

China's Coercive Measures Against Taiwan in the Context of the Taiwanese and U.S. Elections

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Abstract

This paper seeks to explain China's relative restraint vis-à-vis Taiwan around Taiwan's general elections and the implications. China's interpretation of the election outcomes, its domestic problems and, more importantly, the pursuit of stable U.S.-China relations, may have contributed to the absence of large-scale military intimidation against Taiwan. While it is suggested that U.S.-China relations may remain precariously stable — at least until the U.S. presidential election in November 2024 — and that as a result, China should refrain from causing a major crisis in the Taiwan Strait, China is nevertheless likely to use “grey zone” tactics to put pressure on Taiwan. This is evident in China's termination of tariff cuts to several Taiwanese products, the M503 flight route controversy, and the Kinmen capsizing incident. The paper proposes that “cross-domain deterrence” opens some thinking space for countering China's “grey zone” activities, and discusses some of its elements, including identifying China's vulnerabilities, the role of partners in communicating with China, and scenario-based exercises.

Keywords: Presidential Elections, Coercion, Grey Zone Activities, Legal Warfare, Cross-Domain Deterrence

I. Introduction

Dubbed as one of the most important elections in 2024, Taiwanese voters elected the next president on January 13. The incumbent Vice-President Lai Ching-te of the Democratic Progressive Party (DPP) won the presidency in a three-way race, defeating Kuomintang (KMT) candidate Hou Yu-ih and the Taiwan People's Party's

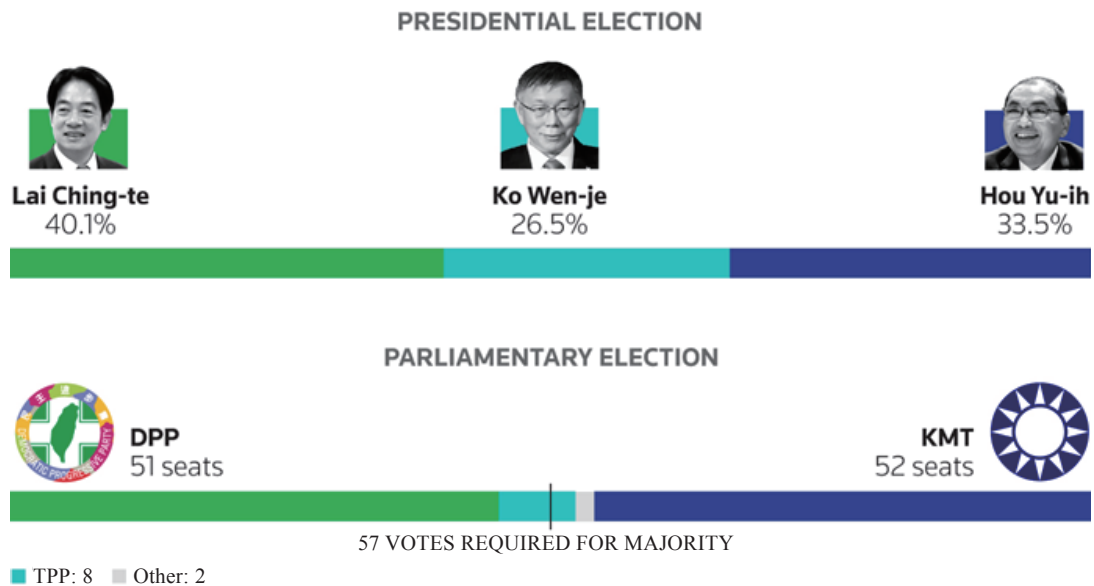


Figure 1. 2024 Taiwan Election Results

Source: Tom Westbrook & Ankur Banerjee, “Taiwan election a relief for world markets, concern for local investors,” *Reuters*, January 15, 2024, <<https://www.reuters.com/markets/asia/taiwan-election-relief-world-markets-concern-local-investors-2024-01-14/>>.

Note: Percentages may not sum to 100% due to rounding.

(TPP) Ko Wen-je. Lai, however, only secured 40.1 percent of the vote. In addition, the DPP lost majority control of the legislature. For the coming four years, the DPP will have to negotiate with the opposition parties on all important bills.

Given the tight three-person race, it was expected that China would have incentives to interfere in Taiwan’s elections to swing voters in its favor. Indeed, in the process leading up to the elections, China took several coercive measures against Taiwan. Militarily, the People’s Liberation Army (PLA) maintained its frequent incursions into Taiwan’s Air Defense Identification Zone (ADIZ) and crossings over the median line of the Taiwan Strait. Since December 7, 2023, Taiwan’s Ministry of National Defense has observed the constant presence of Chinese high-altitude balloons crossing the Taiwan Strait, a move that has generally been interpreted as attempting to affect the morale of Taiwanese as well as influence the elections. In the information domain, Chinese officials had warned Taiwanese voters to make

the “right” choice between “peace and war” and “prosperity and recession.” In late December, Taiwanese prosecutors found that an online journalist had fabricated polls to put the KMT’s candidate ahead of Lai, and revealed that the incident was orchestrated by China’s Fujian Provincial Committee. In the economic domain, China weaponized bilateral trade by announcing on December 21, 2023, that it was suspending tariff cuts on 12 Taiwanese chemical products under the bilateral *Economic Cooperation Framework Agreement* (ECFA). Nevertheless, no large-scale military intimidation similar to the PLA drills held around Taiwan in August 2022 after then-U.S. House Speaker Nancy Pelosi’s visit to Taiwan, occurred.¹

