power is unique, with varying degrees of capabilities and intentions, but each state's leadership could reasonably conclude that the overriding lesson of a Chinese invasion of Taiwan is: those without nuclear weapons risk Chinese military coercion and attack.

² The State Council Information Office of the People's Republic of China, *China's National Defense in the New Era* (Fort McNair, VA: China Aerospace Studies Institute, July 2019), p. 3, available at <https://www.airuniversity.af.edu/Portals/10/CASI/documents/Translations/2019-07%20PRC%20White%20Paper%20on%20National%20Defense%20in%20the%20New%20Era.pdf?ver=akpbGk05ogbDPPbfIQkb5A%3d%3d>.

³ See, for example, Eric Heginbotham, Michael S. Chase, Jacob L. Heim, Bonny Lin, Mark Cozad, Lyle J. Morris, Christopher P. Twomey, Forrest E. Morgan, Michael Nixon, Cristina L. Garafola, and Samuel K. Berkowitz, *China's Evolving Nuclear Deterrent: Major Drivers and Issues for the United States* (Santa Monica, CA: The RAND Corporation, 2017), pp. 93-95, available at https://www.rand.org/pubs/research_reports/RR1628.html; John Feng, "China Officials Share Viral Video Calling for Atomic Bombing of Japan," *Newsweek*, July 14, 2021, available at <https://www.newsweek.com/china-officials-share-viral-video-callingatomic-bombing-japan-exception-theory-1609586>; and, Justin McCurry, "China Rattled by Calls for Japan to Host US Nuclear Weapons," *The Guardian*, March 1, 2022, available at <https://www.theguardian.com/world/2022/mar/01/china-rattled-by-calls-for-japan-to-host-us-nuclear-weapons>.

⁴ U.S. Department of Defense, *Military and Security Developments Involving the People's Republic of China* (Washington, D.C.: Department of Defense, 2021), pp. 115-116, available at <https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>.

⁵ For more on the deterrence effects of such a possibility, see, Jared McKinney and Peter Harris, "Broken Nest: Deterring China from Invading Taiwan," *Parameters*, Vol. 51, No. 4, p. 32. For additional views on the possibilities of nuclear proliferation, specifically Japan and South Korea, see, Julian Kerr, "South Korea and Japan 'Inevitably Pushed' to Nuclear Weapons," *Australian Defence Magazine*, March 24, 2022, available at <https://www.australiandefence.com.au/news/south-korea-and-japan-inevitably-pushed-to-nuclear-weapons>; and, Doug Bandow, "Give South Korea Nuclear Weapons," *The American Conservative*, March 24, 2022, available at <https://www.theamericanconservative.com/articles/give-south-korea-nuclear-weapons/>.

Japan

The U.S. government and outside analysts have long recognized that Japan is a latent nuclear power with the technical means and materials needed to achieve nuclear weapons design and production.⁶ China also has long recognized Japan's latent nuclear capabilities and has often criticized Japan for retaining stockpiles of fissile material.⁷ Given a latent Japanese nuclear capability, China's leadership should recognize that any attempt to invade Taiwan, regardless of success, would incentivize Japan in this direction.

While some analysts might argue that Japan's anti-nuclear legacy will prevail and stymie any nuclear weapons ambitions, China should be reminded that this predisposition has been undermined in recent years, including by China. Japanese strategists are well aware that the threat to Japan from China has increased dramatically in the past two decades. For example, strategists in China have openly written about how a successful invasion of Taiwan would allow the PLA Navy far greater access to the first island chain with the resulting potential to break the Japan-U.S. alliance because of the difficulty the United States would have in supporting Japan from overseas.⁸ Indeed, Japanese politicians have begun openly to discuss not only rearming Japan, but have raised the topic of nuclear deterrence.⁹

Japan views nuclear deterrence as an essential element of its security strategy, although currently that deterrence is supplied solely by the U.S. nuclear umbrella. As the 2021 annual Japanese Ministry of Defense report states, "In dealing with the threat of nuclear weapons, U.S. extended deterrence, with nuclear deterrence at its core, is essential: Japan will closely cooperate with the United States."¹⁰ While Japanese officials typically do not spotlight Japan's latent nuclear capabilities in public remarks, former Defense Minister Shigeru Ishiba said, "Japan should have the technology to build a nuclear weapon if it wants to do so."¹¹ If China were to use the threat of nuclear escalation as an element of its invasion of Taiwan, Japanese leaders would undoubtedly seek to increase their defense options, including possibly acquiring nuclear weapons.

As further evidence of the possibility of proliferation, Japanese leaders have become increasingly vocal about the importance of Taiwan for Japan's security.¹² For example,

⁶ For representative examples, see, Director of Central Intelligence, *Special National Intelligence Estimate: Prospects for Further Proliferation of Nuclear Weapons* (Washington, D.C.: Central Intelligence Agency, December 18, 1975), pp. 6-7, available at https://www.cia.gov/readingroom/docs/DOC_0001247369.pdf; and, Mark Fitzpatrick, *Asia's Latent Nuclear Powers: Japan, South Korea and Taiwan* (London: Routledge, 2016), pp. 65-125.

⁷ As detailed in, Hui Zhang, "China Worries about Japanese Plutonium Stocks," *The Bulletin of the Atomic Scientists*, June 17, 2014, available at <https://thebulletin.org/2014/06/china-worries-about-japanese-plutonium-stocks/>. See, also, China's relevant concern that Japan could host U.S. nuclear weapons: McCurry, "China Rattled by Calls for Japan to Host US Nuclear Weapons," op. cit.

⁸ As detailed in, Toshi Yoshihara and James R. Holmes, *Red Star over the Pacific: China's Rise and the Challenge to U.S. Maritime Strategy* (Annapolis, MD: Naval Institute Press, 2018), 2nd edition, pp. 86-87.

⁹ See, for example, Rupert Wingfield-Hayes, "Will Ukraine Invasion Push Japan to go Nuclear?," *BBC*, March 26, 2022, available at <https://www.bbc.com/news/world-asia-60857346>.

¹⁰ Japanese Ministry of Defense, *Defense of Japan* (Tokyo: Ministry of Defense, 2021), p. 212, available at https://www.mod.go.jp/en/publ/w_paper/wp2021/DOJ2021_EN_Full.pdf.

¹¹ "Japan should be able to build nuclear weapons: ex-LDP Secretary-General Ishiba," *The Japan Times*, November 6, 2017, available at <https://www.japantimes.co.jp/news/2017/11/06/national/japan-able-build-nuclear-weapons-ex-ldp-secretary-general-ishiba/>.

¹² For an extended discussion of this topic, see, Ryan Ashley, "Japan's Revolution on Taiwan Affairs," *War on the Rocks*, November 23, 2021, available at <https://warontherocks.com/2021/11/japans-revolution-on-taiwan-affairs/>.

shortly after Shinzo Abe resigned as Prime Minister of Japan, he stated that even an attack on an American vessel transiting the Taiwan Strait could be considered the necessary trigger for Japanese self-defense actions in the region.¹³ He then stated, as noted previously, “A Taiwan emergency is a Japan emergency. That is, it’s an emergency for the US-Japan alliance as well.”¹⁴ Or, as Japan’s deputy Defense Minister Yasuhide Nakayama recently stated, “... we have to protect Taiwan as a democratic country.”¹⁵ In addition, the 2021 Defense of Japan report notes that, “Stabilizing the situation surrounding Taiwan is important for Japan’s security...”¹⁶

Potentially adding to Japan’s proliferation calculus, officials in China have claimed parts of Japanese territory, such as the Senkaku Islands and even the island of Okinawa—the host of a large U.S. military base—establishing a justification for territorial aggression against Japan.¹⁷ Adding even greater incentive, China could conceivably assert its perceived historical claim on Okinawa in an attempt to eliminate the island as a potential base for military operations against Beijing. Faced with such a prospect, and perhaps a diminished level of faith in U.S. conventional power and/or extended deterrence, Japan’s leadership could decide that building a nuclear arsenal is the best chance for ensuring Japan’s national survival. In fact, as Amb. Robert Joseph, former Under Secretary of State for Arms Control and International Security, recently stated, “Based on my discussions with Japanese officials, it would not be surprising if a combination of an aggressive North Korea and a successful Chinese invasion of Taiwan caused a fundamental shift in Japanese views on the utility and desirability of nuclear weapons.”¹⁸

Taiwan

Perhaps the ultimate Chinese nightmare future scenario involves a failed invasion attempt against Taiwan, which, in response, restarts efforts to build its own nuclear weapons. Taiwan has reportedly independently explored the possibility seriously at least twice before—first beginning in the early-to-mid 1970s, and again in the mid-to-late 1980s.¹⁹ U.S. pressure apparently led Taiwan to cease the program but, in the wake of an unsuccessful Chinese

¹³ “Abe Hints at Japan’s Possible Military Role in Taiwan Contingency,” *The Japan Times*, December 14, 2021, available at <https://www.japantimes.co.jp/news/2021/12/14/national/politics-diplomacy/abe-hints-japans-possible-military-role-taiwan-contingency/>.

¹⁴ Kathrin Hille, Robin Harding, Eri Sugiura, and Demetri Sevastopulo, “Japan’s former PM warns China invading Taiwan would be an ‘emergency’ for Tokyo,” *Financial Times*, December 1, 2021, available at <https://www.ft.com/content/f4140801-a688-4703-825d-236fab4818e1>.

¹⁵ David Brunnstrom, “Japan Minister Says Necessary to ‘Wake Up’ to Protect Taiwan,” *Reuters*, July 1, 2021, available at <https://www.reuters.com/world/asia-pacific/japan-minister-says-necessary-wake-up-protect-taiwan-2021-06-28/>.

¹⁶ Japanese Ministry of Defense, *Defense of Japan* (Tokyo: Ministry of Defense, 2021), p. 19, available at https://www.mod.go.jp/en/publ/w_paper/wp2021/DOJ2021_EN_Full.pdf.

¹⁷ Justin McCurry, “China Lays Claim to Okinawa as Territory Dispute with Japan Escalates,” *The Guardian*, May 15, 2013, available at <https://www.theguardian.com/world/2013/may/15/china-okinawa-dispute-japan-ryukyu>.

¹⁸ Author interview, December 9, 2021.

¹⁹ Rebecca K. C. Hersman and Robert Peters, “Nuclear U-Turns: Learning from South Korean and Taiwanese Rollback,” *The Nonproliferation Review*, Vol. 13, No. 3 (2006), pp. 543-545. See also, Michael Oksenberg, “Memorandum From Michel Oksenberg of the National Security Council Staff to the President’s Assistant for National Security Affairs (Brzezinski),” in David P. Nickles, ed., *Foreign Relations of the United States, 1977-1980, Volume XIII, China* (Washington, D.C.: Department of State, memo originally written February 16, 1977), available at <https://history.state.gov/historicaldocuments/frus1977-80v13/d12>.

invasion attempt, U.S. officials would be hard-pressed to tell Taiwan once again to refrain. In fact, international pressure to call on Taiwan to cease such a program might be lacking after an unsuccessful Chinese invasion. Admittedly it is unknown how the Taiwanese leadership would act after a failed Chinese invasion attempt, and Taipei might decide that the difficulties and dangers of pursuing its own nuclear program would be too costly to overcome—such as the lack of fissile material and potentially endangering international support by pursuing a nuclear weapons program. Additionally, much of the military and civilian infrastructure that could contribute to a nuclear weapons program would likely be destroyed during a failed Chinese invasion attempt. Yet China cannot dismiss out of hand the possibility that following a failed attempt to invade, Taiwan might try either to restart its nuclear weapons program, or to obtain such weapons with the help of neighbors who greatly fear China's expansionism.

South Korea

South Korean officials would likely have multiple concerns about a Chinese invasion of Taiwan. First, there would be concern about the collapse of U.S. extended deterrence credibility. Given its geographic location and its dependence on open sea lanes, South Korea would likely fear a reduced or contested U.S. naval presence in the Sea of Japan and East China Sea. Additionally, Seoul might fear that China's action against Taiwan would embolden North Korea to use its nuclear threat to coerce or even invade South Korea. In such a case, the South Korean leadership might decide that having its own nuclear deterrent would be essential.

The notion of enhanced nuclear security is already much on the minds of the public in South Korea. According to polls, the majority of the South Korean populace consistently approves of either re-deploying U.S. nuclear weapons in South Korea, or South Korea developing its own nuclear weapons—mostly with respect to deterring a North Korean attack.²⁰ Yet there is a growing sentiment in South Korea that China is the greater threat to peace on the Korean peninsula.²¹ In fact, a recent major study indicates that a majority of the population would support a domestic nuclear weapons program that is focused on the threat from China.²² Thus, from the standpoint of political will, South Korea's leadership may face little domestic resistance should it decide to embark on a nuclear weapons program in the wake of a Chinese invasion of Taiwan.

In addition, should Japan initiate a nuclear weapons program, it would place additional pressure on South Korea's leadership to pursue the same course, given the historical animosity between the two states. As was the case with Taiwan, U.S. officials reportedly have encouraged South Korean leaders in the past to refrain from pursuing their own nuclear

²⁰ Toby Dalton and Ain Han, "Elections, Nukes, and the Future of the South Korea–U.S. Alliance," *Carnegie Endowment for International Peace*, October 26, 2020, available at <https://carnegieendowment.org/2020/10/26/elections-nukes-and-future-of-south-korea-u.s.-alliance-pub-83044>.

²¹ Ibid.

²² Toby Dalton, Karl Friedhoff, and Lami Kim, *Thinking Nuclear: South Korean Attitudes on Nuclear Weapons* (Chicago, IL: The Chicago Council on Global Affairs, February 2022), p. 2, available at <https://www.thechicagocouncil.org/sites/default/files/2022-02/Korea%20Nuclear%20Report%20PDF.pdf>.

program but may be hard-pressed to do so again following a successful Chinese invasion of Taiwan and the potential Japanese response.²³

Australia

Australia is a key U.S. ally with vital interests in the Indo-Pacific region—factors that might prompt Canberra to reassess its current non-nuclear weapon power status following an invasion of Taiwan. Fearful of a waning U.S. presence in the region and the degraded credibility of U.S. extended deterrence—and having been the target of Chinese coercive economic sanctions—Australian strategists have begun debating what once were considered non-viable options: a nuclear weapon-sharing program with the United Kingdom or United States, or development of its own domestic nuclear weapons program.²⁴ Home to a number of uranium mines, including the world’s largest uranium deposit, Australia has the material necessary to become a nuclear weapon power should it choose to pursue the necessary technology and delivery systems.²⁵ Although the recent official announcement of Australia’s plans to purchase submarines stressed that they will only be nuclear powered, China should account for the possibility that a Chinese invasion of Taiwan could prompt Australia to reassess the submarines’ conventional-only role.²⁶

...and Beyond

An invasion of Taiwan could spark additional states to consider building their own nuclear weapon programs beyond those examined above. The pursuit of nuclear capabilities by Australia, Taiwan, Japan, or South Korea could lead to a general breakdown in the Nuclear Nonproliferation Treaty (NPT), leading other states to seek a nuclear weapons capability.²⁷ Obviously, there are numerous uncertainties involved in this possibility, but an invasion of Taiwan could certainly spur a foundational reassessment of the threat environments that could catalyze a vast new expansion of nuclear weapon states in the world—many of which would be opposed to China and/or in alliances with the United States. This prospect should be a deterring factor in the CCP’s calculations of costs versus benefits.

²³ Rebecca K. C. Hersman and Robert Peters, “Nuclear U-Turns: Learning from South Korean and Taiwanese Rollback,” *The Nonproliferation Review*, Vol. 13, No. 3 (2006), pp. 540-543.

²⁴ For representative examples, see, Peter Layton, “Why Australia Should Consider Sharing Nuclear Weapons,” *The Interpreter*, January 17, 2018, available at <https://www.lowyinstitute.org/the-interpreter/why-australia-should-consider-sharing-nuclear-weapons>; and, Rod Lyon, “Should Australia Build its own Nuclear Arsenal?” *The Strategist*, October 24, 2019, available at <https://www.aspistrategist.org.au/should-australia-build-its-own-nuclear-arsenal/>.

²⁵ Australian Government, “Uranium,” *Geoscience Australia – Australian Government*, no date, available at <https://www.ga.gov.au/data-pubs/data-and-publications-search/publications/australian-minerals-resource-assessment/uranium>.

²⁶ The White House, “Joint Leaders Statement on AUKUS,” *The White House*, September 15, 2021, available at <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/15/joint-leaders-statement-on-aukus/>.

²⁷ See, for example, Central Intelligence Agency, *The Dynamics of Nuclear Proliferation: Balance of Incentives and Constraints* (Washington, D.C.: CIA, September 1985), formerly Secret, sanitized and released May 26, 2010, available at <https://www.cia.gov/readingroom/docs/CIA-RDP88T00565R000600950003-9.pdf>.

Vertical Proliferation Before and After an Invasion of Taiwan

Nuclear-armed states could respond in a number of ways to an imminent Chinese invasion of Taiwan or in the aftermath of a successful invasion. Each of the relevant states is examined below.

The United States

As the United States begins its current nuclear modernization efforts across all three legs of its nuclear triad—bombers, submarines, and land-based intercontinental missiles—it will retain the potential option of adding to the number of planned systems. Although the planned U.S. nuclear modernization program will not increase the size of the arsenal—as most programs are one-for-one replacements—the “warm” production lines could relatively easily accommodate additional orders of the same systems. Given China’s already large and rapid projected growth in its nuclear arsenal, combined with the increased threat an invasion of Taiwan would present, there is a possibility that the United States would respond in part by increasing the number of nuclear weapon systems it plans to build. In fact, when faced with a time of war, the U.S. Congress has regularly and substantially increased the overall U.S. defense budget, raising it 290 percent over the Korean War, 61 percent during the Vietnam War, 54 percent during the height of the Cold War from 1979-1985, and 107 percent from 1997-2010 during the Afghanistan and Iraq Wars.²⁸

Importantly, the United States would likely perceive the need to increase its nuclear arsenal for both deterring further Chinese aggression and assuring U.S. allies in the wake of a Chinese invasion of Taiwan. As discussed above, U.S. non-nuclear allies in the region would likely face increased pressure to become nuclear weapon states because of heightened threat perceptions following a Chinese invasion of Taiwan. If U.S. and allied conventional forces fail to prevent Taiwan from falling into Chinese hands, then U.S. allies may be much less assured by U.S. promises of further conventional reinforcement. Faced with the prospect of potential nuclear proliferation among its allies, and a skeptical allied view of conventional forces, the United States might consider increasing the number of its nuclear forces as a signal of its assurance commitments to its allies.

