

The Czech Republic's Indo-Pacific Strategy and the Challenges and Opportunities for Taiwan in Europe

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Abstract

In recent years, China's repressive and authoritarian behavior, both internally and externally, has elicited concern in Europe. As a result, many European countries have started to reconsider their approach towards China and acknowledge the necessity of strategically containing its ambitions in the Indo-Pacific region and beyond. The Czech Republic is one such country that has formulated an official Indo-Pacific Strategy to signal its strategic interests in the region. Prague has identified geopolitics, regional economics, and the established international order as areas of strategic importance, and has outlined its objectives for addressing these issues. In particular, Taiwan has been recognized as a critical partner for cooperation. As the strategic interests of Europe and China continue to diverge, and China's perception in Europe deteriorates, Taiwan's standing in the Czech Republic and Europe has been on the rise, thereby facilitating Taiwan's diplomatic efforts on the continent.

Keywords: Czech Republic, Taiwan, Europe, Indo-Pacific Strategy, Diplomacy

After the Second World War, many European countries turned their attention inward to stabilize the continent and refrained from interfering in the internal affairs of foreign countries. Due to its geographic distance, the Indo-Pacific region received limited attention from most European countries. However, in recent decades, several emerging economies in the Indo-Pacific, including China and India, have become significant economic powers. As a result, European countries have refocused their interest on economically engaging with the region, welcoming active and positive

economic cooperation through trade, investment, and foreign aid. Emerging countries in the Indo-Pacific are no longer just recipients of aid but have become Europe's major investors and trade partners. This warm relationship has persisted for several decades and continues to do so.

In recent years, China's actions, such as the violent crackdown on Hong Kong's democratic movement and the establishment of re-education camps for Uyghurs in Xinjiang, have raised concerns in Europe. Many Europeans believe that China has hidden the origins of and mismanaged the COVID-19 pandemic, which had a severe impact on public health and economies. Furthermore, China's ambiguous stance on Russia's invasion of Ukraine has been widely regarded as complicity with Moscow. As a result, European countries have begun to revise their approaches to China and to recognize the need to strategically contain its ambitions in the Indo-Pacific region and the world. The Czech Republic, in particular, has released an official document titled "The Czech Republic's Strategy for Cooperation with the Indo-Pacific: Closer than We Think" ("the Strategy" afterward) to signify its strategic interests in the region.¹ This official Indo-Pacific Strategic guidance outlines the most critical geopolitical and economic challenges that the country will face in the upcoming future. It provides a framework for Prague to engage with the Indo-Pacific region and pursue its strategic interests with like-minded partners, including Taiwan.

This paper first discusses the content and strategic stakes of the Czech Republic according to the Strategy. It then examines Taiwan's role in the Czech Republic's Indo-Pacific Strategy and Taipei's relationship with Prague. Finally, it discusses the implications for Taiwan's future relationship with Europe.

1. Ministry of Foreign Affairs of the Czech Republic, "The Czech Republic's Strategy For Cooperation With The Indo-Pacific," October 2022, *Ministry of Foreign Affairs of the Czech Republic*, <https://www.mzv.cz/file/4922486/CZ_Strategy_Indo_Pacific_2022.pdf>.

The Czech Republic's Strategy For Cooperation With The Indo-Pacific

Closer Than We Think

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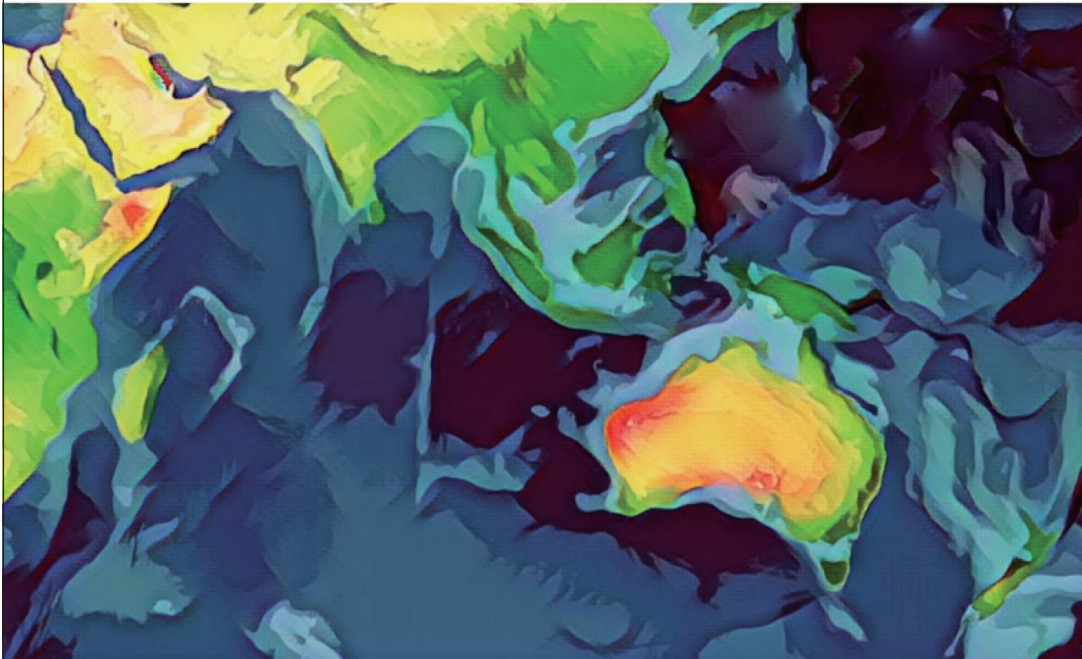