After the election results came out, China’s reaction by the end of February has been restrained. To be sure, China signaled its displeasure with Lai’s victory. Two days after the elections, Nauru announced it was terminating diplomatic ties with Taiwan in favor of China. On January 30, China unilaterally announced it was shifting the M503 flight corridor and activating two eastbound routes — W122 and W123 — from February 1; as a result, Chinese civilian flights are more likely to pass close to the median line of the Taiwan Strait. After two Chinese fishermen died when their speedboat capsized in waters around the Kinmen archipelago on February 14, the Chinese government seized the opportunity to deny the existence of “prohibited waters” and “restricted waters,” concepts that are parallel to “territorial waters” and “contiguous zone” in international law and that had been operated by Taiwan and tacitly accepted by China to maintain law and order in waters of overlapping sovereignty claims. While these are generally perceived as exerting pressure on the incoming Lai administration, none of China’s actions raised the risk of an armed conflict. In fact, before and after the elections, there has been no increase in PLA incursions into Taiwan’s ADIZ or crossings over the median line of the Strait.²

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1. Ben Blanchard & Liz Lee, “China piles pressure on Taiwan ahead of election,” *Reuters*, January 10, 2024, <<https://www.reuters.com/world/asia-pacific/taiwan-ruling-party-candidate-will-maintain-status-quo-engage-with-china-2024-01-09/>>; Stuart Lau, “China bombards Taiwan with fake news ahead of election,” *Politico*, January 10, 2024, <<https://www.politico.eu/article/china-bombards-taiwan-with-fake-news-ahead-of-election/>>.
 2. Amber Wang & Hayley Wong, “Taiwan election: Beijing restrained in response to William Lai’s win,” *South China Morning Post*, January 13, 2024, <<https://www.scmp.com/news/china/military/article/3248316/taiwan-election-business-usual-pla-dpp-ramps-threat-narrative>>.

This raises questions about how to explain China's relative restraint, whether and how it coerces Taiwan, and how Taiwan may respond. The following section suggests that China's interpretation of the election outcomes, its domestic problems and the pursuit of stable U.S.-China relations, have contributed to the absence of large-scale military intimidation against Taiwan. While it is expected that U.S.-China relations may remain precariously stable — at least until the U.S. presidential election in November 2024 — China is nevertheless likely to use “grey zone” tactics to put pressure on Taiwan. The third section suggests that recent cases, including China's termination of tariff cuts to several Taiwanese products, the M503 flight route controversy, and the Kinmen capsizing incident all point to that direction. To address these problems, the paper then proposes the idea of “cross-domain deterrence” in the fourth section. The final section sums up the findings of this paper.

II. Explaining China's Restraint Toward Taiwan

The DPP's securing of an unprecedented third consecutive presidential term has led many to expect that China will likely increase its pressure on Taiwan. However, as of the end of February, this has not happened. Some factors can explain this. An immediate answer is China's interpretation of Taiwan's election outcomes. Soon after the results were announced on Jan. 13, China's Taiwan Affairs Office (TAO) dismissed the DPP's victory, claiming that the DPP “cannot represent the mainstream public opinion on the island” and that the elections “will not impede the inevitable trend of China's reunification.”³ This statement, while hardly surprising, also limits China's room to maneuver. On the one hand, it serves as a face-saving excuse for the TAO to claim partial success of its work in Taiwan, as Lai eventually did not secure as strong a mandate as President Tsai Ing-wen did in both 2016 and 2020, and the DPP, moreover, lost its majority of seats in the legislature. Two days after the elections, the Chinese Communist Party's *Qiushi* magazine published Xi Jinping's 2022 speech on united front work, in which he reiterated the importance of “developing and strengthening patriotic, pro-unification forces in Taiwan.” The timing of this release

3. “Mainland spokesperson comments on Taiwan election results,” *Xinhua*, January 13, 2024, <<https://english.news.cn/20240113/45355a597fd04a91a9b816e2513f5df7/c.html>>.

suggests that political warfare remains a viable approach for Beijing in its efforts to unify Taiwan.⁴

On the other hand, the view that China has not lost all makes it difficult for China to mount pressure on Taiwan. Whereas during President Tsai's eight years in power, China could always blame the DPP for "provoking" China because the DPP controlled both the executive and legislative branches, China's coercive measures against Taiwan now run the risk of "punishing" the Taiwanese voters who are said to be "compatriots" and who allegedly share the aspiration of forging closer ties across the Taiwan Strait; this would also risk undermining the credibility of the two opposition parties should they pursue closer ties with China.⁵ From this perspective, China has handcuffed itself into a dilemma.

