The Role of Taiwan in the U.S. Indo-Pacific Strategy

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Abstract

This article analyzes Taiwan's role in the U.S.' Indo-Pacific Strategy and emphasizes the indispensable position of Taiwan within this strategy. China's military power has been expanding and it has demonstrated a willingness to actively change the *status quo*. China has never renounced the use of force to resolve the "Taiwan issue." The U.S. Indo-Pacific Strategy would be hollowed out if it could not prevent China from attacking Taiwan and challenging the international order in the region. Therefore, the Biden administration has made its support for Taiwan more concrete.

As China has become a challenge to the U.S., it is important for the U.S. to assist Taiwan in effectively defending itself, promote "transitional justice" in Taiwan, enhance security cooperation with Taiwan, and gradually eliminate strategic ambiguity. Although many of the measures are different from the policies of the U.S. at the present time, they all could help to avoid a costly war. Because for the U.S., the time, and options available to effectively respond to China's challenges are diminishing.

Keywords: Sino-U.S. Relationship, Taiwan Security, Indo-Pacific Strategy, China Military, U.S.-Taiwan Relationship

I. Introduction

This article analyzes the U.S. Indo-Pacific Strategy from Taiwan's perspective, the significance of the "Indo-Pacific Security Alliance Network" under the strategy, the prospects and limitations of the strategy, and the role that Taiwan can play within this strategy.

II. What is the U.S. Indo-Pacific Security Alliance Network?

The Indo-Pacific Strategy proposed by the Trump administration is an important development in U.S. diplomatic and military strategy in the 21st century. The strategy is built around the following themes: 1. helping partners establish naval and law enforcement capabilities; 2. building interoperability with allies through security cooperation; 3. enhancing the rule of law and transparent governance of civil society; 4. economic growth and infrastructure investment led by the private sector.

The Indo-Pacific Strategy originated from quadrilateral consultations undertaken by the U.S., Japan, India, and Australia (the U.S.-Australia-India-Japan Consultations, or Quad Consultations). It was the most important dialogue mechanism on Indo-Pacific affairs during the Trump administration. The establishment of dialogue



Figure 1. Donald Trump Addresses the Indo-Pacific Strategy at the Asia Pacific Economic Cooperation Forum in 2017

Source: Demetri Sevastopulo, "Trump gives glimpse of 'Indo-Pacific' strategy to counter China," November 11, 2017, *Financial Times*, https://www.ft.com/content/e6d17fd6-c623-11e7-a1d2-6786f39ef675.

among the U.S., Japan, India, and Australia arose from the Quadrilateral Security Dialogue formed by the four countries after the 2004 Indian Ocean tsunami. The first informal dialogue took place in 2007, followed by the first joint naval drills by the four countries. However, the four partners postponed the drills following a protest from China, and the dialogue was later suspended. In 2012, Shinzo Abe introduced the concept of a "Democratic Security Diamond," and the Quad was rekindled. In November 2017, the United States unveiled the Indo-Pacific Strategy, providing an opportunity to renew the quadrilateral dialogue. On November 15, 2017, the four countries held the first Quad meeting in ten years. After Trump laid out the "Indo-Pacific Vision" in November 2017, the four-party talks between the U.S., Japan, India, and Australia were resumed for the first time in ten years and subsequently upgraded to a ministerial-level meeting (foreign ministers' meeting) in September 2019.

In his address at the first face-to-face Quad leaders' summit on September 24, 2021, President Biden told the leaders of the other three countries and the delegations of the Quad that the future of the four nations – and the world – depends on a free and open Indo-Pacific enduring and flourishing in the decades ahead, "a free and open Indo-Pacific, which is also inclusive and resilient."¹

The major policies and initiatives of the Biden administration on the Indo-Pacific include: releasing the "Interim National Security Guidance" to indicate the strongest presence of the United States in the future will be in the Indo-Pacific and Europe; upgrading the Quad to a summit of leaders and launching a number of specific cooperation measures centered on Covid-19; announcing the signing of a new "AUKUS" security pact between the United States, the United Kingdom and Australia to promote security cooperation in the Indo-Pacific; and launching the Indo-Pacific Economic Framework. This is also currently the core of the Indo-Pacific Strategy.²

I. The White House, "Joint Statement from Quad Leaders," September 21, 2021, *The White House*, https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/24/joint-statement-from-quad-leaders/.

