

# The Impact of the U.S. Election on Taiwan-U.S. Relations: Opportunities and Prospects

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## Abstract

Taiwan has emerged as the preeminent flashpoint for U.S. national security interests over the preceding half decade. The People's Republic of China's (PRC) increasingly belligerent rhetoric and behavior have raised the prospect of a conventional conflict between the world's two superpowers. The results of the 2024 U.S. Presidential election will significantly impact how the U.S. navigates its relationship with Taiwan and how Washington will develop and implement a strategy for the broader Indo-Pacific region. This paper explores the possible future of U.S.-Taiwan relations following the U.S. Presidential election in November. It also identifies critical areas of opportunity for Washington to strengthen its relationship with Taipei and how Taiwan policy can fit into a grand strategy for preserving and promoting U.S. interests, in the Indo-Pacific and globally, against PRC malign activity.

**Keywords:** U.S. President, Election, U.S.-Taiwan Relations, China, Geopolitics

## I. Introduction

The continued peace and stability of Taiwan has become inseparable from the economic and national security interests of the United States. Over the past several decades, Taiwan has grown from a peripheral geopolitical issue to become the most

important flashpoint of the 21<sup>st</sup> century. Taiwan is more economically and financially connected with the world economy than at any point in history, making the world more dependent on Taiwan's economic prosperity than ever. This is especially true when considering Taiwan's status as a world leader in semiconductor technology, which is critical to developing and manufacturing modern and future technologies. For decades, the U.S.-Taiwan relationship has been cautiously managed in Washington by the *Taiwan Relations Act* (TRA). Though the law has been a staple of successful enlargement of the U.S.-Taiwan Relationship, Taiwan's growing importance to U.S. policy in the Indo-Pacific will necessitate an even closer partnership between Washington and Taipei.

The next U.S. Presidential administration will take office in January 2025 and will have to navigate the complexities of the U.S.-Taiwan partnership alongside the challenges of the U.S.-PRC bilateral relationship. Issues, challenges, and opportunities such as bilateral investments in emerging technologies, defense manufacturing cooperation, semiconductor supply chain resilience, and international diplomacy will be critical, and consequential areas of interests in the near term of the U.S.-Taiwan relationship. The relationship between Taipei and Washington is ripe for continued adaptation and successes, though it will likely require new thinking and an expanded understanding of how Taiwan and U.S. economic and national security are so closely intertwined.

## II. The Taiwan Relations Act: Past and Present

Relations between the United States and Taiwan are underpinned by the TRA, enacted in 1979 to shape and guide U.S. engagement with Taipei following the switch in formal U.S. diplomatic recognition to the PRC.<sup>1</sup> The law is one of the most impactful and enduring pieces of foreign policy legislation ever enacted by U.S. Congress. To understand how policymakers in Washington view interactions with the Taiwanese government, it is critical to understand the TRA from its inception and how

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1. Jacques deLisle, "The Taiwan Relations Act at 40: A Troubled but Durable Legal Framework for U.S. Policy," *National Bureau of Asian Research*, Vol. 14, No. 4, October 2019, p. 35.

the geopolitical complexities of dual engagement with both Beijing and Taipei framed this vision from Washington's perspective.

The TRA was originally conceived by pro-Taiwan members of Congress as a countermeasure to the executive branch's decision to normalize relations with the People's Republic of China, which led to the severing of formal diplomatic ties with Taiwan. The early part of the 1970s marked a significant shift in Cold War diplomacy, led by President Richard Nixon and his National Security Advisor and Secretary of State, Henry Kissinger. Their visits to the PRC in the early 1970s laid the groundwork for the normalization of relations between Washington and Beijing, aiming to outmaneuver the Soviet Union and fracture the USSR's global communist bloc, deliberately sacrificing the post-1949 U.S. alliance with Taiwan in support of this objective. Subsequent efforts by the Carter Administration to implement the "One China" policy and transition diplomatic recognition to the PRC left Taiwan facing an



**Figure 1. AmCham Officials Meet With Premier Y.S. Sun to Discuss Problems Posed by Changes in The U.S.-Taiwan Relationship**

Source: AmCham Taiwan, "Taiwan Relations Act: Celebrating strong U.S.-Taiwan Relations," June 1, 2024, Accessed, *AmCham Taiwan*, <<https://amcham.com.tw/taiwan-relations-act/>>.

existential crisis of international legitimacy. In response to the Carter Administration's approach, Congress sought to enact a stabilizing approach that would curb rapid changes to U.S. policy and enable continued engagement between the U.S. and Taiwanese governments.