Figure 1. Cover of the Czech Republic's Indo-Pacific Strategy

Source: Ministry of Foreign Affairs of the Czech Republic, "The Czech Republic's Strategy For Cooperation With The Indo-Pacific."

I. The Czech Republic's Strategy in the Indo-Pacific

The Czech Republic's strategy in the Indo-Pacific is based on the European Union's "EU Strategy for Cooperation with the Indo-Pacific," as well as several national policy initiatives, including the policy statement released by the Czech Republic government in January 2022.² The document underscores the shared stances of the strategy with the European Union, NATO, and the Organization for Security and Cooperation in Europe (OSCE).

In the Strategy, Prague focuses its strategic interests in the Indo-Pacific on three dimensions: geopolitics, economics, and the established international order, and lays out its goals to address these issues. Geopolitically, the Czech Republic identifies like-minded partners with common values and principles, with geopolitical cooperation with other partners currently underway. The most important geopolitical partners for the Czech Republic and its NATO allies are Australia, Japan, New Zealand, and South Korea. Pressing geopolitical issues include cyber-attacks, radicalism and terrorism, the COVID-19 pandemic, and China's growing ambitious and assertive behavior. The Strategy identifies China as a partner but also as an economic adversary and a systemic rival. Additionally, it acknowledges that Prague and Beijing are divided on many issues, such as human rights standards. Although the document does not specify China as the main geopolitical threat, Prague considers the United States a natural partner and close ally with whom to cooperate in dealing with these China-related challenges.

To address geopolitical challenges, the Strategy highlights the need for cooperation with like-minded partners in addressing cybersecurity and combating cybercrime, building resilience, countering hybrid threats, and preventing and combating terrorism and violent extremism. Additionally, it is imperative to collaborate with international organizations such as the EU, the United Nations, and NATO to pursue joint geopolitical interests. It is also in the Czech Republic's best

2. Government of the Czech Republic, "Policy Statement of the Government of the Czech Republic," January 7, 2022, *Government of the Czech Republic*, <<https://www.vlada.cz/en/jednani-vlady/policy-statement/policy-statement-of-the-government-193762/>>.

interest to develop bilateral security cooperation with specific countries in the Indo-Pacific region. Establishing a security dialogue with allies and partners with similar values is also crucial. This dialogue will be supplemented by collaboration between defense ministries, primarily in the defense industry and security structures. All of these efforts aim to minimize the likelihood of destabilization in both the region and its various parts originating from the assertive rise of China.

Secondly, the Strategy acknowledges the Indo-Pacific region's exceptional economic growth and dynamism, driven by a young population, low-cost labor force, and an average GDP growth rate of 5.7 percent. Living standards within the region are improving, and the middle class is on the rise. The region contributes 42 percent of the world's GDP and is projected to exceed 50 percent by 2050, making it a crucial hub for global technological and social growth, energy security, and the production of raw materials. Moreover, the Indo-Pacific region attracts significant trade allies and investors from outside Europe who are leaders in advanced technologies, innovations, and connectivity. The substantial economic influence of this region has direct consequences on the operations of international trade, global supply chains, and the security of energy and raw materials. The region also plays a crucial role in fostering innovations in sustainable development. However, growing regional geopolitical instability may negatively impact its economic dynamics. The Strategy emphasizes the need to ensure critical infrastructure security and investments to safeguard the Czech Republic's interests in the Indo-Pacific region.

