

## Country Report: Taiwan; Deterring, Denying, and Defending

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# DGAP REPORT

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## Country Report: Taiwan

### Deterring, Denying, and Defending

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## ABOUT THE PROJECT

The DGAP’s project on “Risk Reduction and Arms Control in the Asia-Pacific Region” aims to provide a comprehensive analysis of the security dynamics in the Indo-Pacific and East Asia, with a focus on important players including Australia, China, Japan, North Korea, Russia, South Korea, Taiwan, and the United States. The objective is to foster understanding in Germany and Europe of the risk of conflict in the Asia-Pacific and suggest possible steps to mitigate this risk and safeguard stability in and beyond the region. The project starts with taking stock of security developments in the Asia-Pacific. As part of a series, the following report provides a detailed review of Taiwan’s security and defense policies and partnerships in the current geopolitical context. It concludes with a list of policy recommendations to stakeholders and policymakers.

All information and country reports can be accessed at <https://on.dgap.org/3f35EBO>

## ACKNOWLEDGEMENTS

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## DISCLAIMER

This report does not contain new empirical findings, but assesses primary documents and compiles existing studies, primarily from expert sources. It is tailored for a European audience. Please note that the term “country” is used without prejudice to the position on its status.

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## EXECUTIVE SUMMARY

Understanding Taiwan's ability to defend itself against mainland China is becoming increasingly significant as the likelihood of a cross-straits conflict rises. Taipei is unlikely to unify with China on Beijing's terms, and Beijing is unlikely to relinquish its claim that Taiwan falls under its domestic jurisdiction. Even a confrontation over Taiwan that falls short of war will have regional and global ramifications.

This report assesses trends in Taiwan's defense policy and force posture. The Republic of China's (ROC, Taiwan) armed forces' primary aim is to deter the People's Republic of China (PRC, China) from military aggression against Taiwan's main island and offshore islands. In the event of such a contingency, the ROC armed forces aim to deny the People's Liberation Army (PLA) the ability to establish mainland China's rule over Taipei. But Beijing is ratcheting up military pressure on Taiwan to coerce it to accept "peaceful reunification" on Chinese terms. This includes record-setting air incursions into Taiwan's Air Defense Identification Zone (ADIZ) in October 2021 and the regular holding of military drills and amphibious landings on small islands near Taiwan. As well, in response to the 2022 visit of the US Speaker of the House, Nancy Pelosi, to Taiwan, China held its largest live-fire drills in the Taiwan Strait with the firing of ballistic missiles and the deployment of warships and fighter jets. The exercises simulated a blockade of Taiwan and infringed on Taiwan's territorial waters. Such scenarios have demonstrated the vulnerabilities in Taiwan's defense, including a haphazard force structure, lack of readiness, and dependence on US military and diplomatic support.

The United States has recently stated that it would prevent changes to the cross-strait status quo by bolstering Taiwan's defense against China. As a result, America's Indo-Pacific allies and partners are considering how to contribute to Taiwan's defense and deterrence against China. Also, Russia's invasion of Ukraine has reminded Taiwan and other countries in the Indo-Pacific that the possibility of war in the Taiwan Strait is very real. The willingness with which Japan, South Korea, Australia, Taiwan, and Singapore responded to the Biden administration's call to sanction Russia and provide assistance to Ukraine suggests that the Indo-Pacific would be looking to Europe for similar support should China provoke conflict. Today, neither Europe nor the Indo-Pacific can continue to hold the notion that "far-away" conflicts will not have political, economic, or strategic repercussions on their own neighborhood.

This report begins by tracing Taiwan's evolution to a de facto sovereign nation with a unique geopolitical and geostrategic status. It then looks at the country's military capabilities and modernization plans and examines whether Taipei can meet its objectives to deter and deny China from using force to impose sovereign control over Taiwan. Taiwan is investing in missile defense and asymmetric weapons to signal to China that it would incur high costs if it decided to invade. Should such an invasion occur, Taiwan's armed forces must meet certain requirements to defend its littoral coast and offshore islands. For China to invade Taiwan, PLA forces would have to dominate the air and sea approaches to Taiwan, land amphibious forces, and deliver sufficient manpower, weapons, logistics, and supplies to achieve control over Taiwan. Such an effort would also mean occupying Taiwan's offshore islands which could otherwise be used to cut off the PLA from resupply and support from the mainland. Due to their geostrategic position, the islands also serve as an early warning system for Taiwan, the United States, and its allies.

As part of its deterrence effort, Taipei is also attempting to diversify its security partnerships, to increase its standing in the international system, and to raise awareness of the repercussions if China invaded Taiwan. As Taiwan remains reliant on the United States for arms and informal security guarantees under the 1979 Taiwan Relations Act (TRA) and the 1982 Six Assurances, it is focusing on enhancing its partnerships with the United States' allies in the region. Primarily, these are Japan and Australia, who have a shared interest in countering China in the East and South China Sea. Taipei may also look to European defense manufacturing nations such as France and Germany to obtain technological and military know-how for its indigenous defense industry.

This report continues with an analysis of the regional and international implications of a possible loss of Taiwan's independence. The United States and its allies have already begun to adjust doctrine and force posture. Regional stakeholders in the Indo-Pacific are also discussing what they can learn from Russia's invasion of Ukraine to strategically support Taiwan in the event of a conflict with China. This has heated up the debate within Taiwan – as well as between Taipei and Washington – of how ROC armed forces can succeed in defending Taiwan, deterring China from a unilateral attack, and denying China control over Taiwan and its offshore islands.

Moreover, bolstering Taiwan's defense in the short to medium term would make a lasting contribution to deterring China from aggression and adventurism. Therefore, this report concludes with a set of policy recommendations to hold substantive exchanges between Taiwan, Europe, and the Indo-Pacific. The recommendations are based on the assumption that war over Taiwan is not a certainty. Key recommendations include establishing an official dialogue between Taiwanese and European lawmakers to exchange knowledge on countering foreign interference and disinformation. NATO and Taiwan should set up a working group to raise awareness of the implications to both the Indo-Pacific and Europe of a conflict in the Taiwan Strait. This could include a wargame about the consequences of a Taiwan Strait conflict on Russia's calculations in Europe and NATO deployments. Lastly, it would be useful for Taiwan, other Indo-Pacific nations, and European countries to share insights on improving societal resilience and civil defense capabilities. Such joint efforts would signal to China the willingness to punish actions that change the cross-straits status quo. This could contribute to deterring China from conducting a unilateral attack on Taiwan and its territories and might decrease the likelihood of conflict.

# Introduction

Taiwan's primary objective since the end of the Cold War has been to survive as a nation. From the Kuomintang's (Chinese Nationalist Party, KMT) martial law era (1947-1987) to Taiwan's first democratic election in 1996, Taipei has identified itself as a distinct nation from mainland China. Yet Beijing's continued claim to represent the rightful government of Taiwan means that under international law, Taiwan retains only *de facto* sovereignty.<sup>1</sup> In the modern era, both the KMT and Taiwan's Democratic Progressive Party (DPP) share the broad objective of deterring China from an invasion of Taiwan's territories.

To this end, ROC armed forces enforce Taiwan's *de facto* sovereignty and counter the PLA and its proxies' attempts to demonstrate Beijing's jurisdiction.<sup>2</sup> Taiwan's military also aims to deter the Chinese Communist Party (CCP) from attempting unification by force by signaling the high military, political, and reputational costs of an invasion. Taiwan is now investing in capabilities to deny the PLA a fast and decisive annexation – an approach that appears useful after Russia's operational failures in Ukraine. A long-drawn out conflict is unlikely to be in Beijing's interest. It would do irreparable damage to the Taiwanese industries that China prizes, make unification with mainland China unpalatable to Taiwan's citizens, and draw the United States and its allies further into the Taiwan Strait.

Given the intensifying strategic competition between China and the United States, Taiwan's future as an independent democratic nation is becoming more important. Control over Taiwan has geostrategic ramifications. Today, the ROC governs not only the main island of Taiwan – the largest landmass between Japan and the Philippines – but also administers a number of offshore territories located along China's claimed first and second island chains in the East and South China Seas. This includes the Penghu

islands in the Taiwan Strait; the Kinmen and Matsu islands off the coast of mainland China, Taiping, the largest natural island in the Spratly group in the South China Sea, and Pratas Island, which adjoins a major sea route between the Indian and Pacific Ocean. Chinese control over these islands would certainly be detrimental to allied freedom of movement in the Western Pacific.

