

**International Affairs Forum Interview**

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By Dimitri Neos

IA-Forum speaks with Ted Galen Carpenter about China, Taiwan, and U.S. policy in his new book, *America's Coming War with China: A Collision Course Over Taiwan*. Ted Galen Carpenter is vice president for defense and foreign policy studies at the Cato Institute. He is the author of seven books on international affairs, including *The Korean Conundrum: America's Troubled Relations with North and South Korea*, *Bad Neighbor Policy: Washington's Futile War on Drugs in Latin America*, *The Captive Press: Foreign Policy Crises and the First Amendment*, *Beyond NATO: Staying Out of Europe's Wars*, and *A Search for Enemies: America's Alliances after the Cold War*. Carpenter serves on the editorial boards of *Mediterranean Quarterly*, the *Journal of Strategic Studies*, and *The National Interest*, and is the author of more than 350 articles and policy studies.



**International Affairs Forum:** The focus of your book is that Taiwan presents a probable flashpoint between the US and China within the next 10 years. What trends have you seen to lead you to this conclusion?

**Dr. Ted Galen Carpenter:** Trends on Taiwan and on the mainland are moving in rather ominous directions. In Taiwan, there is a growing sentiment to push the envelope on independence and a growing number of Taiwanese support full-blown, formal independence with recognition from the international community. At the same time, on the mainland, there is a change in attitude from the one that was prevalent in the 1970s and 1980s when the Taiwan issue was not of great concern to the PRC's political elite. Today, the attitude is that Taiwan cannot stall indefinitely on reunification talks — and there is great concern that Taiwan is drifting away permanently. The mainland cannot tolerate that. At some point, it will have to take action to compel Taiwan to back away from the thought of independence and at least begin to move toward the goal of reunification. Given those divergent trends, a collision between Taiwan and the mainland becomes very likely.

The United States has been following a delicate balancing act between officially accepting a one-China policy but being obligated under the Taiwan Relations Act of 1979 to supply defensive arms to Taiwan and regard any coercive measures by Beijing against Taiwan as a grave

breach of the peace. That creates the danger of the United States being caught in the middle of a clash between Taiwan and the mainland.

**IA-Forum:** Some consider China a threat, economically and militarily. Is it?

**Dr. Carpenter:** To begin with, I don't believe in economic threats. I think that is one of the most hyped dangers. Japan was seen as the great economic threat in the 1980s, which seems almost humorous in retrospect. Having a vigorous economic partner is not a threat to the United States. I am happy to see China prosper, to see the Chinese people have a far better standard of living than they've enjoyed in the past.

Militarily, I think China's conduct bears monitoring. But at this point the Chinese military modernization program and buildup of the Chinese military has been very modest. Most experts believe that the Chinese actual military budget is in the area of \$50 to \$60 billion, far in excess of the official budget of \$31 billion. But that's comparable to what other second tier powers such as Britain, Japan and France spend on the military. So I don't see this as a looming threat or great challenge to the United States.

If it were not for the Taiwan issue, I think that relations between the United States and the PRC would be quite promising for the next decade or two. True, there would be sources of irritation such as Beijing's human rights record and China's claims in the South China Sea to the Spratley Islands. On the Chinese side, they would probably voice complaints about U.S. unilateral and somewhat aggressive behavior against opponents. But none of these issues could lead to a possible military clash between China and the United States. Taiwan is the one great exception.

**IA-Forum:** Could you elaborate on the U.S. policy of strategic ambiguity?

**Dr. Carpenter:** The current Bush administration denies that its policy is one of strategic ambiguity. That is a term for U.S. policy that was used in the 1980s and the 1990s, but the substance of the policy remains basically intact. That is, the United States indicates that we do not support independence for Taiwan and that we do not dispute Beijing's claim that Taiwan is rightfully part of China. On the other hand, we have an implicit obligation to defend Taiwan's security. The notion of strategic ambiguity is that this commitment to defend Taiwan is vague enough that the Taiwanese cannot be certain of it. Therefore, Taiwanese leaders will act cautiously and not provoke Beijing unduly. At the same we hope that the policy is ambiguous enough that leaders in Beijing will

assume that we're likely to defend Taiwan in a crisis and, therefore, they will act prudently and cautiously.

The problem I see with strategic ambiguity is the danger of leaders in Taipei and Beijing reading it in exactly the opposite way that we hope. Taiwanese leaders may assume that they have an ironclad guarantee and, therefore, they can be rather provocative and push the envelope on independence. Whereas in Beijing, particularly as China's economic and military power grows, they may assume that the U.S. commitment to defend Taiwan is really a bluff and that the United States would not risk war with China over Taiwan. Strategic ambiguity virtually invites miscalculation by Taipei, Beijing, or by both capitals.