^{2.} The White House, "Interim National Security Strategic Guidance 2021," March 2021, *The White House*, https://www.whitehouse.gov/wp-content/uploads/2021/03/NSC-1v2.pdf.



Figure 2. Japanese Prime Minister Kishida Fumio Has Been Keen to Expresses Willingness to Expand Official Development Aid to Emerging Countries in the Indo-Pacific Region

Source: "Kishida to announce new plan to promote Indo-Pacific strategy," March 15, 2023, *Japan Times*, https://www.japantimes.co.jp/news/2023/03/15/national/kishida-indo-pacific/.

III. Deter China? Formation of the Indo-Pacific Security Alliance

Is the Indo-Pacific Strategy aimed at China? The Biden administration has avoided explicitly viewing China as a potential enemy. President Biden has suggested that the U.S. objective is not to change the PRC, but rather to shape the strategic environment in which it operates, building a balance of influence in the world that is maximally favorable to the U.S., its allies and partners, and the interests and values the U.S. and its allies share. Therefore, the U.S. will also seek to manage competition with the PRC responsibly. The Biden administration will cooperate with democratic allies and partners while seeking to work with the PRC in areas like climate change and nonproliferation of nuclear weapons. Biden believes it is in the interest of the region and the wider world that no country withhold progress on existential transnational issues because of bilateral differences. However, no one can deny that China poses a threat to the region. China has never renounced the use of force against Taiwan. The U.S. Indo-Pacific Strategy would be hollowed out if it could not prevent China from challenging the international order in the region. The greatest challenge China poses to the region would stem from its decision to resolve the "Taiwan issue" by force. This is the only international issue that China has directly stated it would resolve by force if necessary.

China has continued to create tensions in Northeast Asia and Southeast Asia to strengthen its strategic position. If China gained control over Taiwan, that would be favorable to its expansion in the South China Sea, putting countries such as the Philippines, Vietnam, Malaysia, and Brunei at risk. It would also make it easier for China to sustain its claim of sovereignty within its "nine-dash line" in the South China Sea, while the approximately 1,600 missiles originally aimed at Taiwan and the U.S. Navy would also, if redeployed to Taiwan, be able to target Southeast Asian countries, strengthening China's favorable position and turning the South China Sea completely into a Chinese lake.



Figure 3. A Chinese Carrier Battle Group Sails in Formation

Source: Zhao Lei, "Chinese Navy to send huge fleet to take part in sea parade," April 20, 2019, *China Daily*, http://www.chinadaily.com.cn/a/201904/20/WS5cba860aa3104842260b74c4_4.html.

If China controlled Taiwan, it could easily expand its presence into the Pacific Ocean from Taiwan's deepwater ports, putting Japan in jeopardy while increasing the threat to the U.S. 7th Fleet, Guam, Hawaii, and even the West Coast of the U.S. mainland. China's blue water navy would also overwhelm Washington and Tokyo, making North Korea's already reckless ruler even more aggressive and directly putting South Korea at risk. In the event of a Chinese invasion of Taiwan, North Korea could undertake an operation simultaneously to divert American military resources away from defending Taiwan.

In an interview on February 22, 2023, South Korean Foreign Minister Park Jin told *CNN* that North Korea is a "clear and present danger" to his country, and that



Figure 4. ROK President Yoon Suk Yeol and Japanese Prime Minister Kishida Fumio Hold a Joint News Conference

Source: Presidential Office of ROK, "Japanese PM: 'my heart hurts' over forced laborers' suffering," May 10, 2023, *Ministry of Foreign Affairs of ROK*, ">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.mofa.go.kr/eng/brd/wiew.do?seq=320814>">https://www.do.kr/eng/brd/wiew.do?seq=320814>">https://www.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/brd/wiew.do.kr/eng/br

peace and stability in the Taiwan Strait is essential for peace and stability on the Korean Peninsula. Chinese leader Xi Jinping has repeatedly refused to rule out the use of force to annex Taiwan, and Park claimed that such a development could have a "direct impact" on South Korea.³

If China successfully took over Taiwan by force, it would imply that democracy, a market economy, and freedoms cannot guarantee national security. The argument has most often been employed by authoritarian governments in Asia, the Middle East, the Americas, and Africa to crack down on domestic opposition, refuse free elections, and reject a free market economy.

