

CONVERSATIONS ON STRATEGY

PODCAST
TRANSCRIPT

Dr. Jared M. McKinney and Dr. Peter Harris *Deterrence Gap: Avoiding War in the Taiwan Strait*

The likelihood China will attack Taiwan in the next decade is high and will continue to be so, unless Taipei and Washington take urgent steps to restore deterrence across the Taiwan Strait. This podcast introduces the concept of interlocking deterrents, explains why deterrents lose their potency with the passage of time, and provides concrete recommendations for how Taiwan, the United States, and other regional powers can develop multiple, interlocking deterrents that will ensure Taiwanese security in the short and longer terms. By joining deterrence theory with an empirical analysis of Taiwanese, Chinese, and US policies, the podcast provides US military and policy practitioners new insights into ways to deter the People's Republic of China from invading Taiwan without relying exclusively on the threat of great-power war.

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Episode Transcript

Stephanie Crider (Host)

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Today I'm speaking with Drs. Peter Harris and Jared McKinney, authors of [*Deterrence Gap: Avoiding War in the Taiwan Strait*](#), which was published by the US Army War College Press.

McKinney is an assistant professor of international security studies at the Air War College at Maxwell Air Force Base, Alabama.

Harris is an associate professor of political science at Colorado State University. He's a nonresident fellow with Defense Priorities.

Welcome to [Conversations on Strategy](#).

Peter Harris

Thanks for having us.

Jared McKinney

Thanks, Stephanie.

Host

Why is there a high likelihood China will attack Taiwan in the next 10 years?

Harris

So, as we approach this question, we take for granted that leaders in China (PRC) will always desire unification with Taiwan. We do not anticipate that desire to go away any time soon. So, the challenge for people invested in the status quo is to give leaders in China reasons to not act upon that impulse. And there are two sides of the ledger. On one side, external constraints can be imposed to deter or dissuade Chinese leaders from acting upon a desire to unify via force. We think the likelihood

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of an invasion has gone up as the credibility of those external locks has dwindled or eroded. So, the potency of Taiwan's indigenous military capabilities, the certainty of a US intervention, the likely economic costs that would be imposed upon China as a result of invasion—we go into detail in the book but suffice to say for now—a series of these external locks that used to operate to stay the hand of Chinese leaders, external constraints or deterrence, has eroded over time. And in line with that, the probability of an invasion has ticked upwards.

On the other side of the ledger, you have restraints. So, these are different from external constraints imposed by other actors upon China—(they are) political considerations within China itself. In the past, Chinese leaders had incentives to exercise restraint because the status quo across the Taiwan Strait was at least tolerable, if not beneficial. Time was on China's side, the strategic patience to wait until such a time as Taiwan chose to enter into political union with the PRC seemed to make sense for Chinese leaders. But again, these internal restraints that used to stay the hand of Chinese leaders have eroded. The internal political calculations of Chinese leaders have trended in favor of seeing unification now rather than later as more attractive, whereas in the past the calculation was that unification later was preferable to attempting armed unification now. So you put those two sides of the ledger together, you have an erosion of external constraints (and) an erosion of internal restraints coming together to make this perfect storm where Chinese leaders' confidence in the status quo has eroded and their expectations of succeeding in some kind of armed attack to seize Taiwan by force has grown over time—and we fear will continue to grow over the next 10 years.

McKinney

In our argument, we're pushing back against two common narratives, both of which we think have an element of truth but are missing the full story. The first narrative comes from expert opinion, which has been summarized by a very helpful (Center for Strategic and International Studies, or) CSIS survey in 2022. And in this survey, 63 percent of top Taiwan-China experts thought that a Chinese invasion of Taiwan was possible in the next 10 years, but only 10 percent thought it was probable. That's one narrative, but that's conflicting with a second narrative in which many popular commentators and some military officials who've spoken to the press indicate that they think there's a high risk of war this decade, and some even talk about specific dates, like 2027 or 2025.