To address economic challenges in the Indo-Pacific region, the Czech Republic has outlined several strategies. Those aim to promote exports and foreign direct investments actively. To mitigate security risks of investments, the government plans to conduct investment security screenings, particularly in critical infrastructure and key sectors, and align their threat perception maps with their regional partners as much as possible. In addition, the Czech Republic intends to use economic diplomacy projects to support business centers and service hubs and collaborate in science, research, and innovation to create better conditions for their entities. They will work with the EU and like-minded partners to encourage the implementation and enforcement of international trade rules and standards while supporting the

negotiation of EU trade agreements to reduce unilateral strategic dependencies and diversify suppliers. The Czech Republic recognizes the importance of collaborating with like-minded Indo-Pacific countries to promote sustainability and resilience, aiming to reduce unilateral economic dependencies and enhance the resilience of value chains. Economic engagement in the Indo-Pacific region no longer just involves economic considerations but must also find ways to mitigate geopolitical risks.

Third, the Strategy highlights that some countries in the Indo-Pacific region are violating international and human rights laws, particularly political and civil rights. The rule-based order of freedom of navigation is also considered to be at risk. While the report does not explicitly mention China as the main concern challenging the established order, many of these issues are directly related to China’s assertiveness, both domestically and internationally. For instance, China’s human rights violations in



Figure 2. A Re-education Camp in Xinjiang

Source: “The man behind China’s detention of 1 million Muslims,” *The Associate Press*, November 26, 2019, <<https://apnews.com/article/china-cables-ap-top-news-international-news-china-language-62097e9dd2844aab8d64a2be2ebaa972>>.

governing Xinjiang and Hong Kong, its expanding influence in the UN Human Rights Council, and its arbitrary involvement in the South China Sea are the most pressing issues in this domain.

To strengthen the established international order in the Indo-Pacific, the Czech Republic aims to prioritize promoting good governance and improving human rights by supporting international human rights standards and engaging in open dialogue with national governments. This will involve focusing on political and civil rights, including freedom of speech, association, assembly, and media. In addition, Prague is committed to promoting an open global economy based on market principles and international law. To achieve this, the government plans to actively work towards building effective multilateralism within the UN General Assembly and its committees, and collaborate with UN agencies and programs. The Czech Republic also aims to deepen its cooperation with Asian countries to increase its influence in relevant international organizations, such as through mutual support of candidacies.

II. Taiwan's Role in the Czech Republic's Indo-Pacific Strategy

The role of Taiwan in the Czech Republic's Indo-Pacific Strategy has been gaining prominence, as evidenced by its mention four times in the document. The first reference introduces Taiwan as one of the 40 countries and "territories," with Taiwan being the only one that falls under the definition of territory in the context of cross-strait tensions. Prague's caution in signaling its diplomatic relationship with Taiwan is apparent, reflecting concerns over China's opposition. The second and third references express the Czech Republic's interest in strengthening relations with Taiwan and other regional partners by stating that "it is in the Czech Republic's interest to strengthen relations with Taiwan and other regional partners in accordance with the Policy Statement of the Czech government." The Strategy then emphasizes the importance to "deepen cooperation with democratic partners in the Indo-Pacific region, such as India, Japan, the Republic of Korea, Taiwan and others." The Czech Republic openly acknowledges Taiwan as a crucial like-minded democratic partner and expresses its willingness to enhance bilateral cooperation to address security challenges in the Indo-Pacific region.

The final reference to Taiwan writes that “Continuous tensions resulting from the lack of stability in the Taiwan Strait and the situation in the South China Sea and East China Sea may spill over regional boundaries to escalate into global conflicts.” This underscores Prague’s growing concern about the geopolitical challenge posed by events in the region, which is no longer just a regional issue. Despite this, the Strategy does not mention China as a partner to work with; instead, it portrays Beijing as an ambitious, assertive, adversarial, and rivaling power that seeks to extend its geopolitical influence around the world. Although the Czech Republic considers Taiwan a like-minded partner, its importance to Europe’s Indo-Pacific Strategy may only come with the growing geopolitical threats posed by China. If European countries perceive diminishing threats from China or consider Beijing more compliant with the international order in the future, Taiwan’s importance in Europe’s Indo-Pacific strategy may also decrease.