If China were able to deny U.S. intervention and unify Taiwan, it would show the world that the "Beijing Consensus" is the most effective way, both at home and abroad, to resolve issues in the 21st century. The "Beijing Consensus" refers to a series of policies and controls implemented by the Chinese Communist Party in the political, economic, and social spheres. The characteristics of this "consensus" include an emphasis on absolute party leadership, rigorous social control, restrictions on freedom of expression, censorship of the Internet, restraining the development of an independent civil society, and promoting a state-led economic system. Under the Beijing Consensus, the government typically enjoys highly centralized power and control to ensure social stability and national security while maintaining the dominance of the Party. This model has been widely used in China, and the Chinese government has sometimes attempted to promote it with other countries.

To counter the U.S. and its allies, China held a summit on May 18, 2023, which it heralded as a historic milestone, rolling out the red carpet for the leaders of five Central Asian countries that are critical to China's regional ambitions. According to *The New York Times*, "The inaugural China-Central Asia gathering is part of China's broader aim to strengthen economic and political partnerships with like-minded

^{3 &}quot;Exclusive: North Korea a 'clear and present danger,' says South Korean Foreign Minister," February 23, 2023, CNN, https://edition.cnn.com/2023/02/22/asia/south-korea-foreign-minister-interview-intl-hnk/index.html>.

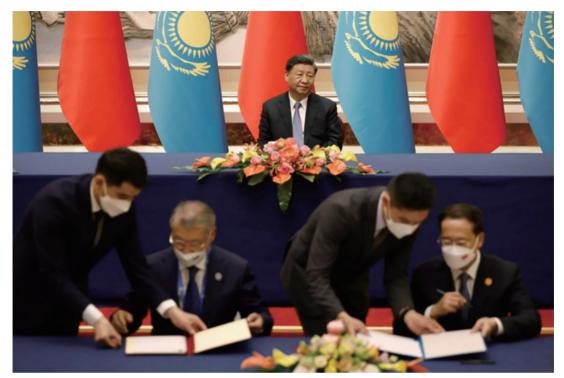


Figure 5. Chinese Leader Xi Jinping at a Signing Ceremony before the China-Central Asia Summit

Source: Nicole Hong, "As the U.S. Attends the G7, China Hosts a Summit of Its Own," May 18, 2023, *The New York Times*, https://www.nytimes.com/2023/05/18/world/asia/china-central-asia-g7.html>.

countries, to counter what it sees as a U.S.-dominated world order that is trying to contain and suppress China." ⁴

The Beijing Consensus has allowed China to build up formidable military power – even though other much-needed spending on economic development, education, and welfare has been crowded out. At the same time, Xi Jinping does not need to worry about being criticized or opposed by his people. The Beijing Consensus would allow

^{4. &}quot;As the U.S. Attends the G7, China Hosts a Summit of Its Own," May 18, 2023, *The New York Times*, https://www.nytimes.com/2023/05/18/world/asia/china-central-asia-g7.html?ga=2.124413194.146926706.1684831546-2116530060.1657550506>.

Xi to mobilize the Chinese people, asking them to accept strict controls in the face of international sanctions following any wars.

In November 2021, the U.S. Department of Defense released the 2021 Annual Report to Congress: Military and Security Developments Involving the People's *Republic of China*, which pointed out that the PLA is developing the capability to conduct joint long-range precision strikes across domains, building increasingly sophisticated space, counter-space, and cyber capabilities, and accelerating the largescale expansion of its nuclear forces.⁵ The report stated that the People's Liberation Army Navy (PLAN) has numerically the largest fleet in the world, with an overall battle force of approximately 355 ships and submarines. The People's Liberation Army Army (PLAA) has the largest active military personnel in the world with approximately 975,000 active-duty personnel, and the People's Liberation Army Air Force (PLAAF) and PLAN aviation wing constitute the third-largest aviation force in the world, with over 2,800 total aircraft. China's military spending has increased rapidly over the past 20 years, mainly in the pursuit of new-generation combat platforms with global operational capability and tactical concepts. At the end of 2015, China realized a major transformation of its national defense and military system. The military regions previously established for homeland defense missions have been reorganized into five American-style theater commands. In order to accomplish these tasks, new-generation fighter aircraft, warships, and space equipment have been introduced. This, for example, includes the construction of large-scale blue-water naval vessels, symbolized most prominently by aircraft carriers and the production and entry into service of new-generation stealth aircraft such as the J-20 fighter jet.