We think that both of these narratives need more nuance. The expert opinion, we think, is wrong in the sense that the chance of war this decade is much higher than 10 percent. In fact, in the monograph, we argue that it's around 60 percent or above, but that doesn't mean that the popular commentators are right in seeing this sort of conflict as inevitable. The truth is that there (are) many contingencies, and many contingent elements still, and that actors on all sides of the Taiwan Strait and the United States have quite a few opportunities to maybe change those numbers going forward—and that's certainly what we hope to develop in our full argument.

Host

What is the "deterrence gap" referenced in the title of your monograph?

Harris

The gap is the distance between what is needed to dissuade or deter China from invading Taiwan and what is currently in place. So, in the past, (the) Taiwanese could have confidence that there were multiple concurrent, interlocking deterrents that operated simultaneously to dissuade Chinese leaders from acting upon any impulse to force reunification. Over time, these external constraints or deterrents, on Chinese behavior have decayed. Taiwan's indigenous military capabilities have eroded relative to Chinese expectations of a US intervention—have perhaps weakened the economic incentive to maintain the status quo across the Taiwan Strait. All of these factors have weakened and eroded over time, all while Chinese leaders now perceive themselves to face rising costs of restraint. So, that is—the costs of maintaining the status quo have risen

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at the same time. There's a gap now between what is needed to make it mostly irrational or mostly unattractive for Chinese leaders to pursue unification of what is actually in place.

You never know if deterrence is operating; you only know after the fact if deterrence has failed. It's very difficult to come up with a precise measure of whether or not deterrence is holding across the strait, but we think there are good theoretical and empirical reasons to believe that the gap now between what is needed to maintain the status quo and what is in place is quite perilously wide at this point.

McKinney

A whole section of the monograph basically asks the question, "Why hasn't the PRC invaded Taiwan already?" And what we found is from the 1950s all the way to the 2000s there was a whole series of deterrents that basically made an invasion impossible for most of this period. And these range from all of the forces associated with US power projection in East Asia, which were tied into the Mutual Defense Treaty the United States had with the Republic of China from 1955 to 1979, and Taiwan's own ability to defend itself, which often has been overlooked in past dialogue.

The truth is, from the late 1950s to the early 2000s Taiwan had air superiority in the Taiwan Strait, which made an invasion almost certainly prohibitively costly or impossible from the PRC perspective. What we found is that these restraints and constraints were layered together in a way that they added up to a hefty deterrent for the past 70 years, really. But all of the constraints that have been present in the past have more or less disappeared today. At the same time, the factors that have created incentives for restraint in the People's Republic of China have also been dissipating. This has led us to ask the question, "What is actually deterring China today?" And there (are) only three principal deterrents now operating.

The first is Taiwan's modest-to-limited ability to defend itself against an invasion. The second is a threat of Western economic warfare, which, as we've seen in the Russia case, can certainly punish an invader but may not in itself be able to deter an invasion. And then the third, the potential—and I stress "potential"—for American military intervention. These three deterrents are limited if you look at what actually enables an effective deterrent. In the literature, you need capability and you need certainty and you need speed; these three have limits on those metrics.

The limits are existing even as the factors that allowed China in the past to assess that time would solve all problems are disappearing. We point to four factors that may be undermining calculations of restraint in the PRC. These are (the one-China Policy) as a discursive framework is becoming increasingly imperiled. Second, Chinese economic growth is slowing drastically, indicating that time is not necessarily on China's side. Third, the US—what we call "silicon embargo," which is limiting China's ability to develop and adapt cutting-edge semiconductor technology, is going to limit Chinese economic growth and the long-term balance of power. It's something that's potentially good for competition with China from the perspective of the United States, but we assess, is increasingly dangerous for deterrence. The fourth variable is that the balance of power is shifting long-term, and we think it's going to shift fairly decisively in America's favor and in the favor of Taiwan from the 2030s on.

However, there is a gap between now and the 2030s in which the PRC has a very significant relative advantage. We go in-depth on all four of these points and argue that these four, in conjunction with the fact that prior constraints have eroded, are producing a decade which is dangerous.

Host

Based on your analysis, what steps should the United States, Taiwan, and other regional powers take to deter China effectively?