A second possible explanation concerns China's domestic troubles. Xi has launched several anti-corruption campaigns that ultimately became purges in the Chinese party-state. In 2023 alone, at least 15 senior military officials vanished from public view; some of them were removed from their positions without explanation. Those who disappeared include, to name a few, then political commissar of the Rocket Force Xu Zhongbo, then commander of Rocket Force Li Yuchao, then defense minister Li Shangfu, former defense minister and head of the Rocket Force Wei Fenghe, and then commander of the Strategic Support Force Ju Qiansheng (see Table 1 below). It is widely believed that these purges have shown deep-rooted corruption within the PLA, undermined the morale of the PLA and slowed Xi's military modernization. China's sluggish economy in the context of the ongoing U.S.-China tech war has also ostensibly made it more difficult for China to launch an invasion of Taiwan. U.S. President Joe Biden said in September 2023 that "I think China has a difficult economic problem right now," and that "I don't think it's going to cause China to invade Taiwan. And matter of fact, the opposite — it probably doesn't have

4. Craig Singleton, "Beijing's Post-Election Plan for Taiwan," February 27, 2024, *Foreign Policy*, <<https://foreignpolicy.com/2024/02/27/taiwan-china-lai-ccp-unification-election-invasion-disinformation/>>.

5. Raymond Kuo, "Why Taiwan's Voters Defied Beijing—Again," January 15, 2024, *RAND*, <<https://www.rand.org/pubs/commentary/2024/01/why-taiwans-voters-defied-beijing-again.html>>.

Table 1. Xi Jinping's Military Purges

Name	Title	Date of Public Removal
Zhang Yulin	Former deputy director of General Armament Department, predecessor of EDD	Dec. 29, 2023
Rao Wenmin	Member of EDD	Dec. 29, 2023
Zhou Yaning	Former commander of Rocket Force	Dec. 29, 2023
Zhang Zhenzhong	Former commander of Rocket Force; deputy chief of joint staff department of Central Military Commission since at least 2022	Dec. 29, 2023
Li Chuanguang	Deputy commander of Rocket Force since at least 2018	Dec. 29, 2023
Lyu Hong	Member of Rocket Force	Dec. 29, 2023
Ju Xinchun	Worked as Li Shangfu's deputy in China's manned space program; navy commander of Southern Theater Command since February	Dec. 29, 2023
Ding Laihang	Former commander of Air Force	Dec. 29, 2023
Wu Yansheng	Chairman of China Aerospace Science and Technology Corp	Dec. 27, 2023
Liu Shiquan	Former executive at China Aerospace Science & Industry Corp; chairman of China North Industries Group Corp	Dec. 27, 2023
Wang Changqing	Executive at China Aerospace Science & Industry Corp	Dec. 27, 2023
Li Tongjian	Major-general of Rocket Force	Nov. 24, 2023
Li Shangfu	Former director of EDD; former defense minister; CMC member	Oct. 24, 2023
Li Yuchao	Former commander of Rocket Force	Jul. 31, 2023
Xu Zhongbo	Former political commissar of Rocket Force	Jul. 31, 2023

Source: "China's Defense Purge Strikes at Heart of Xi's Military Reforms," *Bloomberg*, January 5, 2024, <<https://www.bloomberg.com/news/articles/2024-01-04/china-s-defense-purge-strikes-at-heart-of-xi-s-military-reforms>>.

the same capacity that it had before."⁶ While his view has been contested, China's economic woes and the PLA's lingering corruption problem together reflect some of the weaknesses in China's possible aggressive moves towards Taiwan.

6. Joe Biden, "Remarks by President Biden in a Press Conference," September 10, 2023, *White House*, <<https://www.whitehouse.gov/briefing-room/speeches-remarks/2023/09/10/remarks-by-president-biden-in-a-press-conference-2/>>.



Figure 2. The Biden-Xi Meeting at the Filoli Estate, San Francisco

Source: Trevor Hunnicutt & Jeff Mason, “Takeaways - Biden and Xi meeting: Taiwan, Iran, fentanyl and AI,” *Reuters*, November 16, 2023, <<https://www.reuters.com/world/takeaways-biden-xi-meeting-taiwan-iran-fentanyl-ai-2023-11-16/>>.

A third account centers around U.S.-China relations after the Biden-Xi Meeting. The summit meeting in November 2023 near San Francisco was a signal that both wanted to avoid a downward spiral in their bilateral relations. On the U.S. side, President Biden is running for re-election and has two wars — in Ukraine and Gaza — to worry about. Stabilizing U.S. relations with China to prevent miscommunication or miscalculation was a main concern for him to host the meeting. On the Chinese side, it has been pointed out that Xi has been facing growing pressure, including, *inter alia*, U.S. export controls and outbound investment restrictions on advanced tech, the restructuring of the global supply chain away from China, a struggling economy including the housing market and youth unemployment, an aging population, and mounting societal discontent since the Covid-19 pandemic. Xi therefore needed a

success in foreign policy to divert domestic attention.

