Doubly Dualistic Dilemma:
US Strategies towards China and Taiwan

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In its relations with Taipei and Beijing, Washington has begun to implement separate strategies in order to simultaneously deter unilateral action while balancing out the rival political and military forces of each side. Its mission is to prevent hostilities between Beijing and Taiwan from escalating to a military conflict, a conflict which, at this point, the U.S. is ill-prepared to take on. US policy has to mirror the duality of the cross-strait arena by implementing dual balancing and deterrent strategies. It is also imperative that policy makers realize the complexity of the situation so as not to unwittingly provoke either side. This paper is an analysis of the emerging US strategy of deterring both sides of the Taiwan Strait from taking unilateral action while maintaining a balance of military and political forces, and gives some suggestions as to the further development of this strategy.

**US Cross-Strait Policy Objectives**

The United States has never wavered from its commitment to the one-China policy, and Washington’s commitment to Taiwan’s security is predicated on the premise that Taiwan does not provoke Beijing with independence. Since 1979, US policy has sought to balance Washington’s improved relations with Beijing with its interest in protecting Taiwan from mainland’s military intervention. This involves striking a complicated balance between US agreements with Beijing under the three Sino-US Joint Communiqués and US obligations to Taiwan under the Taiwan Relations Act.

The US war against terrorism supplanted Beijing as the primary strategic threat for Washington and expectations arose for Taiwan to assume more of the burden for its own security. The Bush administration asserted that the US had not abandoned Taiwan. But, in September 2003, President Chen Shui-bian announced his intention to craft a new constitution for Taiwan by 2006 that would make Taiwan a “normal,
complete, great state.” He proposed that this draft constitution would be approved by the people through a referendum and enacted in 2008 at the end of his second term. Chen’s proposal to hold a referendum in conjunction with the presidential election troubled the US. On one hand it was felt that such a fundamental practice in any democratic state could not be opposed. On the other hand, the Bush administration did not support a deliberate challenge by Taipei to provoke Beijing and destabilize cross-strait status quo. Washington reminded Chen of his "Four-No’s" pledge, including the “no” to a referendum on independence. Asked to comment on possible plans for a defensive referendum, US State Department spokesman Richard Boucher said the United States opposed any attempt by either Beijing or Taiwan to change the status quo in the Taiwan Strait. “We also urge both sides to refrain from actions or statements that increase tensions or make dialogue more difficult to achieve. Therefore we would be opposed to any referendum that would change Taiwan’s status or move toward independence,” he said.¹

US administration officials did try and seek changes to this proposal by reiterating the well known position on the one-China policy. In December 2003 when it became evident that President Chen was taking no notice of any official statements on these matters, President Bush, standing alongside Chinese Prime Minister Wen Jiabao in the Oval Office, told the press that unilateral actions by either Beijing or Taiwan were unwelcome but “the comments and actions by the leader of Taiwan indicate that he may be willing to make decisions unilaterally to change the status quo, which we oppose.”² Furthermore, Bush not only failed to correct Wen in his statement that Bush had said he opposed Taiwan independence, but nodded in agreement. It is very unusual for an American president to criticize a Taiwanese leader publicly while at the side of a Chinese leader.

Bush has, on occasion, praised democracy in Taiwan and announced his intention to do “whatever it takes” to defend Taiwan. The very same president tried to put a stop to Chen’s defensive referendum because he decided it was important to take Beijing’s side, not just because of economic interests, but also because of ties that have been improving over the North Korean nuclear standoff and the war against terror. Bush also realizes that an unnecessary military conflict with Beijing over Taiwan will not serve anyone’s interests. It is for these reasons that President Bush called on President Chen to exercise restraint and call off his controversial referendum

At a hearing on Taiwan in the House International Relations Committee of the Congress, James A. Kelly, Assistant Secretary of State for East Asian and Pacific Affairs, reaffirmed the principles of US policy toward Taiwan. He said that “it is useful to reiterate the core principles of our policy:

- The United States remains committed to our one China policy based on the three Joint Communiqués and the Taiwan Relations Act;

- The US does not support independence for Taiwan or unilateral moves that would change the status quo as we define it;

- For Beijing, this means no use of force or threat to use force against Taiwan. For Taipei, it means exercising prudence in managing all aspects of cross-strait relations. For both sides, it means no statements or actions that would unilaterally alter Taiwan’s status;

- The US will continue the sale of appropriate defensive military equipment to Taiwan in accordance with the Taiwan Relations Act; and

- Viewing the use of force against Taiwan with grave concern, we will maintain the capacity of the United States to resist any resort to force or other forms of coercion against Taiwan.