China's military power has been expanding and it has demonstrated a willingness to actively change the *status quo*. The area where China is most likely to change the *status quo* by force and challenge the Biden administration is the Taiwan Strait. Therefore, the Biden administration has made its support for Taiwan more concrete. The most crucial element of U.S. strategy in the region is therefore to assist Taiwan in

U.S. Department of Defense, "Military and Security Developments Involving the People's Republic of China," U.S. Department of Defense, https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>.

countering China's military threat. China's military buildup will be the most direct and severe challenge to the Biden administration's Taiwan policy.

For decades, the U.S. government's approach was not stubbornly hard-line and did not draw a clear red line; Washington still maintains a certain degree of "strategic ambiguity" toward Taiwan. "Strategic ambiguity" does not mean that the U.S. will not intervene to help Taiwan if China launches an attack: clearly, the U.S. will. However, in the face of potential threats from China, existing ways of helping Taiwan and making actions more effective (such as joint training, exercises and assistance with Taiwan's defense system) are still not enough.

China reckons that President Biden will not officially abandon the "strategic ambiguity" policy because a shift to "strategic clarity" could prompt China to



Figure 6. J-20 Fighter Aircraft Perform Maneuvers

Source: N509FZ, "Two J-20s at CCAS2022," August 27, 2022, *Wikipedia*, <https://zh.wikipedia. org/zh-tw/File:Two_J-20s_at_CCAS2022_(20220827103601).jpg>. immediately take drastic action. Even if the U.S. declared "strategic clarity," it could not immediately establish a defense force in Taiwan like the one it maintained when it had formal diplomatic relations with the Republic of China. Therefore, this transitional period could be the most dangerous time. In China's calculation, the window to take Taiwan by force would be shrinking with a U.S. shift to strategic clarity, increased clear military cooperation and a rapid rise of Taiwan's defense capability. On the other hand, China also fears that a U.S. declaration of "strategic clarity" would greatly embolden "separatist forces" in Taiwan. These two factors will inevitably prompt China to accelerate its determination to invade Taiwan by force and to take prompt action. Therefore, the U.S. has remained tight-lipped about "strategic clarity" so far.

Nonetheless, sticking to "strategic ambiguity" by the U.S. will cause the following side effects:

- (1) It makes it more likely, rather than less, that China will misconstrue the U.S. position and continue its provocative actions.
- (2) It barely has any effect on stopping China's military expansion.
- (3) It essentially slows down and hinders Taiwan's ability to establish military cooperation with the U.S. sufficient to resist China (for example, maintaining strategic ambiguity makes it impossible to openly conduct joint exercises with the Taiwanese military; as a result, there has been no progress in "interoperability" between the two militaries.
- (4) It is conducive to the spread of capitulationism and defeatism within Taiwan.
- (5) It hinders the U.S. in building the domestic political consensus required to support Taiwan in any contingency.

This trend favors China. The U.S. Indo-Pacific Strategy assumes that pronouncing the U.S.' unwavering determination to maintain the existing international order in the region can reduce the negative effects of "strategic ambiguity." However, an effective Indo-Pacific Strategy requires expanding military cooperation with Taiwan. If the U.S. is concerned that military cooperation with Taiwan could draw a sharp reaction from China, it should be prepared to counter such a reaction with strength, rather than continuing the existing policy of strategic ambiguity to avoid it. If the U.S. makes better preparations, it will have a good chance of preventing China from launching a war and prevailing in an armed conflict.

IV. The Roles Taiwan Can Play in the U.S. Indo-Pacific Strategy

1. Consolidating Taiwan's Defense Capability

Taiwan faces the most immediate military threat from China. The outbreak of war would have a major impact on the United States and all countries in the region. Therefore, the greatest contribution Taiwan can make to the U.S. is to effectively defend itself and prevent China from launching a war.

How should Taiwan defend itself? The first thing is to enhance its own capability for sea control and air superiority, prevent China from successfully blockading Taiwan, and reduce the number of troops the U.S. needs to deploy when necessary. If Taiwan can deny China's ability to blockade its airfields and ports at all times, allowing the U.S. to provide support, it might be possible to prevent China from launching a war.