The results of the Biden-Xi meeting exceeded the low expectations people may have set for the meeting. The two leaders promised to cooperate on issues such as artificial intelligence, climate change and curbing fentanyl shipments to the U.S. More importantly, both pledged to resume military-to-military dialogues, which were suspended by China after Pelosi's visit to Taiwan. Dialogue first resumed between General Charles Q. Brown Jr., U.S. Chairman of the Joint Chiefs of Staff, and General Liu Zhenli, China's Chief of Staff of the Joint Staff Department of the Central Military Commission, on December 21, 2023. It was followed by Defense Policy Coordination Talks (DPCT) held between Michael Chase, U.S. Deputy Assistant Secretary of Defense, and Major General Song Yanchao, China's Deputy Director of the Central Military Commission Office for International Military Cooperation, on January 8-9, 2024. A third bilateral military talk known as the Military Maritime Consultative Agreement (MMCA) is scheduled to resume in the spring.⁷

The resumption of bilateral military talks was an instance of crisis prevention. The readouts released by both sides show that the U.S. emphasized the importance of managing competition and maintaining open and direct communications, reiterated its security commitments to regional and global allies and partners, and vowed to fly, sail, and operate wherever international law allows. China, on the other hand, demanded the U.S. respect its sovereign claims, reduce military deployments in the South China Sea, and stop arms sales to Taiwan. While both sides discussed several regional and global security issues, no consensus was reached. The military talks therefore only

7. U.S. Joint Chief of Staff, "Readout of Chairman of the Joint Chiefs of Staff Gen. CQ Brown, Jr.'s Video Teleconference with People's Liberation Army of China Chief of the Joint Staff Department Gen. Liu Zhenli," December 21, 2023, *U.S. Joint Chief of Staff*, <<https://www.jcs.mil/Media/News/News-Display/Article/3623794/readout-of-chairman-of-the-joint-chiefs-of-staff-gen-cq-brown-jrs-video-telecon/>>; U.S. Department of Defense, "Readout of 2024 U.S.-PRC Defense Policy Coordination Talks," January 9, 2024, *U.S. Department of Defense*, <<https://www.defense.gov/News/Releases/Release/Article/3639762/readout-of-2024-us-prc-defense-policy-coordination-talks/>>.



Figure 3. The U.S.- China Defense Policy Coordination Talks

Source: Joseph Clark, "Pentagon Officials Host Chinese Counterparts for High-Level Talks," January 10, 2024, *U.S. Department of Defense*, <<https://www.defense.gov/News/News-Stories/Article/Article/3641103/pentagon-officials-host-chinese-counterparts-for-high-level-talks/>>.

helped develop an atmosphere in which both sides are willing to engage with each other — but this is by no means guaranteed. Past experiences show that China could terminate the talks abruptly for political reasons, and it will therefore take goodwill from both sides for the talks to continue and function properly.

To some extent, this also applies to U.S.-China relations more generally. It is commonly understood that the temperature between the two great powers was lowered after the Biden-Xi meeting, but their relations remain precarious in 2024. The two still engage in a strategic competition with fundamental differences regarding how major issues in international politics should be dealt with. Any future challenge could

therefore put the current easing of tensions to the test.⁸

From this perspective, China's relative restraint around Taiwan's elections can be interpreted as Beijing's desire to maintain stable relations with the U.S. It certainly does not want the China issue to become a hot issue and one of bi-partisan consensus during the election campaigns in the U.S.⁹ Consequently, for China to apply maximum pressure on Taiwan to swing the vote in its favor, as it did in 1996, not only could be counterproductive but would also risk antagonizing the U.S. and its allies and partners. To respond aggressively to Taiwan's election outcomes would certainly lead to a further deterioration in its relations with the U.S., give the latter excuses to walk away from the current positive relations and provide Taiwan with more support. To the extent that China deems positive relationships with the U.S. more important than its claims on Taiwan, its coercion on Taiwan should therefore be limited and restrained.

Put together, these three accounts help explain why China has remained relatively restrained before and after Taiwan's elections. The election results are not entirely unacceptable to China, reducing the urgency and legitimacy of military intimidation. In addition, Xi's purge of the PLA and China's economic downturn may have disincentivized Xi to take aggressive action against Taiwan, as escalation would risk undermining the stable bilateral relationship created by the Biden-Xi meeting. With all other conditions unchanged, the U.S.-China relationship should be precariously stable in 2024, unless Xi feels confident he can overcome China's internal and external problems, and until the U.S. presidential election, whose outcome is far from certain. We can therefore conclude that a major crisis in the Taiwan Strait is not imminent.

8. David Sacks, "Meeting Low Expectations: Analyzing President Biden's Summit with Chinese President Xi Jinping," November 15, 2023, *Council on Foreign Relations*, <<https://www.cfr.org/blog/meeting-low-expectations-analyzing-president-bidens-summit-chinese-president-xi-jinping>>.

9. The Select Committee on the Strategic Competition between the United States and the Chinese Communist Party, "Reset, Prevent, Build: A Strategy to Win America's Economic Competition with the Chinese Communist Party," December 12, 2023, *United States Congress*, <<https://selectcommitteeontheccp.house.gov/sites/evo-subsites/selectcommitteeontheccp.house.gov/files/evo-media-document/reset-prevent-build-scc-report.pdf>>.