Our foremost concern is maintaining peace and stability in order to advance US interests, spare the region the dangers of war, safeguard Taiwan’s democracy, and promote Beijing’s constructive integration into the global community as well as the spread of personal freedom in Beijing. Because of the possibility for the United States to become involved in a cross-strait conflict is very real, the president knows that American lives are potentially at risk. Our one-China policy reflects our abiding commitment to preserve peace in the Taiwan Strait so long as there are irreconcilable differences.”

Kelly prefaced his remarks on policy by observing that, as he had looked back over the past three decades, this US policy had been the key to maintaining peace and

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4 Testimony at a hearing on Taiwan, House International Relations Committee, Washington DC, April 21, 2004.
stability in the western Pacific while helping to ensure Taiwan’s prosperity and security. He also said that, with the leadership of seven US Presidents and active participation of the US Congress, relations with both Beijing and Taiwan – whether economic, political, cultural, and social -- are now far closer and deeper than most would have ever predicted. Equally important, he said, the one-China policy and the Taiwan Relations Act had made vital contributions to easing tensions between Taiwan and the PRC, and had created the environment in which cross-strait people-to-people exchanges and cross-strait trade could flourish. This environment, it is hoped, will provide the necessary conditions for peaceful resolutions to cross-strait differences.

The Cross-Strait Status Quo: Who’s Definition?

It seems that Beijing, Taipei, and Washington all agree to maintain the status quo in the Taiwan Strait. The problem is that all three have different definitions and perceptions of the status quo. Beijing insists on the one-China principle, which states that Taiwan is part of one China. Taiwan regards itself as an independent sovereign state and rejects any form of reunification with the current regime in Beijing. The United States wants to maintain a peaceful status quo and warns against any unilateral action that may alter that status quo. Furthermore, though the US has a one-China policy, Washington insists that differences between the two sides of the strait should be worked out peacefully.

Before we investigate Beijing and Taipei’s conceptions of status quo, let’s first review current cross-strait economic and military situations. Cross-strait trade relations have been increased rapidly in recent years. As China’s economy keeps startling development, it is likely that the intensity of cross-strait economic interactions and social exchanges might make China and Taiwan a single economy eventually. Taiwan is the largest source of foreign investment in China, and the bulk of China’s high-tech exports are actually made by Taiwanese-run factories. Taiwan's total investment in China has reached some 160 billion dollars and grows at a rate of four to six billion dollars per year. Taiwanese businesses own 60 to 70 percent of China’s information technology market, and about 50,000 Taiwanese firms operate in mainland China. When China is emerging to become a regional and global manufacturing center as well as the economic powerhouse, Taiwan's prosperity clearly links to that of the Mainland. Huge and intimate economic and social ties are

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leading the two sides into gradual integration and interdependence. Furthermore, the cross-strait ties are increasing their interpersonal facets when large numbers of Taiwanese citizens living, studying and working in China.

The focus of cross-strait military balance has shifted from quantity to quality in the past few years. With the PLA’s aggressive modernization program, the military strength of China is likely to surpass that of Taiwan in the coming years. PLA modernization has accelerated since the mid 1990s, in response to its central leadership’s demands for military options in cross-strait scenarios. China’s military buildup appears to focus on preventing Taiwan independence while also seeking capabilities to swiftly compel Taiwan to negotiate a settlement on Beijing’s terms. At the same time, China beefed up its forces to counter potential third-party intervention, particularly that from the U.S., in cross-strait crises.

U.S. arms sales to Taiwan have been the major source for the island to upgrade its military equipment and to maintain its qualitative edge over the Mainland. In April 2001, the Bush administration approved the sale of a robust package of weapons to Taiwan, the largest one in nearly a decade. However, the arms procurement bill is delayed in Taiwan’s Legislative Yuan due to political feuding, pressure on the budget, the outcome of the referendum and fears of igniting an arms race in the Taiwan Strait. These can all be regarded as domestic factors and are the result of political parties and camps having different interpretations and attitudes of the cross-strait situation. The development of Taiwan's democracy, the dramatic changes in the cross-strait relationship and relations with the US, and the impact of China's "rising" mean that Taiwan's purchase of arms from the US is not a simple military problem, but is a complex issue that is critical to the cross-strait situations and the relationship between Taiwan, the US and China.