Also, Taiwan is home to several high-tech manufacturing sectors, including the production of advanced semi-conductors, which are integral to the global supply chain. Of the fourteen remaining diplomatic allies of Taiwan, eight are in Central America and four in the South Pacific – geostrategic locations close to the United States and Australia. Controlling Taiwan's offshore territories and flipping Taipei's remaining allies would give Beijing the opportunity to complicate allied operations in the Indo-Pacific and weaken Western allies' influence over their own neighborhoods.<sup>3</sup> This was evidenced by the denial of port calls to a US coast guard ship and a British naval vessel at Guadalcanal by the Solomon Islands a few months after the island nation signed a security pact with China.<sup>4</sup>

Maintaining civilian administration of the military is essential to Taiwan's democratic credibility and is a symbol of political independence from the PRC. The president is the head of state and commander-in-chief of the armed forces in times of peace, crisis, and war. After the president, the most important senior officials and advisors for Taiwan's national security objectives are the National Security Council (NSC)'s secretary-general, the foreign affairs minister, the defense minister, and to a certain extent the prime minister. The ROC General Staff Headquarters operate within the broad parameters of NSC policies and receive critical input from army, air force, and navy headquarters.<sup>5</sup> The level of influence over defense policy and arms procurements exerted by senior officials has varied depending on who holds the position of defense minister. Since Taiwan's defense ministry is primarily staffed with historically KMT-leaning military officers, defense policy is shaped by the perspectives of senior career officers who are resistant to change.<sup>6</sup>

- 1 Susan V. Lawrence and Caitlin Campbell, "Taiwan: Political and Security Issues," In Focus IF10275, Congressional Research Service (4 April 2022), p.1, <https://sgp.fas.org/crs/row/IF10275.pdf> (accessed April 12, 2022).
- 2 Ministry of National Defense ROC, *Quadrennial Defense Review: The Republic of China 2021* (Taipei: Ministry of National Defense, 2021), Minister's Foreword.
- 3 US-China Economic and Security Review Commission, "Chapter 1 Section 2: China's Influence in Latin America and the Caribbean," 2021 *Annual Report to Congress* (Washington DC: USCC, 2021), p.102.
- 4 David Rising, "US Coast Guard cutter is denied port call in Solomon Islands," AP News, August 27, 2022, <https://apnews.com/article/papua-new-guinea-us-coast-guard-solomon-islands-government-and-politics-b3aae9a2d5bede96034a5c7dac44772b> (Accessed August 31, 2022).
- 5 Michael D. Swaine, "Taiwan's National Security, Defense Policy, and Weapons Procurement Processes" (Santa Monica: RAND National Defense Research Institute, 1999), p.ix.
- 6 Bethany Allen-Ebrahimian, "Pressure grows for Taiwan to boost its defense force," June 28, 2022, <https://www.axios.com/2022/06/28/taiwan-military-defense-weapons-china-invasion-threat> (accessed July 4, 2022).



RUSSIA

MONGOLIA

NORTH KOREA

EAST SEA OF JAPAN

JAPAN

Beijing

SOUTH KOREA

Tokyo

CHINA

Shanghai

TAIWAN

OKINAWA ISLANDS

SENKAKU ISLANDS

Hong Kong

1,000 km

2,000 km

INDIA

MYANMAR

LAOS

THAILAND

VIETNAM

CAMBODIA

SOUTH CHINA SEA

PHILIPPINES

Manila

PACIFIC OCEAN

MALAYSIA

MALAYSIA

Singapore

BORNEO

INDIAN OCEAN

Jakarta

INDONESIA

PAPUA NEW GUINEA

ARAFURA SEA

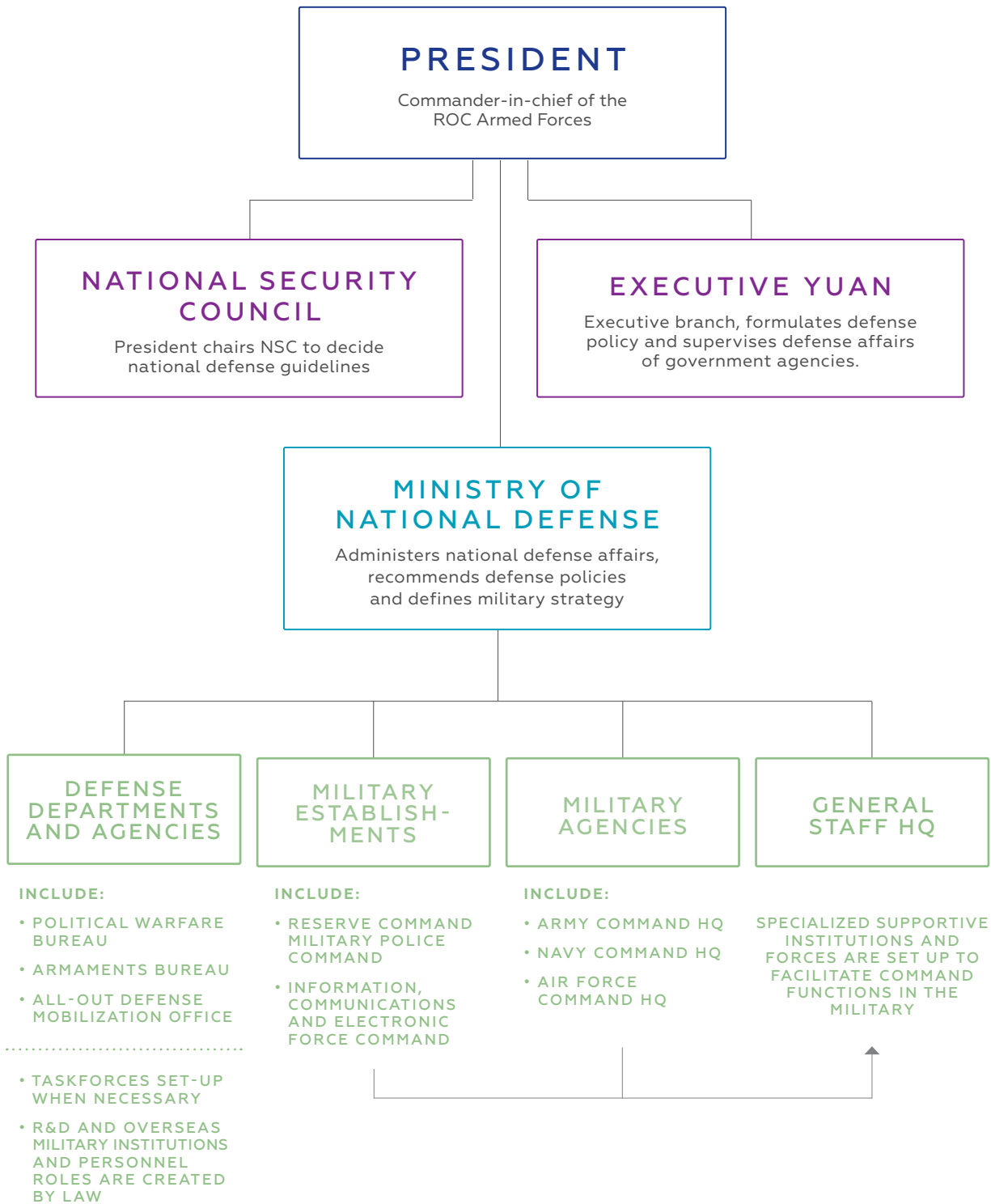
Darwin

1 – TAIWAN'S GEOSTRATEGIC LOCATION AND RELEVANT DISTANCES

AUSTRALIA



## 2 – TAIWAN’S DECISION-MAKING STRUCTURE



Source: Ministry of National Defense ROC, ROC National Defense Report 2021, p.63.

# Responding to the China Threat

This section focuses on the military threat to Taiwan that China represents and the consequences of that threat for Taiwan's national strategy objectives. It then examines what capabilities Taiwan needs to defend its territories and deter China's armed forces and its proxies, including bolstering deterrence and strengthening security partnerships.

## CHINA'S MILITARY AND POLITICAL MEASURES

From Beijing's perspective, the unification of Taiwan with the mainland would fulfil a righteous objective – the return of territories that were lost at the end of the Chinese civil war due to Western intervention. Beijing considers the Taiwan question to be an internal Chinese affair and attempts to block any countries and organizations from supporting Taiwan's right to self-determination. Such policy stances were reiterated in Beijing's latest White Paper on Taiwan, with a sense of urgency that the current government “should not allow this problem to be passed down from one generation to the next.”<sup>7</sup>

Yet China's economic inducements since the 1990s have done little to win over Taiwan's polity. More recently, Beijing's 2020 imposition of Hong Kong's national security law has eroded Taiwan's remaining trust in the “one country, two systems” framework. As a result, Beijing increasingly relies on its conventional and proxy forces to erode Taiwan's resistance. The

United States' Director of National Intelligence, Avril Haines, recently commented that China would prefer to take over Taiwan without military action but is working to get to a position where the PLA could prevail even if the United States intervenes.<sup>8</sup> Many regional observers view 2049 – the one hundredth anniversary of the PRC's founding – as the deadline for “reunification” of China's claimed territories.<sup>9</sup>