This by no means suggests that cross-Strait relations will remain stable. China is compelled to express its displeasure with the new Lai government, as it has already portrayed the president-elect as a “troublemaker” and dangerous “separatist.” In terms of U.S.-China relations, it has been argued that China sees the deliverables of the Biden-Xi meeting as benefiting Washington more than Beijing.¹⁰ It sees the counternarcotics cooperation as “helping” the U.S. solve a crisis of its own making, and the military dialogue as redundant, because if the U.S. were to respect China’s sovereign claims over Taiwan, the Diaoyu (Senkaku) islands, and South China Sea, the military hotlines would not be needed in the first place. Furthermore, Xi’s demand that the U.S. honor its commitment of not supporting “Taiwan independence,” stop arming Taiwan, and support China’s “peaceful reunification” during his meeting with Biden did not receive a positive response from the latter.¹¹ China therefore will put pressure on Taiwan from time to time, targeting both Taiwan and the U.S.

III. Coercion in the Grey Zone as China’s Main Approach to Taiwan

To strike a balance between maintaining positive momentum in its relations with the U.S. and sending warning signals to Taiwan and the U.S., China is expected to adopt “grey zone” activities as its main approach to Taiwan. The concept of the “grey zone” refers to the ambiguous space between war and peace, in which a state or non-state actor seeks to alter the *status quo*. The actions it takes are carefully designed so that they do not reach the threshold of a conventional armed conflict, and hence do not constitute a war; they are not accepted as normal or legitimate means of competition, and hence the state of affairs is not taken as peacetime, either. As the “grey zone” is defined as “neither peace nor war,” it can refer to a variety of practices including limited military operations, economic coercion, cyberattacks, disinformation

10. Patricia M. Kim, “The US-China relationship in 2024 is stabilized but precarious,” January 12, 2024, *Brookings*, <<https://www.brookings.edu/articles/us-china-relations-in-2024-are-stabilized-but-precarious/>>.

11. Ministry of Foreign Affairs of the People’s Republic of China, “President Xi Jinping Meets with U.S. President Joe Biden,” November 16, 2023, *Ministry of Foreign Affairs of the People’s Republic of China*, <https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202311/t20231116_11181442.html>.

or information warfare, infiltration, and so on. These activities seek to modify the existing order or strategic environment in an incremental or gradualist manner, thereby causing difficulties in decision-making for those affected. A classic example of “grey zone” tactics is China’s building of artificial islands in the South China Sea, as neighboring countries’ failure to react in time and jointly ultimately allowed China to turn rocks and reefs into permanent structures.

China’s coercive measures against Taiwan before and after the elections fit the concept of “grey zone” activity. Moreover, those measures — the termination of tariff cuts on products under the ECFA, the unilateral shift of the M503 flight route, and the denial of the existence of “prohibited waters” and “restricted waters” after the Kinmen incident — also carry a feature of legal warfare, which, together with psychological warfare and public opinion warfare, fall under the PLA’s doctrine of “Three Warfares.” Legal warfare functions by putting forth legal justification for China’s actions, thereby limiting the space for others to take countermeasures. The “Three Warfares” are part of China’s political warfare, aiming to generate political power for the Chinese party-state and achieve the goal of “winning without fighting.” It is further argued that as the PLA is the military arm of the Chinese Communist Party (CCP) and not the other way around, the “Three Warfares” should be taken as reflecting the CCP’s intentions and day-to-day operations, and not merely a military doctrine.¹²

Take the termination of tariff cuts on products under the ECFA, for instance. China’s Ministry of Commerce first announced the launch of an investigation into Taiwan’s import restrictions on a total of 2,455 products on April 12, 2023. As the decision was made only days after Taiwan’s President Tsai Ing-wen met with then-U.S. House Speaker Kevin McCarthy in California, and the outcome of the investigation was to be made public no later than January 12, 2024, one day before Taiwan’s elections, the move was widely regarded as an instance of economic coercion, which aimed also to influence Taiwanese voters. In October 2023, China

12. Peter Mattis, “China’s ‘Three Warfares’ in Perspective,” January 30, 2018, *War on the Rocks*, <<https://warontherocks.com/2018/01/chinas-three-warfares-perspective/>>.

announced it was extending its investigation for three months, although on December 15, the decision that Taiwan's import restrictions constitute trade barriers was made. The eventual tariff cuts on 12 Taiwanese chemical products came on December 21. On January 10, 2024, the Commerce Ministry further claimed that related authorities would consider halting tariff cuts on more Taiwanese products, although nothing has happened since.

It is worth noticing that, when making the case against Taiwan's alleged trade barriers, China attempted to put it in a way that seemingly meets the regulations of the World Trade Organization (WTO). Taiwan's Minister of Economic Affairs Wang Mei-hua noted that the Chinese Ministry of Commerce informed Taiwan about the investigation through the Mission to the WTO. When defending China's position, Chinese government officials and scholars have tended to emphasize that China's decision conforms to both WTO and ECFA regulations.¹³ It is apparent that China has used the WTO to conceal its economic coercion, thereby limiting the space for Taiwan to respond and for third parties to intervene. Taiwan has called for settling the dispute under the WTO framework, but no positive response from China has been received. While many U.S. officials, members of Congress and commentators agree that this constitutes an instance of economic coercion and have expressed their support for Taiwan, little can be done to counter China directly and effectively on the matter.