Seeking to exhaust China's military power through ground warfare – that is, to focus its defense on a decisive battle with China on Taiwan's homeland – would be the most unwise move. A successful Chinese landing on Taiwan would mean Taiwan's naval and air defense have been completely destroyed; China could continue sending troops and equipment to Taiwan. Taiwan would be unable to counter China's manpower and material advantage. Taiwan's government, military, and civil society are almost entirely unprepared for war on Taiwanese soil. The infrastructure and economy would inevitably suffer enormous damage and Taiwan would lack the resources necessary to continue fighting.

If the main island of Taiwan became a battlefield, there would be no distinction between the front and rear, and there would be no safe ports or airfields for the U.S. or other countries to transport supplies to support Taiwan's continued resistance.



Figure 7. F-35 Fighter Formation

Taiwan should actively build a naval force capable of fighting alongside the U.S. and of maintaining a certain level of smooth access to Taiwan's ports before the U.S. comes to its rescue, so that Chinese submarines could not completely block Taiwan's external traffic. However, Taiwan's warships would inevitably be exposed to attack from China's air attacks, so Taiwan must employ an advanced air force capable of maintaining local air superiority and defending its anti-submarine forces. The F-35 fighter jet is the only option. First, the performance of the F-35 is sufficient to counter China's advanced fighters. Second, the F-35 is in active service in the U.S. It is the best choice when it comes to establishing joint operation capability with Taiwan. Third, if Taiwan could acquire the F-35, it would mean that Taiwan would first need to establish supporting facilities and parts inventory for the aircraft. If the U.S. were to support Taiwan, this kind of preparation could provide the U.S. military with plenty of conveniences. Fourth, if necessary, the U.S. could urgently make up Taiwan's losses from its existing fleet. For example, in the 1973 Arab-Israeli War, urgent delivery by the U.S. of F-4 fighter jets in service with the U.S. Air Force to Israel made up for Israel's losses and had a crucial impact on the outcome of the war. Israel had started operating the F-4 only four years earlier, in 1969.

Source: Lockheed Martin, "Lethal, Survivable, Connected, F-35 Lightning II," May 21, 2023, accessed, *Lockheed Martin*, https://www.lockheedmartin.com/en-us/products/f-35. html>.

Most importantly, the sale of F-35s to Taiwan would send a clear political signal, telling China not to underestimate the U.S. determination to prevent a war. Such a signal is the most economical way to prevent war. The U.S. could also frame such an arms sale as not violating any existing U.S. policies. The Bush Sr. administration's approval for the F-16 sale to Taiwan in 1992 could be a precedent. The F-16 was far superior to the F-5E and F-104 operated by Taiwan at the time. More importantly, the U.S. had announced the arms sale in 1992, greatly enhancing Taiwan's air defense capability. One year later, in 1993, Taiwan and China held a dialogue at the highest level since 1949 to address issues regarding mutual exchanges across the Taiwan Strait. This demonstrated that any move to improve Taiwan's security will be more conducive to peaceful dialogue between Taiwan and China.

2. Intelligence Sharing

Taiwan should be the most valuable source of intelligence about China. Taiwan should make good use of its language and cultural advantages to strengthen intelligence gathering on China. This intelligence should not be limited to military intelligence; it should include political, economic, and social intelligence.

Due to a lack of transitional justice, Taiwan's ability to resist China remains imperfect. The presence of military and intelligence officials who identify as Chinese and are psychologically aligned with its aspirations raises questions about their judgment of China, the quality of their intelligence analysis, and the requirement for confidentiality.

Many of the "U.S. skepticism arguments" that have been made lately have come from high-ranking generals. For example, Retired Admiral Lee Hsi-ming (李喜明), former chief of the general staff, pointed out many times in his book that the Taiwanese should not trust the U.S.' commitment to Taiwan's security.⁶ He believes that the method to defend against an invasion by China is to "not treat the Chinese

⁶ Lee Hsi-ming (李 喜 明),《 臺 灣 的 勝 算》(Taiwan's approaches to victory), (New Taipei City: United Publishing Ltd., 2022), p. 151.

people as enemies," refrain from verbally provoking China, maintaining neutrality between the U.S. and China, and avoiding being a "pawn" of the U.S.⁷

These arguments are not isolated or accidental. Whether Taiwan can become a reliable ally of the U.S. depends on the loyalty and professionalism of Taiwanese military and national security officials. The U.S. must express this point directly to the Taiwanese authorities and require them to take effective actions to draw a clear distinction between Taiwan and China and reduce identification with Chinese nationalism in the ranks. If high-ranking generals in the Taiwanese military still regard China's threat to Taiwan as a continuation of a Chinese civil war, or demand that the civilian government change its policy to avoid a war by "not provoking China" instead of "strengthening military preparations," Taiwan will become a weak link in the U.S. Indo-Pacific Strategy.

