

DECISIVE POINT

The USAWC Press Podcast Companion Series

Podcast Transcript

Christina Lai

“US-Taiwan Relations and the Future of the Liberal Order”

Strengthening ties with Taiwan is the best chance the United States has to preserve the liberal international order in Asia and improve its security relative to China. This study offers a normative perspective on how Taiwan can contribute to US-led international institutions and the Asian regional order and reduce conflict risk. It concludes with recommendations for the United States and its partners to integrate Taiwan into multilateral institutions in Asia.

Read the article here: <https://press.armywarcollege.edu/parameters/vol54/iss1/6/>

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Keywords: US foreign policy, China, Taiwan, Indo-Pacific, rules-based order

Episode Transcript

Stephanie Crider (Host)

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Christina Lai is joining me to talk about her article, “US-Taiwan Relations and the Future of the Liberal International Order,” which was published in the Spring 2024 issue of Parameters. Lai is an associate research fellow in the Institute of Political Science at Academia Sinica, Taiwan. She's also an adjunct faculty member and Global Security Studies at Johns Hopkins University.

Welcome to Decisive Point, Christina.

Your article disagrees with conventional scholarship about Taiwan. What is the current perspective on the liberal international order?

Christina Lai

The United States and its Western allies joined a set of international institutions after World War II, and these were supported by liberal ideas such as democracy, free market, and the rule of law. However, the United States' effort to uphold the liberal international order has encountered increasing challenges from authoritarian countries such as China and Russia, as they often pick and choose among the existing rules to their advantage.

In the context of China-Taiwan relations, a realist perspective might argue that China, with its rising capability, would try to take control over Taiwan and exert greater influence in Asia. And therefore, some political analysis holds a rather pessimistic view that Taiwan's autonomy and security would deteriorate significantly, even with the help from the United States. This is certainly one of the possible scenarios given the intense power competition between the United States and China. But even though the liberal international order has fostered unprecedented cooperation among states in Europe, East Asia, and North America, this concept remains a highly contested one in international relations. My work here offers a common understanding of the liberal international order. States and nonstate actors follow rules and norms and legal procedures in conducting international affairs. The rules-based aspect is an essential part of the

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Asian regional order, and the future of Taiwan also depends on the resilience of the liberal international order and other middle power states in the Asia Pacific.

While liberalists are confident that a liberal international order will remain strong, even following the relative decline from the US, some have questioned whether the liberal international order was ever liberal at all. And still others suggest that the new forums or alternative institutional settings might emerge to regulate economic affairs and global politics.

So despite their contested meaning, my work will center on the fundamental elements that underpin the current US-led liberal international order. They are democracy, free trade, and international institution. It also highlights how Taiwan can significantly contribute to the durability of the liberal international order. China's rise in the 21st century has posed both challenge and opportunity for the United States and the liberal international order.

Scholars and policymakers have engaged in heated debates over the nature of the liberal international order. In addition, Beijing's economic coercion and military intimidation toward Taiwan might make it the next flashpoint in Asia and lead to a possible conflict between the United States and China. For example, in 2021, US Admiral Philip [Scott] Davidson, the former head of the US Indo-Pacific Command, claimed that within the next six years, China will have the capability to forcefully reunify with Taiwan should they choose force as a means to accomplish this. The risk of conflict between China and Taiwan, and possibly involving other countries in Asia, certainly cannot be easily ignored.

Host

Where does Taiwan see itself in the liberal international order?

Lai

My works offer a normative perspective on how Taiwan can contribute to the US-led liberal international order. Specifically, if Taiwan were integrated into the multilateral institution in Asia, then the chance of conflict would be greatly reduced. I will highlight three aspects: democracy, free trade, and multilateralism.