The M503 flight route is another instance of China's "grey zone" activity and legal warfare. China's Civil Aviation Administration activated the route in 2015, citing the desire to facilitate travel between cities along its eastern coast as the main reason. Initially, the route was designed as a two-way route, but after complaints by the government in Taipei, China agreed to only operate the north-to-south flights, shift the route 6 nautical miles west closer to China, and put on hold the three extensions to the cities of Xiamen, Fuzhou, and Dongsha — *i.e.*, the W121, W122, and W123 routes.

13. Chien-ling Liu & Chih-Yi Tseng, 〈貿易壁壘調查 經長：中國首次透過 WTO 管道通知台灣〉 (On Trade Barrier Investigation, Minister of Economic Affairs: China Informed Taiwan through WTO Channels for the First Time), *Central News Agency*, April 17, 2023, <<https://www.cna.com.tw/news/afe/202304170200.aspx>>; Cong Wang, "Chinese mainland's suspension of tariff cuts on Taiwan products in line with WTO rules, ECFA: experts," *Global Times*, December 21, 2023, <<https://www.globaltimes.cn/page/202312/1304079.shtml>>.



Figure 4. China Weaponizes Cross-Strait Trade

Source: Shiang-yang Lee, 〈中國中止 12 項 ECFA 關稅減讓 台灣斥典型經濟脅迫〉 (China terminated 12 Tariff Cuts under the ECFA, Taiwan Claims It A Typical Economic Coercion), *Radio Free Asia*, December 21, 2023, <<https://www.rfa.org/cantonese/news/htm/tw-ecfa-12212023060253.html>>.

On January 4, 2018, China unilaterally announced it was activating the northbound M503 route and the three extension's westbound routes. Taiwan's objections were ignored, as China claimed the route "falls entirely within Shanghai's flight information region (FIR)" and would not affect Taiwan flight safety. On January 30, 2024, China further declared that it will cancel the modification to the M503 flight route and activate the eastbound operations on the W122 and W123 routes.¹⁴

14. Chiu Bihui, "Controversy over flight route M503," *DW*, February 2, 2018, <<https://www.dw.com/en/china-vs-taiwan-controversy-over-flight-route-m503/a-42430594>>; Aadil Brar, "China's Sudden Flight Route Change Puts Taiwan Under Pressure," *News Week*, February 2, 2024, <<https://www.newsweek.com/china-taiwan-flight-pressure-m503-new-shanghai-xiamen-1866311>>.



Figure 5. China's Controversial M503 Flight Path

Source: "U.S. State Department critical of China's modified M503 flight path," *Focus Taiwan*, February 2, 2024, <<https://focustaiwan.tw/politics/202402020005>>.

At stake here is the median line of the Taiwan Strait. There are worries that Chinese civilian flights could cross the median line occasionally, effectively challenging its existence. In response, the Taiwanese government has cited a clause from the guidelines of the International Civil Aviation Organization (ICAO) as the legal basis whereupon China should coordinate with Taiwan before making the

changes. Part I, Section 2, Chap. 4, Article 4.2.6 of the *Air Traffic Services Planning Manual* stipulates that “changes to the network should be made only after they have been coordinated with all parties concerned.” *The Manual*, however, is used as “guidance” and “a basis for bilateral or multilateral discussions,” and is not legally binding. It is difficult for Taiwan to insist that China must coordinate or negotiate with Taiwan, not to mention that there is no dispute settlement mechanism in the ICAO’s manual and that Taiwan is excluded from the ICAO, a UN agency. Unsurprisingly, China did not respond to Taiwan’s demands.

Consequently, Taiwan’s Tourism Administration announced that travel agencies should immediately stop recruiting customers to join tour groups to China, citing China’s unilateral decision to alter the M503 flight route as one of the reasons.¹⁵ This countermeasure did not seem to have any impact on China and has not been received well by Taiwan’s tourism sector. As the DPP does not have the majority seats in the legislature, similar measures to counter China’s “grey zone” activities will be more difficult to implement and less likely to succeed.

Finally, China’s exploitation of the Kinmen capsizing incident is the latest example of “grey zone” activity against Taiwan. The incident occurred when officers of Taiwan’s Coast Guard Administration (CGA) on February 14 carried out a law-enforcement operation in Kinmen’s “prohibited waters,” seeking to inspect and expel a Chinese boat which bore no name and registration information. During an attempted escape and as a result of dangerous maneuvers by its operator, a collision occurred with the CGA patrol boat, and two Chinese fishermen died. The other two survivors initially did not dispute the law-enforcing process, but made a U-turn after returning to China.¹⁶ As of the end of February, the incident is under judicial investigation and is yet to be fully settled.

15. Hsiao-han Yu & Hsin-Yin Lee, “Taiwan’s gov’t U-turns on planned lifting of China group travel ban,” *Focus Taiwan*, February 7, 2024, <<https://focustaiwan.tw/cross-strait/202402070017>>.

16. I-lien Chang, et al., “CGA confirms Kinmen capsizing incident caused by patrol boat collision,” *Focus Taiwan*, February 22, 2024, <<https://focustaiwan.tw/cross-strait/202402220018>>.