Beyond the prospect of the United States expanding its nuclear arsenal quantitatively is the prospect of its pursuit of new and different nuclear weapon designs and delivery systems. If China were to use or threaten to use low-yield nuclear weapons against a U.S. aircraft carrier off Taiwan, for example, it would likely dramatically affect U.S. nuclear strategy, and the perceived requirement for new capabilities for the future. In summary, an invasion of Taiwan within the next decade or more would likely trigger a fundamental U.S. reassessment of China’s threat, and thus potentially lead the United States to manifestly increase the size and/or capabilities of its planned nuclear arsenal.

²⁸ Brendan W. McGarry, *FY2021 Defense Budget Request: An Overview* (Washington, D.C.: Congressional Research Service, February 20, 2020), p. 5, available at <https://crsreports.congress.gov/product/pdf/IN/IN11224/2>.

Russian Federation

It is difficult to predict how Moscow might respond to an invasion of Taiwan. Given their current friendly relations, it is entirely possible that Russia would fully support such an invasion and see little substantive change in its threat environment. Yet, while Sino-Russian military cooperation and joint exercises have grown in the past five years—a trend that may indeed continue—an invasion of Taiwan could begin to move the threat perception in Moscow against Beijing. NATO has long been Russia's, and previously the Soviet Union's, primary military focus. After the Sino-Soviet split in the Cold War, however, the Soviet Union, and then Russia, warily watched China's rise as a primarily land-based military power on its border. It is not unreasonable that Russian leaders might perceive a newly empowered China—after a successful invasion of Taiwan—as a major threat, perhaps one that will seek to resolve other border disputes using force, like the Sino-Soviet border conflict of 1969. In an effort to deter such a possibility, Moscow could decide to produce more non-strategic nuclear weapons (perhaps under the guise of countering U.S. and European-based threats)—adding to its already “significant” projected growth over the next decade in its nuclear arsenal.²⁹ Additionally, Moscow may react to emerging horizontal proliferation concerns by hedging its nuclear force capabilities to account for potentially new, or more dangerous, threats.

India

Another possibility of vertical nuclear proliferation in the wake of a Chinese invasion of Taiwan is India, a state with its own history of responding to border incursions by China. Much like the case of Russia, India could fear China would seek militarily to resolve border conflicts while its forces were mobilized and battle-tested. Given that India is already producing more long-range nuclear forces, presumably intended to deter China, an invasion of Taiwan could cause India's leadership to increase the planned nuclear force expansion to account for the worsened threat environment.³⁰

...and Beyond

An attack by China on Taiwan is likely to set in motion a series of unpredictable counter-responses among other nuclear-armed powers, some of which might be immediate and others, long-term. The United Kingdom and France could respond by expanding their nuclear capabilities. If Japan reacts to a successful invasion of Taiwan by exploring its own nuclear weapon capability, North Korea might embark on a supplemental expansion of its nuclear arsenal.

²⁹ Robert P. Ashley Jr., “Russian and Chinese Nuclear Modernization Trends,” *DIA.mil*, May 29, 2019, available at <https://www.dia.mil/Articles/Speeches-and-Testimonies/Article/1859890/russian-and-chinese-nuclear-modernization-trends/>.

³⁰ On the types of nuclear forces India is developing, see, Hans M. Kristensen and Matt Korda, “Indian Nuclear Forces, 2020,” *Bulletin of the Atomic Scientists*, Vol. 76, No. 4 (2020), pp. 217-225.

Ultimately, China would face the prospect of a significantly deteriorated nuclear threat environment following an invasion of Taiwan—a prospect that may have a deterrent effect if properly communicated and understood in Beijing.

Nuclear Weapons “Use” in a Conflict over Taiwan

A critical final element in examining the potential deterrent effect of vertical and horizontal nuclear proliferation in the wake of an invasion of Taiwan is how China could “use” nuclear weapons in such an invasion. If China successfully utilizes a nuclear threat against the United States that causes Washington to either refrain from defending Taiwan in the first place, or to concede and seek a peace deal, other states will likely perceive great security value in obtaining their own nuclear arsenals to avoid the same fate as Taiwan. The key insight in this regard is that China does not have to employ (i.e., detonate) a nuclear weapon in order to potentially cause adverse nuclear proliferation. While officials in China may view the successful use of a nuclear deterrent threat in a Taiwan scenario as a short-term gain, the longer-term consequences detailed above could cause a net decrease in China’s overall security.

If China were to employ nuclear weapons in a Taiwan scenario, it would likely strengthen the motivation of nuclear and non-nuclear powers to respond in the long term with increases in their own nuclear weapon arsenals or initiating their own nuclear weapon programs, respectively. Additionally, beyond the immediate and devastating physical effects of nuclear employment by Beijing, such use would fundamentally shift the threat perception of China around the world as a state that is willing to use nuclear forces to achieve its revisionist political ends. Such a reputation could cause a fundamental re-evaluation of the sufficiency of current defense postures and strategies worldwide in ways that could negatively impact China for decades.

Conclusion

There is no apparent open-source evidence that definitively indicates whether, and how much, elements of the CCP leadership have considered the nuclear proliferation consequences of a potential invasion of Taiwan. Perhaps the leadership in Beijing recognizes the potential proliferation risks of such an invasion but may feel compelled for other reasons to invade nonetheless. Or, perhaps China anticipates such a nuclear chain reaction among U.S. allies as a distinct possibility and is increasing its nuclear arsenal currently as a preemptive attempt to get ahead of the problem. In any case, the CCP leadership appears to follow closely the capabilities of nuclear weapon states, and the capacity of non-nuclear weapon states to become nuclear weapon states—an attribute that U.S. and allied officials could exploit for deterrence purposes.

Under the victory denial deterrence strategy, the possibility of horizontal and vertical nuclear proliferation, especially among bordering non-nuclear states around China, is a reality that U.S. and allied officials could communicate to the CCP leadership. The possibility of a worsened nuclear threat environment alone may not deter the CCP from forcefully changing the status quo on Taiwan. However, U.S. and allied officials can brandish this additional and potentially significant price China would likely pay if it were to invade Taiwan.

The potential cost of the various deterrence tools discussed in this study, taken together, could encourage CCP calculations that an invasion of Taiwan, successful or unsuccessful, would lead to consequences so intolerable that enduring the despised status quo would remain the preferred option.

Recommendations

- Tailor U.S. deterrence signals to China concerning horizontal and nuclear proliferation; that possibility should be stressed in meetings and during dialogues—preferably with non-contradictory and/or supporting signals from allies.
- Stress to CCP officials that an invasion of Taiwan would cause a fundamental reassessment of U.S. and allies’ threat perceptions, and the defense capabilities needed for deterrence, including the unpredictable, severe, and potentially long-lasting consequences of horizontal and vertical nuclear proliferation.
- Dispel any potential CCP perception that the United States controls its allies’ defense policies; the United States should clearly communicate to CCP officials that it cannot, and will not, dictate how its allies defend themselves in the wake of an invasion of Taiwan.



Conclusions

The process of tailoring deterrence is not static. Conclusions drawn from the process are, by their very nature, subject to changes in leadership and context. Yet, even with this caveat, deterrence strategies that are built on an understanding of the opponent and context are more likely to succeed than those that assume all opponents and contexts to be essentially the same for deterrence purposes. The problem with this latter approach, of course, is that opponents and contexts do differ greatly in ways that are pertinent to the functioning of deterrence.

The United States can begin to pursue a deterrence policy that is tailored to the unique character of the Taiwan Question and also is adaptable when the context shifts. The victory denial deterrence strategy suggested here—informed by long-standing CCP perceptions, goals and policies, and the courses of action that the CCP leadership may feel free (or not free) to take—offers an approach to tailor deterrence to the unique realities of the Taiwan Question. While some past U.S. approaches to deterrence essentially did not account for the uniqueness of opponents and circumstances, they certainly were convenient, and often comforting. However, they did not account for the many potential factors likely to determine whether deterrence will work, in what circumstances, for what stakes, and in the face of what counterthreats.¹

Since the adequacy of U.S. deterrent threats is determined in Beijing, and not in Washington, this study's methodology included dozens of interviews with noted experts on China's leadership, its goals, perceptions, defense strategy, economy, and a host of other pertinent factors. The experts interviewed, and a summary of findings from these interviews, are presented in Appendix B and Appendix C, respectively. This information provided a valuable basis for subsequent analysis and offers a model for constructing a tailored deterrence strategy against China and others. Far from the standard "rational actor" model, the interviews revealed attributes, values, and perceptions of China's leadership that are likely to shape how, or if, deterrence functions vis-à-vis the Taiwan Question—findings that directly impact the deterrence "problem" that a U.S. deterrence strategy must solve.

The problem of how to deter China from invading Taiwan might seem to fit the traditional Cold War era paradigm of extending deterrence across the ocean against a determined foe—but, in fact, the deterrence challenge facing Taiwan, the United States, and its allies is far more severe than the challenge facing NATO during the Cold War. Unlike the Soviet Union, which had no existential imperative to conquer Western Europe, China has based its ruling authority on nationalist credentials that involve the unification of Taiwan with the mainland. CCP leaders appear to believe the failure to do so, via force if necessary, would constitute an existential threat to the CCP.

This political background alone is a sufficiently severe deterrence problem for the United States to temper any deterrence optimist. But, upon further investigation, the deterrence challenge becomes even more difficult. Not only do Taiwan, the United States, and its allies

¹ To again summarize the classic formulation by Herman Kahn and Raymond Aron, see Herman Kahn, *Thinking About the Unthinkable in the 1980s* (New York: Simon and Schuster, 1985), p. 120; and, Raymond Aron, *The Great Debate: Theories of Nuclear Strategy* (New York: Doubleday & Company, 1965), p. 163.



face a determined CCP leadership, but that leadership appears to view the U.S. commitment to Taiwan as fragile, and the balance of power and wills as clearly favoring itself.

With China's crash nuclear buildup, and the U.S. homeland almost wholly vulnerable to nuclear threats by China, the CCP may believe that it has "escalation dominance" against the United States, allowing it to rely on threats of limited nuclear employment to either deter U.S. intervention entirely or to compel the United States to concede early in a conflict. Under *these* circumstances, deterrence is likely to be incredibly difficult and perhaps impossible. But China's apparent great deterrence advantage in this context—its perceived greater stake—is also potentially its greatest vulnerability and point of leverage for a prospective U.S. deterrence strategy.

Given the CCP's perception that failure is not an option in unifying Taiwan with the mainland, a "victory denial" strategy may be the most effective, plausible approach to deterrence. During the Cold War, the U.S. victory denial deterrence strategy against Moscow emphasized maintaining capabilities sufficient to deny the Soviet leadership any plausible definition of "victory" at any level of conflict. This bipartisan deterrence strategy stood in contrast to notions of strategic superiority and escalation dominance that became increasingly implausible and incredible as the Cold War dragged on.

The size and scope of today's deterrence problem demands an equivalent U.S. and allied deterrence effort, spread across multiple domains, and tailored to communicate the most effective deterrence signals possible to the CCP leadership. In short, a victory denial deterrence strategy must be adapted to the unique characteristics of the Taiwan Question to include not only traditional military tools, but also diplomatic and economic deterrence levers as well.

If the United States and allies recognize the severity of the deterrence challenge and the potential value of a victory denial deterrence strategy, then they can begin the process of aligning deterrence policy, declaratory policy, and funding priorities to meet U.S. political goals for the Taiwan Question and beyond. Doing so could greatly improve the prospects for the credible deterrence of China and possibly elsewhere.





APPENDIX A

A Deterrence Framework¹

- Step 1. Identify antagonists, issue, objectives, and actions.
 - 1.1 Antagonists
 - 1.2 Issue
 - 1.3 Adversary's objectives
 - 1.4 Actions to be deterred
 - 1.5 U.S. objectives

- Step 2. Identify and describe those factors likely to affect the adversary's decision making in the context of this specific flashpoint and U.S. deterrent threats.
 - 2.1 Degree of rationality and predictability as indicated by past behavior
 - 2.2 Leadership characteristics
 - 2.2.1 Individuals with responsibilities for the issue at hand
 - 2.2.2 Leadership motivations
 - 2.2.3 Leadership determination
 - 2.2.4 Operational code (worldview and strategic style)
 - 2.2.5 Political-psychological profiles of key decision makers
 - 2.2.6 Adversary's understanding of and attention to the U.S.
 - 2.2.6.1 Previous interactions with the U.S.
 - 2.2.6.2 Attention to U.S. declaratory policy
 - 2.2.6.3 Likelihood the adversary will (mis)comprehend U.S. demands and threats
 - 2.3 Value and cost/risk structure
 - 2.3.1 Location of the issue in the value hierarchy of the adversary's leadership
 - 2.3.2 Other relevant values of the adversary's leadership
 - 2.3.3 Cost/risk tolerance of the adversary's leadership with regard to this issue
 - 2.4 Options
 - 2.4.1 Military options available to the adversary
 - 2.4.2 Adversary's freedom to conciliate or provoke
 - 2.5 Adversary's belief about the costs the U.S. will incur if its deterrent threat is executed
 - 2.5.1 Costs from the adversary's retaliation
 - 2.5.2 Political costs at home and abroad
 - 2.6 Communications
 - 2.6.1 Optimal method for communicating with the adversary
 - 2.6.2 Possibilities for misperception
 - 2.7 Credibility of U.S. threats
 - 2.7.1 Past pledges or actions demonstrating U.S. commitments
 - 2.7.2 Other special circumstances

- Step 3. Construct a strategic profile of the adversary with regard to the crisis in question.
 - 3.1 Predictability of the adversary's behavior

¹ From, Keith B. Payne, *The Fallacies of Cold War Deterrence and a New Direction* (Lexington, KY: University Press of Kentucky, 2001) pp. 112-114. The late Professor Colin Gray said of this work, "Not many books have the potential to make the difference between war and peace: Keith Payne's latest expedition into deterrence country is one such."

- 3.2 Cost/risk tolerance
- 3.3 Influence of considerations beyond immediate issue
- 3.4 Will, determination, and freedom to conciliate or provoke
- 3.5 Cognizance of U.S. demands and threats
- 3.6 Credibility of U.S. deterrent threats
- 3.7 Susceptibility to U.S. deterrent threats

Step 4. Assess whether the challenger is likely to be susceptible to deterrence policies in this particular case, and, if so, the nature of those policies.

Step 5. Identify available U.S. deterrence policy options.

- 5.1 U.S. policy
- 5.2 Punitive or denial threats
- 5.3 Military actions
- 5.4 Related diplomatic steps
- 5.5 Means for communicating threats
- 5.6 Likely adversary reactions and implications for options
- 5.7 Indicators for determining option effectiveness
- 5.8 Opportunities for learning
- 5.9 Possible real-time modifications to improve option effectiveness
- 5.10 Domestic and allied constraints on U.S. actions
- 5.11 Expected results

Step 6. Identify the gap between the likely requirements for deterrence and available U.S. deterrence policy options. Describe different, new, or additional military capabilities and policies that may be needed.

- 6.1 Key military capabilities for supporting the deterrent options most suited to the challenger in this case
- 6.2 Related declaratory policy and diplomatic measures

In no case could the collection of the desired information outlined above be fully accomplished. All attempts to become so well-informed in each of these potentially key areas will be frustrated to a greater or lesser degree by a lack of data, ambiguous data, conflicting data, and the possible intentional disinformation campaigns of some adversaries. The point here is to reduce the margin of ignorance, and to be more aware of what is not known, so that U.S. deterrence policies can be established on a more informed basis, and thus be more likely to work in practice.





APPENDIX B

Interviews with Experts

- Hon. James H. Anderson, Missouri State University, Department of Defense and Strategic Studies; former Deputy Under Secretary of Defense for Policy and Assistant Secretary of Defense for Strategy, Plans, and Capabilities
- Dr. David Asher, Senior Fellow, Hudson Institute; former senior official, Department of State
- Ms. Jennifer Bradley, Senior Deterrence Analyst, Plans and Policy Directorate, United States Strategic Command; doctoral student in the graduate Defense and Strategic Studies Program, Missouri State University
- Mr. Dean Cheng, Senior Research Fellow, Chinese Political and Security Affairs, The Heritage Foundation
- Mr. Elbridge Colby, Principal at the Marathon Initiative; former Deputy Assistant Secretary of Defense for Strategy and Force Development
- Amb. Joseph DeTrani, Sandia National Laboratories Board of Managers; former Director of the National Counterproliferation Center and the Special Envoy for Negotiations with North Korea
- Mr. Richard Fisher, Senior Fellow, Asian Military Affairs, for the International Assessment and Strategy Center
- Mr. Davis Florick, doctoral student in the graduate Defense and Strategic Studies Program, Missouri State University
- Hon. Christopher Ford, Visiting Fellow, Stanford University, Hoover Institution; former U.S. Assistant Secretary of State
- Mr. Heino Klinck, Principal at Klinck Global LLC; former Deputy Assistant Secretary of Defense for East Asia
- Dr. Matthew Kroenig, Director of Studies and Deputy Director, Scowcroft Center for Strategy and Security, Atlantic Council
- Dr. Andrew May, Associate Director of the Office of Net Assessment
- Dr. Jared Morgan McKinney, Chair, Strategy and Security Studies, Global College of Professional Military Education, Air University
- Hon. Victorino Mercado, CEO, Victory Strategies LLC; former Assistant Secretary of Defense for Strategy, Plans, and Capabilities and Deputy Assistant Secretary of Defense for Plans and Posture
- Dr. Brian Radzinski, Research Fellow, Center for Global Security Research, Lawrence Livermore National Laboratory
- Dr. Brad Roberts, Director, Center for Global Security Research, Lawrence Livermore National Laboratory; former Deputy Assistant Secretary of Defense for Nuclear and Missile Defense Policy
- Mr. Chad Sbragia, Research Analyst, Institute for Defense Analyses; former Deputy Assistant Secretary of Defense for China
- Dr. Mark Schneider, Senior Analyst, National Institute for Public Policy; former senior official, Department of Defense and Department of State
- Dr. William J. Schneider, Jr, former Under Secretary of State for Security Assistance, Science, and Technology and Associate Director for National Security and International Affairs at the Office of Management and Budget
- Hon. Randall Schriver, Chairman of the Board, Project 2049 Institute; former Assistant Secretary of Defense for Indo-Pacific Security Affairs
- Mr. Derek Scissors, Senior Fellow, American Enterprise Institute



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 21st 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.