Taiwan underwent a peaceful transition from authoritarian rule to a vibrant democracy in the 1990s, and it has also experienced peaceful transition of powers in its presidential elections. And over the last few years, Taiwanese people have developed a civic identity that embraced democratic governments, the rule of law, and open dialogue. For example, the Sunflower Movement in 2014 was one of the notable large-scale protests organized by college students, social activists, and [nongovernmental organizations or] NGOs. And this social movement was nonviolent in nature, and it demanded that the former president Ma Ying-jeou retract a controversial trade pact with China. And more recently, President Tsai Ing-wen has openly indicated the resilience of Taiwan's democracy, progressive values, [and] the rule of law in the face of China's political and security challenge to the liberal democratic order. Also, in a recent statement, President Tsai also said that she expected Taiwan can contribute more to regional trade and high-end research and educational exchange in the Indo-Pacific region.

And starting in 2010, China's use of economic sanctions against its neighbors has led to economic loss for Japan, the Philippines, and South Korea. It also created increasing worry that China might apply this coercive measure more frequently in the case of maritime dispute or political friction that might gradually undermine Asian regional order. And meanwhile, Taiwan's trade reliance on China has made its export and service sectors vulnerable to China's economic sanctions. The Taiwanese government, along with the agricultural and manufacturing industry, really need to diversify their trading partner to hedge against China's coercive measures. And as of now, Japan has assumed the leadership in negotiating the Comprehensive and Progressive Agreement for the Trans-Pacific Partnership, also called CPTPP. This trade agreement might help Taiwan expand its market to other countries in the Asia-Pacific region. However, there are still challenges for Taiwan's membership in the CPTPP. For example, China also applied for membership, and Beijing might invoke its One China principle to delay Taiwan's entrance.

So, Japan, along with other middle powers in Asia, should seriously consider Taiwan's case prior to China's entry, as qualification of this trade pact should prioritize economic merits and less so diplomatic recognition. Taiwan's

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membership in the CPTPP can greatly enhance the resilience against China’s economic coercion and uphold a higher standard for regional trade agreements. More recently, US Secretary of Treasury Janet Yellen proposed the idea of friend-sharing to address the trade vulnerability amid the increasing geopolitical rivalry. Yellen has called for countries that share common value about global trade and economy to work together in competition with China’s unfair trade practice. Although she was referring to the critical idea of diversifying the supply chain of rare earth material, Taiwan’s diversification of its trade policy and its developments of advanced technology could help the US and others to reduce economic reliance on China. For example, the Taiwanese government and the semiconductor industry are well-positioned to contribute to a resilience of global supply chain for computer chips and paving the way for greater economic stability.

And as Beijing has constantly blocked Taiwan from joining international organizations, Taiwan’s official participation in regional institutions has been quite limited. However, Taiwan’s unique political status does not mean that it cannot participate in regional affairs in multilateral manners. In 2016, the Tsai administration launched a new southbound policy that promotes people-to-people exchange in investment partnership and informal dialogue towards Southeast Asian countries.

So the nonpolitical nature of the New Southbound Policy circumvented the issue of Taiwan’s official representation. And therefore, the Taiwanese government, along with the [NGOs] and university in Taiwan, can develop educational programs with local governments and schools in India and Southeast Asian countries. So that is to say, this bottom-up approach to regional engagement is multilateral in nature and aiming at deepening economic and cultural ties with people in Southeast Asia. So as of now, democratic consolidation, promoting free trade, and implementing people-centered democracy are the key features of Taiwan’s agenda. However, these measures are not a sustainable path for Taiwan when faced with intense geopolitical competition between China and the United States. Taiwan would be an underappreciated asset for the United States if we were to reinvigorate the liberal international order in Asia and beyond. What’s your recommendation for the United States and its current political arrangement with Taiwan? Ever since the United States normalized diplomatic relations with China, it has maintained informal ties with Taiwan.

So, US-Taiwan relations began to be regulated by the Taiwan Relations Act. It is a piece of domestic legislation in the US. However, the bilateral relations between the US and Taiwan, including bills, informal contacts, and arms sales, might not be sufficient to address China’s territorial expansions in Asia and its challenge to the liberal international order. So, both the United States and Taiwanese government should work closely together to develop greater deterrence capability to address China’s assertiveness and provocation. However, the military development is only one part of the solution, and an even more urgent but often neglected aspect is how the United States strengthens the rule-based order and promotes Taiwan’s substantive participation in international organizations.