Harris

I think the starting point is to really impress upon audiences in Taiwan, especially—but the United States too, and regional partners—the deterrence gap is severe and quite serious. They're entering a very dangerous period in Taiwanese security. So, what should be done needs to be commensurate with the level of threat and risk that we assess to exist. People in Taiwan and the US should have fairly low confidence that deterrence is operating today at a level that is truly preserving Taiwanese

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security. So, should Taiwan and its friends abroad fill that gap? We think there needs to be a combination of short-term fixes and long-term strategic planning.

In the short term, there's a number of things that Taiwan can do to increase the expected costs to Beijing of an armed attack on Taiwan. There are also things that Taiwan can do to lower the costs of restraint for Beijing. And I think both of those are important. A lot of the literature and the commentary on deterrence across the Taiwan Strait focuses on the imposition of expected costs upon Chinese leaders—so this is sending more and better weaponry to Taiwan, calls for strategic clarity where the United States would be certain to intervene on behalf of Taiwan. We disagree with proposals to move towards US strategic clarity. We certainly agree that Taiwan could do more to increase its indigenous capacity to inflict military losses upon an invading Chinese force.

But we also emphasized this political point that leaders in Taiwan and leaders in Washington, DC, and regional capitals can do much more to lower the costs of restraint for Chinese leaders. Invest in this one-China discourse, this constellation of understandings that is for one China across the Taiwan Strait but with multiple interpretations about what that precisely means. Invest in political work to reassure Chinese leaders that Washington has no plans to normalize relations with Taiwan in the de facto or de jure sense.

And in the long term there's a lot that the United States and regional partners can do to restore deterrents in the military sphere, in the economic sphere, but again, invest in this long-term political architecture that will give leaders in Beijing a reason to believe that the status quo is not just tenable, but rewarding and beneficial. That needs to be the key. The political and economic architecture across the Taiwan Strait needs to be made such that leaders in Beijing have no long-term incentive to overturn it, not only because it would be monstrously costly for them to do so in military and economic terms, but also because there's positive economic and political inducements that encourage them to invest in the status quo, which today we fear has eroded but over the medium- to long-term, can very much be repaired.

McKinney

The deterrence gap argument is an attempt to do holistic strategy in the sense that we don't take sides and say the solution is in diplomacy or the solution is in the military instrument of power. We're looking for a holistic solution that appeals to different logics. The restraint logic means that the United States has real incentives to build and continue to maintain an interdependent relationship with China, a relationship sustained and led by diplomacy centered on, essentially, what we've literally already agreed to back in the 1970s with the PRC.

At the same time, we believe that the military instrument of power is really important, and we need to challenge our top strategic leaders that the status quo, in which America is building a sort of combined package of military might for the 2030s but not the 2020s, is dangerous. And the Congressional Budget Office has said that the lethality of the Navy is going down 13 percent between now and 2032, and that's because we're retiring more assets than we're building. That number is going to go up from the mid-2030s on, peaking in the mid-2040s. That's actually dangerous because it creates incentives for China to act in the shorter term.

Our challenge to strategic leaders is "What do you need to do in the short term to both strengthen the durability of the status quo diplomatically and strengthen it militarily by investing in a military that's prepared with the tools it needs in the 2020s?" And we give specific recommendations (on) how this might be done. And this includes working with allies and partners like Japan to potentially increase the number of (submarines, or) subs they're operating from 20 to 30. This includes specific recommendations for Taiwan, which continues to invest in large, expensive systems that are not likely survivable, despite its rhetoric to the contrary. And this includes specific recommendations for the United States where, basically, the question is "What can be done in the next five or seven years to marginally increase the strength of the balance of power?"

And the truth is there are quite a few things, and these range from the US Air Force going big in its palletized munitions concept, which allows you to drop precision-guided munitions out of the back of C-130s. That's a capability that could

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be rolled out to reserve and guard units operating C-130s and they could be trained in that technique, potentially turning C-130s into bombers. Part of the gap is we're building probably one of the world's most expensive planes, the B-21, which will serve this role but it's only going to be available in the 2030s. That's one example in which we think that services can optimize for the present. As they're optimizing for the present, the idea is that we're also maximizing our reassurance to China on the diplomatic and public diplomacy front in order to create a more stable equilibrium.