**IA-Forum:** To avoid this potential conflict, you propose that the United States should change their policy - continue to provide arms to Taiwan but remove guarantees of becoming directly involved in a conflict between Taiwan and mainland China...

**Dr. Carpenter:** That's basically the strategy that I would advocate. I would favor not only continuing arms sales to Taiwan but being more liberal with what we sell in the way of armaments to enable the Taiwanese to build an adequate defense of their own. At the same time, we should make it clear to the Taiwanese that we are not going to risk war with China to defend Taiwan. Whatever decision the Taiwanese make: to preserve the status quo of de facto independence, to move on and try to push the envelope to try to achieve formal independence, or to seek some kind of reconciliation with China, Taiwan must do so at its own risk and not assume that the United States is going to back Taipei's policy no matter what it is.

The Taiwanese and the Chinese leadership will not be happy about this option. The Taiwanese want the security guarantee as well as the arms sales. Beijing would prefer that we end arm sales and eliminate any security commitment. But that option is a political non-starter. I think it will be difficult and delicate enough to convince Congress and the American people that this kind of change in U.S. policy is desirable without trying to have a policy that would effectively abandon Taiwan entirely. I think there would be tremendous opposition in Congress, within the foreign policy community, and major sectors of the general public if anyone proposed that.

**IA-Forum:** If mainland China were to attack Taiwan, what means would you foresee as being the most probable - missiles, amphibious invasion, electronic/information?

**Dr. Carpenter:** There's a range of options. The most likely is that China could try to establish a blockade of Taiwan. That, combined perhaps

with missile strikes – and China already has between 700 and 800 missiles deployed across the strait from Taiwan and is adding several dozen each year. An amphibious invasion of the island is the least likely scenario. That would require very significant military capability on Beijing's part that it simply doesn't have at this point and would not have for many years to come.

If the United States intervened with its air and naval forces, China's military effort would be to try to neutralize it, probably by attacking and sinking an aircraft carrier. This would strike a major psychological blow to the United States and would force the United States to negotiate a truce or to consider escalation, with all the perils that that would involve. The Chinese are betting that either the United States would recognize that its forces in the Taiwan Strait would be highly vulnerable to PRC attacks and wouldn't intervene in the first place — or if the U.S. did, it would get bloodied and then back off. There's no guarantee that is a workable strategy but if Beijing thinks it is, it may very well proceed on that basis.

**IA-Forum:** What form of defense package for Taiwan would then be necessary to prevent or deter an attack from mainland China?

**Dr. Carpenter:** That's in part a decision that's going to have to be made by the Taiwanese people and government. Unfortunately, the response thus far has not been very gratifying. The Kuomintang (KMT) party and the People's First Party (PFP) have blocked the special defense budget that would pay for the defense weapons systems that the United States offered Taiwan in 2001. This has been blocked on more than 40 occasions over the past several years. Unfortunately, I think there's a question about whether the Taiwanese are serious about building up their own defense capabilities. If they are, they need to focus on a number of things including submarine warfare, P3 aircraft submarine hunters, and advanced Patriot missile defense batteries. They should also consider developing an indigenous capability to strike targets in the mainland by aircraft and probably by cruise missiles – to hold important assets on the mainland at risk if Taiwan is attacked. Defense doesn't have to be entirely reactive or passive. It can be an active defense with a retaliatory capability. I think that is what Taiwan needs, particularly if it does not have the security shield of the United States.

**IA-Forum:** If your proposal is accepted, what would you see as a timetable for this to be implemented?

**Dr. Carpenter:** It would have to be implemented over a number of years, three to five at a minimum. That needs to begin now because the danger of a clash is rising and we don't want to be in a situation where we're scrambling to come up with an alternative policy in the midst of a crisis.

We want to give the Taiwanese a decent interval to adjust to the new realities and to make their own decisions about what kind of policies they want to pursue. But we don't want this to become a scenario where changes drag out over an extended number of years and are never really implemented.

**IA-Forum:** Again, if your proposal is accepted, what would be the reaction be of other Asia/Pacific countries? Japan, South Korea, Australia...

**Dr. Carpenter:** In the case of South Korea, the most likely response is discreet neutrality with a tilt toward Beijing. Seoul and Beijing have been fostering extensive political and economic ties for over a decade. In many cases, South Korean policy lines up closer to China's policy than to U.S. policy. We certainly see that on the issue of North Korea's nuclear program.

The U.S. has tried to broaden its alliances with Japan and South Korea to get their assistance with regard to other contingencies in East Asia. That is largely a code phrase for trouble in the Taiwan Strait. Tokyo would have some very hard decisions to make if the U.S. backed away from a security commitment to Taiwan. Would Japan regard the preservation of Taiwan's de facto independence as an important Japanese security interest? If it does deem that preservation is an important security interest, is it prepared to do something about it? Would Japan be prepared to assist Taiwan in the event of trouble with the PRC? We don't know at this point what Tokyo's reactions would be and I think we would have to see how that would evolve.