3. Providing Countries with Crucial Strategic Products

Chips are one of the most important industrial products today. They are extremely crucial to national security. The Biden administration is trying to block China's access to advanced technologies for chip production. In October 2022, the White House announced sweeping "export controls," making it nearly impossible for companies involved to sell chips, chip-making equipment, and software containing U.S. technology to China, no matter where in the world they are located. Washington also prohibits U.S. citizens and permanent residents from working for certain factories in China and assisting in the "development or production" of chips.⁸

This will boost Taiwan's strategic importance, but it could also make China even more eager to seize Taiwan because Taiwan is an important chip production base. Absorbing Taiwan's existing chip production technology would make China more capable of dealing with a U.S. blockade. Taiwan's ability to manufacture chips,

⁷ Lee Hsi-ming (李喜明), 《臺灣的勝算》, p. 477.

⁸ Stephen Nellis, Karen Freifeld, & Alexandra Alper, "U.S. aims to hobble China's chip industry with sweeping new export rules," October 10, 2022, *Reuters*, ">https://www.reuters.com/technology/us-aims-hobble-chinas-chip-industry-with-sweeping-new-export-rules-2022-10-07/>">https://www.reuters.com/technology/us-aims-hobble-chinas-chip-industry-with-sweeping-new-export-rules-2022-10-07/>">https://www.reuters.com/technology/us-aims-hobble-chinas-chip-industry-with-sweeping-new-export-rules-2022-10-07/>">https://www.reuters.com/technology/us-aims-hobble-chinas-chip-industry-with-sweeping-new-export-rules-2022-10-07/>">https://www.reuters.com/

whether through its technology or market influence, has forced every country that is developing technology to realize the strategic importance of the island-nation. As the potential Cold War between the U.S. and China intensifies, Taiwan's importance will continue to grow. In the past, Taiwan's importance was calculated in geopolitical terms. Since Taiwan has become a key link in global technology supply chains, its economic weight must now be taken into account, making it one of the most important places in the world. At present, China is still relying on imports of chips and foreign technology, while the U.S. does not have sufficient local production capacity. Since a large proportion of the world's foundry fabs are concentrated in Taiwan, close to China, once a military conflict breaks out or tensions intensify, the U.S.' access to these fabs would be easily vulnerable to guided missiles or a naval blockade.

U.S. restrictions have forced Beijing to activate a state fund that has been dormant due to waste and graft: the government's "Big Fund" injected some US\$1.9 billion into Chinese state-owned companies in February 2023 to strengthen efforts in response to U.S. restrictions.⁹ The fund has also recently injected money into chips equipment and material suppliers, according to state media. Those investments, if they bear fruit, could lead Xi Jinping to conclude that he is better equipped to counter the U.S.' chip war. Taiwan has an advantage in chip manufacturing. If Taiwan were annexed, it would be a decisive achievement for China in developing a self-sufficient chip industry.

Taiwan is one of the important economic partners in Asia for the U.S. It has an innovative electric technology industry, a stable legal environment, and a highquality labor force, which is of great significance to economic cooperation with the U.S. Taiwan's democracy and freedom provide a reliable protection for commercial activities and investments. In addition to encouraging American companies to set up business in Taiwan and expand trade exchanges, the U.S. could actively assist Taiwan in preparing for war and ensure that all commercial cooperation between the U.S.