In response, Taiwan’s Ministry of Foreign Affairs welcomed the release of the Czech government’s Strategy and recognized Taiwan as a major partner in the



Figure 3. People’s Liberation Army’s Fighter Jets Conducted a Training Exercise around Taiwan in August 2022

Source: Amy Chang Chien & Chang Che, “With Record Military Incursions, China Warns Taiwan and the U.S.,” *The New York Times*, December 26, 2022, <<https://www.nytimes.com/2022/12/26/world/asia/china-taiwan-jets.html>>.

upcoming Indo-Pacific policy. The Ministry emphasized that Taiwan and the Czech Republic are like-minded partners and can develop a comprehensive partnership based on shared values of liberty and democracy. Together, the two countries can counter the expansion of authoritarianism.

III. Evaluating Taiwan-Czech Relations

The Czech Republic's Indo-Pacific Strategy is not simply a symbolic gesture, but rather has the potential to further enhance the strategic relationship between Taiwan and the Czech Republic. In January 2020, the then President of the Czech Senate, Jaroslav Kubera, passed away before his planned visit to Taiwan. The visit was opposed by the pro-China Czech president and prime minister, and China also issued stern warnings and threats. Despite the pressure, the succeeding Senate



Figure 4. Miloš Vystrčil Addresses the Legislative Yuan on September 1, 2020

Source: Legislative Yuan, Taiwan, “Miloš Vystrčil in Taiwan,” September 1, 2020, *Wikimedia*, <https://commons.wikimedia.org/wiki/File:2020-09-01_Milo%C5%A1_Vystr%C4%8Dil_in_Taiwan_03.jpg>.

President, Miloš Vystrčil, remained committed to a visit and led a delegation to Taiwan on August 30, 2020, elevating the Czech-Taiwan relationship to new heights. China's then Foreign Minister Wang Yi's statement that the Czech Republic would have to "pay a heavy price" was strongly criticized by the Czech government and other European countries.³ Vystrčil has received a warm welcome from the Taiwan government and society.

The warm relationship between Taiwan and the Czech Republic persists. In July 2022, Vystrčil invited Taiwan's Legislative Speaker You Si-kun to visit central Europe. During his visit, You Si-kun addressed the Czech Senate in Prague, stating that "I am Taiwanese and Czech, because we are both peoples of democracy."⁴ This sentiment mirrors Vystrčil's 2020 speech in Taiwan's parliament, in which he declared, "I am a Taiwanese." Additionally, Taiwan's Legislative Yuan has extended an invitation to Marketa Pekarova Adamova, Speaker of the Czech Chamber of Deputies, to visit Taiwan in March 2023 and deliver a speech in the legislature. Congressional diplomacy between Prague and Taipei has improved significantly in recent years, which may be partly attributed to the declining image of China among Czech lawmakers.

In the past, the Czech parliament held a positive view of China. According to local Czech scholars, in the early 2000s the lower house believed that Prague should actively engage with China and overlook human rights issues for the sake of economic benefits.⁵ However, in recent years, parliament has become increasingly critical of

3 Sarah Zheng, "China's foreign minister says Czech senate president will 'pay heavy price' for visiting Taiwan," *South China Morning Post*, August 31, 2020, <<https://www.scmp.com/news/china/diplomacy/article/3099597/chinas-foreign-minister-says-czech-senate-president-will-pay>>.

4 "I am Taiwanese and Czech": Taiwan legislative speaker tells Czech senators," *Focus Taiwan*, July 20, 2022, <<https://focustaiwan.tw/politics/202207200025>>.

5 Ivana Karásková, Alžběta Bajarová, & Tamás Matura, "Images of China in the Czech and Hungarian Parliaments," March 19, 2019, *Association for International Affairs (Czech Republic)*, <http://www.amo.cz/wp-content/uploads/2019/03/AMO_Images-of-China-in-the-Czech-and-Hungarian-Parliaments.pdf>.



Figure 5. Taiwan's Legislative Speaker You Si-kun Speaks in the Czech Senate on July 20, 2022

Source: You Si-kun, "Taiwan's Legislative Speaker You Si-kun speaks in the Czech Senate," July 20, 2022, *Facebook*, <<https://www.facebook.com/photo?fbid=587506526076164&set=pb.100044504646611.-2207520000.>>.

China, not only regarding human rights issues but also highlighting how China's espionage activities in the Czech Republic have negatively impacted national security. Additionally, grassroots society is expressing growing dissatisfaction with China's repressive governance of Xinjiang, Tibet, and Hong Kong. Among all parties, the Civic Democratic Party has been the most critical of China, a party to which both the previous and current president of the Czech Senate belong. This stance contrasts with the pro-China government led by President Miloš Zeman, who emphasized that economic interests come first (Zeman's successor, Petr Pavel, entered office on March 9).