China's comprehensive military modernization is incrementally shifting the cross-strait military balance in Beijing's favor. The PLA has amassed a significant number of weapons targeted at Taiwan, including 600 short-range ballistic missiles. Many of China's new missiles can be armed with nuclear and conventional warheads, such as the DF-26 intermediate-range ballistic missile. This blurs the nuclear-conventional divide – during a missile launch, it would be unclear from Taiwan's or US allies' views whether conventional or nuclear force was being used.<sup>10</sup> China's modernization suggests that it is preparing for a conventional conflict with Taiwan whilst supporting “a new strategy of limited nuclear first use. Such a strategy would enable Chinese leaders to leverage their nuclear forces to deter US intervention in a conventional war with Taiwan forces,” as the US-China Economic and Security Review Commission stated in a 2021 report.<sup>11</sup>

Demonstrations of the PLA's military power in the East China Sea and Taiwan Strait have included multi-arms joint combat readiness patrols, deployment of surveillance and electronic intelligence ships, and taking an aircraft carrier strike group through the strait. The PLA Navy has also established a near-constant presence between Japan and Taiwan with rotating destroyers and corvettes deployed between the southernmost tip of the Ryukyu Island chain and eastern Taiwan. At the same time, the PLA is strengthening its counter-air, sea-control, and land-strike capabilities to perform blockades against Taiwan's critical harbors and airports, cut off Taiwan's air and sea lines of communication, and stop the flow of resupply and logistic support from partners.<sup>12</sup> China

7 The Taiwan Affairs Office of the State Council and The State Council Information Office, “The Taiwan Question and China's Reunification in the New Era,” The People's Republic of China, August 2022, <https://english.news.cn/20220810/df9d3b8702154b34bbf1d451b99bf64a/c.html> (Accessed August 31, 2022).

8 Doina Chiacu, Idrees Ali and Patricia Zengerle, “China wants to take Taiwan peacefully but is preparing militarily – US intelligence officials,” *Reuters*, May 10, 2022, <https://www.reuters.com/world/asia-pacific/china-wants-take-taiwan-peacefully-is-preparing-militarily-us-intelligence-2022-05-10> (accessed May 13, 2022).

9 John Culver and Ryan Hass, “Understanding Beijing's motives regarding Taiwan, and America's role,” *Brookings: On the Record*, March 30, 2021, <https://www.brookings.edu/on-the-record/understanding-beijings-motives-regarding-taiwan-and-americas-role> (accessed May 13, 2022).

10 Jeffrey Lewis, David Joël La Boon and Decker Eveleth, “China's Growing Missile Arsenal and the Risk of a Taiwan Missile Crisis,” *National Threat Initiative Report*, November 18, 2020, <https://www.nti.org/analysis/articles/chinas-growing-missile-arsenal-and-the-risk-of-a-taiwan-missile-crisis> (accessed May 10, 2022).

11 USCC, “Chapter 3 Section 2 – China's Nuclear Forces: Moving Beyond a Minimal Deterrent,” 2021 *Annual Report to Congress* (Washington DC: US-China Economic and Security Review Commission, 2021), p.340.

12 Ministry of National Defense ROC, ROC National Defense Report 2021 (*Taipei: Ministry of National Defense*), p.44.

put on a demonstration of its improved blockading capability in response to the 2022 Pelosi visit, when the PLA showed that it can effectively coordinate and command its forces to encircle Taiwan. Adding to this pressure has been an increase of the number and scale of the PLA Air Force's incursions into Taiwan's ADIZ. Between January and November 2021, 230 incursions were conducted with a total of 886 fighter planes. Most flight paths were on a route between Taiwan's southwestern coast and Pratas Island.<sup>13</sup>

Taiwan is also under pressure from China's use of hybrid civilian-naval forces – a CCP tactic that signals China's claim to domestic jurisdiction over Taiwan. The Coast Guard, the Maritime Militia, and China's state-sponsored fishing fleet act as an important force multiplier for the PLA Navy in the waters surrounding Taiwan and its offshore islands. All these activities cause operational dilemmas for the ROC armed forces which have to consider proportional responses. Because Taiwan's armed forces have to respond in order to enforce the country's sovereignty, the PLA can improve its awareness of Taiwan's responses while inflicting a heavy financial and maintenance burden on Taiwan's air force.<sup>14</sup>

An important part of China's hybrid forces is lawfare. Since the 2000s, the PRC has legally codified and expanded its right to use force to unify Taiwan with mainland China. The 2005 Anti-Secession Law codified Beijing's right to use of force should the possibility for a "peaceful unification be completely exhausted" and "Taiwan independence secessionist forces act under any name or by any means to cause the fact of Taiwan's separation from China."<sup>15</sup> In addition, China passed legislation in 2021 authorizing its maritime law enforcement fleets to use lethal force against foreign ships operating in the maritime areas claimed by China.<sup>16</sup> Such laws bolster China's disinformation narrative that Taiwan is a part of China.

## TAIWAN'S OBJECTIVES AND CAPABILITIES

Taiwan's main national security objective is its continued survival as nation independent of mainland China. To achieve this, the ROC armed forces must be able to defend Taiwan's de facto sovereignty, deter the PLA's conventional and state-sponsored forces, and deny the China ability to occupy Taiwan and its territories. According to the strategy outlined in the 2017 and 2021 Quadrennial Defense Reviews (QDR), Taiwan's armed forces are charged with achieving "resolute defense and multi-domain deterrence." This is similar to the 2013 QDR's "resolute defense, credible deterrence."<sup>17</sup> In both documents, the objective is to repel China's forces through small but technologically superior capabilities and the ability to conduct joint operations. A major pillar of Taiwan's deterrence is the prospect of intervention by the United States and its allies. Thus, Taipei must also ensure that Washington remains committed to providing support for Taiwan's self-defense capabilities. This "holding out" capability is designed to make Beijing think twice about Taiwan's military and civilian wherewithal to defend itself.<sup>18</sup> Should China decide to use force, Taiwan's aim is to prevent China from controlling Taiwan's main island at least until the US military can intervene. From Taipei's view, an invasion by Beijing would break the cross-strait status quo and thus call for US assistance under the Taiwan Relations Act and the Six Assurances.<sup>19</sup>

To defend Taiwan's territories, the mission of its military remains unchanged: air superiority regarding air-to-air interception with PLA fighter jets, sea denial to counter possible PLA naval blockades, and anti-landing measures to fend off possible PLA paratroopers as well as a large-scale amphibious assault.<sup>20</sup> To this end, Taiwan's principal weapons systems are conventional systems designed to prevent

13 IISS, "People's Liberation Army (PLA) incursions into Taiwan's Air Defence Identification Zone," *IISS Military Balance Plus*, February 15, 2022 (accessed May 13, 2022).

14 James Kraska and Michael Monti, "The Law of Naval Warfare and China's Maritime Militia," *International Law Studies* 91:450 (2015), p.451.

15 Mainland Affairs Council ROC, "The Official Position of the Republic of China (Taiwan) on the People's Republic of China's Anti-Secession (Anti-Separation) Law," General Policy Archives (1994-2008), March 29, 2005, [https://www.mac.gov.tw/en/News\\_Content.aspx?n=8A319E37A32E01EA&sms=2413CFE1BCE87E0E&ss=D1B0D66D5788F2DE#:-:text=The%20%E2%80%9CAnti%2Dsecession%20Law%E2%80%9D%20of%202005%20has%20further%20expanded,China%20should%20occur%2C%20or%20that](https://www.mac.gov.tw/en/News_Content.aspx?n=8A319E37A32E01EA&sms=2413CFE1BCE87E0E&ss=D1B0D66D5788F2DE#:-:text=The%20%E2%80%9CAnti%2Dsecession%20Law%E2%80%9D%20of%202005%20has%20further%20expanded,China%20should%20occur%2C%20or%20that) (accessed May 9, 2022).

16 Nguyen Thanh Trung, "How China's Coast Guard Law has changed the regional security architecture," CSIS Asia Maritime Transparency Initiative, April 12, 2021, <https://ami.csis.org/how-chinas-coast-guard-law-has-changed-the-regional-security-structure> (accessed May 10, 2022).