With regard to Australia and other countries in the region, none of them seems to want to come to Taiwan's aid in the event of trouble with the PRC. That's true whether the U.S. protects Taiwan or not. All of these countries have indicated that they are not going to get involved in a conflict in the Taiwan Strait.

**IA-Forum:** What would the fallout be if the conflict scenario you present becomes reality?

**Dr. Carpenter:** Any kind of armed conflict between the United States and China over Taiwan would be a catastrophe for both countries. The conventional wisdom is that both sides would realize that and, therefore, they would back away from any conflict. I think that's an attitude that's much too complacent. When issues of national pride are involved, countries do not always act as rational economic actors. We saw that in 1914 when Germany and France had tremendous economic ties yet were overpowered by nationalist emotions. That war was a calamity for both countries and would have been even if it had ended rapidly instead of the

four year long bloodbath it became. What I'm afraid of here is that China's desire to recover Taiwan is such an issue of national pride and prestige. Beijing may adopt a fairly risky strategy and as the U.S. regards its commitment to Taiwan as an issue of credibility, Washington might also take more assertive action than would rationally be justified.

If a clash occurred, at the very least it would mean a massive disruption to the U.S.-Chinese relationship. Congress would certainly demand comprehensive economic sanctions against China. The entire relationship that has so laboriously been built up over the last three and a half decades would be shattered, and the U.S., Chinese, and global economies would be adversely affected for many years.

**IA-Forum:** And China becomes more of a major American banking partner...

**Dr. Carpenter:** Certainly China could use extensive economic and financial leverage against the United States. China holds a good deal of America's treasury debt at this point and some Chinese have not been subtle about threatening to use that leverage in the event of a crisis involving Taiwan to dissuade the United States from even thinking of intervening militarily. This is a factor that didn't exist a decade ago, but with the U.S. running budget deficits of 300 to 400 billion dollars a year, it is likely to be an ever more important factor in the next decade.

**IA-Forum:** What about the next Taiwanese elections in 2008? If the DPP loses, what effect, if any, would this have?

**Dr. Carpenter:** It will have a calming effect in the short term. Beijing regards the KMT as much more reasonable. Ma Ying-jeou, the mayor of Taipei and the most likely presidential candidate for the KMT for 2008, has indicated that the ultimate goal of his party is reunification with mainland China. But the devil there is in the details — and Beijing is likely to be frustrated in the medium and long-term because the KMT has made it very clear that it has no interest in reunification with an authoritarian China. That is, that the mainland has to become fully democratic before reunification is an option. Like the DPP, the KMT has also said that reunification must have the approval of the 23 million people on Taiwan. So the Taiwanese people have a veto over whether reunification takes place. That position is absolutely unacceptable to Beijing.

In the medium to long-term, a victory by the KMT in 2008 might actually bring a crisis to a head as much as a DPP victory would. Right now the PRC leadership believes that the main problem is President Chen and the DPP; if the KMT takes over, progress will be made toward reunification and the crisis will have passed. What will be the PRC's reaction when it

finds that the KMT has so many caveats with regard to the goal of reunification that it's almost a meaningless goal? I think that leads to disillusionment, anger, and the advent of a crisis.

**IA-Forum:** There are some that believe U.S. foreign policy is antiquated and stuck in a cold war paradigm. Does that apply here?

**Dr. Carpenter:** I'm not sure it's a manifestation of Cold War policy. It's true that the inherited commitment to defend Taiwan occurred during the Cold War period at a time when we regarded China as part of a global communist threat. But I think the dynamics have changed a lot. The chief factor is the emergence of Taiwan as a thriving, vibrant democracy. The pressure now on any American President to come to Taiwan's aid would center around whether the U.S. could allow a fellow democracy to be taken over by an authoritarian China. That doesn't have a lot to do with Cold War issues. It has much more to do with post-Cold War considerations.

**IA-Forum:** What do you think the chances are that your proposal will be enacted?

**Dr. Carpenter:** There's always a chance but it would require a significant change in thinking within the foreign policy community in the United States and ultimately within the Executive Branch and Congress. My whole purpose in writing this book was to get members of the policy elite and the journalism community to focus on this dangerous and building crisis before it erupts full-blown and to begin consideration of some serious policy options as opposed to the kind of confused and muddled policy the U.S. has in place at the moment.

**IA-Forum:** Thank you, Dr. Carpenter.

Comments? Please send them to [editor@ia-forum.org](mailto:editor@ia-forum.org)