The TRA established informal relations between the U.S. and Taiwan and crucially mandated that the Taiwanese government in Taipei be treated as an equivalent sovereign state for the purposes of U.S. diplomatic engagement. The legislation obliges the U.S. to "provide Taiwan with such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability." It states that Washington "shall maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or social or economic system, of the people on Taiwan."<sup>2</sup> This language has been the bedrock of U.S.-Taiwan security policy since President Carter signed it into law. It has been reinforced by several significant executive branch actions that expanded the Act's fundamental purpose and, over time, has metamorphosed into a cornerstone of U.S. diplomacy, utilized by both Democratic and Republican presidents and Congresses. Its defense-related provisions seek to maintain a close American-Taiwanese defense partnership that enables Taiwan to purchase weapons, systems, and munitions, from the U.S. that are critical to their self-defense.

A vital aspect of the TRA's lasting importance to U.S. statecraft has been the broadening of its core premise of direct U.S. engagement with Taiwan despite the absence of formal diplomatic recognition. Successive U.S. presidential administrations and Congresses of both political parties have sought actions that grow, not diminish, the scope of this engagement. Its near-universal endorsement in Washington and subsequent executive branch utilization have endowed the TRA with remarkable influence in molding the United States' evolving relationship with Taiwan, and by extension the PRC, over time. As the TRA has become an undisputed mainstay

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2 U.S. Congress, "Public Law 96-8: The Taiwan Relations Act," April 10, 1979, *Congress.Gov*, <<https://www.congress.gov/bill/96th-congress/house-bill/2479/text>>.

of U.S. grand strategy in the Indo-Pacific, every interaction between the U.S. and Taiwan is directly or indirectly influenced by the legislation's established boundaries, thereby ensuring a degree of stability in the U.S. regional approach that transcends American domestic politics.

### **III. Eroding Policy Limitations**

Despite the TRA's beneficial legacy — for both the U.S.-Taiwan bilateral relationship and the U.S.' regional strategic position — the rapidly changing security landscape in the Indo-Pacific requires a reevaluation of the intellectual framework surrounding the TRA. As Taiwan's democracy, economy, and strategic centrality have evolved, viewing the TRA in the context of the geopolitics of the 1970s represents outdated thinking. The law is no longer only a safeguard designed to constrain a U.S. administration from rupturing the Nixonian rapprochement with the PRC. Today, the TRA is a major boon to U.S. engagement, as arguably the linchpin of regional security and American interests in the Indo-Pacific. In order to successfully overcome hindrances to U.S. engagement with Taiwan imposed by the historical anomalies of the 1970s, the next U.S. Presidential administration will need a proactive agenda that underscores Taiwan's value to the United States and transcends viewing the TRA as merely a baseline for the American relationship with Taipei.

The TRA has unquestionably succeeded in preserving the U.S.-Taiwanese partnership through decades of formal diplomatic relations between the U.S. and the PRC and given U.S. policymakers a degree of necessary flexibility. To a degree, it has also prevented policymakers from thinking beyond past implementations of the framework to fit the rapidly changing geopolitical landscape in the region and the world. By design, the TRA in 1979 confined the bilateral relationship firmly within the context of the broader U.S.-PRC relationship and impeded Washington from pursuing a U.S.-Taiwan partnership based on common interests and values. Policymakers in Washington have, therefore, primarily viewed engagement with Taiwan as a subset of Sino-American relations. This thinking is obsolete and ill-suited to the 21<sup>st</sup> century. It needs to account for growing opportunities for cooperation between Washington and Taipei and to be separated in some aspects from the deteriorating bilateral relationship

between the U.S. and PRC. The TRA has led to several critically successful policy achievements for the U.S.-Taiwan relationship but has also come at the cost of U.S. policymakers being more fundamentally concerned with U.S.-Taiwanese engagement fitting into the larger context of a contentious U.S.-PRC relationship, rather than as a separate category of the U.S. foreign policy agenda that has benefits and merits apart from U.S.-PRC relations.