Harris

The credibility of deterrence, you know in large part stems from an adversary's assessment of your interests in a particular goal or situation. The United States has got very strong interest in maintaining stability and the status quo across the Taiwan Strait, but regional actors, too, have got a very credible and strong interest in that. We made the case in the book that while the United States has got a significant role to play in filling the deterrence gap and closing the deterrence gap, regional actors need to play their role as well.

Japan, in particular, could do more to impress upon Chinese leaders that Japanese national interest is served by the status quo. And if that statement of interest is coupled with credible threats to respond to an armed invasion with a worsened economic environment or worsened political and military regional environment, I think it would be very difficult for the Japanese to credibly promise to wage a war against China. There's always the uncertain threat that that would take place. But, absolutely, regional powers can impress upon Chinese leaders that the political, diplomatic, and economic consequences of a war in the Taiwan Strait would be severe.

The region must impress upon leaders in Beijing that they have a strong national interest in the maintenance of the status quo and that these interests will be backed up with credible deterrents. And that goes for Taiwan, too. Taiwan has got the most obvious, the strongest interest in the maintenance of the status quo. What can Taiwanese leaders do to convince Chinese leaders that an armed attempt, an attempt at armed unification is just not worth it? All the while, supplementing this or complementing this with a robust diplomatic and political package, as Jared says, to make the status quo attractive for China to maintain.

McKinney

One of the most important points that we think senior officials need to understand is that deterrence is not the same thing as provocation. Deterrence rests on an objective assessment of the balance of power. But there are actions you can take that would strengthen the balance of power but undermine deterrence by provoking a response from an adversary. We need a holistic understanding of deterrence, not simply focused on the military instrument of power. President Biden reflected this well in the recent summit with Xi Jinping. When he was asked about Taiwan, he replied he follows the policy of all previous American presidents from the 1970s, which is the one-China policy in all of our related agreements. That was a disciplined response, and that's the sort of response that's actually needed on the diplomatic front going forward. That was a good first step, but that doesn't mean that we don't pursue ways to better the balance of power. We try to do them both, simultaneously.

Host

Why do deterrents that used to discourage Beijing no longer work?

McKinney

The bottom-line answer is that deterrence is reduced today because the constraints which bound the PRC in the past have by and large fallen off. And the internal restraints that have generated incentives for longer-term thinking very likely are disappearing simultaneously, and the two combined (are) what produce a dangerous moment now.

Harris

I would just underscore this point, that from Beijing's perspective, being patient with regards to unification with Taiwan used to be a viable policy option. It's becoming less so. Rightly or wrongly—I think there's a perception in Beijing that the United

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States and others are moving to erode this discursive one-China framework and the diplomatic understanding that was arrived at in the 1970s. The United States has maintained a one-China policy since the 1970s that, rightly or wrongly, people in Beijing feel is under threat—that there (are) people in the United States Congress, and occasionally in the administration, who seem minded to bring Taiwan de facto back under the US security umbrella, if not extend some kind of political recognition to an independent Taiwan state.

I don't think the US government is, in fact, minded to overturn the one-China policy in its entirety, but I there's reason to believe that people in Beijing have that fear. So, patience restrained under those circumstances becomes costly for China. That means deterrence, then, is extremely important if China itself finds restraint to be unviable, then deterrence becomes much more important. Yet, at the same time, as Jared explained, those deterrents have decayed.

So, what used to work in the past under very different political conditions is no longer fit for purpose. And this is a point we bring out in the manuscript—that deterrents do decay. Just as a generic point, deterrence is very difficult to maintain over the long term—for decades. It's very difficult to convincingly persuade an adversary that indeed you have the capability, you have the resolve to impose swift punishments in response to an unwanted action. It's hard to do that, just, ever and it's very difficult to maintain that over several decades. In the Taiwan case, that's what we've seen. We've seen the erosion of deterrence over time. In the past, whereas those deterrents were replaced by new deterrents coming online, that has not happened in recent years.