APPENDIX D

Defending Taiwan: Defense and Deterrence

Christopher A. Ford

Executive Summary

The question of Taiwan’s “reunification” with the Chinese Mainland is one of enormous, and potentially existential, importance to the Chinese Communist Party (CCP). In the legitimacy discourse the CCP invokes to justify its own rule in Beijing, it is deeply threatening to the Party for any part of what is deemed to be “China” to remain outside its control. This threat is doubly great where, as with Taiwan, that remaining piece of “China” is a thriving democracy, the governance structure of which is antithetical to the CCP’s system of totalizing authoritarian control and the very existence of which challenges Party insinuations that democracy is unavailable or inappropriate for the Chinese people.

For these reasons, the CCP has spent many years preparing China – and its armed forces, the People’s Liberation Army (PLA) – to subjugate Taiwan by any means necessary, including force of arms. This objective is deemed essential to the CCP’s vision of China’s future, in which the country finally rights the wrongs said to have been inflicted upon it during China’s so-called “Century of Humiliation” by Western imperialists and Japan. In the CCP’s vision, China must restore itself to the status and glory of which such “humiliation” robbed it, not merely by seizing hegemonic control in the Indo-Pacific, but also by displacing the United States at the center of the broader international system. This vision, of course, is starkly incompatible with Taiwan’s continued political autonomy, its democratic governance, and its quasi-alliance with the United States.

To this end, Beijing has developed an impressive degree of military overmatch vis-à-vis the beleaguered democratic government in Taipei. To prepare for a potential invasion of Taiwan, the PLA has been augmenting its aerial and missile capabilities for long-range bombardment and building increasingly powerful amphibious warfare capabilities, naval infantry units, airborne troops, and logistics support capacities. It has also been using such assets to step up “grey zone” pressures against the island’s defenders through incessant threatening deployments of aircraft and naval vessels to the edge of Taiwan’s airspace and territorial waters. These pressures force Taipei’s much smaller forces to respond on an operational tempo that threatens to wear down their servicemembers and wear out their equipment, encourages Taiwan’s Ministry of Defense to spend money on low-volume, high-cost combatants that would be of questionable use in an actual invasion scenario, and potentially allows the initial wave of an actual attacking force to approach Taiwan without warning under the guise of being “just another” routine probe.

All this presents Taiwan’s defense planners with formidable challenges and has led some observers to question whether there is any hope of success against such odds. Yet the island has made some progress in recent years in acquiring the sorts of “asymmetric” anti-ship and anti-air missile systems and other capabilities that would help it present the PLA with an

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“anti-access/area denial” (A2/AD) problem in the Taiwan Strait analogous to the one with which the PLA itself seeks to present the United States in the Western Pacific. With such tools, Taiwan seeks to implement a so-called “porcupine” strategy of making a PLA invasion too costly to contemplate. Such ideas were, for instance, articulated in Taiwan’s Overall Defense Concept (ODC) of several years ago, and – while that specific term is apparently no longer used – these concepts retain some currency in the island’s continuing emphasis upon asymmetric procurements.

Taiwan still faces formidable challenges in terms of military manpower management, as well as defense budgets that were reduced for many years and have only recently begun to turn around. Even under the best of circumstances, moreover, the island has no chance of matching PLA expenditures and force levels. Taiwan’s acquisition of genuinely asymmetric capabilities pursuant to an ODC-style defense strategy is also challenged by the island’s need to provide at least some operational response to PLA “grey zone” pressures on the edges of Taiwan’s national jurisdiction, without which Taiwanese officials fear their island might be taken to have begun conceding to China the very territorial autonomy and sovereignty that it is the whole point of Taipei’s defense strategy to preserve.

This paper outlines the difficulties presented by these challenges, but nonetheless offers a perspective upon how to implement what Western strategists term a “denial” strategy whereby Taiwan’s leaders – in close cooperation with U.S. authorities, perhaps supported by those in other countries – can help make the island sufficiently “indigestible” to China in the event of conflict that deterrence has a chance to work indefinitely. Specifically, this paper contends that the “asymmetric” approach embodied in the ODC and of recent U.S. arms sales to Taiwan is fundamentally correct. A multi-layered deterrent and defensive system – including not just a dense network of A2/AD-focused anti-air and anti-ship missile systems, but also strong defenses ashore, including an innermost layer of distributed capabilities for guerrilla insurgency against occupying PLA forces – represents Taiwan’s best chance for a successful “porcupine” defense, and thus also for a strategy of deterring China by denying it the ability to have any confidence in being able to achieve its objectives.

This paper also argues that it may be feasible to complement the acquisition of more defensively-focused A2/AD systems with some of the more controversial long-range precision strike capabilities that Taiwan also now wishes to obtain – provided that buying such strike systems does not undermine efforts rapidly to expand more defensively-focused asymmetric tools, and that Taiwanese targeting with such weapons focuses not upon vague ambitions of “punishing” China for an attack but rather upon holding at risk the Mainland targets the PLA needs in order to dispatch and control an invasion armada and its associated aerial and missile campaign. The paper suggests, for instance, that U.S. Intelligence, Surveillance, and Reconnaissance (ISR) support could help meet the island’s needs without Taiwan having to expend ruinous portions of its modest defense budget on indigenous long-range ISR and targeting capabilities for long-range missiles. (Such collaboration would also have the added benefit of increasing the interoperability and effectiveness of Taiwanese and U.S. forces in the event of conflict.)

This paper also argues, however, that American leaders should be mindful of the legitimate challenges facing Taiwan’s defense planners in the face of PLA “grey zone” pressures, which are part of a broader CCP campaign against the island’s beleaguered democratic government pursuant to PLA “three warfares” concepts for combining political,

psychological, and legal pressures in support of overall military and strategic objectives. These “grey zone” challenges should be understood and acknowledged, and U.S. planners should work to find ways to help Taipei meet its needs here to the extent that this does not preclude a successful “porcupine” defense. Long-range air defense and anti-ship missiles, for instance, might help ease some of the pressure upon Taiwan’s legacy air and surface assets through the incorporation of such A2/AD systems – along with small and largely expendable uncrewed aerial and naval assets – into a system for tracking, ostentatiously warning, and potentially engaging intruders at the margins of Taiwan’s airspace and territorial waters. (This would have the additional benefit of turning the “grey zone” pressures to some degree back against the PLA, by transforming the PLA’s constant near-incursions into valuable daily training opportunities for the island’s defenders, making them expert at just the sort of anti-air and anti-ship fires they would employ in time of war.) If need be, United States and potentially other allied forces could also offer potent support for a “porcupine” defense of Taiwan through the provision of ISR and targeting support, cyber attack capabilities, long-range precision fires, logistics and combat resupply, and undersea capabilities to threaten or attrit PLA Naval assets both in the Taiwan Strait or engaged in blockade enforcement. Ultimately, such a “denial”-focused “porcupine” defense – combining high-technology asymmetric tools with “old-school” defensive preparations stretching from the shoreline back into the depths of Taiwan’s dense urban areas, jungles, and mountain terrain – represents Taipei’s best chance to deter, and if necessary, defeat, a PLA invasion.

It may not be possible to persuade the CCP to abandon its desire to subjugate Taiwan, for the Party’s domestic legitimacy narrative does not permit this, and any renunciation of “reunification” might threaten the CCP control of China itself. Nevertheless, precisely because the CCP feels its future to be almost existentially bound up with the “Taiwan question,” it is also the case that the Party cannot afford to fail in such an invasion, either. And this is perhaps the secret to implementing a “denial” strategy. A well-implemented collaborative Taiwan-U.S. “porcupine” is likely the best chance to persuade Beijing to display strategic caution and to defer such a war, at least “for now.” Specifically, an enduringly persuasive “porcupine” may open conceptual space for a sort of implied strategic “agreement to disagree” that does not “resolve” the Taiwan issue but that permits it to be managed in ways that preserve core equities for all parties. In such an arrangement, Beijing would preserve its “reunification is inevitable” position and political posture vis-à-vis Taiwan, but it would continue to postpone execution of invasion plans, in practice indefinitely. In return, the United States and Taiwan would work to ensure that the island remained “indigestible” on an ongoing basis, while also avoiding a situation in which Taiwanese officials risk unnecessarily forcing Beijing’s hand by declaring formal independence. Such an approach is not guaranteed to work, of course, but it seems the best course of action available.

Defending Taiwan

In a recent feature article, the *New York Times* warned that the island of Taiwan “has moved to the heart of deepening discord and rivalry between the two superpowers [of the United States and China], with the potential to ignite military conflagration and reshape the regional order,” and that “the balance of power around Taiwan is fundamentally shifting, pushing a

decades-long impasse over its future into a dangerous new phase.”¹ In light of such warnings, it is today more important than ever to understand the challenges and opportunities associated with defending Taiwan from potential attack by the People’s Republic of China (PRC) and its ever more powerful and threatening People’s Liberation Army (PLA).

This paper attempts to explore these issues in order to help inform U.S. leaders struggling with these issues. First, it looks at the huge importance ascribed to the “Taiwan question” by the Chinese Communist Party (CCP) that has ruled China since 1949, which has invested much of its domestic legitimacy narrative in a conceit of “reunification” bolstered by longstanding Chinese conceptions of political authority and nationalist aspiration. The paper then examines the formidable military capabilities that China brings to the table in trying to coerce “reunification” with Taiwan – or, failing that, potentially to bring this about by force – before thereafter looking at Taiwan’s own defense posture in response to such challenges, and some key debates over the nature and direction of that posture. The third and final portion of the paper explores these issues from the perspective of what American defense planners and diplomats can do to help Taiwan be better prepared for such travails, and thereby better deter Chinese aggression.

Taiwan and the Chinese Communist Party

Despite the fervor of its rhetoric about bringing about “reunification” with Taiwan, the CCP has never actually controlled that island. In fact, over the thousands of years of Chinese imperial history, *no* Chinese ever controlled Taiwan until loyalist forces from the remnants of the Ming Dynasty, defeated in China itself by an invading kingdom of foreign Manchu “barbarians,” fled there in the late 17th Century, taking over the island from the Dutch. The island – the name of which was formerly Formosa, from Portuguese sailors who labeled it *Ilha Formosa*, or “beautiful island” – did not pass under control of a Mainland-based Chinese dynasty until those Ming holdouts surrendered to the Qing Dynasty, as China’s new Manchu rulers came to style themselves after conquering the Chinese heartland.

Taiwan passed to Japanese control with the Treaty of Shimonoseki after the Sino-Japanese War of 1895, and did not return to Chinese rule until 1945, under the Republic of China (ROC) headed by Chiang Kai-Shek (a.k.a. Jiang Jieshi) and his Kuomintang Party (KMT). In 1949, however, the KMT reenacted the 17th Century flight of Ming remnants to Taiwan, setting up a Nationalist government-in-exile there upon their defeat by Mao Zedong and the CCP in the Chinese Civil War. Since the 1980s, the KMT’s one-party rule on Taiwan has been succeeded by a vibrant democracy, headed since 2016 by President Tsai Ing-wen of the Democratic Progressive Party.

But although the CCP has never controlled Taiwan, the Party has fixated upon the high-water mark of Qing territory as the standard against which modern Chinese should judge whether or not their country has achieved its full “reunification.” There is considerable irony in this nationalist fixation, of course, not merely because the Qing’s sprawling expanse is a

¹ Chris Buckley & Steven Lee Meyers, “Starting a fire’: U.S. and China Enter Dangerous Territory Over Taiwan,” *New York Times* (November 10, 2021), available at <https://www.nytimes.com/2021/10/09/world/asia/united-states-china-taiwan.html>.

standard set by foreign invaders who had occupied China and used its territory as a springboard for their own Manchu imperialism, but also because the Qing had through imperial conquest come to include lands such as those now constituting Xinjiang, Tibet, and Taiwan, which were *not* historically part of China and that had previously enjoyed independence. Yet the idea of so-called “reunification” with Taiwan has nonetheless acquired an almost talismanic importance in modern CCP propaganda.

Indeed, the CCP has made “reunification” a key plank of its own domestic political legitimacy narrative – the centerpiece of which is a vision of China seizing for itself the greatness, status, and role in the world of which Chinese nationalists feel it was robbed by malevolent Western and Japanese imperial powers in the 19th Century during China’s “Century of Humiliation” at foreign hands. Today, it is the lodestar of Chinese nationalist ambitions, and perhaps *the* defining element of the CCP’s legitimacy narrative, to bring about China’s “restoration” or “national rejuvenation.” And CCP propaganda has fixated to such a degree upon conquering Taiwan – as an indispensable part of this trajectory and China’s imagined destiny – that it is difficult to imagine any CCP ruler ever being able to claim that this “rejuvenation” has been full completed if Taiwan is *not* ruled from Beijing.

Needless to say, in this context, the existence of a separate, non-Communist, and functionally independent government² on Taiwan since Chiang fled from the Mainland in 1949 has made the island a powerful irritant to the CCP ever since. But Taiwan’s continued separate existence is, for the CCP, more than simply an inconvenience or an embarrassment; it is not merely an un-scratched itch for Beijing’s modern territorial self-aggrandizement.

More fundamentally, Taiwan’s continued existence is in important ways a powerful repudiation of the CCP’s legitimacy narrative even on the Mainland itself. The island’s success as a vibrant democracy in which Chinese-speaking people subject their rulers to accountability at the ballot box and periodically change leaders (and the ruling party) through free and fair elections stands as a potent rebuke for the CCP’s autocracy, also giving the lie to the Party’s racist and self-Orientalizing insinuations that such democracy is inappropriate or even impossible for Chinese people.

Within the framework of ancient Chinese concepts of political authority, moreover, Taiwan’s existence free of Beijing’s control also impugns the CCP’s legitimacy narrative by highlighting the self-defined *incompleteness* of the Party’s imperium, and hence implying some lack of political virtue that raises questions about its right to rule even in Beijing. In the juridical monism of traditional Chinese thinking – which powerfully shapes CCP conceptions today, despite the Party’s pretensions to modernity – it is the conceit of every dynasty that its political authority flows from its moral authority, and that it rose to power over its dynastic predecessor and any rival contenders precisely because of its surpassing virtue and their depravity. It also follows from such conceptions, however, that *defects* in political dominion signal some underlying defect in moral virtue, which in turn raises questions about the legitimacy of a dynasty as a whole.³

² President Tsai has declined *formally* to declare Taiwan independent, however, on the grounds that it doesn’t need to and already is: “We don’t have a need to declare ourselves an independent state,” she told the BBC. “We are an independent country already” *Quoted by* Stacey Chen, “China must ‘face reality’ of Taiwan’s independence: Taiwanese President Tsai Ing-wen,” *ABC News* (January 16, 2020), available at <https://abcnews.go.com/International/china-face-reality-taiwans-independence-taiwanese-president-tsai/story?id=68337284>.

³ See, e.g., Christopher A. Ford, *The Mind of Empire: China’s History and Modern Foreign Relations* (Lexington, Kentucky: University Press of Kentucky, 2010), at 29-38, 249-53, & 273-82.

This has important implications for the CCP today. As noted, where it is a foundational assumption – or at least propagandistic assertion – that political authority springs out of virtue, an incompleteness of authority implies some underlying failure of virtue. It is not merely that a “divided” China is assumed to be a “weak” China, and that “‘full reunification’ is a fundamental condition of national rejuvenation.”⁴ It is, furthermore, that for a dynasty to fail to unify the Motherland is for that dynasty to signal an underlying failure in its own virtue. In a culture in which it is the conceit of rulers that their political authority flows from their virtue – and in which territorial fragmentation and popular unrest have traditionally been taken to be manifestations of a dynasty’s loss of the “Mandate of Heaven” and right to rule – such an admission can be profoundly dangerous for the regime. The issue of Taiwan’s continued “independence” thus resonates powerfully within the Chinese socio-cultural context, with potentially existential implications for the CCP.⁵

CCP rulers were for many years grudgingly willing to put off resolution of the “Taiwan question” for so long as they saw little chance of successful reconquest, though for the reasons outlined above they never wavered in supporting the theoretical objective of eventual “reunification.” Under Hu Jintao and now especially Xi Jinping, however, Beijing has emphatically thrown aside Deng Xiaoping’s strategically cautious philosophy of “biding our time and hiding our capabilities.” Increasingly emboldened in its newfound economic weight, military power, and technological sophistication, the modern Chinese Party-State eschews “hide-and-bide” circumspection and today wears its strategic impatience on its sleeve.⁶

Xi has all but promised full “national rejuvenation” on his (now) indefinitely long-tenured watch, and has raised expectations for success at least by 2049, the centenary of the CCP’s seizure of power on the Mainland – a point at which a century of Party dictatorship will supposedly have righted the historical wrongs of the Century of Humiliation and returned China to its destined greatness at the center of the world-system.⁷

As the U.S. Defense Department (DOD) notes:

The PRC’s strategy aims to achieve ‘the great rejuvenation of the Chinese nation’ by 2049 to match or surpass U.S. global influence and power, displace U.S. alliances and security partnerships in the Indo-Pacific region, and revise the international order to be more advantageous to Beijing’s authoritarian system and national interests.⁸

⁴ U.S. Department of Defense, *Military and Security Developments Involving the People’s Republic of China 2021: Annual Report to Congress* (Washington, D.C.: DoD, 2021) [hereinafter “DOD 2021 Report”], at 3, available at <https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>.

⁵ See, e.g., Christopher A. Ford, *China Looks at the West: Identity, Global Ambitions, and the Future of Sino-American Relations* (Lexington, Kentucky: University Press of Kentucky, 2015), at 202.

⁶ See, e.g., Ford, *China Looks at the West*, *supra*, at 391-411.

⁷ See, e.g., generally, Assistant Secretary of State Christopher Ford, “Technology and Power in China’s Geopolitical Ambitions,” testimony to the U.S.-China Economic and Security Review Commission (June 20, 2019), available at <https://www.newparadigmsforum.com/p2399>; Christopher A. Ford, “Realpolitik with Chinese Characteristics: Chinese Strategic Culture and the Modern Communist Party-State,” in *Strategic Asia 2017-17: Understanding Strategic Cultures in the Asia Pacific* (Ashley Tellis, Allison Szalwinski, & Michael Wills, eds.) (Seattle, National Bureau of Asian Research, 2016), at 29-60.

⁸ DOD 2021 Report, *supra*, at iii; see also *id.* at 1.