While the incident was a tragedy, the Chinese government nevertheless took the opportunity to claim on February 17 the non-existence of the “prohibited waters” and “restricted waters.” It claimed that according to international law, the Taiwan Strait consists of China’s territorial sea, contiguous zone, and exclusive economic zone (EEZ), and that China therefore enjoys sovereignty, sovereign rights, and jurisdiction, respectively. Consequently, China claims its vessels have the right to enter waters around Kinmen. To back up its claim, China sent a Chinese Coast Guard (CCG) vessel to intercept and board a Taiwanese tour boat. Since February 20, more CCG vessels have been spotted in waters near Kinmen. There are fears that as more CCG vessels are deployed around or even enter Kinmen’s “prohibited waters” and “restricted waters,” Taiwan’s coast guard will have to respond, thereby increasing the likelihood of confrontation between the two sides.

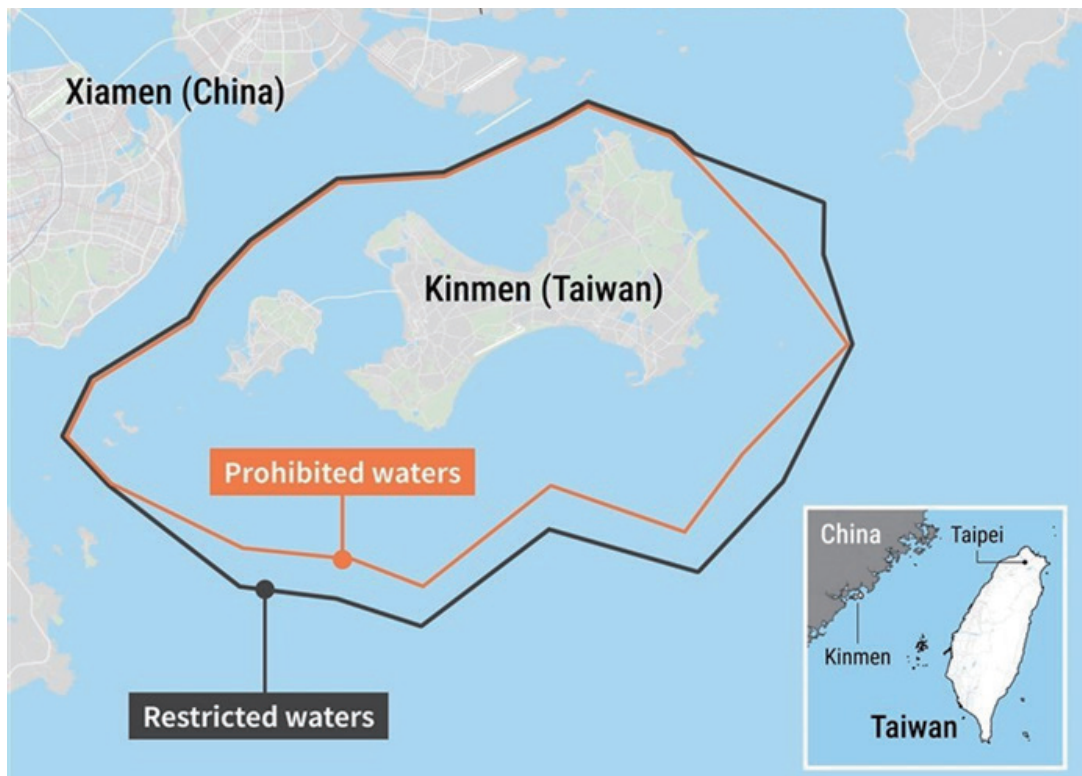


Figure 6. Taiwan’s Prohibited and Restricted Waters around Kinmen

Source: I-lien Chang, et al., “CGA confirms Kinmen capsizing incident caused by patrol boat collision.”

There are some commonalities in these three instances. China first targets special institutional arrangements across the Taiwan Strait, namely the ECFA, the median line and “prohibited waters” and “restricted waters.” A second step is to use international law or norms to justify its legal claims. In the case of the ECFA, China resorted to WTO regulations; in the case of the median line it referred to the ICAO guidelines; and in the case of Kinmen it appealed to the United Nations Convention on the Law of the Sea. Finally, it has substantiated its legal claims by practice, as reflected in the termination of tariff cuts, the M503 flight route and the Chinese Coast Guard presence around Kinmen.

IV. Taiwan’s Countermeasures: Cross-Domain Deterrence

The above discussion suggests that when encountering China’s “grey zone” activities, it is difficult to respond in kind. The Taiwanese government sought to counter China’s altering of the M503 flight route by limiting tour groups to China, but this has achieved little. The concept of “cross-domain deterrence” opens thinking space for dealing with China’s coercion and is worth exploring.