A 2019 survey conducted by the Pew Research Center on global perceptions of China revealed that only 27% of the Czech public held a favorable view towards

China, making it one of the lowest among European countries.⁶ The COVID-19 pandemic has further damaged China's image in the Czech Republic. A more recent poll shows that the Czech Republic is among the European countries with decidedly negative feelings of China.⁷ In the short term, political parties aspiring to gain power will likely encounter the challenge of navigating the country's response to China's growing influence, requiring a clear stance either for or against China. The Czech Republic's warm relationship with Taiwan can also be interpreted as a reflection of the society-wide negative perception of China and a growing willingness to support liberal countries and individuals facing China's security threats.

Structurally, in the pursuit of stronger diplomatic relations with Taiwan, the Czech Republic has more leeway to withstand pressures from China compared to other European Union countries that have greater economic reliance on China. The primary means through which China seeks to attract Europe are its economic power and its Belt and Road Initiative, which has contributed to Zeman's pro-China stance. However, the economic relationship between the Czech Republic and China is not particularly close or healthy. Czech-Chinese trade dependency is low, with the Chinese market comprising less than 1.4% of the Czech's total exports (see Figure 6). Moreover, China is the country with the largest trade deficit for the Czech Republic, with a deficit of over \$16 billion, which is approximately four times larger than the second-largest deficit country. Presently, the most significant economic partners for the Czech Republic continue to be the surrounding European countries, such as Germany, Slovakia, and Poland. Consequently, while the economic benefits of engaging with China may be attractive, they remain limited for the Czech Republic.

6 Laura Silver, Kat Devlin, & Christine Huang, "People around the globe are divided in their opinions of China," December 5, 2019, *Pew Research Center*, <<https://www.pewresearch.org/fact-tank/2019/12/05/people-around-the-globe-are-divided-in-their-opinions-of-china/>>.

7 Richard Q. Turesányi, Matej Šimalčík, Kristína Kironská, Renáta Sedláková, et al., *European public opinion on China in the age of COVID-19: Differences and common ground across the continent* (Bratislava: Central European Institute of Asian Studies, 2020), *Mershon Center*, <<https://mershoncenter.osu.edu/sites/default/files/2021-02/European%20opinion%20on%20China%20Pete%20Gries%20.pdf>>.

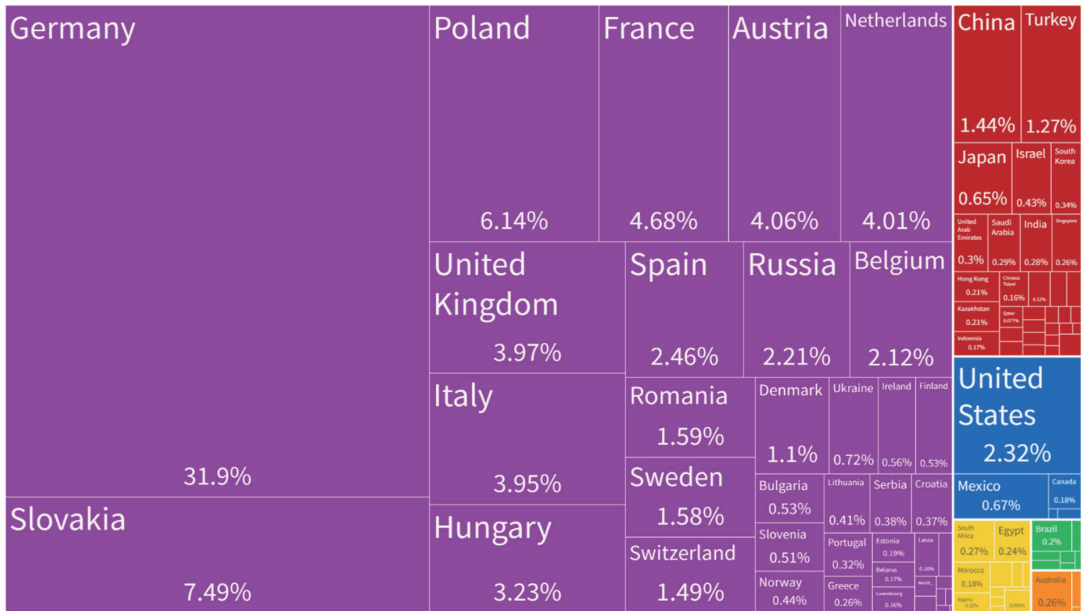


Figure 6. The Structure of Exports of the Czech Republic in 2020

Source: The Observatory of Economic Complexity, “Historical Data,” February 18, 2023 accessed, *The Observatory of Economic Complexity*, <<https://oec.world/en/profile/country/cze>>.