**Beijing’s Static Status Quo**

Beijing conceives the cross-strait status quo as a prolonged conflict occasioned by the Chinese civil war in the last century. Such a definition is in essence a static description of the status quo and is employed to legitimize Beijing’s one-China principle and its claim over Taiwan. By politicizing the one-China principle Beijing has cut off any possibility for change in the cross-strait status quo by grouping all cross-strait issues together and limiting opportunities for Taiwan to participate in international affairs. This static definition of the status quo is used as a strategy of further containing and marginalizing Taiwan. Even after the SARS epidemic in early 2003, and amid fears of another major outbreak, Beijing still rejected the idea of giving Taiwan observer status at the WHO. This static definition of the status quo borders on a containment strategy aimed at reunifying Taiwan with the mainland.
The status quo Beijing wants is one where Taiwan remains as it is now but has to move as soon as possible towards reunification, or, at least, not towards independence.

While achieving reunification on Beijing’s terms is a long-term goal, Beijing’s short-term objective is to prevent Taiwan from moving toward independence. Currently, Beijing’s “Taiwan policy” consists of five parts: military leverage, influencing US policy, economic integration, “united front” tactics of reaching out to Taiwanese people, and diplomatic isolation. Within the policy of military leverage, the PLA is acquiring military capabilities that would allow it to pose a credible threat to Taiwan and prevent Taipei from declaring de jure independence for Taiwan. Of course, these military capabilities are also designed to deter, delay, or complicate US involvement or intervention in any potential cross-strait conflict. It is widely believed that the PLA has the ability to undertake short-term air, missile, and naval attacks against Taiwan. The effectiveness of those attacks would depend on Taiwan’s self-defense capabilities and on the degree of involvement of the United States.

The enactment of the Anti-Secession Law on March 4, 2005 was regarded as Beijing’s effort to demonstrate its determination to deter Taiwan independence through legal and physiological measures. The law enlists three scenarios as preconditions for the use of “non-peaceful means” against Taiwan: efforts taken by the separatists to split Taiwan from China under whatever means or by whatever names; any major incidents that could lead Taiwan towards splitting from China; and the possibility of peaceful unification is entirely exhausted. Scholars in China argue that the Anti-Secession Law is in fact a “status quo law,” designing to maintain the current situation in the Taiwan Strait; or at least a “one-China law,” which emphasizes the idea of maintaining unity of one-China and warns that any separating effort will face military sanction from the mainland. International reaction to this law might fall well short of Taiwan’s expectation. Countries including Russia, Cambodia and Indonesia uttered support to China’s enactment. Major powers such as the European Union and Japan only reiterated their interests in a peaceful resolution of the cross-strait dispute while the U.S. named the law an unnecessary act but reaffirmed its one-China policy and non-support of Taiwan independence.

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6 For the discussion of PLA’s military capabilities, see Chinese Military Power (Washington D.C.: Council on Foreign Relations, 2003);
Taiwan’s Dynamic Status Quo

The Taiwan government views itself as an independent, sovereign nation and is seeking to make that status irreversible. In fact, Taiwan itself can also be seen as a special type of non-status quo country, dissatisfied with the existing limits placed on it by the international community. Taiwan’s self-identity and democratization grow stronger day by day, and Taiwan’s government is stepping up efforts to enlarge the island’s international role and increase its participation in international organizations. The United States and other countries feel that a free and democratic Taiwan should be able to accept the current arrangement, given the lack of alternatives presently available.

If being a young democracy and facing military threats from its colossal neighbor while having a pathetically short list of nations that recognize its sovereign existence weren’t enough, domestic politics have also become a factor influencing Taiwan’s cross-strait policy. The Taiwanese public has a very complex and emotional perception of the cross-strait political world is involved in. Professor Yun-han Chu rightly observes that cross-strait policy is viewed by Taiwan’s mainstream political elites as three things in one: “a policy instrument in a state-orchestrated nation-building process, a leverage point as well as a bargaining chip in conducting cross-strait political interaction and negotiation, and a control valve that regulates the scope and speed of cross-strait economic and cultural exchanges.”7 This “perpetual dualism” -- i.e., the relationship based simultaneously on military threats and economic interdependence -- is a major source of conflict and power struggles within Taiwan’s domestic politics.