This ambition is systemic and global in scope, and not merely regional. Yet the local problem of Taiwan stands conspicuously in the way of the CCP fulfilling its own grandiose narrative of itself. Taiwan, in other words, is a living, breathing, thriving repudiation of the CCP's claimed legitimacy, not just in the outside world but in China as well.

This, then, is the conceptual, historical, political, and philosophical backstory that gives the otherwise fairly small island of Taiwan such enormous importance for decision-makers in Beijing. In this context, it is hardly surprising that defense and national security strategy documents in the PRC have long emphasized that it is one of China's most important defense priorities to contain "Taiwan independence." According to the PRC's 2019 Defense White Paper, for instance:

The fight against separatists is becoming more acute. The Taiwan authorities, led by the Democratic Progressive Party (DPP), stubbornly stick to 'Taiwan independence' The 'Taiwan independence' separatist forces and their actions remain the gravest immediate threat to peace and stability in the Taiwan Strait and the biggest barrier hindering the peaceful reunification of the country.⁹

Chinese leaders, including Xi Jinping, have steadfastly refused to renounce the use of force to resolve the Taiwan issue.¹⁰ As the U.S. Department of Defense has recounted:

The circumstances under which the PRC has historically indicated it would consider the use force have evolved over time. These circumstances have included: Formal declaration of Taiwan independence; Undefined moves toward Taiwan independence; Internal unrest in Taiwan; Taiwan's acquisition of nuclear weapons; Indefinite delays in the resumption of cross-Strait dialogue on unification; and Foreign military intervention in Taiwan's internal affairs.¹¹

One way or the other, however, force is always held out as the ultimate guarantor of eventual "reunification." This position has even been codified in Chinese law,¹² in the form of Article 8 of the PRC's *Anti-Secession Law* of March 2005, which states that the PRC "shall" employ "non-peaceful means and other necessary measures" if "'Taiwan independence' secessionist forces ... cause the fact of Taiwan's secession from China," if "major incidents

⁹ "Full Text of 2019 Defense White Paper, 'China's Defense in the New Era'" (English & Chinese versions), (July 2019), available at <https://www.andrewerickson.com/2019/07/full-text-of-defense-white-paper-chinas-national-defense-in-the-new-era-english-chinese-versions/>.

¹⁰ See, e.g., Lily Kuo, "All necessary means: Xi Jinping reserve right to use force against Taiwan," *The Guardian* (January 1, 2019), available at <https://www.theguardian.com/world/2019/jan/02/all-necessary-means-xi-jinping-reserves-right-to-use-force-against-taiwan>.

¹¹ DOD 2021 Report, *supra*, at 115-116.

¹² One should not ascribe overmuch importance to the existence of "legal" rules in China. Under China's system, all state organs – including the PLA itself, which, formally speaking, is merely the "armed wing" of the CCP and not a Chinese *state* organ at all – work for the Party, the rules and principles of which are antecedent and superior to those of ordinary governance. See generally, e.g., Eleanor Albert, Lindsay Maizland, & Beina Xu, "The Chinese Communist Party," Council on Foreign Relations backgrounder (last updated June 23, 2021), available at <https://www.cfr.org/backgrounder/chinese-communist-party>. The PRC is thus best categorized as a "rule by law" rather than a "rule of law" country. See, e.g., "Rule of Law' or 'Rule by Law,'? In China, a Preposition Makes All the Difference," *Wall Street Journal* (October 20, 2014), available at <https://www.wsj.com/articles/BL-CJB-24523>. Nevertheless, the fact that the legitimacy of using force against Taiwan has been put into "legal" form is a notable signal of the Party's commitment to this idea.

entailing Taiwan's secession" occur, or if "possibilities for a peaceful reunification" are exhausted."¹³

With such objectives in mind, the People's Liberation Army (PLA) has made fighting in a Taiwan contingency – including against a "strong enemy" such as the United States that might choose to intercede on Taiwan's behalf – a significant focus of its modernization efforts and its training.¹⁴ To this end, the PLA has built for itself "a range of options for military campaigns against Taiwan, from an air and maritime blockade to a full-scale amphibious invasion to seize and occupy some or all of Taiwan or its offshore islands."¹⁵

Further, DOD notes:

The PLA continues to prepare for contingencies in the Taiwan Strait to deter, and if necessary, compel Taiwan to abandon moves toward independence. The PLA also is likely preparing for a contingency to unify Taiwan with the PRC by force, while simultaneously deterring, delaying, or denying any third-party intervention, such as the United States and/or other like-minded partners, on Taiwan's behalf.¹⁶

It is important to bear this overall context in mind when evaluating how Taiwan, perhaps acting together with its longtime strategic partner in the United States, might most effectively be able to deter or defend itself against attack from China.

This challenge is a formidable one not merely because of the sheer differences in size and military capacity between the PRC and Taiwan, but also because of the asymmetric stakes involved between Washington and Beijing on this issue. Simply put, the huge importance of the "Taiwan question" for the CCP creates a situation in which it is very likely that China would be "willing to bear much more suffering and risk to achieve its goals" in Taiwan¹⁷ than would the United States. This raw fact of asymmetric great power interest does not necessarily preclude either deterrence or defense – and indeed, as we will see, it may be possible to turn the potentially existential importance of Taiwan for the CCP into a source of advantage for Washington and Taipei – but it makes the challenge of defending Taiwan much more complicated and difficult.

Chinese Capabilities and Strategy

Overall Military Overmatch

The sheer scale of the modern Chinese military machine has become extraordinary, and while Beijing would not enjoy the luxury of being able to deploy all its muscle against Taiwan, the capabilities that it *could* perhaps make available for a Taiwan contingency are formidable. According to the U.S. Defense Department, the PLA's total manpower amounts to about two million personnel in the regular forces, of which some 975,000 belong to the

¹³ "Anti-Secession Law Adopted by NPC (full text)," as adopted by the 3rd Session of the 10th National People's Congress on March 14, 2005, reprinted in *Xinhua News Service* (March 14, 2005), at Art. 8, available at https://www.chinadaily.com.cn/english/doc/2005-03/14/content_424643.htm.

¹⁴ See, e.g., DOD 2021 Report, *supra*, at v, 30, & 45.

¹⁵ *Id.* at 115.

¹⁶ *Id.* at 99.

¹⁷ Elbridge A. Colby, *The Strategy of Denial* (New Haven: Yale University Press, 2021), at 92.

PLA Army itself. For its part, the PLA Navy has 355 ships – including 145 major surface combatants, largely modern multi-role platforms – and this figure is likely to grow to 420 ships by 2025 and 460 by 2030.¹⁸ Additionally, the PLA Air Force (PLAAF) and the aviation component of the PLA Navy (PLANAF) are together:

the largest aviation force in the region and the third largest in the world, with over 2,800 total aircraft (not including trainer variants or UAVs) of which approximately 2,250 are combat aircraft (including fighters, strategic bombers, tactical bombers, multi-mission tactical, and attack aircraft).¹⁹

The PLA's active forces, it is reported, now outnumber the total forces of Taiwan by a factor of 12 to one.²⁰

The PRC also possesses a huge arsenal of missiles – numbering at least a thousand²¹ – that are capable of precision strikes at various ranges, and that now include both a dual-capable (nuclear or conventional) DF-26 missile capable of conducting “precision land-attack and anti-ship strikes in the Western Pacific, the Indian Ocean, and the South China Sea from mainland China,”²² as well as the new DF-17 hypersonic glide vehicle (HGV) launched atop a medium-range ballistic missile (MRBM).²³ This arsenal, moreover, is backed up by an accelerating missile testing and training program in which, despite the global pandemic, the PLA Rocket Force launched more than 250 missiles in 2020 alone – more than the rest of the world combined.²⁴ Even leaving aside ship-based systems and counting only land-based missiles, the PLA is able to extend its anti-air missile coverage all the way across the Taiwan Strait and over much of the island itself, and is capable of anti-surface missile attacks far beyond Taiwan's eastern coastline.²⁵

Even allowing for Beijing's likely inability to concentrate *all* its force against Taiwan, the PLA's suite of capabilities seem well suited – by design – to a campaign plan that would involve: (a) mounting an overwhelming first strike with missile and air power to attrit and disorganize the island's defenders and push (and try to keep) U.S. forces out of the theater, followed by (b) the quick seizure of key Taiwanese territories by an aerial and amphibious invasion force and then (c) a tense standoff in which China would weather global economic sanctions and try to rely upon escalation risks and nuclear deterrence to dissuade the United States from trying to fight its way back into the area to help surviving Taiwanese forces liberate the occupied zones. In broad terms, some variation upon such a plan does indeed seem like Beijing's best chance to realize what Western strategists have described as a

¹⁸ DOD 2021 Report, *supra*, at v & 49.

¹⁹ *Id.* at vi.

²⁰ Lee Hsi-min & Eric Lee, “Taiwan's Overall Defense Concept, Explained,” *The Diplomat* (November 3, 2020), available at <https://thediplomat.com/2020/11/taiwans-overall-defense-concept-explained/>.

²¹ See, e.g., Michael O'Hanlon, “An asymmetric defense of Taiwan,” *Brookings Institution* (April 28, 2021), available at <https://www.brookings.edu/blog/order-from-chaos/2021/04/28/an-asymmetric-defense-of-taiwan/>.

²² DOD 2021 Report, *supra*, at 61.

²³ *Id.* at vii.

²⁴ *Id.* at 60 & 94; see also Steve Trimble, “USAF Secretary Warns of Revived 60-Year-Old Chinese Nuclear Weapon,” *Aviation Week & Space Technology* (September 27-October 10, 2021), at 32.

²⁵ DOD 2021 Report, *supra*, at 119 (map graphic of missile range rings).

Chinese *fait accompli* strategy²⁶ for destroying and subjugating the first and only successful fully democratic government yet established in the Chinese-speaking world.

“Grey Zone” Pressures

Well in advance of such a potential attack and invasion, moreover, the PLA’s numerical superiority has also opened up opportunities for peacetime pressure and strategic manipulation against Taiwan. PLAAF, PLANAF, and PLA Navy (PLAN) forces now regularly deploy in provocative thrusts that intrude into nearby waters and the island’s Air Defense Identification Zone (ADIZ), thus requiring responsive counter-deployments by Taiwanese forces, and then turn around – to date, at any rate – just before the point at which such intruders might be fired upon. In a significant escalation, the PLAN sent an aircraft carrier sailing through the Taiwan Straits for the first time in 2019, and ADIZ intrusions are now routine, reportedly occurring in some form nearly every day. (Over the course of just 10 months between September 2020 and July 2021, in fact, PLA aircraft sent 554 sorties into the ADIZ southwest of Taiwan.)²⁷

These provocative deployments likely have at least four purposes. First, they allow the PLA to take advantage of its numerical superiority to wear out Taiwan’s defenders by forcing them to react to such intrusions on an operational tempo that may eventually prove unsustainable for the island’s much smaller forces. In effect, as the Ministry of Defense in Taipei has warned, these pressure tactics force the Taiwanese to “consume our combat power” on endless responsive patrolling, wearing down service members and their equipment in ways likely to make them less capable in an actual fight.²⁸

Second, the burdens imposed by PLA deployments encourage Taiwan to take the operationally easier option of *not* responding to such routine intrusions, thus potentially creating a symbolic and political victory for Beijing by normalizing PLA operations in areas Taiwan has long claimed to be its own responsibility. This would, of course, be depicted by Beijing as a concession to China on territorial claims, and might be seen both in Taiwan and farther afield as representing a commencement of the island’s retreat from defending one of the central attributes and prerogatives of a sovereign state: its territorial integrity.²⁹ This is

²⁶ See Elbridge A. Colby, *The Strategy of Denial* (New Haven: Yale University Press, 2021), at 119-20, 144-46, & 152 (describing *fait accompli* strategy as China’s best chance of seizing control of Taiwan); see also, e.g., Chris Dougherty, Jennie Matuschek, & Ripley Hunter, “The Poison Frog Strategy: Preventing a Chinese *Fait Accompli* Against Taiwanese Islands,” *CNAS* (October 2021), at 5 (describing risk of Chinese *fait accompli*), available at https://s3.us-east-1.amazonaws.com/files.cnas.org/documents/TaiwanWargameReport_Formatted-1-1.pdf?mtime=20211025143441&focal=none; Aaron Friedberg, “What’s at Stake in the Indo-Pacific,” *Proceedings* (October 2021), at 52, 55-56 (describing likely PLA “theory of victory”).

²⁷ See Republic of China Ministry of National Defense, *ROC National Defense Report 2021* (Taipei: 2021) [hereinafter “ROC MinDef 2021 Report”], at 45 & 61, available at <https://www.ustaiwandefense.com/tdnswp/wp-content/uploads/2021/11/Taiwan-National-Defense-Report-2021.pdf>; “Too close for comfort,” *The Economist* (October 9, 2021), at 41.

²⁸ ROC MinDef 2021 Report, *supra*, at 54; see also, e.g., David Lague & Maryanne Murray, “War Games: T-Day – the Battle for Taiwan,” *Reuters* (November 5, 2021) (noting that the PLA’s “almost daily campaign of intimidating military exercises, patrols and surveillance that falls just short of armed conflict ... has the potential to grind down Taipei’s resistance”), available at <https://www.reuters.com/investigates/special-report/taiwan-china-wargames/>.

²⁹ *Cf.*, e.g., Montevideo Convention on the Rights and Duties of States (December 26, 1933) (entered into force December 26, 1934) [hereinafter “Montevideo Convention”], at Arts. 1 (“The state as a person of international law should possess the following qualifications: (a) a permanent population; (b) a defined territory; (c) government; and (d) capacity to enter

what Taiwan's Ministry of Defense refers to as China "attempt[ing] to alter or challenge the status quo in the Taiwan Strait to ultimately achieve its goal of 'seizing Taiwan without a fight.'"³⁰

Third, such intrusions serve to "soften up" Taiwan psychologically, making its military so accustomed to seeing significant numbers of advancing PLA forces *almost* cross into Taiwan's territorial waters and airspace that the defenders might be taken by surprise when someday these forces do *not* turn around and instead participate in a first wave of aerial assaults. Taiwan's defense strategy has for many years relied upon developing and maintaining long-range surveillance and early-warning capabilities to give as much notice as possible of a Chinese attack in order maximize defenders' ability to disperse mobile assets, mobilize reserve forces, activate civil defense procedures, and in various other ways prepare themselves.³¹ The PLA's campaign of nonstop aerial and maritime incursions increases the odds of at least partly circumventing this defensive planning by allowing the first elements of an attacking force to approach by "hiding in plain sight," as it were, under the guise of being no more than just another exercise.³²

Fourth and finally, the PLA's territorial pressure tactics may serve a broader strategic purpose, as a cost-imposition strategy and technique of strategic military misdirection. Significantly, the types of forces upon which Taiwan relies in responding to the constant barrage of PLAAF, PLANAF, and PLAN incursions are in many respects very *different* forces than those that would be most useful in actually attriting an incoming amphibious armada, fighting a PLA invasion force on Taiwan's beaches, or conducting a guerrilla insurgency against Chinese occupiers in the cities, jungles, and mountains of Taiwan's interior.

Responding to territorial patrol needs offshore in reaction to incoming PLA aircraft or naval assets is a job for large naval surface combatants, coast guard patrol vessels, and high-end aircraft such as Taiwan's recently refurbished American-made F-16 fighters. These assets, however, are not merely less likely to be of use against a full-scale Chinese invasion – or, if useful, not to remain so for very long before themselves becoming casualties. They are also quite expensive, particularly compared to the sort of "low-end" capabilities that *would* be more likely to make an attempted PLA invasion and continued occupation of the island into a "truly awful mess."³³ In this sense, the PLA's campaign of incursions also serves strategic purposes by giving Taiwan incentives to spend as much as possible of its sharply limited supply of defense funding on military assets that today's technologically sophisticated PLA does not particularly fear, and of which Taipei could never really afford very many in the first place.

into relations with the other states.") & 11 ("The territory of a state is inviolable and may not be the object of military occupation nor of other measures of force imposed by another state directly or indirectly or for any motive whatever even temporarily."), available at <https://www.jus.uio.no/english/services/library/treaties/01/1-02/rights-duties-states.xml>.

³⁰ ROC MinDef 2021 Report, *supra*, at 45.

³¹ See, e.g., Zeno Leoni, "Taiwan: How the 'porcupine doctrine' might help deter armed conflict with China," *The Conversation* (October 7, 2021), available at <https://theconversation.com/taiwan-how-the-porcupine-doctrine-might-help-deter-armed-conflict-with-china-169488>.

³² See, e.g., "Too close for comfort," *supra*, at 41.

³³ See, e.g., Christopher Ford, "A 'People's War' Against the People's Republic," *The SCIF* (October 5, 7, & 11, 2021), available at <https://www.newparadigmsforum.com/a-people-s-war-against-the-people-s-republic-deterring-an-invasion-of-taiwan-in-three-parts>.

A Potential Invasion Force

In the event of an actual invasion, the PLA would have some important capabilities upon which it could rely. It has been working for years to improve its amphibious warfare abilities, and U.S. Defense Department sources say that China now has 12 units organized and equipped to conduct amphibious operations, and has fielded new equipment designed specifically for such work. The PLA has also “made efforts to improve its ability to insert forces by air, restructuring the PLA Army’s Airborne Corps and establishing Army air assault units, which would seize key terrain and interdict Taiwan counterattacks.”³⁴

According to DOD, the PLA Navy’s Marine Corps (PLANMC) has expanded to eight brigades and has recently been working toward fully equipping and training its four newly established maneuver brigades, a special operations brigade, and a helicopter-based aviation brigade. For its part, the PLA Army (PLAA) has its own aviation and air assault brigades, which are reported to have “conducted significant training throughout 2020 – some [exercises] directly supporting a Taiwan scenario and others that improve skill sets necessary for a cross-sea invasion,” since “supporting a Taiwan operation is a high priority for the Army.” The PLAAF also has an Airborne Corps, which includes six identified airborne combined-arms brigades.” In 2015, moreover, the PLA also established a Joint Logistics Support Force (JLSF), likely in part with an eye to trying to meet the considerable logistical challenges of supporting a Taiwan campaign.³⁵

In order to help get such a force to Taiwan, the PRC has been acquiring more ocean-going amphibious platform docks (LPDs) and flat deck landing helicopter assault ships (LHAs), and launched a new *Yushen*-class LHA (Type 075) vessel in 2019 and again in 2020. (The DOD describes these vessels as “highly capable large-deck amphibious ships that will provide the PLAN with an all-aspect expeditionary capability.”) The PLAN also has seven *Yuzhao*-class amphibious transport docks (LPDs) (Type 071), with an eighth ship likely to enter service soon. The *Yushen* and *Yuzhao* can each carry several of the new *Yuyi*-class air-cushion medium landing craft and “a variety of helicopters, as well as tanks, armored vehicles and PLAN marines for long-distance deployments.”³⁶

To be sure, mounting an invasion of Taiwan would be an extraordinarily difficult undertaking. From a military perspective, a combined-arms amphibious campaign against a large target such as Taiwan – across a sizeable expanse of water, onto a limited number of well-defended beaches or alternative landing points, and into an island consisting largely of dense urban areas backed by upland jungles and mountains – would be a technically demanding operation of the highest order.³⁷ It has also been reported that the PLANMC’s reform and modernization effort has been going more slowly than Beijing had hoped, and that the PLA “rarely conducts amphibious exercises involving echelons above a battalion,

³⁴ DOD 2021 Report, *supra*, at 120.