Host

Do you have any concluding thoughts you'd like to share before we wrap this up?

McKinney

I would like to come in with at least two. The first is that in *Deterrence Gap* we work to make our assumptions clear, and we lay out how our critics and readers can falsify our argument. And this is one of the things that we hope makes our approach more transparent than two scholars just pontificating about the future. We suggest that there are nine big variables that we can watch this decade that if they're decided one way or another, could increase our confidence in our argument that the situation is becoming increasingly dangerous or could falsify that argument. We have put on the table that if five or more strong falsification indicators emerge that we will take back our current assessment.

There's certain metrics that could be tied to each of these, but these range from authoritative Chinese assessments of the medium-to-long-term balance of power. So, the idea is if China is still genuinely assessing that in the medium-to-long term the balance of power is decisively on its side—that undermines time pressures in the short term. Top CCP officials, to give another example, could give a speech endorsing strategic patience with regards to so-called reunification with Taiwan. They could articulate why it's in China's interests not to be pushed to make a short-term decision. And if they were to do that, they would be a strong indicator that maybe they're seeing the current situation as having more possibilities than we see. China, also, is very carefully watching what's happening in Taiwan, and if the (Democratic People's Party, or) DPP in Taiwan holds power long-term, that's going to change China's calculus. However, if there is some sort of coalition that defeats the DPP this coming year, then potentially that could enable longer-term thinking in the PRC. We hope that we're clear that we're willing to change our minds if the facts change.

The second point is that the concept of integrated deterrence, which the Secretary of Defense and the (Department of Defense, or) DoD rolled out in the 2022 National Defense Strategy, is very useful when it comes to rigorous thinking on deterrence, and it's probably the most sophisticated top-level discussion I've ever seen of deterrence. We think

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that our proposals for understanding constraints and restraints speak to the nuance required to actually integrate deterrence overall, and we encourage those interested in the concept to look for that in our monograph.

Harris

And I'll just make three very brief observations, too. One is that the threat to Taiwanese security is severe. We don't want to shy away from that. This is a serious security problem in East Asia, not least of all for the people of Taiwan, but for the wider region and for the United States as well. The second point is, we're not abject pessimists. We think that there are policy solutions that can be put in place by leaders in Taiwan, by leaders in DC, and elsewhere to close this deterrence gap and restore a sense of stability and security across the strait.

But it will take multilateral cooperation. I don't think this is a problem to be solved by leaders in DC, alone. There is temptation, I think, among some commentators in the United States to regard Taiwanese insecurity as a problem to be fixed with tweaks to US policy and posture in the region, and I don't think that's true. While the United States has got a very significant, outsized role to play when it comes to East Asian security, other actors need to play a part now, least of all (in) Taiwan and in Beijing. This needs to be a multilateral effort to impress upon and reassure PRC leaders that an invasion would not just be prohibitively costly, but that peace can pay dividends—can continue to pay dividends just as it has for decades.

And so, the final point I'll emphasize is that the political side of the ledger is essential. And just to underscore what Jared said earlier in the podcast—it's not in America's interest to see the status quo overturned. It's not in Taiwan's interest to see the status quo overturned. What needs to be done is to convince leaders in Beijing it's not in their interests to see the status quo overturned. There's a risk that, rightly or wrongly, they will come to perceive in the next 10 years that it is in China's interests. Maybe hastily in response to a series of crises, leaders in China could view it as in their interests to overturn the status quo. There's gonna be real, hard, political, and diplomatic work to be done (to) convince China that the status quo can pay dividends, that peace across the Taiwan Strait is in the interests of both sides across the Taiwan Strait. And that political and diplomatic side of the ledger is just as important, if not more important, than the military dimension.

Host

Listeners, you can download the monograph at press.armywarcollege.edu/monographs.

Jared and Peter, this was great. Thank you for making time to speak with me again.

McKinney

Thanks, Stephanie.

Harris

Thank you, Stephanie.

Host

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