Taiwan’s official definition of the cross-strait status quo nowadays is that the island is a sovereign independent state not subject to the rule of any other countries. Unification with the Chinese Mainland is at best, one of the various options of Taiwan’s future and is to be decided by all the residents of the island. This viewpoint is by and large supported by the Taiwanese public, observing from series of opinion polls. From 1996 to 2002, the people in Taiwan who identify themselves as Chinese has declined from 20.8% to 7.9% while those who say they are simply Taiwanese or both Taiwanese and Chinese have climbed from 35.7% to 38% and from 40.5% to

A further survey finds that while about two-thirds of residents in Taiwan reckon that Taiwanese culture is a part of Chinese culture, roughly 80% of them identify only the island as their own country and only the Taiwanese as their compatriots. The finding affirms that most people in Taiwan view the island politically independent of the mainland and suggest that China today has transformed more into a cultural rather than political motherland. Much of the debate and confusion in Taiwan nowadays is about the future relations with the mainland, not about the status quo of the island, and somewhat to Beijing’s disappointment, according to the foregoing survey, only a quarter of people in Taiwan at the moment support the idea of “sooner or later” unification.

All in all, we might conclude that Taiwan’s conception of cross-strait status quo is dynamic, reflecting the need to respond to the pressure of both external and internal regime survival. Nevertheless, it is worthy of noting that the abovementioned survey finds that 35.5% of people in Taiwan are still undetermined about future cross-strait relations. This portion of the public should parallel Yun-han Chu’s category of “open-minded rationalists” who would shift their favor of unification or independence according to external conditions. Given the dynamic nature of Taiwan’s perception of the status quo, this sizable buffer leaves room for Beijing to promote its unification efforts and might indicate latitude for the two sides to look for a possible middle ground in their dispute.

Latest development of Taiwan’s conception of status quo was the comments made by the Kuomintang (KMT) chairman Ma Ying-jeou after the KMT won a landslide victory in the local elections on Dec. 3, 2005. Ma said that while Taiwanese clamor for greater economic exchanges with China, they still want to retain the political status quo. 'Some foreign press interpreted the people's support for KMT as the people's stronger inclination towards the mainland. I do not see it that way,' said Ma. 'They still favour the status quo. But certainly they want peace, not war. If the KMT can lead to peace, they will support us.' While not ruling out the possibility of

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10 Ibid., pp.584-5.
eventual reunification, he stressed that the immediate task is to intensify cross-strait exchanges, such as easing the restriction on mainland tourists and extending chartered direct flights, inaugurated during Chinese New Year this year, to other holidays and even weekends. Ma’s attitude about status quo reflects his prudent pragmatism toward cross-strait relations.

**Doubly Dualistic Strategies:**
**Dual Balance and Dual Deterrence**

While not being sure of the exact nature of the cross-strait status quo itself, Washington has, in fact, come to believe that President Chen’s moves to conduct referendum and constitutional revision are to alter the current dynamic that exists between the two sides. This is like driving through a long tunnel, where no matter what section of the tunnel you are in, the status quo remains the same. Upon reaching the end of the tunnel, however, one finds the destination to have changed. On the other hand, the United States does not support Beijing’s static definition of the status quo either. This static definition of the status quo is used as a strategy of further containing and marginalizing Taiwan. If Taiwan’s “tunnel” strategy and Beijing’s “cut off” strategy are both pursued, then a dangerous situation will have been created, setting the stage for major instability in the region.

Therefore, in maintaining the current status of cross-strait relations, the US has adopted a clear dual strategic policy of balance and deterrence. One aspect of playing the part of balancer is maintaining a military balance between the two sides through arms sales to Taiwan and strengthening the island's defenses. The other aspect is the political balancing act. Utilizing diplomacy with Taipei and Beijing expresses a strong resolve to uphold cross-strait peace. As for the deterrence strategy, America’s dual role is also clearly conveyed to both sides of the strait in that it opposes any unilateral action to change the status quo. Any such action would warrant a political or, possibly, a military response. Therefore, other than it’s standpoint of “no military action by Beijing, no Taiwanese independence,” Washington’s policy actually consists of preventing either side from defining or legalizing the status quo. Semantic arguments will only serve to foster greater misunderstanding.