Moreover, the notion of separating China’s politics from its economy and expecting economic cooperation to promote political reform has been significantly challenged for European countries. In early 2019, China canceled a performance by the Prague Philharmonic in China in response to the pro-Taiwan stance of Prague Mayor Zdenek Hrib. Additionally, in early 2020, China threatened to impose sanctions on Škoda’s investment in China in retaliation for the former Senate president’s planned visit to Taiwan. China has also imposed trade penalties on European countries that have hosted the Tibetan spiritual leader the Dalai Lama and boycotted salmon imports from Norway after the Nobel Peace Prize was awarded to Liu Xiaobo. China’s tendency to interfere with economic exchange through political intervention undermines the idea that economic cooperation can drive political reform. Thus, forging closer ties with Taiwan not only demonstrates resistance to China’s economic coercion but also serves as a symbolic gesture of redemption for democratic societies.

Prague's pro-Taiwan stance is not only motivated by the need to counter China's rise, but also by the desire to align with Washington's position. In the context of the global confrontation between the U.S. and China, Washington has asked its allies to take sides in the struggle between freedom and tyranny. The Czech Republic, which has signed a military agreement with the U.S. allowing for the deployment of U.S. military forces and is an important European military ally of the U.S., is one of the few European countries that has not joined the Chinese-led international system and remains aligned with the U.S. In addition, the Czech Republic is one of the European countries that is closest to the U.S. in terms of its stance on various international issues at the United Nations. To further encourage worldwide governments to improve their relations with Taiwan, the U.S. approved a domestic law called the "*Taiwan Allies International Protection and Enhancement Initiative (TAIPEI) Act of 2019*" in early 2020, which encourages Washington to increase "economic, security, and diplomatic engagement with nations that have demonstrably strengthened, enhanced, or upgraded relations with Taiwan." In August 2020, the then U.S. Secretary of State, Mike Pompeo, publicly supported the Senate president's visit to Taiwan during his visit to the Czech Republic. The pro-Taiwan sentiment in the Czech Republic reflects a positive response to the U.S.'s efforts to recruit allies in the struggle against China. In summary, Taiwan's relations with the Czech Republic have significantly improved in the past few years, making Taipei an even more important partner in Prague's Indo-Pacific strategy.

IV. Opportunities and Challenges in Taiwan-Europe Relations

The recent developments in the Taiwan-Czech relationship offer insights into the future of Taiwan-Europe relations. While the Czech Republic's Indo-Pacific Strategy specifically addresses the geopolitical challenges posed by China, the "EU Strategy for cooperation in the Indo-Pacific," released in April 2021, prioritizes economic sustainability, prosperity, and governance.⁸ The strategy mentions China only once, expressing interest in "further steps towards the Comprehensive Agreement

⁸ Council of the European Union, "Council conclusions on an EU Strategy for cooperation in the Indo-Pacific," April 16, 2021, *Council of the European Union*, <<https://data.consilium.europa.eu/doc/document/ST-7914-2021-INIT/en/pdf>>.

on Investment with China.”⁹ During the press conference, officials of the European Commission were asked whether the EU Indo-Pacific Strategy was targeting China. They refrained from describing China as a threat or a geopolitical challenger, emphasizing instead that “The EU will also pursue its multifaceted engagement with China ... encouraging China to play its part in a peaceful and thriving Indo-Pacific region.” Despite the roles of important regional players, such as Japan, South Korea, and Vietnam being acknowledged in the EU's Indo-Pacific Strategy, Taiwan's role has been neglected.

The EU's cautious and less geopolitical-sensitive Indo-Pacific Strategy reflects divergent perceptions of and policies towards China among EU countries. Countries that are not economically dependent on China, or those that require U.S. protection for strategic cooperation, are more likely to break free from being bound by Chinese economic interests and take the lead in resisting China's coercion and enticement with the U.S. More countries are seeking to cooperate with Taiwan to contain China's ambitions, particularly since the cross-Strait situation has escalated and may have a global impact in the near future. The current relationship between Taiwan and the U.S. is a crucial pillar in the U.S.'s efforts to mitigate the detrimental effects of China's rise.