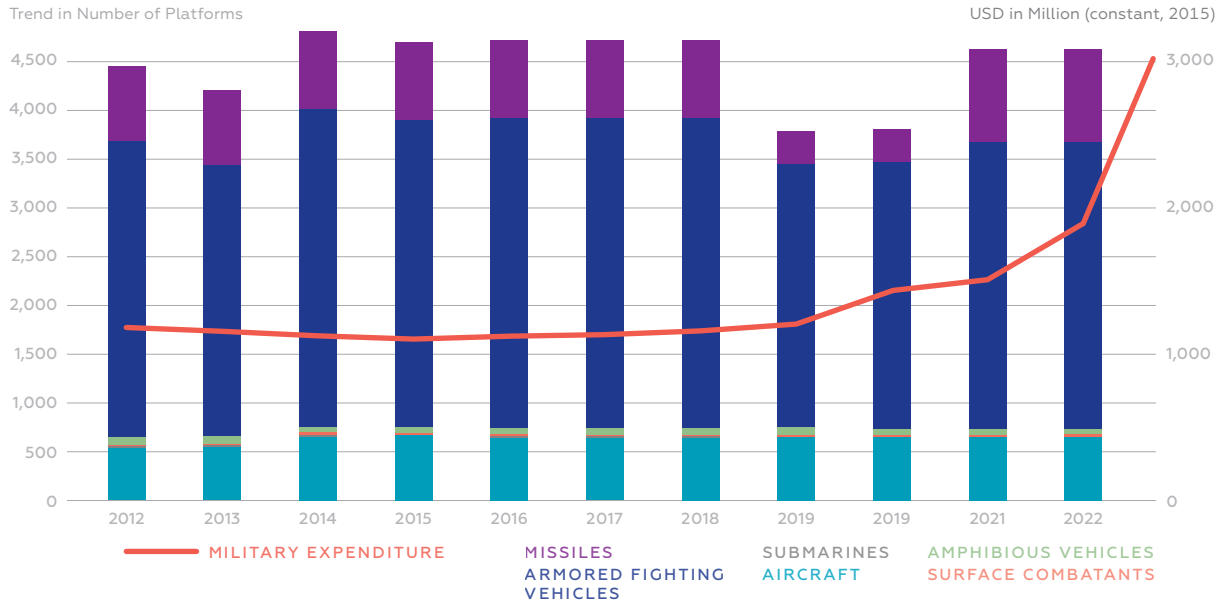
17 Ministry of National Defense ROC, Quadrennial Defense Review 2021; Ministry of National Defense ROC, *Quadrennial Defense Review: The Republic of China 2017* (Taipei: Ministry of National Defense, 2017); and Ministry of National Defense ROC, *Quadrennial Defense Review: The Republic of China 2013* (Taipei: Ministry of National Defense, 2013).

18 Thomas J. Shattuck, "The future is small and fast: Assessing Taiwan's 2021 Quadrennial Defense Review and US defense posture in the Indo-Pacific," *INDSR Defense Security Brief 10:1* (June 2021), p.32.

19 Secretary of Defense Lloyd J. Austin, "Remarks at the Shangri-La Dialogue by Secretary of Defense Lloyd J. Austin III (As Delivered)," June 11, 2022, <https://www.defense.gov/News/Speeches/Speech/Article/3059852/remarks-at-the-shangri-la-dialogue-by-secretary-of-defense-lloyd-j-austin-iii-a> (accessed June 19, 2022).

20 Swaine, "Taiwan's National Security, Defense Policy, and Weapons Procurement Processes," p.xii.

### 3 – TAIWAN’S PRINCIPAL WEAPONS SYSTEMS AND MILITARY EXPENDITURE



Addition: The author estimates Taiwan’s military expenditure to reach 26,900 million USD in 2023. This estimate is based on Taiwan’s average annual defense budget of 2 percent of GDP and predicted 2032 GDP. Author’s note: Numbers of Taiwan’s missiles are indicative only. Taiwan’s defense strategy has to appropriately and effectively utilize its existing and pending weapons systems to meet asymmetric, gray-zone and traditional force requirements. Determining the correct balance is pivotal to Taiwan’s continued survival as an independent, sovereign state. Source: Data sourced from CSIS Missile Defense Project and IISS Military Balance Plus Database (accessed 25 April 2022).

the advance of the PLA’s amphibious forces. Yet increasingly, Taiwan’s requirements are shifting toward air defense, including short-range ballistic missiles, anti-ship and land-attack cruise missiles, air-to-air missiles, and surface-to-air missiles (SAM). Since 2017, the ROC air force has begun replacing its obsolescent SAMs with indigenously developed ballistic SAMs suited to joint air defense in order to secure the airspace of Taiwan proper as well as the Penghu Islands.<sup>21</sup>

Taiwan’s navy is upgrading its aging surface combatants with vessels designed around missile system requirements. Ships entering service will have more sensors and radars, heavier tonnage, and larger hulls. As Taiwan has been unable to acquire the Aegis air defense system and Arleigh Burke destroyers from the United States, it lacks a centralized air defense capability for its fleet and thus is vulnerable to attack. In 2021, the ROC navy fielded its first indigenous “carrier killer” corvette equipped with anti-air and anti-ship capabilities to patrol Taiwan’s northeast coastline, where China’s vessels

frequently approach.<sup>22</sup> To support this territorial defense capability, Taipei is developing an indigenous submarine capability, with the first of eight vessels to be commissioned by 2025. Taiwan’s military will also increase the number of light and fast vessels and develop long-range and anti-ship weapons and portable air defense missiles to exploit the vulnerabilities in the logistical and civilian support of a possible PLA amphibious assault.<sup>23</sup>

But Taipei is aware that it cannot compete with mainland China’s manpower and number of surface combatants and fighter jets. Since about 2017, the ROC armed forces have been investing in asymmetric capabilities for coastal defense, such as unmanned submersibles, sea mines, attack drones, and air-to-ground and land-attack missiles. These would enable Taiwan to maximize its defensive advantages and target the weakest points of an invading force, such as military supply and logistics support. The 2021 QDR further proposed upgrades for Taiwan’s shore-based anti-ship missiles, asymmetric systems,

21 Ministry of National Defense ROC, *ROC National Defense Report 2021*, 66  
 22 Yu Nakamura and Tsukasa Hadano, “Taiwan Navy launches ‘carrier killer’ with 28 missiles,” *Nikkei Asia*, September 10, 2021, <https://asia.nikkei.com/Politics/Taiwan-Navy-launches-carrier-killer-with-28-missiles> (accessed May 10, 2022).  
 23 Ministry of National Defence ROC, *2019 National Defense Report* (Taipei: Ministry of National Defense, 2019), p.76.

## 4 – SELECTED STRATEGIC WEAPONS

TAIWAN'S DEFENSE STRATEGY MUST APPROPRIATELY AND EFFECTIVELY DEVELOP ASYMMETRICAL CAPABILITIES AND TRADITIONAL FORCE CAPABILITIES. DETERMINING THE CORRECT BALANCE IS ESSENTIAL FOR TAIWAN'S CONTINUED SURVIVAL AS AN INDEPENDENT, SOVEREIGN STATE

	SYSTEM NAME AND TYPE	AMOUNT	STATUS	STRATEGIC RELEVANCE
<b>MISSILES</b> 	Hsiung Feng II subsonic antiship cruise missile	Unknown	Operational	Difficult to detect and defend against because of high speed. Can be ship-, ground-, air-launched. High risk to advancing Chinese surface ships.
	Hsiung Feng IIE subsonic land-attack cruise missile	Unknown	Operational	Specifically designed to attack land targets in China within a 600 km range.
	Hsiung Feng IIE subsonic land-attack cruise missile (extended range)	Unknown	Operational	Extended range to 1,200 km, significant increase of ability to strike targets deep within Chinese mainland.
	Hsiung Feng III supersonic antiship cruise missile	Unknown	Operational	Sea- and ground-based threat to Chinese surface vessels
	Tien Chi short-range ballistic missile	Unknown	Operational	Possibility to strike targets on Chinese mainland through forward deployment on Taiwanese islands
	Wan Chien air-to-ground subsonic cruise missile	Unknown	Operational	Stand-off strike capability against Chinese land targets along the southeastern coast.
	Yun Feng surface-to-surface supersonic cruise missile	Unknown	Operational	Stand-off, high-speed strike capabilities against targets deep in northern and central China with ranges between 1,200 and 2,000 km
<b>AIR DEFENCE</b> 	PAC-2 Patriot surface to air missile (SAM)	7	Being replaced with PAC-3s	Medium to long range air defense, enablers of other defensive options
	PAC-3 Patriot SAM	7	Operational	Medium to long range air defense, enablers of other defensive options
	Sky Bow II/III SAM	Unknown	Operational	Medium range air defense, complements PAC-3s as mobile and resilient defensive option
<b>AIRCRAFT</b> 	F-16 A/B multirole jet	149	Operational but 66 being upgraded to F-16Vs	Air defense, F-16Vs have extended range and enhanced radar capability
	Mirage 2000 multirole jet	55	Operational	Air defense
	AIDCF-CK-1 indigenous fighter	129	Operational	Air defense, including stealth capability
	E-2 Hawkeye early warning and control	6	Operational	Intelligence and early warning, including offshore territories
	P-3C Orion maritime patrol and surveillance	12	Operational	Intelligence and maritime domain awareness, including anti-submarine warfare capability
	C-130H Hercules electronic intelligence and military transport	20	Operational	Intelligence and maritime domain awareness
<b>SURFACE COMBATANTS</b> 	Chien Lung-class submarines Indigenous Submarine program	4	Operational but will be replaced by the Indigenous Submarine Program (8 planned)	Sea denial of Taiwan Strait and intelligence and surveillance
	Kee Lung-class destroyers	4	Operational	Maritime defense of ROC territories and sealanes, including anti-air warfare
	Cheng Kung, Kang Ding and Chi Yang-class frigates	22	Operational	Maritime defense of ROC territories and sealanes, including anti-air warfare
	Ching Chiang and Tuo Chiang-class corvettes	14	Operational	Maritime defense of ROC territories and sealanes, Tuo Chiang can be armed with anti-ship and anti-aircraft missiles
	Kuang Hua VI-class fast-attack missile craft	31	Operational	Asymmetric warfare capability
	Min Jiang-class minelayer	4	Operational	Asymmetric warfare capability
	Yung Fen, Yung Yang and Yung Jin-class minesweepers	10	Operational	Coastal defense capability
	Newport and Chung Hai-class tank landing ships	7	Operational	Amphibious warfare, boosts re-supply and logistical support capability
	Hsu Hai and Yu Shan-class dock landing ship	1	Operational	Amphibious warfare, boosts re-supply and logistical support capability