**Dual Balance: Military Balance and Political Balance**
It is hardly overstating the case to observe that the security challenge across the Taiwan Strait is East Asia’s security challenge. Beijing has made it clear that any shift towards formal independence on the part of Taipei will likely be met with force, even if it means risking war with the United States. Taiwan, for its part, has signaled that it has no intention of kowtowing to the mainland and has explored a more assertive foreign policy in its approach to Beijing, particularly since the election of Chen Shui-bian as President in 2000. Washington, since 1979, has sought to balance its improved relations with Beijing with its interest in protecting Taiwan from any mainland military action. This involved striking a complicated balance between US agreements with Beijing under the three Sino-US Joint Communiqués and US obligations to Taiwan under the Taiwan Relations Act. For US policy toward Beijing, the US has combined promises not to support Taiwan independence and to limit arms sales to the island, while threatening to intervene on Taiwan’s behalf if Beijing launched an unprovoked attack. Regarding Taiwan, the US has combined its promises to aid in Taiwan’s self-defense coupled with veiled but implicit threats to reconsider security and diplomatic support if Taiwan attempts to alter the status quo unilaterally.

In the current US-led Asia-Pacific security environment, “peace” and “self-defense” are two basic principles of cross-strait relations and Taiwan security. Key to the idea of peace is the maintenance of the status quo. Thus, a peaceful resolution is nothing more than a policy of expectation; nevertheless, maintaining the peace and security of the status quo is still important. Meanwhile, utilizing the principal of self-defense is a circumstantial response to Beijing’s continual threat of military force. By providing sufficient weaponry to Taiwan on one hand and not ruling out the possibility that the United States might send troops to defend the island on the other, Washington achieves its fundamental goal of providing a deterrent measure against Chinese military action. For instance, Beijing’s 1995-96 military exercises and missile firings in the Taiwan Strait, although an attempt to signal Beijing’s displeasure over what it regarded as Taiwan’s increased flirtation with

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independence, provoked a forceful US response in the form of two carrier battle groups being deployed adjacent to the Strait.\(^{14}\)

The military threat that the PRC poses has been Taiwan’s foremost, if not the only, security threat. Taiwan’s security policies, understandably, are mostly framed in the context of cross-strait confrontation, specifically the military threat from Beijing and the volatility of cross-strait relations. This can explain why President Chen Shui-bian and his administration, preoccupied with cross-strait military imbalance and the missile threat, proposed to hold a defensive referendum against Beijing’s missile deployment and the threat of possible military intervention.

Dynamic equilibrium in the military balance of power across the Taiwan Strait may be shifting toward the PRC.\(^{15}\) The focus of the military balance between Taiwan and mainland Beijing has shifted from quantity to quality in the past several years. With the PLA’s modernization program, the military strength of the PLA is likely to surpass that of Taiwan in the next several years. The PLA’s modernization program is focused on “exploiting vulnerabilities in Taiwan’s national and operation level command and control system, its integrated air defense system, and its reliance on sea lines of communication.”\(^{16}\) As stated in the Pentagon’s PLA report, “Beijing has embarked upon a force modernization program intended to diversify its options for use of force against potential targets such as Taiwan, the South Beijing Sea and border defense, and to complicate United States’s intervention in a Taiwan Strait conflict.”\(^{17}\)

As to Taiwan’s military equipment and capabilities, US arms sales to Taiwan have been the major source for Taiwan to upgrade its military equipment and to maintain its qualitative edge. By selling some long-needed weapons to Taipei, the US demonstrated to both Beijing and Taipei that Washington has great interest in maintaining the peaceful status quo across the Taiwan Strait. Maintaining military parity in the Taiwan Strait should provide the necessary political and psychological climate for constructive cross-strait dialogue to occur. The policies adopted by the


US and its arms sales to Taiwan, therefore, constitute a strategic deterrent strategy aimed at maintaining Taiwan’s defensive capabilities and the balance of military power between Taiwan and mainland Beijing.