³⁵ *Id.* at 51-53, 120, 119, 58, & 118.

³⁶ *Id.* at 120-21, 48, & 51.

³⁷ See, e.g., *id.* at 117 (“Large-scale amphibious invasion is one of the most complicated and difficult military operations, requiring air and maritime superiority, the rapid buildup and sustainment of supplies onshore, and uninterrupted support.”).

although both PLAA and PLANMC units have emphasized the development of combined-arms battalion formations since 2012.”³⁸

The U.S. DOD seems to think that China’s amphibious warfare capabilities are not yet quite up to par for a full-scale Taiwan invasion, with its most recent report on PRC military power noting that the PLA’s amphibious-lift capacities still seem more tailored to “a near term focus on regional and eventually global expeditionary missions ... than the large number of landing ship transports and medium landing craft that would be necessary for a large-scale direct beach assault.”³⁹ All in all, DOD’s 2021 assessment of PLA amphibious capabilities is thus a mixed review:

There is also no indication the PRC is significantly expanding its force of tank landing ships (LSTs) and medium sized landing craft at this time – suggesting a traditional large-scale direct beach-assault operation requiring extensive lift remains aspirational. Although the PLAN has not invested in the large number of landing ships and medium landing craft that outsiders believe the PLA would need for a large-scale assault on Taiwan, it is possible the PLA assess it has sufficient amphibious capacity and mitigated shortfalls through investments in other operational modalities able to bring forces onto Taiwan such as the PLA’s rapidly expanding fleet of rotary-wing assets. The PLA may also have confidence in the PRC’s shipbuilding industry’s massive capacity to produce the necessary ship-to-shore connectors relatively quickly.⁴⁰

From the outside observer’s perspective, it is thus hard to know whether these PLA units are yet up to the task of a full-scale invasion of Taiwan – and, though China’s capabilities have clearly been improving steadily with just such a scenario in mind, they may well *not* be.

Complicating the picture further, however, some observers have warned that the U.S. military’s focus upon whether or not the PLA is capable of a “direct beach assault”⁴¹ on a full Taiwanese scale could be misleading. As one Western journalist has somewhat acidly pointed out, for instance, “LSTs aren’t the only way to land tanks,” and that “the PLA probably *won’t* stick to the beaches”:

Anticipating a firepower disadvantage in a traditional beach-assault, the Chinese military has been mulling indirect invasion strategies, whereby Chinese forces overtly or covertly gain control of Taiwanese ports – and then use commercial vessels to ferry in troops and tanks.

The port-first strategy, while risky, allows the PLA to move more forces, faster. Where the PLAN’s amphibious ships together can transport fewer than 400 tanks, a flotilla of commercial ferries and roll-on/roll-off ships could move potentially *thousands* of vehicles, including tanks.

Chinese law allows the PLA to commander thousands of civilian vessels. The most potent of these, for invasion purposes, might be car ferries. The Bohai Ferry Group alone operates 11 ferries, each of which can haul between 200 and 300 vehicles [...

³⁸ *Id.* at 52 & 120.

³⁹ *Id.* at 120-21.

⁴⁰ *Id.* at 121.

⁴¹ *Id.* at 120.

and] [t]he PLA actively has been modifying Chinese-flag commercial vessels with new heavy-duty ramps and other enhancements that make them more suitable for military roles.⁴²

To be sure, even though Chinese civilian vessels have shown themselves scofflaw enough to switch off their mandatory positional beacons whenever this seems expedient,⁴³ mobilization of such a large civilian-military invasion fleet would likely be visible ahead of time, giving Taiwanese and American commanders some warning of the coming storm. (As discussed below, moreover, the full-scale invasion that such a civilian-military flotilla might support is not the only scenario that might be envisioned for a Chinese attack on Taiwan.) Nevertheless, the verdict on the PLA's ability to mount a full-scale invasion of the island remains ambiguous, though even here its capabilities seem to be growing and maturing rapidly. Few observers doubt, however, the PLA's capability to subject Taiwan to a devastating rain of missile and aerial attacks, nor to mount a *de facto* naval blockade, nor even the possibility of PLA forces being used to seize at least *some* key Taiwanese locations for potential bargaining purposes – *e.g.*, to compel negotiations over the island's accession to the PRC – as part of a *fait accompli* strategy.

Taiwan's Strategy

Two decades ago, it was possible to look at the cross-Strait military balance with a degree of optimism. It was then the case, for instance, that Taiwan's inventory of combat aircraft "enjoye[ed] substantial qualitative superiority over their [PLA] adversary" and that "[o]nly a small percentage of the PLAN's surface combatants are ocean-going, blue-water capable ships" and were on the whole unable to "enforce a blockade of even one of Taiwan's two main ports, much less to carry out a successful quarantine of the island." Even at that point, however, it seemed clear that "Taiwan's 'window of invulnerability' is gradually closing" and that before too long "the conventional force balance between the two [adversaries] will tip in China's favor."⁴⁴

Today, such assumptions clearly no longer hold, and such tipping has indeed occurred. Even though – as we have seen – it is not yet clear how well PRC capabilities stack up against the formidable combined-arms challenges of a full-scale amphibious assault over Taiwan's beaches, the beleaguered island democracy now enjoys neither a quantitative *nor* a qualitative military advantage.

Equipment and Manpower

To be sure, Taiwan has in recent years *begun*, with U.S. help, to make some moves to redress this imbalance – or at least to slow the rate at which it has been falling behind – with a

⁴² David Axe, "The Taiwanese Army Has More Tanks Than a Chinese Invasion Force Does – Until China Captures A Port," *Forbes* (June 29, 2021), available at <https://www.forbes.com/sites/davidaxe/2021/07/29/the-taiwanese-army-has-more-tanks-than-a-chinese-invasion-force-does-until-china-captures-a-port/?sh=5fdda3b7477d>.

⁴³ See, *e.g.*, Joshua Goodman, "Great Wall of Lights: Chinese sea power on Darwin's doorstep," *AP News* (September 24, 2021), available at <https://apnews.com/article/china-oceans-overfishing-squid-294ff1e489589b2510cc806ec898c78f>.

⁴⁴ David Shambaugh, "A Matter of Time: Taiwan's Eroding Military Advantage," *Washington Quarterly* (Spring 2000), at 119 & 121.

particular focus upon capabilities that could be valuable in fighting a PLA invasion. Much of this movement has occurred with American help and assistance. In 2019, for instance, the Trump Administration approved the sale of advanced U.S. Abrams tanks to Taiwan,⁴⁵ a weapon system which was intended to enable Taiwan to replace some of the oldest tanks in its armored units and help defenders “strike back against Chinese invasion troops landing on Taiwan’s beaches,” the first wave of whom, at least, would likely be “lightly armed.”⁴⁶

In 2020, U.S. officials also green-lighted Taiwan’s purchase of hundreds of surface-launched anti-ship Harpoon Block II missiles and associated launching equipment, as well as “weapons ready” Predator MQ-9 drones capable of carrying missiles that could be used against landing vessels in an invasion fleet or PLA targets in a beachhead combat environment.⁴⁷ Such acquisitions should increase the challenges facing Chinese military planners, whose forces might thereafter have to “fight [their] way through deep, overlapping missile kill-zones before [they] could land troops on Taiwan’s beaches.”⁴⁸

The Americans also agreed in 2020 to provide Taiwan with additional Mk-48 heavy torpedoes, and to repair and recertify Taiwan’s U.S.-made Patriot surface-to-air (SAM) missiles, capabilities which should enable the ROC’s navy more effectively to target PLAN vessels and its army to defend Taiwan’s airspace.⁴⁹ In 2021, moreover, the Biden Administration approved the sale of U.S.-made Paladin self-propelled artillery, as well as kits with which to upgrade 155mm artillery shells with precision guidance capability.⁵⁰

Such acquisitions clearly are moves likely to improve the island’s defenses. And though Taiwan has ended its system of national conscription and had been reducing its defense

⁴⁵ U.S. Defense Security Cooperation Agency (DSCA), “Taipei Economic and Cultural Representative Office in the United States (TECRO) – M1A2T Abrams Tanks and Related Equipment and Support,” transmittal 19-22 (July 8, 2019), available at <https://www.dsca.mil/press-media/major-arms-sales/taipei-economic-and-cultural-representative-office-united-states-9>.

⁴⁶ Axe, “The Taiwanese Army Has More Tanks Than a Chinese Invasion Force Does,” *supra*.

⁴⁷ DSCA, “Taipei Economic and Cultural Representative Office in the United States (TECRO) – RGM-84L-4 Harpoon Surface Launched Block II Missiles,” transmittal 20-68 (October 26, 2020), available at <https://www.dsca.mil/press-media/major-arms-sales/taipei-economic-and-cultural-representative-office-united-states-17>; DSCA, “Taipei Economic and Cultural Representative Office in the United States (TECRO) – MQ-9B Remotely Piloted Aircraft,” transmittal 20-74 (November 3, 2020), available at <https://www.dsca.mil/press-media/major-arms-sales/taipei-economic-and-cultural-representative-office-united-states-18>; Matthew Lee, “U.S. approves armed MQ-9B drones purchase by Taiwan,” *Associated Press* (November 4, 2020), available at <https://www.defensenews.com/unmanned/2020/11/04/us-approves-armed-mq-9b-drones-purchase-by-taiwan/>; DSCA, “Taipei Economic and Cultural Representative Office in the United States (TECRO) – AGM-84H Standoff Land-Attack Missile-Expanded Response (SLAM-ER) Missiles,” transmittal 20-69 (October 21, 2020), available at <https://www.dsca.mil/press-media/major-arms-sales/taipei-economic-and-cultural-representative-office-united-states-16>. (By way of full disclosure, the author of this paper approved these sales when fulfilling the duties of the U.S. Under Secretary of State for Arms Control and International Security in 2020.)

⁴⁸ David Axe, “To Invade Taiwan, A Chinese Fleet Might Have To Sail Through 400 Harpoon Anti-Ship Missiles,” *Forbes* (October 29, 2020), available at <https://www.forbes.com/sites/davidaxe/2020/10/29/to-invade-taiwan-a-chinese-fleet-might-have-to-sail-through-400-harpoon-anti-ship-missiles/?sh=648390f071b6>.

⁴⁹ DSCA, “Taipei Economic and Cultural Representative Office in the United States (TECRO) – Mk 48 Mod 6 Advanced Technology (AT) Heavy Weight Torpedo (HWT),” transmittal 20-07 (May 20, 2020), available at <https://www.dsca.mil/press-media/major-arms-sales/taipei-economic-and-cultural-representative-office-united-states-12>; DSCA, “Taipei Economic and Cultural Representative Office in the United States (TECRO) – Repair and Recertification of Patriot Advanced Capability-3 Missiles,” transmittal 20-24 (July 9, 2020), available at <https://www.dsca.mil/press-media/major-arms-sales/taipei-economic-and-cultural-representative-office-united-states-13>. (The author approved these sales as well.)

⁵⁰ DSCA, “Taipei Economic and Cultural Representative Office in the United States (TECRO) – 155mm M109A6 Paladin Medium Self-Propelled Howitzer System,” transmittal 21-44 (August 4, 2021), available at <https://www.dsca.mil/press-media/major-arms-sales/taipei-economic-and-cultural-representative-office-united-states-20>.

budgets since 1990,⁵¹ the stepped-up campaign of Chinese territorial pressures and provocations that began in 2019 seem to have gotten the attention of ROC legislators. In August 2019, it was announced that Taiwan's defense budget would be increased by 5.2 percent (to the equivalent of about \$11.6 billion), and a year later that it would rise by a further 10 percent, increasing overall defense spending to more than two percent of gross domestic product.⁵² (By comparison, this two percent figure is significantly below that of the United States, but nonetheless at a level that many U.S. NATO Allies continue to fail to meet despite repeated promises to do so.⁵³) As the U.S. Defense Department has noted:

Taiwan is taking important steps to compensate for the growing disparities it has compared to the PLA, including building its war reserve stocks, growing its defense-industrial base, improving joint operations and crisis response capabilities, and strengthening its officer and noncommissioned officer corps.⁵⁴

All this, then, is certainly progress, though it is also true that Taiwan's military spending is still – and probably always will be – dwarfed by that of China, “which is more than fifteen times as great.”⁵⁵ As also observed by DOD, moreover, all the island's recent improvements still “only partially address Taiwan's defense challenges.”⁵⁶

Indeed, some commentators have harshly criticized Taiwan's defense planning in recent years for grave failures at the level of force planning and manpower management, especially in connection with the island's recent transition away from its longstanding tradition of military conscription. According to Taiwanese journalist Paul Huang, for instance:

Its front-line units are hollowed out, and the entire reserve system is so dysfunctional that few experts or serving military personnel believe it can make a real military contribution in the event of a war. ... [F]ew front-line units have more than 80 percent of their positions filled. ... The personnel shortfalls are a clear consequence of the ill-executed transition from conscription to an all-volunteer military over the past few years. ... The established practice of Taiwan's Reserve Command, according to [one source cited by Huang], is not to send reservists back to their previous units but to lump everyone together into the newly activated reserve infantry brigades that possess no specialty, no vehicles, and no equipment

⁵¹ Chin-Hao Huang & David C. Kang, “Beyond Military Deterrence: The Multidimensionality of International Relations in East Asia,” in *Cross-Domain Deterrence: Strategy in an Era of Complexity* (Jon R. Lindsay & Erik Gartzke, eds.) (Oxford: Oxford University Press, 2019), at 317, 332.

⁵² DOD 2021 Report, *supra*, at 122.

⁵³ In 2021, the United States was estimated to spend about 3.42 percent of GDP on defense, whereas Norway, Montenegro, the Slovak Republic, North Macedonia, Hungary, Turkey, Bulgaria, Portugal, Germany, the Netherlands, Albania, the Czech Republic, Denmark, Italy, Canada, Slovenia, Belgium, Spain, and Luxembourg (in that order) all spent less than two percent. NATO's official target has been two percent for many years. See NATO, “Defence Expenditure of NATO Countries,” Communiqué PR/CP (2021) 094 (June 11, 2021), at 3, available at https://www.nato.int/nato_static_fl2014/assets/pdf/2021/6/pdf/210611-pr-2021-094-en.pdf.

⁵⁴ DOD 2021 Report, *supra*, at 122.

⁵⁵ Michael O'Hanlon, “An asymmetric defense of Taiwan,” *Brookings Institution* (April 28, 2021), available at <https://www.brookings.edu/blog/order-from-chaos/2021/04/28/an-asymmetric-defense-of-taiwan/>.

⁵⁶ DOD 2021 Report, *supra*, at 122.

except rifles (often older types) and are led by called-up reservist officers who have little experience commanding such ad hoc units.⁵⁷

Even the generally less scathing U.S. DOD has noted that:

The PRC's multi-decade military modernization effort continues to widen the capability gap between the PLA and Taiwan's military.... The unanticipated magnitude of transition costs [in moving to an all-volunteer force] has led Taiwan to divert funds from foreign and indigenous defense acquisition programs, as well as near-term training and readiness. Taiwan also faces considerable equipment and readiness challenges.⁵⁸

Defense Strategy

More broadly, the conceptual contours of Taiwan's defense strategy have been the subject of much debate. As we have seen, after decades in which Taipei could plan on using technologically superior, American-supplied equipment to offset the PLA's longstanding numerical advantages and "counter an invasion force by meeting and defeating it head-on,"⁵⁹ China's growing military power and sophistication have made that traditional approach untenable.

As the ROC has rethought its approaches to self-defense in light of China's growing power and renewed regional belligerence – first under Hu Jintao and now especially under Xi Jinping – a considerable degree of support has emerged for what Western analysts have termed a "porcupine strategy," that is:

an approach that seeks to exploit Taiwan's geographic and innovative advantages to create a painfully costly target for Beijing to seek to subdue. This approach moves Taiwan away from seeking to assert sea control, air superiority, and long-range strike capability toward an emphasis on preventing China's ability to occupy Taiwan with military force. In this concept, Taiwan forces would concentrate the battlefield on their geographic advantages by attacking invading forces at their points of maximum vulnerability near Taiwan's shores, rather than seeking to engage forces on the mainland or in the Taiwan Strait.⁶⁰

The clearest articulation of this approach took shape in what has become known as Taiwan's Overall Defense Concept (ODC). As some of its proponents have described it:

The ODC *redefines winning the war* as foiling the PLA's mission of successfully invading and exerting political control over Taiwan.... Taiwan's military must retain the ability to defend itself and strike back after the PLA conducts its missile, air-strike and cyber campaigns. Principles of force preservation include mobility,

⁵⁷ Paul Huang, "Taiwan's Military is a Hollow Shell," *Foreign Policy* (February 15, 2020), available at <https://foreignpolicy.com/2020/02/15/china-threat-invasion-conscription-taiwans-military-is-a-hollow-shell/>.

⁵⁸ DOD 2021 Report, *supra*, at 122.

⁵⁹ Michael A. Hunzeker, "Taiwan's Defense Plans Are Going Off The Rails," *War on the Rocks* (November 18, 2021), available at <https://warontherocks.com/2021/11/taiwans-defense-plans-are-going-off-the-rails/>.