Future U.S. leaders, including the next president, can evolve this thinking and instead pursue a dual approach to U.S. engagement with the Taiwanese government. This approach would allow U.S. policy to continue to work within the broader TRA framework that serves as the enduring foundation of the U.S.-Taiwan relationship while clearly articulating that intangible and arbitrary bounds will not limit the relationship but will be conducted within the same framework as all critical U.S.-bilateral relationships are pursued. Giving the new strategy the ability to draw strength from the TRA's longstanding, bipartisan support in Washington while signaling to Taipei — and the world — that the U.S. will not be deterred from advancing bilateral engagements that serve mutual interests and are predicated on shared values and prosperity. Specifically, it would highlight that the U.S.-Taiwan partnership can grow and operate beyond the last century's restrictions, primarily intended to manage a delicate balance with Beijing. This approach would allow the United States to enact policies and pursue engagement that are better equipped to address today's geopolitical challenges. Such an approach would need to include all the facets of the relationship, including economic, military, trade, and diplomacy, and also complement both the U.S. and Taiwanese interests. Enhanced military-to-military exchanges and training, integrated defense industrial capabilities, modernized trade agreements, incentivizing two-way investment in the development of key technologies, and supporting the symbolic inclusion of Taiwan's government in international organizations and institutions should all be priorities for the next U.S. president.

While the TRA has successfully guided the U.S.-Taiwan relationship for over four decades, self-imposed bureaucratic constraints have long limited its impact. Given the rapidly changing geopolitical conditions, the next U.S. administration should strive to develop a more contemporary, comprehensive approach to U.S.-



Taiwan relations that adapts the TRA's broader historical framework. A new doctrine that broadens the scope of the relationship and acknowledges that it exists independently of any other bilateral relationship would pave the way for additional opportunities for policy innovation across the military, diplomatic, economic, and trade relationships. A modern approach that accounts for new realities is critical to the continued success of the U.S.-Taiwan partnership.

#### IV. Taiwan's International Significance

Taiwan has become a critical component of the international order and possesses a unique position in the global economy, both geographically and strategically. Unlike the past decades, Taiwan's freedom and economic prosperity are integral to the well-being of global trade and supply chains. Though the PRC continuously undermines Taiwan's international legitimacy, the fact remains that Taiwan is an independent democracy of 23.5 million people with an annual GDP of over US\$791 billion.<sup>3</sup> In spite of this increasing international relevance, the PRC continues to attempt to undermine Taipei's international status. Over the past several decades, the PRC has successfully pressured 117 countries to switch their diplomatic recognition from Taipei to Beijing. Taiwan instead has 47 unofficial relationships and only 12 official diplomatic relationships.<sup>4</sup> The PRC's efforts have rendered Taiwan more isolated diplomatically even though the island democracy maintains an outsized, and growing, importance in the global community.

Relatedly, international rejection brought on by PRC demands led to the expulsion of the Republic of China government in Taipei from the United Nations (UN) in 1971 and, subsequently, the loss of Taiwan's membership in important

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3. International Monetary Fund, "Report for Selected Countries and Subjects," March 2024, *International Monetary Fund*, <<https://www.imf.org/en/Publications/WEO/weo-database/2023/April/weo-report?c=111,&s=NGDPD,PPPGDP,NGDPDPC,PPPPC,&sy=2022&ey=2027&ssm=0&scsm=1&scc=0&ssd=1&ssc=0&sic=0&sort=country&ds=.&br=1>>.

4. Ministry of Foreign Affairs of the Republic of China (Taiwan), "Diplomatic Allies," June 1, 2024, Accessed, *Ministry of Foreign Affairs of the Republic of China (Taiwan)*, <<https://en.mofa.gov.tw/AlliesIndex.aspx?n=1294&sms=1007>>.