U.S. arms sales to Taiwan have been the major source for the island to upgrade its military equipment and to maintain its qualitative edge over the Mainland. In April 2001, the Bush administration approved the sale of a robust package of weapons to Taiwan, the largest one in nearly a decade. However, the arms procurement bill is delayed in Taiwan’s Legislative Yuan due to political feuding, pressure on the budget, the outcome of the referendum and fears of igniting an arms race in the Taiwan Strait. These can all be regarded as domestic factors and are the result of political parties and camps having different interpretations and attitudes of the cross-strait situation.

The development of Taiwan's democracy, the dramatic changes in the cross-strait relationship and relations with the US, and the impact of China's "rising" mean that Taiwan's purchase of arms from the US is not a simple military problem, but is a complex issue that is critical to the cross-strait situations and the relationship between Taiwan, the US and China. The administration of the Democratic Progressive Party (DPP) has put the focus of its concern on military security and US relations. They fear the growing military threat presented by China and the imbalance in military preparedness. As they believe that China will never relinquish its ambition to annex Taiwan, they have put their faith in the purchase of advanced weapons and military modernization, as well as improving military cooperation with the US, and making themselves part of the US effort to contain China. They believe that this provides the best guarantee of security. The DPP's position emphasizes the difference in power and materials, but has neglected to give sufficient consideration to the impact the arms purchase may have on security dilemma, and therefore tends to put too much faith in the offer of US protection.

The Kuomintang (KMT) and the People First Party (PFP), which make up the pan-blue camp, place a greater emphasis on the development of peaceful cross-strait relations and are unwilling to see a conflict in the Strait. They point to the high level of mutual economic interdependency that exists across the Strait and argue that military parity would not help ensure peace and stability in the Strait. As China has pointed to Taiwan independence aspirations as the main cause of conflict, the pan-blue camp argues that the necessity of the arms procurement deal must be assessed in terms of its impact on cross-strait peace, in addition to the debt that such a purchase would lay on the next generation, worries about a financial crisis and the individual items on the list of proposed purchases. In IR theory, this is more an argument of constructivism, compared to the more realist one presented by the DPP.
government. It emphasizes perception and beliefs, but this cannot negate the importance of strengthening Taiwan's military and improving relations with the US.

In terms of political balance, Washington’s role in cross-strait and Taiwan security issues has expanded from traditional military balancer to a new role of political balancer. In the case of the defensive referendum, the Bush administration expressed its concerns to Beijing and Taipei that Washington opposes any unilateral change to the peaceful status quo. While publicly questioning Taiwan’s motivation in holding the defensive referendum, Washington also warned Beijing not to use force across the Taiwan Strait unilaterally. However, in fostering peace and democracy in the region, the US must quell the passion of the pro-independence movement so as to avoid provoking Beijing. Simultaneously, the US must reassure Taiwan that democracy on the island will be safeguarded. Making progress in resolving cross-strait differences is dependent on Beijing and Taiwan relaxing their stances toward each other and agreeing to conditions that could allow cross-strait talks to resume. Knowing this, the US has pressured Taiwan to not pursue independence while urging Beijing to relax its precondition that Taiwan recognize the one-China principle.

Washington also tries to help Taipei to participate more international and regional conferences and organizations, both intergovernmental and non-governmental. Because Beijing has successfully exercised its growing influence to isolate Taiwan in regional activities and prevent the cross-strait issue and crisis from becoming a topic of regional and international discussion. To a great extent, China utilizes its growing trade and investment ties to achieve this political ends. Some studies point out that, with China’s rise in regional and international politics, Beijing has managed to enhance its influence and expand its policy choices in handling cross-strait relations. Globally, strangling Taiwan’s international breathing space and constraining Taiwan's international profile remain important elements of China's foreign and diplomatic strategy, particularly among developing countries. Meanwhile, Taipei’s leverage to launch counter-measures is dwindling.