⁶⁰ Ryan Hass, "Taiwan's leaders need to coalesce around a defense concept," *Brookings Institution* (November 1, 2021), available at <https://www.brookings.edu/blog/order-from-chaos/2021/11/01/taiwans-leaders-need-to-coalesce-around-a-defense-concept/>.

camouflage, concealment, deception, electronic jamming, operational redundancy, rapid repair[,] and blast mitigation.⁶¹

The ODC corresponds well with recent U.S. approvals of arms sales to Taiwan, as described above. It also fits cleanly into what American strategist Elbridge Colby has described as “a denial defense, or a strategy that seeks to deny China’s ability to use military force to achieve its political objectives,” such as “either by preventing China from seizing a target state’s key territory in the first place or by ejecting the invaders before they can consolidate their hold on it.”⁶²

The details of how the ROC has actually implemented the much-vaunted ODC, however, remain contentious. The Brookings Institution’s Ryan Hass, for instance, has written that “[t]he seemingly uneven follow-through by Taiwan’s Ministry of National Defense (MND) in implementing the defense concept ... has raised more questions than answers.”⁶³ For his part, George Mason University Professor Michael Hunzeker is less sparing, contending that the ODC has been “more popular with American analysts and officials than it [is] with currently serving Taiwanese generals and admirals,” and that Taiwan has badly fallen down in implementing it. According to Hunzeker:

Taiwan’s Ministry of National Defense has abandoned asymmetric defense reform in all but name and has not been reined in by President Tsai Ing-wen. Instead, the ministry is now planning to deter an invasion by threatening to retaliate with missile strikes against the Chinese homeland and by pitting Taiwanese units in direct combat against the vastly superior People’s Liberation Army. Moreover, the ministry has the audacity to tell American audiences that this dramatic shift is fully congruent with an asymmetric posture. ... The ministry’s preferred approach to defending Taiwan is unrealistic and destabilizing

Driven by personal animosity and the fact that true asymmetry undercuts the rationale for pursuing high-profile, high-prestige, and high-cost weapons, these military leaders and civilian enablers purged the Overall Defense Concept as soon as [ODC proponent Admiral] Lee [Hsi-min] retired. There are rumors that the ministry has even banned senior officers from using the term and that message has trickled down into the junior ranks. Notably, the term does not appear in either the 2021 *Quadrennial Defense Review* or the recently released *National Defense Review*

No matter how hard the Ministry of National Defense might try to convince American audiences otherwise, there is no hiding the fact that it is once again trying to replace its existing inventory of antiquated and hard-to-maintain legacy weapons with newer, shinier versions of the same.... Meanwhile, genuinely asymmetric

⁶¹ Lee Hsi-min & Eric Lee, “Taiwan’s Overall Defense Concept, Explained,” *The Diplomat* (November 3, 2020), available at <https://thediplomat.com/2020/11/taiwans-overall-defense-concept-explained/>. Retired Admiral Lee Hsi-min was chief of staff of the Republic of China Armed Forces from 2017 to 2019, and was instrumental in developing the ODC. He and co-author Eric Lee are currently with the Project 2049 Institute.

⁶² Colby, *supra*, at xv.

⁶³ Hass, *supra*.

capabilities, like the proposed fleet of 45-ton fast-attack missile boats, remain unfunded.⁶⁴

To be sure, even though the phrase “Overall Defense Concept” does seem to have slipped out of current usage, the Ministry of Defense’s most recent *Quadrennial Defense Review* nonetheless describes the development of “effective defensive capabilities with an asymmetric concept to deter the enemy’s military actions” as a key defense priority for Taiwan.⁶⁵ And, according to U.S. officials, Taiwan has indeed still been “developing new concepts and capabilities for asymmetric warfare.”⁶⁶ Yet Hunzeker is not wrong that much money and attention continues to be given to high-profile traditional conventional armaments, sums that necessarily can therefore not be spent on additional asymmetric capabilities.

Another controversial topic relates to Taiwan’s recent focus upon long-range strike capabilities. According to the ROC’s Ministry of Defense, Taiwan aims to “make use of long-range and multi-domain deterrence measures,” and lists long-range strike as its highest acquisitions priority (followed by counter-air and sea control capabilities).⁶⁷ Such long-range tools are envisioned as the initial layer of a “multi-layered defense in depth”⁶⁸ that begins on the *Chinese* side of the Taiwan Strait and hopes to help deter invasion by being able to threaten Mainland targets and impede invasion by attacking mobilization points, command-and-control centers, airfields, missile launch points, and other such targets. Here again, Western critics such as Hunzeker do not approve, arguing that:

Taiwan lacks the surveillance and targeting capabilities needed to accurately strike distant targets. Developing a full and robust ‘kill chain’ will take much longer — and cost more money — than simply buying more missiles. Survivability concerns also loom large, since China will try to preempt Taiwan’s missiles and the sensors and data links that enable them. Even those who think that missiles might make sense under certain, narrowly circumscribed conditions nevertheless still argue that they should be the ministry’s last priority, not its first. Common sense says that Taipei should find a way to survive a body blow from the Chinese before it worries about poking Beijing in the eye. After all, a long-range strike arsenal cannot compensate for the absence of a credible way to prevent Chinese invasion forces from quickly gaining control over Taiwan’s air, sea, and ground space.⁶⁹

Thus do debates bubble over the direction and effectiveness of Taiwan’s defenses and the United States’ potential role in supporting them, with some observers even drawing the conclusion that the island is fundamentally not defensible, and that Washington should

⁶⁴ Hunzeker, *supra*.

⁶⁵ Republic of China Ministry of National Defense, *2021 Quadrennial Defense Review* (Taipei: 2021) [hereinafter “ROC QDR”], at 18, available at <https://www.ustaiwandefense.com/tdnswp/wp-content/uploads/2021/03/2021-Taiwan-Quadrennial-Defense-Review-QDR.pdf>.

⁶⁶ DOD 2021 Report, *supra*, at 122.

⁶⁷ ROC QDR, *supra*, at 19 & 23.

⁶⁸ ROC QDR, *supra*, at 19.

⁶⁹ Hunzeker, *supra*.

therefore simply give up trying to help arm the beleaguered government in Taipei against attack and subjugation by the Chinese Party-State.⁷⁰

To this author's eye, some of the problems identified by Taiwan's contemporary Western critics in this regard seem quite real. The island's defense budget *is* only now just beginning to reverse years of unwise cuts, manpower issues *do* appear challenging (to put it delicately) in the wake of the transition to an all-volunteer force, and more *does* need to be done to equip Taiwan to attrit an invading force in Taiwan's littoral areas, on its beaches, and as it moves inland – and indeed ultimately to make the island and its population wholly “indigestible” to a PLA occupation force.⁷¹

It must also be acknowledged, however, that Taiwan *does* face challenging dilemmas and must balance important legitimate priorities. It is not, for instance, that the Ministry of Defense seeks high-end aircraft and large naval combatants simply as a manifestation of stereotypical “Third World” military acquisition priorities – namely, desiring such tools because these weapon systems are “cool” and because possessing this flashy gear makes military leaders feel important, irrespective of how effectively such systems can be used. As mentioned earlier, it is in fact part of China's strategy to confront Taiwan with a difficult choice between (a) equipping itself for and undertaking wearying everyday responses with high-end assets to PLAAF, PLANAF, and PLAN probes, and (b) buckling down for a close-in battle near, on, and beyond the beaches.

Of those two approaches, the latter course would certainly be more efficacious in actually fighting off an invasion, and thus presumably also in deterring one. Nonetheless, simply to *give up* on the former objective could be seen as a concession of Taiwanese sovereignty and a step in “normalizing” the symbolic subservience of Taiwan to the PRC and admitting the PLA's supposedly rightful freedom of action throughout the Sinosphere. Such symbolic concessions could have dangerous implications as Taipei seeks to maintain civilian morale and political support for a robust defense posture – as well as, now, a military force based upon volunteer service – against constant threats from a vastly more powerful adversary,⁷² to resist PRC efforts to bring about some kind of “permissive” accession to CCP control, and to carry out day-to-day diplomatic, political, military, and economic life in a geopolitical context that Beijing is doing everything it can to turn against Taiwan.

Taiwan's defense strategy must be understood, therefore, not merely in traditional, technical terms of “force-on-force” military effectiveness, but also in the context of China's broader ongoing campaign against the island democracy through the prism of the PLA's “three warfares” strategy of combining “psychological warfare, public opinion warfare, and legal warfare” in order to achieve strategic ends.⁷³ As explained by U.S. scholar Dean Cheng, the “three warfares” concept seeks to apply psychological, public opinion, and legal

⁷⁰ See, e.g., A. Trevor Thrall, Jordan B. Cohen, & Michael Klare, “New arms sales send the wrong signal on Taiwan,” *Defense News* (August 17, 2021), available at <https://www.defensenews.com/opinion/commentary/2021/08/17/new-arms-sales-send-the-wrong-signal-on-taiwan/>.

⁷¹ This author, for instance, has called for more emphasis upon “prepar[ing] Taiwan to put up an intolerable degree of irregular, non-conventional resistance to any PLA invasion and occupation.” Ford, “A ‘People's War’ Against the People's Republic,” *supra*.

⁷² Cf. Lee & Lee, *supra* (noting that “[t]he high visibility of conventional systems positively impacts Taiwanese morale and improves public confidence in the military”).

⁷³ DOD 2021 Report, *supra*, at 65.

pressures as part of an overall campaign of “informationized warfare” against an adversary’s leadership and population in order to “induc[e] the collapse of the opponent’s psychology and will.”⁷⁴ The PLA’s ongoing “grey zone” pressures against Taiwan must be seen in part through this prism.

This does not mean that actual ROC warfighting capabilities can be ignored – far from it! – but it does help explain some of the ambivalence critics have pointed out in Taiwan’s defense acquisition and military strategy vis-à-vis the conceptual clarity and military logic of the ODC. Taiwan’s leadership may not be getting the balance right, but it clearly *does* have to balance real defense equities that point in somewhat different directions. The Ministry of Defense clearly believes that maintaining *some* high-visibility, high-cost, low-volume assets is important to the ROC’s ability to maintain its peacetime juridical, political, and moral status (in the eyes both of the Taiwanese people and of the rest of the world) as a real country in the face of “three warfares” pressures, even if many of these assets would likely quickly succumb to PLA firepower in a full-scale conflict, and even if their expense reduces the degree to which Taipei can invest in more militarily-useful asymmetric capabilities.

As we will see below, there may indeed be room for the United States to work with Taiwan to find a more sustainable – and more genuinely militarily-effective – defense posture. One should not pretend, however, that Taiwan does not face a difficult balancing act here. Given that the United States itself often finds ruthless strategic prioritization quite difficult vis-à-vis China,⁷⁵ if we are to work successfully with leaders in Taipei to encourage them to strike a *better* balance than at present, we must start by understanding the challenges and tensions they face.

Possible Scenarios

As Elbridge Colby has observed, states approach issues of deterrence and strategy in part through a heuristic process of “imagined wars” – that is, they engage in ongoing calculations of how a conflict *would* go if it occurred.⁷⁶ Because states have good reason to care very much who would win in the event of war, such imaginings inform not just war planning itself, but also peacetime calculations about how much disagreeable behavior to tolerate from one’s potential adversary, when to press for additional concessions, and when to back down. The range of potential ways in which PLA military force could be employed against Taiwan has been outlined both in recent media analyses⁷⁷ and at the unclassified level by the U.S.

⁷⁴ Dean Cheng, *Cyber Dragon: Inside China’s Information Warfare and Cyber Operations* (Santa Barbara, California: Praeger, 2017), at 40-42 & 45 & 48-50.

⁷⁵ Elbridge Colby, for instance, has made an articulate and impassioned case that in order to maximize Washington’s chances of success in implementing a successful “denial strategy” vis-à-vis Beijing, the United States must radically *de-prioritize* many non-China-related missions that we have traditionally given great importance. This would include, for instance, downgrading U.S. defense commitments in Europe and leaving our NATO allies largely to defend themselves against an increasingly predatory Russia. See Colby, *supra*, at 59, 273, 276, & 278-79. There is a real strategic logic to this argument, but there is as yet no sign that U.S. leaders will be willing to prune their non-PRC-focused priorities so pitilessly. In this context, Taiwanese leaders might perhaps find it somewhat churlish for Americans to berate them overmuch for an analogous lack of ruthlessness.

⁷⁶ Colby, *supra*, at 89.

⁷⁷ See, e.g., Lague & Murray, *supra*.

Department of Defense,⁷⁸ and although a detailed examination of these various conflict scenarios is beyond the scope of this paper, it is useful at least to mention them on account of their breadth and diversity.

Significantly, not all such possible scenarios actually involve the use of force to seize Taiwanese territory. Depending upon its assessment of Taipei's willingness and ability either to defend itself or to make conciliatory concessions, for instance, China might initiate a customs quarantine of the island, or a full maritime blockage – either of Taiwan itself or of outlying islands that it might wish to seize or intimidate Taiwan into ceding to the Mainland.

Such blockades might be purely “passive,” or they could be accompanied by air and missile strikes, electronic warfare (EW) and cyberattacks – perhaps on a very large scale – and campaigns of political subversion, against the rest of Taiwan in order to impede ROC efforts to break the PLA's stranglehold, to disorganize Taipei's leadership and the island's defenses, and to punish counterstrikes that defenders might make against besieging PLA assets and their bases or command-and-control networks. (Such scenarios obviously have considerable escalation risks, raising the possibility that a “lower” level of confrontation could quickly grow into an even more significant conflict.) Beijing's hope would presumably be that its military posture vis-à-vis Taiwan would deter involvement by U.S. forces and those of other countries, and that a prolonged blockade would be able to isolate and collapse the island's economy and “strangle Taiwan into capitulation, as Germany almost did twice against Britain in the world wars.”⁷⁹

A range of use-of-force options against the ROC beyond simply imposing some kind of blockade could include “a variety of disruptive, punitive, or lethal military actions in a campaign against Taiwan,”⁸⁰ including the possibility of seizing limited real estate such as the island territories of Kinmen, the Matsus, or the Pratas. At the high end of the spectrum, of course, would be a full-scale invasion. As the U.S. DOD notes:

Publicly available PRC writings describe different operational concepts for an amphibious invasion of Taiwan. The most prominent of these, the Joint Island Landing Campaign, envisions a complex operation relying on coordinated, interlocking campaigns for logistics, air, and naval support, and EW. The objective would be to break through or circumvent shore defenses, establish and build a beachhead, transport personnel and materiel to designated landing sites in the north or south of Taiwan's western coastline, and launch attacks to seize and occupy key targets or the entire island.⁸¹

All of these respective potential PRC approaches would naturally have their own costs and risks. A limited campaign such as a blockade or island seizure would certainly demonstrate PRC resolve vis-à-vis Taiwan. That said, that resolve, in truth, has never really been in doubt, and such aggression might as easily serve to galvanize Taiwanese anger and resistance as to cow its population into submissiveness. (The CCP's brutal recent crackdown

⁷⁸ See DOD 2021 Report, *supra*, at 116-117.

⁷⁹ Michael O'Hanlon, “An asymmetric defense of Taiwan,” *Brookings Institution* (April 28, 2021), available at <https://www.brookings.edu/blog/order-from-chaos/2021/04/28/an-asymmetric-defense-of-taiwan/>.

⁸⁰ DOD 2021 Report, *supra*, at 116-117.

⁸¹ DOD 2021 Report, *supra*, at 117.

in Hong Kong⁸² – demolishing its citizens’ remaining political freedoms and governmental autonomy in flagrant violation of Beijing’s promises that it would be possible to have “one country [with] two systems” – only accentuates this problem, highlighting the now inescapable fact that residents of Taiwan have no middle ground option, instead having to choose between resistance and complete submission to CCP tyranny.)

Such moves might also galvanize an expanded U.S. willingness to assist Taiwan, as well as demonstrate to other regional countries that Beijing really *is* an existential threat against which further defense collaboration with the United States is absolutely necessary⁸³ – as well as potentially catalyzing global economic sanctions campaigns against China. (To say the least, this would not necessarily conduce to Beijing’s net strategic advantage.) A full-scale invasion, moreover, would perhaps catalyze even more global resistance to China, as well as presenting potentially existential risks to the CCP in the event that such an invasion were perceived to fail.

Nevertheless, the prospect of a theoretical “resolution” to the “Taiwan question” is clearly very attractive to China’s leadership, and it might well gamble that Taiwan would seek political accommodation before such costs and risks became unmanageable. This places a premium, therefore, upon arranging circumstances in which such perceived political, economic, and operational military risks to the PRC – as understood from the CCP’s leadership compound at Zhongnanhai in Beijing – seem dangerously high.

Taiwan’s defense minister, Chiu Kuo-cheng, warned in October 2021 that China would be able to launch a full-scale attack on Taiwan with minimal losses by 2025.⁸⁴ That said, U.S. Chairman of the Joint Chiefs of Staff Milley has recently declared that while he did not expect China to attempt to seize Taiwan soon, in the event that it did try, “U.S. forces ‘absolutely have the capability’ to defend Taipei, ‘no question about that.’”⁸⁵ One hopes that Milley – and not Chiu – is correct. Nevertheless, it should clearly be the objective of U.S. and Taiwanese defense policy to ensure both that Beijing reaches Milley’s conclusion *and* that this is never felt *not* to be the case.

An Effective Response?

Military Needs versus the PLA

In raw military-technical terms, what Taiwan needs in the face of a potential PRC attack is, at this point, little mystery. The ROC requires “a ‘porcupine’ defense featuring sea mines, anti-ship missiles launched from shore batteries and helicopters, and concentrated resistance wherever China tries to come ashore.”⁸⁶ Such a “layered defense of sea mines and pre-deployed obstacles along with swarming fast-attack craft and missile assault boats” would attrit invaders approaching Taiwan’s shores, with “land-based precision-guided munitions and ground forces ... provid[ing] additional

⁸² See, e.g., Claire Moses, “China’s Crackdown on Hong Kong,” *New York Times* (June 23, 2021), available at <https://www.nytimes.com/2021/06/23/briefing/china-hong-kong-apple-daily-closure.html>.

⁸³ Colby, *supra*, at 94.

⁸⁴ Gordon Lubold, “U.S. Troops Have Been Deployed in Taiwan for at Least a Year,” *Wall Street Journal* (October 7, 2021), available at <https://www.wsj.com/articles/u-s-troops-have-been-deployed-in-taiwan-for-at-least-a-year-11633614043>.

⁸⁵ Ellen Mitchell, “Milley: US ‘absolutely’ could defend Taiwan from China,” *The Hill* (November 3, 2021), available at <https://thehill.com/policy/defense/579869-milley-us-absolutely-could-defend-taiwan-from-china>.