European countries that are less dependent on China, such as the Czech Republic and Lithuania, are likely to seek to strengthen their relations with Taiwan. This presents an excellent opportunity for Taiwan to enhance its strategic relationships with European countries. Lithuania shares security concerns with the Czech Republic, and its State Security Department in 2021 warned the nation that authoritarian states like China and Russia were exploiting the COVID-19 pandemic to undermine the West or to improve their own national image. Furthermore, Lithuania is not heavily dependent on China's trade or Belt and Road Initiative investments. Located in Northeastern Europe, Lithuania is among the European countries that feel threatened by China's

⁹ European Commission, “Questions and Answers: EU Strategy for Cooperation in the Indo-Pacific,” September 16, 2021, *European Commission*, <https://ec.europa.eu/commission/presscorner/detail/en/qanda_21_4709>.

role in Russia’s invasion of Ukraine. These concerns have prompted Vilnius’s diplomatic support of Taiwan in international organizations and the establishment of representative offices. In May 2021, Lithuania withdrew from the China-led 17+1 initiative, which seeks to enhance China’s cooperation with Central and Eastern European countries. Lithuania’s Foreign Minister, Gabrielius Landsbergis, urged other participating countries to follow suit.¹⁰



Figure 7. The Establishment of the Taiwanese Representative Office in Lithuania

Source: The Taiwanese Representative Office in Lithuania, “The Taiwanese Representative Office in Lithuania commences operation,” November 22, 2021, *The Taiwanese Representative Office in Lithuania*, <https://www.roc-taiwan.org/lt_en/post/126.html>.

¹⁰ Sayumi Take, “Lithuania minister urges EU countries to leave China’s ‘17+1’ bloc,” *Nikkei Asia*, June 7, 2022, <<https://asia.nikkei.com/Editor-s-Picks/Interview/Lithuania-minister-urges-EU-countries-to-leave-China-s-17-1-bloc>>.

On the other end of the spectrum, there are still some European countries that show greater support for China, such as Hungary. Its government has strongly supported deepening cooperation with China. During the COVID-19 pandemic, Hungary was the only country to refuse to join a new agreement that the EU had signed with Pfizer and BioNTech for the supply of COVID-19 vaccines. Instead, it endorsed the efficacy of Chinese vaccines and China's international image. Additionally, when the European Parliament passed a resolution in 2020 to freeze further discussion of the "EU-China Comprehensive Agreement on Investments" (CAI), 12 out of 30 objections came from Hungarian members of the European Parliament. In other words, more than half of Hungary's 21 members of the European Parliament voted in favor of China. Furthermore, Hungary has used its veto power



Figure 8. Hungarian State Secretary of the Ministry of Foreign Affairs and Trade and the Chinese Ambassador to Hungary Welcome the Arrival of the First Batch of China's Sinopharm COVID-19 Vaccine in Budapest on February 16, 2021

Source: "First batch of Chinese COVID-19 vaccine arrives in Hungary," *Xinhuanet*, February 17, 2021, <http://www.xinhuanet.com/english/2021-02/17/c_139748187.htm>.

twice to block the EU's proposed statement criticizing China's new security law in Hong Kong.¹¹

In addition to the two extremes, many European countries are currently reevaluating their China policies, which will be tied to their relations with Taiwan. If China becomes a more pressing threat, the need to align with Washington's Indo-Pacific strategy will become more urgent. As a result, the strategic role of Taiwan will become increasingly important. We can expect more European countries to share concerns similar to those of the Czech Republic and Lithuania. Their next moves may depend on several factors. First, the development of Russia's invasion of Ukraine and its geopolitical ambitions. If the war continues and Ukraine suffers significant territorial losses, European countries will feel threatened by Russia and may seek to cooperate with the U.S. under the NATO framework to contain Russia's ambitions. China, which seeks to annex Taiwan through military means, will be likely to become a strategic ally of Russia. Both powers will support and legitimize each other's military invasions. This will further strain China-EU relations. The U.S. will ask the EU to support Taiwan in defending against China's upcoming military threats, which will significantly enhance the EU's strategic relationship with Taipei.

Second, China's economic incentives will determine its attractiveness to Europe. This is the most important factor that ties several European countries to China. While many countries remain dependent on China's trade, markets, and investments, China's economic engagement has become more problematic worldwide, including in Europe. Although most of China's Belt and Road Initiative projects in Europe may not involve debt traps, China's companies have been accused of exploiting workers and the environment. Beijing's generous investment in transportation infrastructure, such as roads and ports, might result in Beijing-controlled strategic assets. Some European countries are also concerned that Russia may cooperate with China to manipulate these infrastructures, which would harm Europe's security.¹² If these concerns

¹¹ Ian Tsung-yen Chen, "The Crisis of COVID-19 and the Political Economy of China's Vaccine Diplomacy." *Foreign Policy Analysis*, Vol. 18, No. 3, July 2022.