Author's note: Numbers of Taiwan's are indicative only. Source: Data sourced from CSIS Missile Defense Project and IISS Military Balance Plus Database and [Global Security](#). (accessed 25 April 2022).

information warfighting, command and control, inter-service logistics, and the training of volunteers.<sup>24</sup> Taiwan's defense ministry also plans to reorganize its command structure and intelligence support to facilitate joint operations between its services. This aims to give regional commanders more operational flexibility in the event of a conflict.<sup>25</sup>

The transformation of Taiwan's armed forces is supported by investments in civil infrastructure and wartime mobilization preparation.<sup>26</sup> The Taiwanese coast guard has also upgraded its vessels – based on US coast guard cutter designs – to withstand hostile ramming and shouldering action by China's maritime militias. The largest of these vessels also have room for anti-ship missiles.<sup>27</sup> In its planning, Taipei is taking advantage of Taiwan's natural geography and weather. Taiwan's coast only has thirteen small beaches and approximately six ports suitable for an amphibious landing. These chokepoints are bordered by populated cities and an ROCAF-controlled tunnel and bunker system in natural granite cliffs. Also, the weather is likely to deprive any would-be invasion of strategic surprise and tempo – Taiwan is marked by extreme fog and typhoons from February to June and strong tidal currents in November to February.<sup>28</sup>

The 2021 Quadrennial Defense Review (QDR) and the National Defense Report (NDR) published that same year were consistent in upholding Taiwan's policy goal of creating an “independent and self-reliant defense establishment.” This issue has been important to Taiwan since its 2009 QDR.<sup>29</sup> A significant portion of Taiwan's defense expenditure – which now amounts to slightly more than two percent of GDP – is allocated to indigenous development. President Tsai Ing-wen has emphasized the need for Taiwan to

seek domestic industry offsets for part of its foreign procurement. Priorities include avionics, stealth, hardened shelters, and submarine platforms.<sup>30</sup> In 2021, the legislature approved additional defense expenditure of \$9 billion to be spread over five years. This comes on top of the regular defense budget, which for 2022 amounts to \$16.89 billion.<sup>31</sup> The additional money will support local industrial development of next-generation fighters, surface combatants, missiles, communications, and combat vehicles.

Despite its modernization efforts, Taiwan's force posture will likely be haphazard for at least the next decade. This is due to differing views of the capabilities needed to meet the threats from mainland China. In 2021, Taiwan's defense ministry opted to shift from an asymmetric posture to deterrence by threatening missile strikes against China's mainland.<sup>32</sup> The previous decades of focusing on expensive, heavy, high-end equipment for symmetric operations against the PLA were considered to have provided little value for asymmetric and deterrence operations.<sup>33</sup> However, Beijing's grey zone operations demonstrated that the ROC armed forces and coast guard still need heavy weapon systems such as fighter jets, surface combatants, and patrol combatants. Taipei has to be able to respond to PLA incursions into its air and maritime domain and to signal to Beijing that it has the capability to safeguard its sovereignty over its territories.

This process is complicated by the fact that Russia's invasion of Ukraine has renewed the interest shown by Washington – Taiwan's primary arms supplier – in the use of weapons for asymmetric warfare. The US military believes that such systems would inflict the heaviest damage on PLA forces attempting to invade Taiwan's littoral zone and prevent China from

24 Ministry of National Defense ROC, *Quadrennial Defense Review 2021*, p.4.

25 Mike Yeo, “Taiwan unveils Army restructure aimed at decentralizing military,” *Defense News*, May 17, 2021, <https://www.defensenews.com/global/asia-pacific/2021/05/17/taiwan-unveils-army-restructure-aimed-at-decentralizing-military> (accessed May 10, 2022).

26 Kelvin Chen, “Taiwan's defense ministry seeks wartime control of rail transportation,” February 8, 2022, <https://www.taiwannews.com.tw/en/news/4435428>; and “New civil defense handbook issued,” *Taipei Times*, April 13, 2022, <https://www.taipetimes.com/News/front/archives/2022/04/13/2003776512> (accessed May 13, 2022).

27 Tso-Juei Hsu, “Taiwan Coast Guard Receives its First Chiayi-Class Large Patrol Vessel,” *Naval News*, April 30, 2021, <https://www.navalnews.com/naval-news/2021/04/taiwan-coast-guard-receives-its-first-chiayi-class-large-patrol-vessel> (accessed May 13, 2022)

28 Ian Easton, *The Chinese Invasion Threat: Taiwan's Defense and American Strategy in Asia* (Arlington: Project 2049 Institute, 2017), p.172.

29 Ministry of National Defense ROC, *Quadrennial Defense Review 2021*, p.23; and Ministry of National Defense ROC, *ROC National Defense Report 2021*, p.58; and Ministry of National Defense ROC, *Quadrennial Defense Review: The Republic of China 2009* (Taipei: Ministry of National Defense, 2009), p.50.

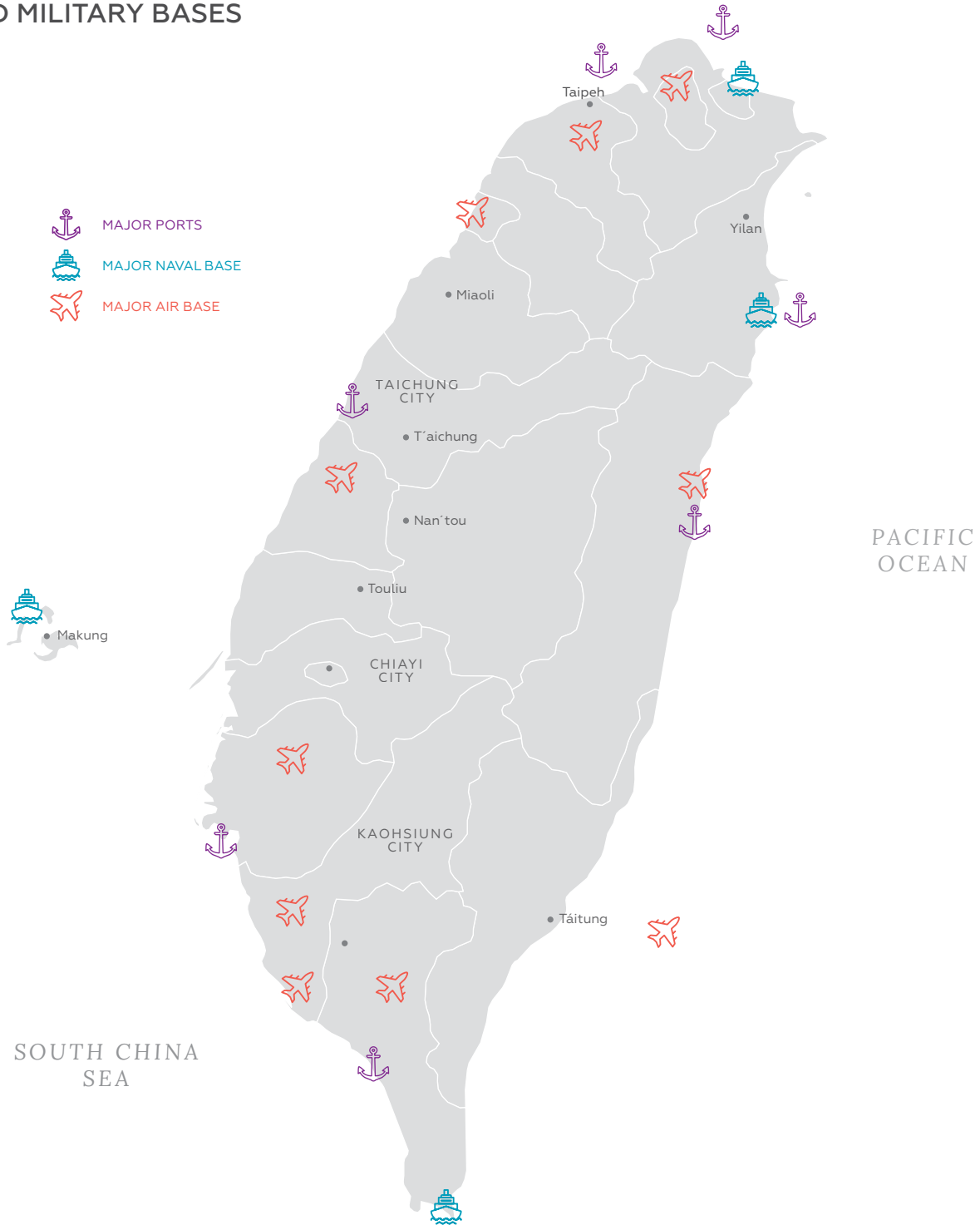
30 Ministry of National Defense ROC, *Quadrennial Defense Review 2021*, p.48.