⁸⁶ O’Hanlon, *supra*.

firepower.”⁸⁷ This approach would leverage “highly mobile coastal defense cruise missiles, short-range air defense, naval mines, mobile artillery, advanced surveillance assets, and unmanned aerial and unmanned underwater vehicles”⁸⁸ to make the already staggeringly complicated operational challenges of large-scale amphibious warfare into ones that are – hopefully – an insuperable challenge for the PLA.

And indeed, this is very much the approach Taiwan spelled out for itself – at least for a time – in the Overall Defense Concept (ODC). The basic conceptual architecture of the ODC still seems militarily sound. As described in an article co-authored by one of the ODC’s principal Taiwanese proponents, Admiral Lee Hsi-Min:

Asymmetric platforms will elevate Taiwan’s warfighting capabilities, which will have a direct impact on deterrence against an invasion by the PLA. ... [A] balanced assortment of armaments that include cost-effective and sustainable asymmetric capabilities will complement existing traditional platforms; the acquisition focus will emphasize achieving operational outcomes.

The procurement of advanced unmanned aerial vehicles (UAVs) will significantly augment Taiwan’s target acquisition, early-warning[,] and tactical reconnaissance capabilities, as will mobile radar platforms. Large inventories of low-cost, short-range precision-guided munitions[,] and mobile coastal defense cruise missiles (CDCMs), including harpoon coastal defense systems (HCDS), can provide shore-based firepower support. Man-portable air-defense systems (MANPADS) and mobile anti-armor weapons, such as high mobility artillery rocket systems (HIMARS), can strengthen guerrilla warfighting capabilities. Stealth fast-attack crafts and miniature missile assault boats can be dispersed among fishing boats across the island’s over 200 fishing ports. Sea mines and fast minelaying ships can complicate enemy landing operations.⁸⁹

This has also been the view propounded by U.S. officials keen to support Taiwan’s development of a defensive posture that will deter PLA aggression. As one U.S. Defense Department official put it in 2019:

If the Overall Defense Concept is to remain Taiwan’s guiding framework and inform ... next steps, much remains to be done to ensure Taiwan strikes [the right] balance by fielding a combat credible force proficient in asymmetric warfare, force preservation, and littoral battle Taiwan cannot afford to overlook preparing for the one fight it cannot afford to lose. ... But to do so in a resource-constrained environment requires a strategy that reflects tough choices – not only on where and how Taiwan invests its defense dollars, but where and how it does not.

... In the face of an adversary that spends more, fields capabilities faster, and expresses a willingness to use force, Taiwan must employ a force that leverages its strengths in terms of geography, advanced technology, [a] highly skilled workforce, and [an] innovative and patriotic society, all while exploiting its adversary’s vulnerabilities. This means a distributed, maneuverable, and decentralized force – large numbers of small things – that can operate in a degraded electromagnetic environment and under a barrage of missile and air attacks

⁸⁷ Lee & Lee, *supra*.

⁸⁸ Hass, *supra*.

⁸⁹ Lee & Lee, *supra*.

These include highly-mobile coastal defense cruise missiles, short-range air defense, naval mines, small fast-attack craft, mobile artillery, and advanced surveillance assets, all of which are particularly well suited for Taiwan's geography and to the mission of island defense. Taiwan cannot match the PRC's defense spending, but it does not have to. Such systems are far less expensive to operate and maintain, and are more survivable, compared to more conventional platforms such as fighter aircraft or large naval vessels.⁹⁰

And indeed, on top of the aforementioned U.S. arms sales support Taiwan's honing of such asymmetric capabilities, American servicemembers *have* apparently been working with Taiwan to help implement such a vision. It was reported in October 2021, for instance, that a U.S. special operations unit and a contingent of U.S. Marines had been "secretly operating in Taiwan to train military forces there ... for at least a year."⁹¹ In fact, the United States is said to have "kept small contingents of troops on the island dating back to at least September 2008."⁹²

Interestingly, some of the conceptual elements that lie behind the ODC show intriguing parallels with ideas central to evolving doctrinal innovations that are coming to be embraced by the U.S. Marine Corps (USMC) and even by Japanese military planners.⁹³ The USMC's recent *Force Design 2030* document, for example, emphasizes the need for more expeditionary long-range precision fires: medium- to long-range air defense systems; short-range (point defense) air defense systems; and high-endurance, long-range unmanned systems with Intelligence, Surveillance, and Reconnaissance (ISR), Electronic Warfare (EW), and lethal strike capabilities.⁹⁴ These improved tools, it is said, would support the evolving Marine Corps concept of "Stand-In Forces," which is itself described as an offshoot of the USMC's Expeditionary Advanced Base Operations (EABO) concept emphasizing the generation of "technically disruptive, tactical stand-in engagements that confront aggressor naval forces with an array of low signature, affordable, and risk-worthy platforms and payloads."⁹⁵

Cutting through such unfortunate jargon, this concept apparently envisions the Marines' deployment of long-range anti-ship and anti-air missiles to islands far forward in the Western Pacific in order to present China with anti-access/area denial (A2/AD) problems in *leaving* China's immediate coastal areas that are analogous to those the PLA has itself been trying to create for United States forces trying to deploy *to* the Taiwan Straits and elsewhere in the region. One component of this nascent U.S. capability, for instance, is the Navy and Marine Corps Expeditionary Ship Interdiction System (NMESIS), which combines the sea-skimming Naval Strike Missile (NSM) with a low-profile and remotely-operated mobile vehicular launcher.⁹⁶ (It has even been suggested that forward-deployed USMC units with such capabilities could be at least partly resupplied via uncrewed underwater vehicles if PLA firepower makes surface and aerial efforts prohibitively risky.⁹⁷) While some authors have expressed skepticism that deployments by U.S. Marines to the "first island chain" would be enough, in themselves, to deter Chinese aggression against Taiwan,⁹⁸ the acquisition of a

⁹⁰ Principal Deputy Assistant Secretary of Defense David Helvey, keynote remarks to the U.S.-Taiwan Defense Industry Conference (October 7, 2019), at 1-3, available at https://www.us-taiwan.org/wp-content/uploads/2020/04/2019_october07_david_helvey_dod_keynote.pdf.

⁹¹ Lubold, *supra*.

⁹² Jack Detsch & Zinya Salfiti, "The U.S. Is Getting Taiwan Ready to fight on the Beaches," *Foreign Policy* (November 8, 2021), available at <https://foreignpolicy.com/2021/11/08/us-taiwan-military-presence-china-biden-porcupine/>.

⁹³ Cf. Friedberg, *supra*, at 57.

⁹⁴ U.S. Marine Corps, *Force Design 2030* (March 2020), at 2, available at <https://www.hqmc.marines.mil/Portals/142/Docs/CMC38%20Force%20Design%202030%20Report%20Phase%20I%20and%20II.pdf?ver=2020-03-26-121328-460>.

⁹⁵ *Force Design 2030*, *supra*, at 3.

⁹⁶ James Winnefeld, "NMESIS Now," *Proceedings* (November 2021), at 26 & 28.

⁹⁷ Karl Flynn, "Unmanned Vessels," *Proceedings* (November 2021), at 32-33 & 36.

⁹⁸ See, e.g., Friedberg, *supra*, at 52.

much denser and longer-ranged network of mobile and survivable anti-ship and anti-air A2/AD capabilities *by Taiwan itself* might in fact help do so.⁹⁹

Though the issue – as we have seen – remains somewhat controversial, there seems no reason that long-range strike capabilities against land targets could not also play a role in Taiwan’s suite of capabilities, provided that this is done with perspicacity. To be sure, the likely expense of a very large arsenal of long-range attack capabilities would surely indeed impose an opportunity cost in terms of foregoing the sorts of tools that might be more directly effective against an actual invasion or occupation force. Nevertheless, precision strike capabilities from mobile, survivable platforms that could be quickly and repeatably relocated between hide sites in Taiwan while still menacing a broad range of PLA targets – from bases on the Mainland to vessels transiting the Straits or conducting blockade operations around the island’s perimeter, and against beachhead PLA assembly points on Taiwan itself – would likely still contribute more to Taiwan’s defense in a full-scale war than the F-16s and large naval combatants that Hunzeker and others properly criticize as showy, expensive, and ineffective against PLA numbers and firepower.

Even so, however, caution is in order. It is unlikely that any arsenal of long-range missiles of a number and type that Taiwan is likely to end up possessing could, in itself, be able to inflict enough debilitating damage on China to compel it to abandon its hopes for “reunification,” or to call off an invasion once in progress. Instead, the Taiwanese approach to long-range strike should be to carefully integrate such tools into a “denial” strategy designed not to lay waste to things on the Mainland *per se* but rather simply to make it unfeasible for the PLA successfully to carry out the kind of massive combined-arms operation that it would need to subjugate Taiwan.

Especially when combined with exogenous (i.e., American) ISR and targeting support – of which more will be said below – a modest and potentially affordable suite of long-range land-attack missiles could help hold at risk a range of PLA command-and-control centers, logistical hubs, airfields, mobilization and disembarkation points, and other targets in ways that could further complicate the enormously difficult task of mounting an invasion. After all, in a Taiwan scenario, the military objective of a “denial” strategy would not be to defeat or suppress Chinese military power overall, but instead merely to impede the PLA’s ability to achieve its already hugely demanding operational requirements – e.g., effectively organizing, supplying, and commanding a huge invasion force, transitioning it across the Taiwan Strait under fire, seizing beachheads on the island in the face of strong opposition, fighting off any efforts at intervention by U.S. or other outside powers, and interdicting outside resupply of Taiwan defenders.¹⁰⁰

Finally, as the innermost layer of a layered defensive system designed to make Taiwan not just a “porcupine” if attacked but also thoroughly “indigestible” even if invaded, some strategists have further suggested that Taiwan should spend at least *some* of its defense energy and funding on preparing to conduct an effective guerrilla insurgency in the event that the PLA *does* manage to seize control of a substantial portion of Taiwanese territory. This author has argued, for instance, that:

We need... to turn Mao Zedong’s theories of ‘People’s War’ back against the People’s Republic of China (PRC).

⁹⁹ The fact that first-rate military powers such as the United States – and indeed China itself, as well as Russia – are investing in precision-strike missile capabilities may also help reduce the degree to which Taiwanese military leaders feel “prestige” attraction to traditional assets such as fighter jets and major surface combatants. Should current trends toward long-range precision fires and uncrewed air, surface, and subsurface assets continue among the world’s premier armed forces, traditional tools may seem less appealing. (Merely owning “legacy” equipment that is being superseded in the arsenals of the most sophisticated players is surely less “sexy” than being part of the cutting edge of military developments.)

¹⁰⁰ See, e.g., Colby, *supra*, at 127, 159-61 & 168-69.

Imagine, if you will, a security assistance program that helps Taiwan establish a network of hundreds (or thousands?) of clandestine arms caches all around the island – in densely-populated urban areas and rugged mountain fastnesses alike – brimming with supplies and equipment to help the Taiwanese people confront the PLA with its own debilitating, humiliating, and utterly unwinnable ‘Vietnam’ or ‘Afghanistan.’ These caches would contain the weaponry needed for Taiwanese irregular fighters to make the PLA’s life on the island a living hell: man-portable air defense systems; anti-tank guided missiles; anti-vehicular mines; sniper rifles and ammunition; and high-grade explosives and detonator/fusing kits to facilitate anti-PLA sabotage missions and improvised explosive device placements against an occupying force.

Portable jammers for the PLA’s ‘BeiDou’ system – China’s analogue to the American GPS network – could also be supplied in order to help the Taiwanese resistance impede PLA aerial navigation and weapon targeting, as well as American equipment optimized for jamming or intercepting Chinese military communications. Short-range, low-power encrypted radios would help Taiwanese guerrillas communicate with each other and organize the fight, while longer-range communications equipment – as well as target-designation gear – would facilitate coordination with long-range precision fires deliverable by U.S. aerial, military, and naval assets from far offshore. (The caches might even include quantities of small, clandestine ‘tag-and-track’ devices, which resistance fighters could affix to vehicles and other assets associated with the PLA occupation, further facilitating targeting and interdiction.) Video gear and satellite communications equipment would also be supplied to enable locals to upload evidence of PLA abuses and atrocities – as well as heroic and inspiring stories of resistance activity – in order to embarrass Beijing, undermine its propaganda, and potentially lay the groundwork for future war crimes prosecutions of senior PLA and CCP officials.¹⁰¹

America’s Role

As implied by much of the foregoing discussion, the United States would presumably have to play a prominent role in helping equip Taiwan with the capabilities it needs for effective deterrence of Chinese imperialist aggression. For the PLA genuinely to be deterred and for Taiwan to have its best chances in an actual wartime contingency, various forms of U.S. help are essential.

To begin with, in terms of equipping Taiwan better for full-scale war against the PLA and thus contributing to deterring Chinese attack, the United States is certainly under no obligation to make Taiwan pay full price – or indeed, in theory, *any* price – for all the U.S.-made arms it needs. American assistance could be provided to this end, as Washington has effectively done with Israel for many years,¹⁰² and as recent legislation introduced in the U.S. Congress has also proposed.¹⁰³

More U.S. attention should also be given to how to *resupply* Taiwan and its defenders in the event of conflict and PLA blockade, as some American strategists have emphasized by suggesting the

¹⁰¹ Ford, “A ‘People’s War’ Against the People’s Republic,” *supra*. Retired Taiwanese Chief of Staff Admiral Lee Hsi-Min might seem to agree with such concepts, for he advocates the “strategic utilization of geographical advantages and civilian resources” to problematize “PLA invasion logistics” through means that include such things as Taiwanese civilians using commercial drones to support military reconnaissance. See Lee & Lee, *supra*.

¹⁰² See, e.g., Peter Baker & Julie Hirschfield Davis, “U.S. Finalizes Deal to Give Israel \$38 Billion in Military Aid,” *New York Times* (September 13, 2016), available at <https://www.nytimes.com/2016/09/14/world/middleeast/israel-benjamin-netanyahu-military-aid.html>.

¹⁰³ See, e.g., S.3131, the “Arm Taiwan Act of 2021” (introduced November 2, 2021), available at <https://www.congress.gov/117/bills/s3131/BILLS-117s3131is.pdf>.

possibility of “a massive U.S. airlift effort to keep Taiwan afloat... modeled after the Berlin airlift of Cold War times.”¹⁰⁴ The PLA’s large and growing Navy and Air Force components are in a steadily better position to impose and enforce a maritime embargo on Taiwan with every passing year, but the island still has a coastline nearly 1,000 miles in length, and there is little doubt that the might of the U.S. Navy and Air Force – not to mention forces from any allied powers – could make effective embargo enforcement enormously problematic, if not impossible. It might prove difficult to maintain a lifeline for Taiwan on a scale capable of keeping its domestic economy afloat for long without considerable domestic sacrifice, but especially in the context of a full-scale conflict, it is hard to see how the PLA could prevent the island’s defenders from receiving considerable support from abroad.

In other aspects short of actual participation in a fight over Taiwan, the United States would also be well advised to do extensive preparatory work – in conjunction with key allies and partners around the world – for a massive global campaign of international sanctions and indeed economic warfare against China in the event that it does use force against Taiwan.¹⁰⁵ Imposing such pressures would hardly be easy or painless, given the deep connections between China’s large and growing economy and the rest of the international community, and it is certainly true that economic pressures against Beijing over affronts such as its human rights abuses, suppression of rights and freedoms in Hong Kong, and genocide in Xinjiang have been hampered by this economic entanglement. Nevertheless, the PRC’s actual attack upon Taiwan would change the global politics of such pressures greatly, and would surely enable a far more damaging suite of measures to be imposed by a great many more countries than has been possible to date. Officials in the United States and likeminded partner nations should do the intellectual and organizational work of preparing a “menu” of such policies ahead of time, in order to enable them to be implemented more thoroughly and effectively if and when the need arises.

Making it known that such economic measures were indeed being prepared, moreover, could also serve the cause of deterrence. The CCP no doubt feels passionately about achieving resolution to the “Taiwan question” on favorable terms as soon as possible, but the Party surely feels even *more* passionate about its own survival in power. CCP leaders in Beijing would surely attempt to nurture nationalist outrage at an international campaign of economic punishment, trying to rally the Chinese people around the flag, as it were, by weaving such pressures into the Party’s longstanding “grievance narrative” of propaganda tropes about China’s mistreatment by malevolent Western powers.¹⁰⁶

Nevertheless, the CCP greatly fears the unfortunate Chinese subjects that it rules with an iron fist, worries constantly about its ability to survive social upheaval, and has for many years staked its survival in large part on an implied bargain in which it tries to persuade Chinese citizens that Party oppression is the price they must pay for economic opportunity and the avoidance of social chaos.¹⁰⁷ Whatever “performance metric” could therefore be said to help sustain the CCP in power depends upon being able to provide the economic goods. For good reason, therefore, the CCP may quite reasonably worry that its rule might not survive the sustained economic storm that could be catalyzed by an invasion of Taiwan,

¹⁰⁴ O’Hanlon, *supra* (discussing an airlift proposal he attributes to Elbridge Colby).

¹⁰⁵ See, e.g., O’Hanlon, *supra*.

¹⁰⁶ Cf., e.g., Assistant Secretary of State Christopher Ford, “Ideological Grievance States and Nonproliferation: China, Russia, and Iran,” remarks at the Institute for National Security Studies, Tel Aviv, Israel (November 11, 2019), available at <https://www.newparadigmsforum.com/p2442>.

¹⁰⁷ See, e.g., Ford, *China Looks at the West*, *supra*, at 212-13.

particularly if such a conflagration entailed or led to direct conflict with the United States.¹⁰⁸ This could contribute to deterrence.

In terms of more concrete military measures, the United States could also play an important role not merely in helping Taiwan acquire some of the long-range precision strike capabilities that the ROC's Ministry of Defense currently prioritizes, but in fact in helping support the *use* of such weaponry through the provision of ISR and targeting support against PLA targets on the Chinese Mainland. This could have several virtues. First, it is unlikely that Taiwan would ever be able to acquire the high-end indigenous and nationally autonomous ISR and real-time targeting capabilities it would need to make most effective use of long-range missiles, or at least that the ROC would be able to do so without the expenditure of so much of the island's defense budget that this would cripple its other priorities. The United States, however, all but *specializes* in such targeting, and could help Taiwan get the information it needs in much more operationally useful and cost-effective ways.