Put simply, the concept of “cross-domain deterrence” holds that to deter a threat from one of the diplomatic, information, military, economic, and legal (DIMEL) domains, it is not necessary to respond from the same domain but any response must exploit the weakness(es) of the opponent from one or more of the domains. In addition, the intensity of the countermeasure(s) or deterring action(s) can include cooperation, persuasion, protection, coercion, and control, each of which serves a different purpose. The deterring actor therefore has a variety of options to choose from, and is not necessarily always at a passive or defensive position.¹⁷

In addition to responding to a particular Chinese “grey zone” tactic in a crisis management manner, Taiwan should think about a strategy of cross-domain

17. Tim Sweijs, et al., “A Framework for Cross-Domain Strategies Against Hybrid Threats,” January 12, 2021, *Hague Centre for Strategic Studies*, <<https://hcss.nl/wp-content/uploads/2021/01/Framework-for-Cross-Domain-Strategies-against-Hybrid-Threats.pdf>>.

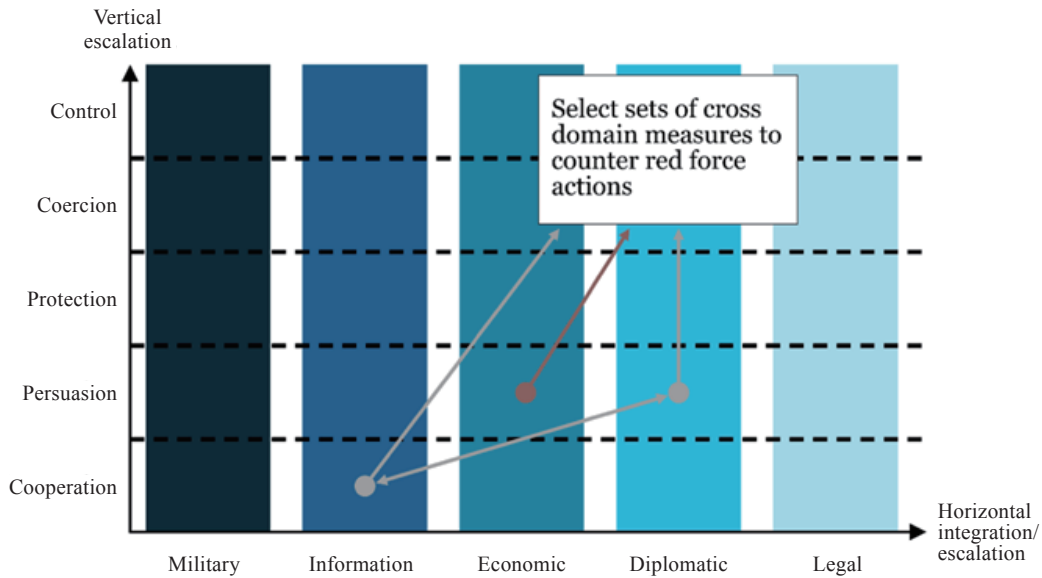


Figure 7. Cross-Domain Escalation

Source: Tim Sweijs, et al., “A Framework for Cross-Domain Strategies Against Hybrid Threats,” p. 7.

deterrence. A strategy in this regard should consist of the following elements. First, identifying China’s vulnerabilities. As Chinese official documents tend to emphasize at the beginning the role of the CCP in governing China, the CCP’s legitimacy should be the main target. Supporting Hong Kong, Xinjiang, and other human rights issues in China not only is morally right, but serves the strategic purpose of putting pressure on the CCP. Given that China’s sovereign claim over Taiwan rests in part on United Nations Resolution 2758 (and a misreading thereof by Beijing), Taiwan may also explore and work on its meaning and implications.

Second, it is crucial to work with like-minded partners. As there has not been direct government-to-government communication across the Strait since 2016, some partners are required to assume the work. Any attempt by Taiwan at “cross-domain deterrence” is likely to be perceived by China as a provocation. When this happens, Taiwan must rely on key partners to ensure that the CCP leadership receives the right message.

Third, some scenario-based exercises are recommended. These will help assess how China may react to a countermeasure by Taiwan and its partners. They can therefore prepare for various scenarios and prevent things from going wrong.

V. Conclusions

Contrary to predictions prior to Taiwan's presidential election that a DPP win would result in huge pressure on Taiwan to warn the new government and draw new red lines, China's coercive efforts before and after the elections have been relatively restrained. While cross-Strait relations are by no means tranquil, a major crisis such as those in 1996 and 2022 nevertheless has not materialized. China's interpretation of the outcome of the elections in Taiwan, added to its internal troubles and concerns over its relations with the U.S., are possible factors explaining this restraint. All things being equal, U.S.-China relations are expected to be relatively stable throughout 2024, although those relations are fragile and could be influenced by future challenges.

This, however, does not encourage any optimism. Cross-Strait relations remain volatile and require careful management. More importantly, while the intensity of the "grey zone" challenges posed by China cannot be compared with military intimidation or even armed conflict, those "grey zone" activities are nevertheless altering the "status quo" in the Taiwan Strait. Taiwan usually finds it difficult to respond to these challenges effectively, and while the U.S. and like-minded partners tend to support Taiwan and oppose China's unilateral actions, little can be done in facing China's legal warfare. It is therefore suggested that a political strategy informed by "cross-domain deterrence" may be worth exploring. In an era when democratic countries are wary of China's challenge to the rules-based international order and are more willing to support Taiwan than ever, it is time for Taiwan and like-minded partners to discuss and draw concrete plans to counter China's coercive "grey zone" tactics.