¹² Nick Beake, "Why Europe will have to face the true cost of being in debt to China," *BBC News*, May 3, 2022, <<https://www.bbc.com/news/world-europe-61276168>>.

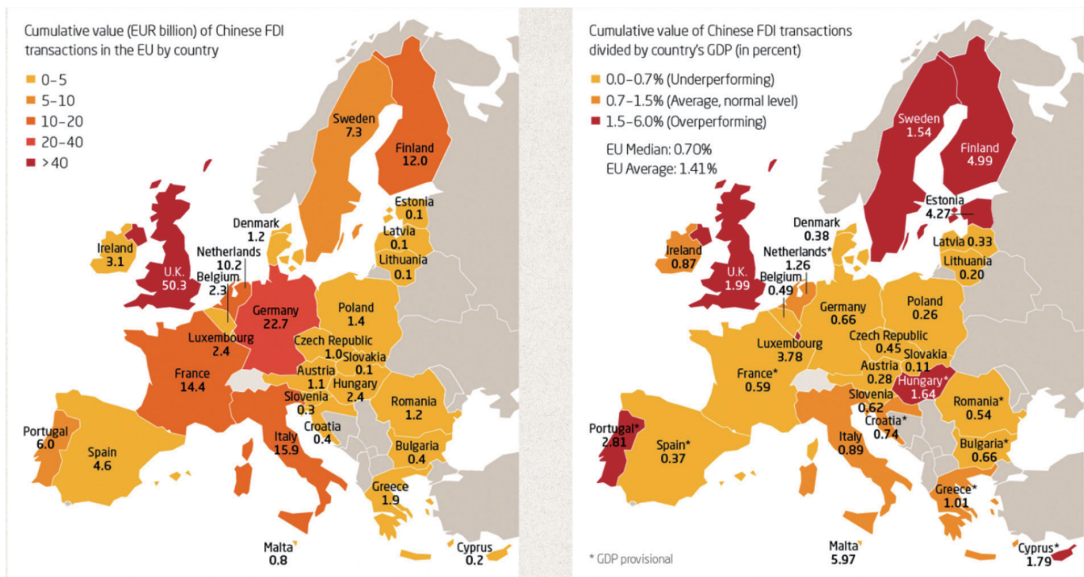


Figure 9. Distribution of China’s Cumulative Investments in Western Europe and Scandinavia, 2000-2019

Source: Mercator Institute for China Studies, “EU-China Mappings: Interactions between the EU and China on key issues,” January 20, 2021, *Mercator Institute for China Studies*, <<https://merics.org/en/short-analysis/eu-china-mappings-interactions-between-eu-and-china-key-issues>>.

increase, China will lose its current leverage in Europe, making it more likely for Europe to join the U.S.’s Indo-Pacific Strategy in checking China’s growing influence in Europe. This will embolden Europe to support Taiwan as an important Indo-Pacific partner and ignore political pressure from Beijing. Taiwan’s role in the reconfiguration of the global supply chain in high-tech industries may become even more influential.

Finally, the perception of China and Taiwan by the people of European countries can influence government policy. Given that most European countries have reached a high level of democracy, it is necessary for governments to take into account the preferences of their constituents when formulating foreign policy. Beyond engagement with civil society, interactions at the individual level between Taiwanese diplomats and European officials, lawmakers, and social elites can further impact Taiwan’s diplomatic standing in Europe. A number of recent developments suggest

that Taiwan's diplomatic efforts have been increasingly effective and well received in Europe in recent years. These changes can be attributed, in part, to China's increasingly authoritarian stance on both international and domestic affairs. Taken together, these developments underscore Taiwan's significance as a leading democracy in the Indo-Pacific region. François Wu, Taiwan's representative to France, has remarked that "The international image of Taiwan (in Europe) has never been as good as it is now."¹³

The worse China is perceived in Europe, the less likely European governments are to embrace it. According to multiple opinion polls, China's image in Europe has plummeted due to Beijing's mistreatment of Hong Kong and Xinjiang. China's deceiving, dictatorial, and opaque governance style facilitated the worldwide spread of the COVID-19 pandemic, resulting in millions of deaths. Beijing's harassment of Taiwan, which enjoys a high level of liberty and democracy, further worsens China's image in Europe. If this trend persists, the grassroots opposition to China will continue to grow. This dissatisfaction with Beijing will further fuel momentum to elevate Taiwan-Europe relations in the upcoming future.

¹³ "Taiwan's international image has never been better," *Crossing*, December 20, 2022, <<https://crossing.cw.com.tw/article/17112>>.