31 Mike Yeo, “Taiwan is spending an extra \$9B on its defense. Here's what the money will buy,” *Defense News*, October 7, 2021, <https://www.defensenews.com/global/asia-pacific/2021/10/07/taiwan-is-spending-an-extra-9b-on-its-defense-heres-what-the-money-will-buy> (accessed May 13, 2022).

32 Michael A. Hunzeker, “Taiwan's Defense Plans are Going Off the Rails,” *War on the Rocks*, November 18, 2021, <https://warontherocks.com/2021/11/taiwans-defense-plans-are-going-off-the-rails> (accessed June 19, 2022).

33 William S. Murray, “Revisiting Taiwan's Defense Strategy,” *Naval College War Review* 61:3 (Summer 2008), p.15.

### 5 – TAIWAN'S MAJOR PORTS AND MILITARY BASES



Source: Data from GlobalSecurity, Taiwan Military Guide, 2022.

establishing beachheads on Taiwan's shore. But while Washington and Taipei are converging on Taiwan's asymmetric strategy, Taiwan's ability to fulfill other defense requirements – such as air defense and sea denial – are being stalled. The reason is that US officials are questioning the utility of such equipment in a Taiwan conflict scenario based on their assessment of operations in Ukraine. This last point will be addressed in more detail in the next section.

As a result, Taipei has had to engage in a difficult balancing act – trying to meet the requirements for deterring China while preparing for various invasion scenarios on limited budgets and manpower. In particular, resource constraints have emerged from the ROC's military transition to an all-volunteer force,<sup>34</sup> a process which began under former President Ma Ying-jeou and has been continued by President Tsai. Since the transition, the ROC armed forces have been unable to find enough recruits due to a lack of economic incentives to join the military, an aging population and declining birth rate, and negative public views of the military. In addition, Taiwan lacks a robust and well-trained reserve force. Since 2000, the length of training has been cut from two years to two weeks. The units are underequipped and badly organized. It would be very difficult to mobilize them in the event of an attack.<sup>35</sup> Consequently, Taiwan has been unable to achieve its goal to streamline and professionalize its military. If the government continues to lack the political will to address the personnel issues dogging the armed forces, the credibility of Taiwan's defense against mainland China will be eroded.

## DIVERSIFYING TAIWAN'S DEFENSE PARTNERSHIPS

Taiwan is keen to diversify its defense partnerships, aiming in particular to include the United States' allies in the Indo-Pacific. Through a broader outreach, the ROC government pursues two objectives: It hopes to gain new partners to make up for the

dwindling number of diplomatic allies, and it seeks help to counter Chinese adventurism in the East and South China Sea.

The United States will remain Taiwan's most important diplomatic partner and security provider. Continuing a trend from the Trump administration, the Biden administration is more public about declaring support for Taiwan.<sup>36</sup> Since the end of 2018, reported US transits through the Taiwan Strait have averaged once per month.<sup>37</sup> US Special Forces and Navy SEALs regularly conduct joint and combined exercises (Exercise Balance Tamer) with Taiwan's air force and special forces in Taiwan's mountainous regions, which are now publicized. Amphibious training and speedboat infiltration exercises involving both American and Taiwanese marines have been ongoing since 2020.<sup>38</sup>

However, Washington and Taipei continue to disagree about the types of arms best suited for Taiwan's "self-reliant defense," that is, the weapons and resources that the country needs to defend itself. While the Taiwan Relations Act does not require the United States to actively defend Taiwan or provide extended nuclear deterrence, it does state that it is US policy to maintain Taiwan's self-defense capability.<sup>39</sup> As the country's principal weapons supplier, the United States has an outsized say over which arms and defense technologies Taiwan can obtain. The tactics and operations of the Ukrainian armed forces fighting the Russian invasion emphasized to Washington the importance of Taipei procuring smaller and more cost-efficient systems compared to the pricier and larger equipment that the ROC armed forces has traditionally requested.<sup>40</sup> According to US officials, equipment such as heavy transport vehicles and large helicopters is unlikely to survive an armed assault from the PLA.

This disagreement extends to European weapons technology and components which Taiwan desires to

34 Whitney McNamara, "Challenges to Taiwan's Shift to All-Volunteer Force," in Bonnie Glaser and Matthew P. Funiacole eds., *Perspectives on Taiwan: Insights from the 2017 Taiwan-US Policy Program* (Washington DC: Center for Strategic and International Studies, 2018), p.48.

35 Enoch W. Yu, "Taiwan's Failure to Face the Threat From China," *The New York Times*, May 18, 2017, <https://www.nytimes.com/2017/05/18/opinion/taiwans-failure-to-face-the-threat-from-china.html> (accessed June 19, 2022).

36 US Department of State, "US Relations with Taiwan," May 5, 2022, <https://www.state.gov/u-s-relations-with-taiwan/> (accessed May 17, 2022).

37 Collin Koh, "Reported US Navy Taiwan Straits Transits," <https://twitter.com/CollinSLKoh/status/1449544818833563648/photo/1> (accessed May 17, 2022).



















38 Joseph Trevithick, "Army releases ultra rare video showing Green Berets Training in Taiwan," *The Drive*, June 29, 2020, <https://www.thedrive.com/the-war-zone/34474/army-releases-ultra-rare-video-showing-green-berets-training-in-taiwan> (accessed May 17, 2022).

39 American Institute of Taiwan, "Taiwan Relations Act (Public Law 96-8, 22 U.S.C.2201 et seq.)," Public Law 96-8 96th Congress, 1 January 1979, <https://www.ait.org.tw/policy-history/taiwan-relations-act> (accessed May 9, 2022).

40 Lara Seligman, Alexander Ward and Nahal Toosi, "In letters, US tries to reshape Taiwan's weapons request," *Politico*, May 10, 2022, <https://www.politico.com/news/2022/05/10/u-s-taiwan-weapons-request-00031507> (accessed May 17, 2022).



## 6 – TAIWAN'S ALLIES AND PARTNERS

COUNTRY	STATUS	REGION
 Belize	Full diplomatic relations	Latin America
 Eswatini	Full diplomatic relations	Africa
 Guatemala	Full diplomatic relations	Latin America
 Haiti	Full diplomatic relations	Latin America
 Holy See (Vatican City)	Full diplomatic relations	Europe
 Honduras	Full diplomatic relations	Latin America
 Japan	Legislative exchanges (focus on economic security)	Northeast Asia
 Lithuania	Representative office	Europe
 Marshall Islands	Full diplomatic relations	South Pacific
 Nauru	Full diplomatic relations	South Pacific
 Palau	Full diplomatic relations	South Pacific
 Paraguay	Full diplomatic relations	Latin America
 Saint Kitts and Nevis	Full diplomatic relations	Latin America
 Saint Lucia	Full diplomatic relations	Latin America
 Saint Vincent and the Grenadines	Full diplomatic relations	Latin America
 Somaliland	Representative office	Africa
 Tuvalu	Full diplomatic relations	South Pacific
 United States	Informal security guarantee via the 1979 TRA and 1982 Six Assurances	North America

Sources: ROC Ministry of Foreign Affairs, Adam P. Liff and Ryan Hass, US Department of State.

acquire. The ROC government recently tried to buy German technology to integrate into its indigenous submarine program when the United States was unwilling to supply it with diesel-powered submarines – not only because the United States only produces nuclear submarines but also because Washington is skeptical about the submarines' utility and cost-effectiveness for Taiwan's defense. It believes that Taipei should use its enlarged defense outlay to pursue capabilities that are mobile, cost-effective, and resilient instead of funding platforms that are less mobile, including precision-guided munitions, early warning systems, and air defense platforms.