^{9 &}quot;China Plans to Inject \$1.9 Billion Into Top Memory Chipmaker," March 2, 2023, *Bloomberg News*, ">https://www.bloomberg.com/news/articles/2023-03-02/china-plans-to-inject-1-9-billion-into-top-memory-chipmaker#xj4y7vzkg>">https://www.bloomberg.com/news/articles/2023-03-02/china-plans-to-inject-1-9-billion-into-top-memory-chipmaker#xj4y7vzkg>">https://www.bloomberg.com/news/articles/2023-03-02/china-plans-to-inject-1-9-billion-into-top-memory-chipmaker#xj4y7vzkg>">https://www.bloomberg.com/news/articles/2023-03-02/china-plans-to-inject-1-9-billion-into-top-memory-chipmaker#xj4y7vzkg>">https://www.bloomberg.com/news/articles/2023-03-02/china-plans-to-inject-1-9-billion-into-top-memory-chipmaker#xj4y7vzkg>">https://www.bloomberg.com/news/articles/2023-03-02/china-plans-to-inject-1-9-billion-into-top-memory-chipmaker#xj4y7vzkg>">https://www.bloomberg.com/news/articles/2023-03-02/china-plans-to-inject-1-9-billion-into-top-memory-chipmaker#xj4y7vzkg>">https://www.bloomberg.com/news/articles/2023-03-02/china-plans-to-inject-1-9-billion-into-top-memory-chipmaker#xj4y7vzkg>">https://www.bloomberg.com/news/articles/2023-03-02/china-plans-to-inject-1-9-billion-into-top-memory-chipmaker#yj4y7vzkg>">https://www.bloomberg/wyback#yj4y7vzkg>">https://www.bloomberg/wyback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://wwwback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://wwwback#yj4y7vzkg">https://www.bloomberg/wyback#yj4y7vzkg">https://wwwback#yj4y7vzkg">https://wwwback#yj4yy7vzkg">https://www



Figure 8. Taiwan Semiconductor Manufacturing Co. Ltd. (TSMC)

Source: Depositphotos.

and Taiwan, as well as the interests of American companies in Taiwan, will not be threatened and damaged by war. This approach is completely in line with the interests of the U.S. and all countries.

4. Consolidating Freedom and Democracy

As a democratic country, Taiwan shares common values and a political system with the U.S. Taiwan is an important ally and partner in the Asia-Pacific and has long maintained close economic, political and security ties with the U.S. Taiwan's democracy and freedom mean that the region has a stable and reliable partner to jointly maintain regional peace, stability and freedom.

Taiwan's democracy and freedom are crucial in maintaining stability and balance in the Asia-Pacific. It can play an active and constructive role in regional affairs and facilitate the spread and advocacy of democratic values. Taiwan's democratic practices can serve as an example for neighboring countries, encouraging them to move in the direction of democracy and freedom, thereby contributing to the stability and prosperity of the entire region.

As a country that emphasizes democratic values, the U.S. should actively support Taiwan's democracy and freedom. The U.S. has promoted democracy, freedom, and human rights globally for decades, and Taiwan is an important example of these concept in the Asia-Pacific. Exchanges and cooperation between the U.S. and Taiwan are very important for the U.S. in safeguarding democratic values.

If the U.S. wants Taiwan to play a more active role in the U.S. Indo-Pacific Strategy and seeks to prevent democracy and freedom in Taiwan and the world from being wiped out by Chinese expansion, it must clearly express its dissatisfaction with the pro-China politicians and forces in Taiwan. This is not interference in Taiwan's internal affairs, because the right to choose is still in the hands of Taiwanese voters. However, the U.S. certainly has a right to judge politicians in any country and to let free people (including the people of Taiwan) who support American values understand the consequences of their choices.

V. Conclusion

Taiwan's democracy and freedom are important for the U.S. Indo-Pacific security defense network in terms of military, economics, and values. As a democratic country, Taiwan plays an integral role in the Indo-Pacific Strategy, working with the U.S. to promote regional peace, stability, and prosperity. The U.S. needs to actively support Taiwan's democratic values, maintain close cooperation and exchanges with Taiwan, and jointly defend the ideas of democracy and freedom. And it should support Taiwan's effective investment in strengthening its self-defense.

The U.S. should support Taiwan's acquisition of advanced weapons for air and sea control, and it should not let the Taiwanese mistakenly believe that because the U.S. would presumably assume responsibility for defending Taiwan, Taiwan can neglect its own investments in important areas such as purchasing advanced aircraft,

such as the F-35, to maintain air superiority. The U.S. should also clearly express its support for Taiwanese politicians who have a correct understanding of China. Although many of the measures are different from the policies of the U.S. at the present time, they all could help to avoid a costly war. We are already running out of options and time to stop Xi's ambitions and prevent Taiwan from becoming a weak link in the U.S. Indo-Pacific Strategy.

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