From a certain angle, then, Taiwan itself can be seen as a special type of non-status quo country, based on its continued dissatisfaction with the existing limits placed by the international society and countries in the East Asia region. With the island's self-identity and democratization growing stronger day by day, Taipei is stepping up efforts to enlarge its international role and increase its participation in international organizations. The diplomatic struggle between Beijing and Taipei has until now been a zero-sum game. Taipei’s active seeking for the possibility of dual recognition together with the Mainland has until now been futile because Beijing
normally has more leverage in maintaining its strategy of internationally isolating Taiwan, especially in the East Asia. Therefore, as a political balancer, Washington has helped Taipei to participate many regional and international organizations.

On the other hand, there is an increasing cooperation between Beijing and Washington on the management of the Taiwan issue. Scholars argue that China’s Taiwan policy under the third generation leadership of Hu Jintao place economic development at the center and start utilizing the United States to suppress Taiwan. However, with the rise of China’s economic power and international status, Beijing learns to invite Washington to manage cross-strait situations and prevent military crisis from happening. For instance, on May 5, 2005, Chinese President Hu Jintao and US President George W. Bush had a phone conversation. Hu stressed that the proper handling of the Taiwan issue remains the key to the healthy growth of China-US relations. Hu also said that China hopes the US side to adopt a constructive attitude in support of the improvement and development of relations across the Taiwan Straits and supports the cross-Strait situation to march toward peace and stability.

In September 2005, when Chinese President Hu Jintao urged US President George W. Bush men met in New York on the sidelines of the UN General Assembly's 60th anniversary meeting, Hu said to Bush that "I hope that the United States will join the Chinese side in safeguarding peace and stability across the Taiwan Straits and opposing so-called Taiwan independence." Bush initially had no response to that, and omitted any reference to Taiwan in his public statement before the meeting. During the closed-door meeting, however, Bush reiterated Washington's position on Taiwan matters. Both Beijing and Washington governments want to avoid conflict with each other over Taiwan. Beijing and Washington have so far managed to deal with their differences in a pragmatic and flexible approach. Washington has now asked Beijing to talk directly to Taipei's ruling party and its leader, President Chen Shui-bian. Beijing has intensified efforts to work with Washington to contain Taiwan's moves toward independence, reflecting a new emphasis on preventive diplomacy. Chinese scholars also admit that only by

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coordinating its U.S. policy with its policy toward Taiwan can Beijing restrain Taiwan independence movements.\textsuperscript{21}

\section*{Dual Deterrence: Preventing Unilateral Action by either Beijing or Taipei}

US attempts at dual deterrence in the cross-strait arena usually focus on the concept of “strategic ambiguity.” The essence of that concept is that the United States does not explicitly state whether it will come to Taiwan’s defense in the event of an attack by the PRC. The resulting uncertainty about US intentions shapes the intentions of the other two actors. This uncertainty constrains Beijing from initiating an unprovoked attack on Taiwan, and constrains Taiwan from making any provocative statements that would instigate a military response from Beijing. A variation of this concept is to say that the United States has a policy of strategic clarity and tactical ambiguity. In other words, America’s goal is peace and stability but it will not define in advance the precise steps it will take in order to achieve that objective. However, this is simply a linguistic reformulation that does not solve the policy problem.

Under the strategy of dual deterrence, Washington always tries to remind both Taiwan and Beijing that peace is the key US interest in the Strait and the region. Therefore, Taiwan cannot assume that the US will defend it under any and all circumstances, nor can Beijing assume that the US will not be involved should it decide to attack Taiwan. As Richard Bush points out, what the policy of dual deterrence “seeks to constrain vis-à-vis Taipei are political initiatives that provoke Beijing to the point that the latter concludes that it must use force to block a separatist trend. What is seeks to constrain vis-à-vis Beijing is military coercion against Taiwan, either as a response to Taiwan’s political initiatives or because it loses patience in the quest for unification.”\textsuperscript{22} Furthermore, in exercising the dual deterrence strategy toward cross-strait relations, Washington has to be careful that either side not misunderstand or misperceive its real intentions. That is, “In constraining Taiwan politically, Washington must try to do so in a way that does not

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lead Taipei to feel it is being abandoned. In constraining Beijing militarily, it must do so with sufficient credibility that Beijing is deterred but not so robustly that Beijing concludes that Washington has adopted a fundamentally hostile policy.”