Second, such ISR and targeting support would help ensure the wise use of long-range Taiwanese missiles. As described above, their most efficacious contribution both to deterrence and to actual warfighting would likely come through these capabilities' judicious employment against Mainland targets carefully selected with invasion-denial objectives in mind, rather than squandered upon less effective and likely more escalatory concepts of broader regime "punishment." U.S. ISR support to Taiwanese missile campaigns would help ensure maximum sophistication and effectiveness in such targeting. The fact that Chinese leaders apparently fear the potency of U.S. precision-strike capabilities¹⁰⁹ could also add to the deterrent impact of what would, in effect, be a Taiwanese capability built upon American targeting prowess.

It would be a third benefit that such U.S. targeting support could also lay the groundwork for, and facilitate the use of, long-range precision *American* fires against Mainland targets if the conflict were to escalate. After all, Western observers frequently warn that a campaign to defeat PLA efforts to pummel and ultimately invade Taiwan could require strikes by the United States against a limited selection of Mainland targets.¹¹⁰ Accordingly, preparatory work done in support of Taiwan's own long-range precision targeting could help make such a follow-on U.S. effort more effective should it turn out to be needed.

Fourth, close engagement by U.S. military components in such joint target preparation and planning would also strengthen interoperability and cooperative "muscle memory" between the two countries' armed forces in ways that could have important broader benefits in terms of facilitating joint operations were U.S. forces to become involved more broadly. Retired Taiwanese Admiral Lee Hsi-Min, for one, has already called for strengthened bilateral security cooperation through the establishment of a U.S.-Taiwan Joint Working Group – which, he suggests would conduct "contingency simulations and exercises" and support Taiwanese improvements in "military doctrine, force planning and logistical

¹⁰⁸ Cf., *id.* at 188-89.

¹⁰⁹ See, e.g., Tong Zhao, "Conventional Long-Range Strike Weapons of U.S. Allies and China's Concerns of Strategic Instability," *Nonproliferation Review*, vol. 27, no. 1-3 (September 14, 2020), at 109-22.

¹¹⁰ See, e.g., O'Hanlon, *supra*; Colby, *supra*, at 172.

support, as well as operational tactics.”¹¹¹ Joint involvement in targeting preparations could provide both a catalyst and an important locus for richer cooperative work.

Finally, in terms of potential direct U.S. involvement in a Taiwan conflict, one of the more effective contributions American forces could make is likely in the undersea realm – the domain in which the United States seems to retain the largest share (if nonetheless still a diminishing one) of its traditional military advantages vis-à-vis China in the Western Pacific. Whether with regard to precision strikes mounted inland from the sea against PLA targets, attacks upon PLAN vessels supporting an invasion effort or trying to enforce a blockade against Taiwan, or providing close-in ISR support for a joint U.S.-Taiwan campaign, American fast-attack submarines – and perhaps, as noted below, those from other potential allied powers – would be potent force multipliers and contribute powerfully to “denial strategy” missions.¹¹²

Allied Powers

A comprehensive assessment of other countries’ potential contributions to defending Taiwan is beyond the scope of this paper, but it is still worth mentioning the potential importance of the new Australia-United Kingdom-United States (AUKUS) agreement announced between these powers in 2021. The three countries’ joint statement on the subject does not mention China by name, but its stated objective of “sustain[ing] peace and stability in the Indo-Pacific region” and working to improve the “interoperability, commonality, and mutual benefit” of AUKUS partners in order “to protect our shared values and promote security and prosperity” there¹¹³ leaves little doubt that the partnership is directed at meeting threats emanating from Beijing.

Most media attention surrounding AUKUS has understandably focused upon the remarkable decision to help Australia acquire eight nuclear-powered fast-attack submarines on the level of the extremely quiet and capable assets currently operated by the U.S. Navy and the Royal Navy. With their proposed nuclear propulsion units likely to give the Royal Australian Navy the ability to deploy its submarines for the first time from distant Australian bases on extended-duration deployments essentially anywhere in the entire Indo-Pacific,¹¹⁴ fully implementing this aspect of the AUKUS agreement would significantly add to the undersea capabilities capable of supporting U.S. operations in a conflict with China – including potentially a Taiwan “denial” scenario. Given the potential force multiplier effects that high-end undersea assets could produce in this context, AUKUS thus represents an important strategic development and opportunity for Taiwan.¹¹⁵

¹¹¹ Lee & Lee, *supra*.

¹¹² See, e.g., O’Hanlon, *supra*.

¹¹³ See The White House, “Joint Leaders Statement on AUKUS” (September 15, 2021), available at <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/15/joint-leaders-statement-on-aukus/>.

¹¹⁴ See “Enter AUKUS,” *The Economist* (September 25, 2021), at 17-18.

¹¹⁵ As Elbridge Colby has suggested, there is some theoretical risk here for Taiwan in tying itself irrevocably, as it were, to the U.S. military mast. “Binding” the United States and Taiwanese defense postures more closely together certainly serves the interests of more effective joint warfighting, but it admittedly also increases the risks for Taiwan of being left without any effective autonomous posture were the United States to choose – perhaps in response to Chinese saber-rattling – to sit out the fight. See Colby, *supra*, at 228. Given the PLA’s significant and growing degree of military overmatch vis-à-vis Taiwan, however, the relative degree of this risk is likely decreasing. There may well today be no feasible scenario in

Less commonly mentioned, furthermore, is the fact that AUKUS also extends to the joint development of “cyber capabilities, artificial intelligence, [and] quantum technologies,” as well as “additional undersea capabilities” apparently beyond merely the high-publicity nuclear submarine plan.¹¹⁶ In light of the anticipated importance of autonomous and uncrewed naval capabilities to the future of military competition with China,¹¹⁷ the AUKUS commitment to step up cooperation in this area therefore gives the agreement additional potential importance.

As for allied cyber cooperation against China, it is worth remembering that even before AUKUS, the U.S. Cyber Command had signed an agreement with Australia to establish a joint “test range” for cyber weaponry.¹¹⁸ With U.S. and British cyber officials also announcing that they plan “enduring combined cyber-space operations that enable a collective defence and deterrence and impose consequences on our common adversaries who conduct malicious cyber-activity,”¹¹⁹ one might expect AUKUS also to lead to the development of much improved joint capabilities in the eventuality of cyber conflict as well.

With even unclassified U.S. intelligence assessments having drawn attention to the degree to which Chinese cyber capabilities pose “a growing attack threat to our core military and critical infrastructure systems”¹²⁰ and given the focus in PLA writings upon “seizing cyberspace superiority by using offensive cyber operations to deter or degrade an adversary’s ability to conduct military operations against the PRC, including during peacetime,”¹²¹ one can expect that a Chinese move against Taiwan would involve extensive cyber-targeting of a full-range of adversary capabilities, including civilian critical infrastructure.¹²² AUKUS’ contribution to improving cyber-interoperability and war planning between the U.S., Australian, and British governments – already close “Five Eyes” intelligence-sharing partners and regarded as first-rate cyber powers – could thus potentially add significantly to the range of capabilities available with which to deter, and if necessary fight, such a conflict.

which the island can stand completely alone, leaving Taipei with the option of developing deep (and militarily functional) interoperability with and dependence upon the U.S. armed forces, or simply accepting the myriad dangers of having a patently inadequate defense.

¹¹⁶ Joint Leaders Statement on AUKUS, *supra*.

¹¹⁷ See, e.g., Tong Zhao, “The Impact of Future Unmanned Systems” *Carnegie Endowment for International Peace* (October 24, 2018), available at <https://carnegieendowment.org/2018/10/24/impact-of-future-unmanned-systems-pub-77497>.

¹¹⁸ U.S. Cyber Command, “US and Australia sign first-ever cyber agreement to develop virtual testing range,” press release (December 4, 2020), available at <https://www.cybercom.mil/Media/News/Article/2434919/us-and-australia-sign-first-ever-cyber-agreement-to-develop-virtual-training-ra/>.

¹¹⁹ Gordon Corera, “UK and US join forces to strike back in cyberspace,” *BBC News* (November 18, 2021), available at <https://www.bbc.com/news/technology-59335332>.

¹²⁰ U.S. Director of National Intelligence Daniel R. Coats, “Worldwide Threat Assessment of the U.S. Intelligence Community,” statement for the record (January 29, 2019), at 5, available at <https://www.dni.gov/files/ODNI/documents/2019-ATA-SFR---SSCI.pdf>.

¹²¹ DOD 2021 Report, *supra*, at 79.

¹²² See, e.g., ROC MinDef Report 2021, *supra*, at 45 (“In wartime, [PLA] activities are transitioned to sabotaging and destroying subject’s national critical infrastructures and C2 systems to cause turbulence and chaos in its society and decimate the internal security kept by the military and law enforcement organs of the nation and its government functions.”); Michael Beckley & Hal Brands, “How War with China Begins,” *The Atlantic* (November 1, 2021) (“When confronted by a mounting threat to its geopolitical interests, Beijing does not wait to be attacked; it shoots first to gain the advantage of surprise.”), available at <https://www.theatlantic.com/ideas/archive/2021/11/us-china-war/620571/>.

Similar points could also be made about U.S. cooperation with Taiwan in the cyber arena, especially given that the Taiwanese Ministry of Defense lists “information, electronic, and cyber warfare” in its top five priorities for a “capability buildup.”¹²³ There already appears to be some degree of U.S.-Taiwan cyber cooperation, as evidenced by the announcement in 2019 of what was described as a “cyber-war exercise” called the “Cyber Offensive and Defensive Exercises (Code).” U.S. diplomats described this exercise as marking a “new frontier” in cyber-co-operation between Washington and Taipei, while a Taiwanese official noted that it “reflects the deepening of US-Taiwan security co-operation and dovetails other efforts under way between the United States and Japan to strengthen cyber-security co-operation.”¹²⁴ These, also, are important developments in augmenting Taiwan’s defense preparedness.

Helping Taiwan Balance its Needs

As a final note before concluding this discussion, it is worth pointing out that as U.S. (and potentially other allied) officials work with Taiwan to improve its defenses against PLA attack, it will be important to remember that, as discussed earlier, Taipei *does* have real concerns in responding to PRC “grey zone” pressures and provocations. Accordingly, the island’s legitimate defensive needs include being resistant to peacetime intimidation, coercion, and “three warfares” gamesmanship *in addition to* being as well positioned as possible to resist outright military assault.

To admit this is not to counsel sacrificing real military effectiveness – and thus also deterrence – on the altar of assets high both in per-unit cost and in wartime vulnerability. Taiwan should certainly be encouraged to prioritize acquiring more genuinely asymmetric tools that would in practice trouble the PLA much more than F-16s and large ships. Nevertheless, as a persuasive exercise, coaxing Taiwanese leaders to implement a better force posture is less likely to work if it starts with lecturing them about being irresponsible. We should acknowledge Taiwan’s genuine “grey zone” challenges, and we should work with its leaders, if we can, to find ways to help meet those needs that do not compromise asymmetric, ODC-style preparedness.

It might be possible, for instance, to imagine that as Taiwan develops an ever more long-ranged, sophisticated, and dense network of anti-air and anti-ship missile systems that would provide the island with its own multilayered A2/AD capability against PLAAF, PLANAF, and PLAN forces, this network *itself* might be able to pick up at least some of the anti-incursion roles currently undertaken by more traditional assets at the edge of Taiwan’s territorial waters – especially if such ROC capabilities are supplemented by a new fleet of small and relatively “disposable” uncrewed aerial or surface surveillance platforms. A missile system cannot, of course, fly menacingly alongside an adversary aircraft and gesticulate angrily for the intruder to turn around or else be fired upon. Nonetheless, radio communications can easily be made in the clear for all to hear (and witness), and modern pilots and naval commanders with electronic warning equipment do tend to be *extremely*

¹²³ ROC MinDef Report 2021, *supra*, at 67.

¹²⁴ “US and Taiwan hold first joint cyber-war exercise,” *BBC News* (November 4, 2019), available at <https://www.bbc.com/news/technology-50289974>.

attentive to whether or not they are being observed by surveillance radar units or, worse, “painted” by target-acquisition radar.

Were Taiwan to develop effective protocols for challenging incoming aircraft or vessels, making clear that these assets are being tracked, and signaling unmistakably about the point at which such tracking would transition into actual target engagement, a well-managed A2/AD system could help perform at least *some* of the sovereignty-maintenance roles currently performed by human pilots and sailors on Taiwan’s periphery. This would represent, in effect, a migration from “eyeball”-based confrontation to a more “virtualized” version, but the same functions would still be fulfilled, and all such interactions and radar tracks could be clearly memorialized for purposes of both legal and public accountability. This might feel somewhat less emotionally satisfying than current approaches, but it would likely work at least as well in practice, would stress and degrade Taiwanese aircrews, sailors, and equipment less than current methods, and would have the additional benefit of giving Taiwan’s air-defense and anti-ship surveillance and missile crews ongoing, day-to-day practice in just the sort of engagements they would need to undertake – on scale and under fire – in time of conflict.

Deterring China: “Not Quite Yet, Forever”

This analysis began with an exploration of the CCP’s enormously strong political commitment to ensuring what Beijing regards as “reunification” with Taiwan, and to doing so by whatever means may prove necessary. On the whole, this asymmetry in commitment – in the sense that on one level Beijing clearly *does* seem to “care more” about Taiwan issues than does Washington – presents significant challenges for U.S. and Taiwanese defense planners, and risks undermining deterrence of aggression across the Taiwan Strait. To the degree that China indeed cares more about Taiwan, Beijing might be harder to deter, more willing to escalate a confrontation in order to achieve its aims, and more willing to bear costs and risks in a conflict.

All this being said, however, there is at least one sense in which the CCP’s potentially existential investment in the “Taiwan question” might be a source of strength for Taiwan and the United States. It is true that the importance of Taiwan to the CCP is such that it might actually imperil the Party’s hold on power in China were it to *give up* on the dream of “reunification.”

Nonetheless, for this same reason, the CCP also cannot afford to *fail* in invading Taiwan should it try to do so. (The same might also be said of a situation in which the PRC initially succeeded in occupying the island, but thereafter faced a widespread, effective, and well-publicized insurgency there. In such a guerrilla conflict, “a largely ethnically Chinese resistance in Taiwan ... would be able to invoke the PRC’s own mid-20th-century propaganda tropes and doctrinal pronouncements about ‘People’s War’ *against* the CCP – a scenario in which, moreover, the PRC would be cast in the role of Imperial Japan.”¹²⁵) The Party therefore finds itself in a tough situation: it cannot *abandon* its Taiwan dream, but it faces huge risks if it attempts actually to bring that dream to fruition.

¹²⁵ See generally, e.g., Ford, “A ‘People’s War’ Against the People’s Republic,” *supra*, at 391-411.

This insight about the CCP's potentially existential vulnerability on *all* Taiwan-related questions can be the foundation of a "denial" strategy vis-à-vis PLA aggression against Taiwan. The CCP has in the past proven itself willing to display a striking degree of strategic patience and caution in deferring passionately-desired objectives for so long as it still seems too costly or risky to try to achieve them. This was, after all, the centerpiece of Beijing's overall strategic policy for a quarter century, during which it hewed to Deng Xiaoping's admonition to "bide our time and hide our capabilities" – that is, putting off the self-assertion that would ultimately be necessary for China to seize for itself the dominant place in the international system it intended all along eventually to obtain, deferring such efforts until Beijing had quietly become strong enough to manage the counter-reactions that such aggressiveness would likely provoke.¹²⁶ Moreover, such strategic patience has been, in effect, China's policy vis-à-vis *Taiwan* for even longer, ever since Mao Zedong failed quickly to invade after Chiang's KMT government set up shop on the island in 1949.

As Elbridge Colby has noted, a "denial" strategy does not require that the United States or Taiwan be able comprehensively to defeat the PLA war machine.¹²⁷ Significantly, moreover, it *also* does not require that Beijing *give up* its Taiwan dream of "reunification." It merely asks Beijing to continue with its traditional "strategic patience," first by leading CCP leaders to the conclusion that *today is not the day* for full vindication of their self-aggrandizing geopolitical agenda, and thereafter by keeping China in that "almost but not quite" position on an ongoing basis.

In effect, a successful "denial" strategy allows a sort of implied strategic "agreement to disagree." Beijing would preserve its "reunification is inevitable" position and political posture vis-à-vis Taiwan, but it would continue to defer execution of its plans, in practice indefinitely. In return, the United States and Taiwan would work together to ensure a continuation of the island's fundamental "indigestibility" while also – and this would have to be an important part of the shadow bargain – avoiding a situation in which Taiwanese officials risk unnecessarily forcing Beijing's hand by declaring formal independence. In return for some perhaps uncomfortable political circumspection on both sides of the Taiwan Strait, this implied bargain might allow both the CCP and Taiwan's democracy each to achieve at least their core objective of survival.

There is no guarantee, of course, that Xi Jinping is capable of such pragmatic strategic wisdom. He might well be impatient, headstrong, risk-tolerant, or simply foolish enough to gamble the CCP's future on a Taiwan campaign. If U.S.-Taiwan defense planning were spectacularly successful in bolstering the island's defenses, moreover, the perception might grow in Beijing that whatever window of opportunity the PLA has to take Taiwan *at all* might be closing – thus potentially raising the risk of such a Chinese gamble, lest all opportunity to subjugate the island be lost. Moreover, China's own ugly crackdown and betrayal of prior "one country, two systems" promises in Hong Kong might so irritate the democratic sensibilities of Taiwanese voters that the ROC's leaders might intemperately declare formal "independence" in a way that goads the PRC into aggressive action.

That said, a joint U.S.-Taiwan "denial" strategy would seem by far the best and most feasible one available in the face of what by most standards is a very damaging and troubling

¹²⁶ See, e.g., Ford, *China Looks at the West*, *supra*, at 391-411.

¹²⁷ Colby, *supra*, at 127.

military balance vis-à-vis a People's Liberation Army that has been working for a generation to prepare itself for just such a fight. With a wise and prudent acquisition strategy, robust defense spending, a strong focus upon asymmetric capabilities, close engagement and cooperation with the United States and other partners, and wise and thoughtful leadership, Taiwan thus may still have the opportunity to make good on this promise.

About the Author

The Hon. Christopher Ford is Distinguished Policy Advisor at MITRE Labs, and a Visiting Fellow at Stanford University's Hoover Institution. He is a former intelligence officer in the U.S. Navy Reserve who previously served as U.S. Assistant Secretary of State for International Security and Nonproliferation, also fulfilling the duties of the Under Secretary for Arms Control and International Security. The views he expresses herein are entirely his own, however, and do not necessarily represent those of anyone else at MITRE or Hoover, or in the U.S. Government.