So my works identify major issues related to Taiwan’s security and economic development, and it provides an in-depth analysis to inform future US Foreign policy in the Indo-Pacific region. And specifically, the United States needs to take more concrete steps to secure and elevate its bilateral relations with Taiwan. First, Taiwan can be included as a dialogue partner for the Quadrilateral Security Dialogue [or Quad] and the Indo-Pacific Economic Framework [or IPEF], and later join different working groups on this critical issue in the Indo-Pacific region. For example, the Quad has expanded its scope to address emerging technology and COVID-19 vaccine and humanitarian assistance. And the Taiwanese government can certainly share its expertise and knowledge on semiconductors and public health. And similarly, Taiwan’s high-end technology industry and the increasing trade volume with Asian countries can advance the four pillars of the IPEF. They are connected, resilient, clean, and fair economy.

In terms of the regional security, the defense tie between the US and Taiwan should not be just about high-profile arms sales, but they should also consider establishing a routinized mechanism for addressing security threats to Taiwan, such as economic coercion, cyberattacks, and information warfare. This regularly held dialogue can turn into a joint review on Taiwan’s capability, in which both sides can ensure greater collaboration on critical issues. In addition, the US government can draft a white paper elaborating the legal foundation for Taiwan’s participation in the US-led frameworks,

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such as the Quad Plus, IPEF, and AUKUS Plus partners. And these official statements should also make it clear how this inclusion is consistent with the US policy in Asia. And admittedly, the Biden administration has maintained the principle of strategic ambiguity.

This initiative listed above will require a significant change of US policy rhetoric. Nevertheless, the implementation of Taiwan’s meaningful participation in international affairs will certainly fail to deliver its intended effect unless the US government demonstrates political support of bureaucratic buy-in and legislative backing as an explicit signal to a US ally in the Indo-Pacific. These policy measures have not only seen to enhance US-Taiwan relations, but also improve Taiwan’s presence in countering Beijing’s effort to undermine Taiwan’s diplomatic space.

Host

Explain the US-Taiwan-China triangle and policy implications for the Taiwanese government.

Lai

A stronger China might be more assertive in claiming Taiwan as part of its territory. And Beijing believes that it is entitled to govern Taiwan under the principle of nonintervention. As a result, Taiwan’s legal status or political recognition cannot be easily established given that China has devoted considerable effort to isolate Taiwan internationally.

However, this does not mean that US allies and partners in Asia and Europe can do nothing about it. In fact, the United States can prioritize its Taiwan policy with newly established institutions, such as the Quad, IPEF, and AUKUS, to ensure Taiwan’s meaningful participation in regional affairs. And according to a recent survey, more than half of the American respondents favored defending Taiwan if China attempted to occupy it forcefully. And the general public might be more aware of China’s territorial ambition over Taiwan, but I also prefer a range of US Policy in support of Taiwan’s security.

Therefore, promoting Taiwan’s substantive participation in a US-led regional framework and maintaining the military deterrence against Beijing threats may not be mutually exclusive. And more importantly, embedding Taiwan in regional networks can increase the state of attack by Beijing and therefore ease the tension between China and Taiwan. And moving from bilateralism to multilateral engagement is both a feasible and desirable path for the United States to follow in defending Taiwan and maintaining the liberal international order in Asia.

Host

Christina, thank you so much for making time to speak with me today.

Lai

I would like to thank you for hosting this podcast. It’s certainly my pleasure to share my works on “US-Taiwan Relations and the Future of the Liberal Order.”

Host

Listeners, you can read the article at press.armywarcollege.edu/parameters. Look for Volume 54, Issue 1. For more War College podcasts about similar topics, check out [Conversations on Strategy](#), [SSI Live](#), and [A Better Peace](#).

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