Regarding US policy toward Beijing, the US has combined promises not to support Taiwan independence and to limit arms sales to Taiwan while threatening the possibility that it will intervene on Taiwan’s behalf if Beijing launches an unprovoked attack. As for Taiwan, the US has combined promises to aid in Taiwan’s self-defense capabilities, coupled with veiled but implicit threats to reconsider security and diplomatic support for Taiwan if Taipei moves to unilaterally alter the status quo. When US Undersecretary of State James Kelly testified before the US Congress about Washington’s concern that moves by Taiwan toward independence could cause American efforts at deterring Chinese coercion to fail and bring disastrous consequences, he pointed to Taiwan President Chen Shui-bian’s often stated “Taiwan is an independent sovereign nation” version of the status quo, and declared that such statements were merely political rhetoric and that the United States would not endorse them. Beijing’s buildup and its threat to use force “are uncomfortable realities, yet they are facts with which we must grapple,” Kelly told lawmakers. “As Taiwan proceeds with efforts to deepen democracy, we will speak clearly and bluntly if we feel as though those efforts carry the potential to adversely impact US security interests or have the potential to undermine Taiwan’s own security.”

Due to Chen once again proposing a time frame for establishing a constitution, with Beijing subsequently calling it a time frame for Taiwan independence, America needed to firmly warn against any unilateral changes to the status quo. With tensions running high across the Taiwan Strait, the Bush administration has already put pressure on Chen to avoid provoking Beijing’s communist leadership and to map out a realistic plan for improving relations with Beijing.

The enactment of the Anti-Secession Law on March 4, 2005 was regarded as Beijing’s effort to demonstrate its determination to deter Taiwan independence through legal and physiological measures. The law enlists three scenarios as preconditions for the use of “non-peaceful means” against Taiwan: efforts taken by the separatists to split Taiwan from China under whatever means or by whatever

23 Ibid.
24 House International Relations Committee Hearing on Taiwan, Statement of Assistant Secretary of State James Kelly, April 21, 2004
names; any major incidents that could lead Taiwan towards splitting from China; and the possibility of peaceful unification is entirely exhausted. Scholars in China argue that the Anti-Secession Law is in fact a “status quo law,” designing to maintain the current situation in the Taiwan Strait; or at least a “one-China law,” which emphasizes the idea of maintaining unity of one-China and warns that any separating effort will face military sanction from the mainland. International reaction to the Anti-Secession Law might fall well short of Taiwan’s expectation. Countries including Russia, Cambodia and Indonesia uttered support to China’s enactment. Major powers such as the European Union and Japan only reiterated their interests in a peaceful resolution of the cross-strait dispute while the U.S. named the law an unnecessary act but reaffirmed its one-China policy and non-support of Taiwan independence.

**Conclusion**

The Taiwan issue is a textbook example of contemporary strategic dilemmas. First, Taiwan-China relations crystallize two political tensions that will most shape the future of the region: those of globalization vs. nationalism and those of geopolitics vs. geo economics. Second, China’s approach to resolving the Taiwan issue will indicate whether it is on a peaceful rise or is a bullying revisionist state. In its relations with Taiwan and China, Washington has begun to implement separate dual strategies in order to simultaneously deter unilateral action while balancing out the rival political and military forces of each side. Appearing too close to one, will undoubtedly provoke the other. The unique role taken by the United States requires continued dual balancing and deterrence initiatives. The way to maintain peace is for Washington to keep its role as an impartial moderator between the two sides while preventing both from taking unilateral steps toward goals that would naturally provoke the other. As long as the US is seen as being beneficial to resolving the cross-strait dilemma, the possibility for peace remains. The US can do this by acting in its dual roles, wherein it can stay impartial, and foster peace and cooperation in the region.

As for maintaining cross-strait status quo, it seems that Beijing, Taipei, and Washington all agree to maintain the status quo in the Taiwan Strait. The problem is that all three have different definitions and perceptions of the status quo. Beijing insists on the one-China principle, which states that Taiwan is part of one-China. By

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insisting on a static status quo, Beijing in fact tries to prevent Taiwan independence from receiving more domestic and international supports. Taiwan regards itself as an independent sovereign state and rejects any form of reunification with the current regime in Beijing. The United States wants to maintain a peaceful status quo and warns against any unilateral action that may alter that status quo. Furthermore, though the US has a one-China policy, Washington insists that differences between the two sides of the strait should be worked out peacefully.