After the United States, Taiwan's most important defense partners are Japan and Australia. Both are US allies and share the same threat perception regarding China. From Tokyo's and Canberra's perspective, a CCP-controlled Taiwan would dramatically change the military balance in the East and South China Seas. Japan's 2021 Defense White Paper stated that "stabilizing the situation surrounding Taiwan is important for Japan's security."<sup>41</sup> The former deputy director-general of Japan's National Security Secretariat, Nobukatsu Kanehara, described the central place that Taiwan holds in Japan's defense planning when he said that "a Taiwan contingency is a Japan

41 Ministry of Defense Japan, 2021 Defense White Paper (Tokyo: Ministry of Defense, 2021), p.92.

contingency.” Japan’s Sakishima islands, consisting of Yonaguni, Iriomote, Miyako, Ishigaki, and the Senkaku/Diaoyu islands would certainly be affected by any attempt at unilateral unification by Beijing.<sup>42</sup> Indeed Japan’s 2021 Defense White Paper pointed out that a large number of China’s missiles facing Taiwan also have ranges that cover Japan’s southwestern islands including the Senkaku/Diaoyu islands.<sup>43</sup>

Australia has also become increasingly open about its support for Taiwan. Australia’s joint defense facilities, including the satellite surveillance base Pine Gap, play a significant role in early warning and intelligence collection regarding China’s activities.<sup>44</sup> Australian analysts have observed that since Japan and US forward-deployed forces in the Western Pacific would contribute to the defense of Taiwan in the case of a Chinese attack, it was highly likely that Australian forces would also be involved.<sup>45</sup>

South Korea’s defense planning is different from Japan’s and Australia’s – its force posture and doctrine are focused on North Korean contingencies. South Korean analysts view a China-Taiwan conflict as an opportune time for Pyongyang to take advantage of a distracted Washington.<sup>46</sup> Beijing and Pyongyang as treaty allies could “discuss, plan, and execute a two-pronged attack specifically designed to split US forces.”<sup>47</sup> But Taiwan’s relevance to the Korean peninsula should be noted. Taiwan’s ultra-high frequency radars have been able to track North Korean missile launches and provide US and Japanese warships with

120 seconds of extra warning.<sup>48</sup> Such early warning capabilities will become increasingly important as North Korea and China develop hypersonic weapons.

The ROC will also try to benefit from Europe’s weakening reticence about providing support to Taiwan. Elizabeth Truss, then foreign secretary now prime minister of Britain, recently said that “NATO must have a global outlook ... We must ensure that democracies like Taiwan are able to defend themselves.”<sup>49</sup> The then-French Foreign Minister Jean-Yves Le Drian also stated that France “condemns any attempt to undermine the [cross-strait] status quo,” and that Paris is keen to prevent any conflict.<sup>50</sup> In return, Taipei has shown willingness to use its front-line knowledge to assist European efforts to counter China’s disinformation and cyber-attacks.<sup>51</sup>

Yet much of this rhetoric is not motivated by a desire to align with the United States and its Indo-Pacific allies in their concerns about providing for Taiwan’s defense. Rather, most European calculations are driven by China’s economic coercion of European countries and the EU, its failure to condemn Russia’s invasion of Ukraine, and the intensifying relationship between China and Russia. Indeed, Europe’s major powers – the UK, France, and Germany – are unlikely to be forthcoming in providing defense goods. Rather, much of Europe’s concerns have been focused on how to protect supply of Taiwan’s advanced semi-conductors to European industry in the event of a cross-strait conflict.<sup>52</sup>

42 Nobukatsu Kanehara, “Taiwan yūji soshi no tame ni Nichibei de banzen no yokushi-ryoku o: Bōei-ryoku zōkyō nado aratana seisaku ga hitsuyō [in Japanese]” Nippon.com, May 13, 2021, [https://www.nippon.com/ja/in-depth/a07402/?cx\\_recs\\_click=true](https://www.nippon.com/ja/in-depth/a07402/?cx_recs_click=true) (accessed May 17, 2022).

43 Ministry of Defense Japan, 2021 *Defense White Paper*, p.63.

44 Daniel Hurst, “Australia’s Pine Gap ‘hugely important’ to western monitoring of China, says former British spy chief,” *The Guardian*, February 10, 2022, <https://www.theguardian.com/australia-news/2022/feb/10/australias-pine-gap-hugely-important-to-western-monitoring-of-china-says-former-british-spy-chief> (accessed May 17, 2022).

45 Peter Jennings, “Taiwan defence is vital for Australian security,” *ASPI: The Strategist*, November 20, 2021, <https://www.aspi.org.au/taiwans-defence-is-vital-for-australian-security> (accessed May 17, 2022).

46 Sungmin Cho, “South Korea’s Taiwan Conundrum,” *War on the Rocks*, December 31, 2021, <https://warontherocks.com/2021/12/south-koreas-taiwan-conundrum> (accessed May 17, 2022).

47 Ki-suh Jung, “The implications of simultaneous conflicts in South Korea and Taiwan,” *CIMSEC*, November 2, 2021, <https://cimsec.org/the-implications-of-simultaneous-conflicts-in-south-korea-and-taiwan> (accessed May 17, 2022).

48 Ian Easton, “Taiwan, Asia’s Secret Air Power,” *The Diplomat*, September 25, 2014, <https://thediplomat.com/2014/09/taiwan-asias-secret-air-power> (accessed May 17, 2022).

49 The Rt Hon Elizabeth Truss MP, “The return of geopolitics: Foreign Secretary’s Speech at the Lord Mayor’s 2022 Easter Banquet,” UK Foreign, Commonwealth and Development Office, London, April 29, 2022, [https://www.gov.uk/government/speeches/foreign-secretarys-mansion-house-speech-at-the-lord-mayors-easter-banquet-the-return-of-geopolitics?utm\\_source=POLITICO.EU&utm\\_campaign=98a727e258-EMAIL\\_CAMPAIGN\\_2022\\_04\\_28\\_09\\_55&utm\\_medium=email&utm\\_term=0\\_10959edeb5-98a727e258-190894844](https://www.gov.uk/government/speeches/foreign-secretarys-mansion-house-speech-at-the-lord-mayors-easter-banquet-the-return-of-geopolitics?utm_source=POLITICO.EU&utm_campaign=98a727e258-EMAIL_CAMPAIGN_2022_04_28_09_55&utm_medium=email&utm_term=0_10959edeb5-98a727e258-190894844) (accessed May 17, 2022).

50 Mailsy Pene-Lassus, “France slams China’s attempts to ‘break the status quo on Taiwan,’” *Nikkei Asia*, February 20, 2022, <https://asia.nikkei.com/Editor-s-Picks/Interview/France-slams-China-s-attempts-to-break-the-status-quo-on-Taiwan> (accessed May 17, 2022).

51 European Parliament, “EU must prepare better to fight off foreign interference and disinformation,” *Press Releases*, March 9, 2022, <https://www.europarl.europa.eu/news/en/press-room/20220304IPR24790/eu-must-prepare-better-to-fight-off-foreign-interference-and-disinformation> (accessed May 17, 2022).

52 Stuart Lau, “Taiwan’s charm offensive pits Europe against China,” *Politico*, October 28, 2021, <https://www.politico.eu/article/taiwans-pits-europe-against-china> (accessed May 17, 2022).

# Implications

As Taiwan and its offshore islands hold valuable geo-strategic locations along China's first and second island chains in the East and South China Seas, CCP control over Taiwan would have political and military implications for the United States and its partners, reducing their ability to exercise freedoms such as the freedom of navigation in the Western Pacific. A cross-strait conflict would not remain local and limited, as the US forward deployed forces in Japan, Hawaii, and Guam are bound to be involved, possibly alongside Japanese and Australian forces. If China should nevertheless make gains in the East and South China Seas, this would likely weaken the United States' ability to provide extended nuclear deterrence and diminish Washington's credibility in the defense of key allies such as Japan, South Korea, and Australia.

Taipei is welcoming major Indo-Pacific powers' adjustment to their doctrines and force postures. Ensuring stability in the Taiwan Strait and reaffirming Taiwan's value in the Indo-Pacific has featured in Australia-US, US-Japan, and Australia-Japan ministerial consultations. In recognition of the geostrategic and geopolitical value of Taiwan's diplomatic allies, the United States has also begun supporting those partnerships. Palau hosted US military training exercises in 2021, and to supplement its 2019 installation of maritime monitoring stations, Washington will build over-the-horizon radars in Palau's southwestern islands.<sup>53</sup> In the self-declared republic of Somaliland – a new partner for Taipei – the United States has been scouting port and airport facilities as possible bases for its military to counter China's military presence in the strategically important Horn of Africa.<sup>54</sup> Given the instability following changes to PRC recognition in the Solomon Islands and Guyana and the subsequent failure of Western efforts to counter China's sway, the United States and its allies

will likely be even more attentive in their support to Taiwan's diplomatic partners.

Tokyo may, as part of its revision of its National Security Strategy, adopt a first strike capability to target an opponent's missile bases and to disable hostile command and control systems. It will likely set a defense spending target of two percent of GDP to reinforce capabilities over the next five years and to align with NATO.<sup>55</sup> Regarding Australia, the 2021 AUKUS deal to jointly develop nuclear submarines for the Australian Navy will give the country a meaningful operational role in the Indian Ocean, the South China Sea, and the southern parts of Japan's archipelago. While the submarines are decades away from being put to sea, the deal also aims to deter Beijing from underestimating the willingness of American and allied forces to intervene in PLA attempts to blockade the southern approaches to Taiwan.<sup>56</sup> The associated technology transfers – including on hypersonic long-range missiles and unmanned submersibles – will bolster Australia's long-range strike and intelligence capabilities in a range of scenarios concerning Chinese actions. Such efforts are distinct from the "Quad" partnership between the United States, Japan, India, and Australia. While united on economic, technological, and diplomatic projects to counter China in the Indo-Pacific, the Quad will likely continue to lack consensus on its approach to Taiwan.<sup>57</sup>

More broadly, a conflict over Taiwan would cause major disruptions to global trade and supply chains, particularly the supply of advanced semi-conductors.<sup>58</sup> Taipei has a vested interest in ensuring that its advanced manufacturing and technological base remains highly integrated in the global supply chain. Taiwan's role for European trade will continue to factor into European assessments. The EU's Indo-Pacific strategy described Taiwan as a partner in the bloc's regional engagement, and the EU-US Dialogue on China included a detailed discussion of Taiwan. Taiwan's Foreign Minister Joseph Wu also commented that there could be future opportunities for Taiwan and NATO to exchange views and coop-

53 Maureen S. Maratitta, "All systems go: Radar in Palau moves ahead," Mariana Business Journal, 7 June 2022, <https://www.mbjguam.com/2021/06/07/all-systems-go-radar-in-palau-moves-ahead/> (accessed May 18, 2022).

54 Quint Forgey and Alexander Ward, "When Russia arrests you for irony," Politico National Security Daily, May 13, 2022, <https://www.politico.com/newsletters/national-security-daily/2022/05/12/when-russia-arrests-you-for-irony-00032155> (accessed May 18, 2022).

55 "Japan's ruling LDP asks gov't to double defense budget," Kyodo News, Apr 27, 2022, <https://english.kyodonews.net/news/2022/04/1746b03c9547-japans-ruling-ldp-proposes-doubling-of-defense-budget.html?phrase=strike%20capability&words=capabilities,strikes,strike,capability> (accessed May 18, 2022).

56 Michael Mazza, "The AUKUS agreement and the significance for Taiwan," American Enterprise Institute, October 6, 2021, <https://www.aei.org/articles/the-aukus-agreement-and-its-significance-for-the-defense-of-taiwan> (accessed May 18, 2022).

57 Richard Maude, "ASPI Not: How to Understand the Quad: Key Points for Business," Asia Society Policy Institute, February 10, 2022, <https://asiasociety.org/policy-institute/aspi-note-how-understand-quad-key-points-business> (accessed May 18, 2022).

58 Mathieu Duchâtel, "Semiconductors in Europe: the return of industrial policy," Institut Montaigne Policy Paper (March 2022), pp.8-9.

erate.<sup>59</sup> The UK's Integrated Review of Security, Defence and Foreign Policy and its "Indo-Pacific tilt" have focused greater parts of the country's Indo-Pacific defense planning on Taiwan contingencies.<sup>60</sup> Against this background, major European powers are slowly adjusting their outlook on Taiwan.

However, it is unlikely that Europe will develop the same sense of urgency concerning Taiwan as is present in the Indo-Pacific. Particularly with Russia's invasion of Ukraine and NATO membership of Finland and Sweden, Taiwan will remain an Indo-Pacific defense priority and a subset of Europe's broader China policy. While NATO's 2022 Strategic Concept stated that China's ambitions and coercive policies challenge NATO's "interests, security and values," it made no mention of Taiwan.<sup>61</sup> The UK has ruled out direct military support, and both France and Germany will continue to define relations with Taiwan in the framework of their China or global trade policies. Fearing Chinese retaliation, the EU, Germany, France, and the UK are unlikely to help Taiwan directly with its defense materiel, either supplying support or transferring weapons technology. Support will continue to be indirect and discreet – as when Taiwan consulted former British naval officers and a company based in the British territory of Gibraltar over its indigenous submarine design.<sup>62</sup>

Instead, it will be the central and eastern European countries' (CEEC) more forceful initiatives on Taiwan that will pave the way for Western European maneuvers. The CEEC region is less trade-dependent on China than Western European countries; it shares a history with Taiwan of martial law and democratic transition; and CEEC governments were disillusioned with China and its close ties to Russia even before the Ukraine war. The CEEC's political support led to Taiwan exploring semi-conductor cooperation with Lithuania, the Czech Republic, and Slovakia.<sup>63</sup> Consequently, the CEECs responded to China's backlash by defining their own "one China" policy and by renaming their representative offices. This can provide guidance for Europe on how to develop a consistent Taiwan policy.

## Policy Recommendations

Major Indo-Pacific and European countries have a strong interest in supporting Taiwan's ability to defend itself, contributing to deterring China from unilateral acts of force, and lowering the possibility of cross-strait conflict. With both Taiwan and the United States heading into presidential elections in 2024, it will become increasingly necessary to institutionalize bipartisan agreement on stability in the Taiwan Strait. The following policy recommendations are designed to contribute toward those goals:

- Institute an official dialogue between Taipei and the European Union (EU) on countering China's foreign interference and disinformation based on Taiwan's experiences. First steps could consist of holding 1.5 track dialogues between Taiwanese and EU member state officials and non-officials, organizing parliamentary study tours to Taiwan, and holding workshops with Taiwan. European practitioners could also take advantage of the US-Taiwan and Japan-Taiwan administered Global Cooperation and Training Framework (GCTF). This serves as a platform for Taiwan to globally share its expertise, given that China blocks Taiwan's participation in international organizations. Overall, Europe would take an important step toward building trust with Taiwan by giving more political recognition to Taiwan's experiences in safeguarding its democratic systems against China's interference.
- Increase European industrial support and knowledge transfer to Taiwan's indigenous defense industry, including for cheap asymmetric systems such

59 Kelvin Chen, "Foreign minister talks Taiwan-Europe ties with German newspaper," *Taiwan News*, May 18, 2022, <https://www.taiwannews.com.tw/en/news/4542377> (accessed May 18, 2022).

60 John Curtis and Nigel Walker, "UK-Taiwan friendship and cooperation," UK House of Commons Library Debate Pack CDP-0031 (February 7, 2022), p.3.

61 NATO, 2022 Strategic Concept (Brussels: NATO, June 2022), p.5.

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as mines and anti-ship torpedoes. EU countries have been reticent to sell defense components to Taiwan because they are concerned about Chinese retaliation and fear such deliveries could further destabilize the cross-strait “status quo.” However, China’s comprehensive military modernization has already changed the cross-strait military balance, and the “status quo” has shifted to comprise near-constant intrusions into Taiwan’s air and maritime domains. Consequently, Europe should consider what it can contribute to deterrence in the short to medium term.

- Set up a working group between NATO and Taiwan to understand the consequences of a conflict in the Taiwan Strait on Western alliances and US forward deployed forces. This could include war-gaming and table-top exercises on the repercussions for NATO and the EU of a Taiwan Strait conflict. Though not designated as such, Taiwan is treated by the United States as a “major non-NATO ally.”<sup>64</sup> This designation might open the door to Taiwan contributing its frontline knowledge for instance to NATO’s cyber defense objectives. Also, with Sweden and Finland joining NATO, there is expanded scope for NATO exchanges with Taiwan and Indo-Pacific partners. Such exchanges could focus on military preparedness and command-and-control in the air-sea domain such as the East and South China Seas in comparison to the Baltic and Black Seas.
- Hold defense exchanges between Taiwanese, Indo-Pacific, and European powers. One focus could be the integration of naval and coast guard forces in response to gray-zone operations involving civil-military and proxy forces. Such a dialogue would help participants understand how their navy and coast guard forces can give a proportionate response to an opponent’s hybrid operations. Another area of focus could be civil defense – in the wake of Russia’s invasion of Ukraine, the EU, Germany, Ireland, Sweden, Denmark, France, Italy, Ireland, Poland, Romania, Spain, Sweden, and the UK are reassessing their civil defense infrastructure and the readiness of their volunteer and conscript forces. An exchange with Taiwan, Japan, and the United States could provide useful recommendations for improving civil defense capabilities.
- Both Indo-Pacific and European powers could further strengthen Taiwan’s place in the global supply chain. As China also depends on Taiwan’s ability to innovate and to manufacture advanced technologies, ensuring global support for Taiwan’s value in the economy could contribute to deterring China from an invasion. For instance, supporting CEEC’s semi-conductor initiatives with Taiwan could increase European-Indo Pacific supply chain resilience.
- Define “red lines” for European and Indo-Pacific powers in various cross-straits contingencies. Lawmakers need clear guidance on whether and how to support Taiwan if for instance Taiwan’s Taiping or Pratas islands were to be attacked by the PLA or its proxy forces. European and Indo-Pacific signaling of red lines could contribute to a credible deterrence of China’s military adventurism. A first step could be to hold wargaming and table-top exercises with senior officials from Taiwan, the United States as well as Indo-Pacific and European countries on various Taiwan Strait contingencies.
- Identify areas where Taiwan could work closer with regional security multilaterals. For instance, the Quad could detail a clear mechanism for other partners to join its activities. It could include Taiwan in working groups on critical and emerging technologies, supply chain resilience, democracy promotion, and global technical standards. In addition, AUKUS could establish a working group on Taiwan-US-allied interoperability and command and control in the event of a conflict with China.

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