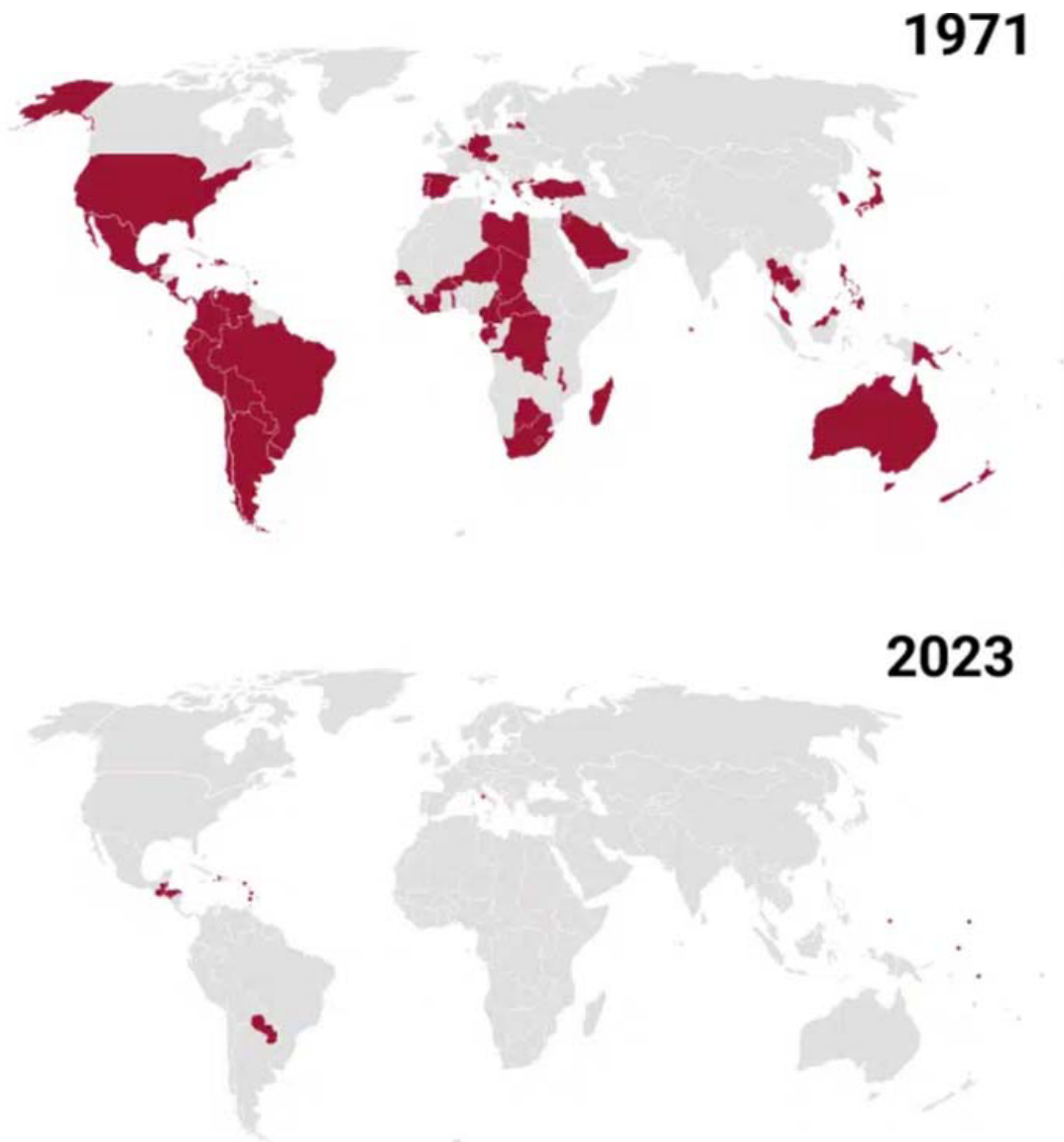


**Figure 2. Taiwanese President Tsai Ing-wen Listens to Remarks By Guatemala's Foreign Minister Mario Búcaro in Taipei, Taiwan, August 30, 2022**

Source: Makoto Lin, "Taiwan's President Tsai Ing-wen Listens To Remarks By Guatemala's Foreign Minister Mario Búcaro," August 30, 2022, *Office of the President, ROC (Taiwan)*, <<https://www.flickr.com/photos/presidentialoffice/52321463070/>>.

international organizations and institutions such as the World Health Organization (WHO), the International Civil Aviation Organization (ICAO), the International Monetary Fund (IMF), and others. Disallowing Taiwan to participate in critical international forums to address global challenges inhibits dialogue on important issues and leads to the corrosion of these institutions under PRC influence. It relegates Taiwan to an unofficial status as a quasi-state, though Taiwan's genuine importance to the international community and global economy is far greater than this status would suggest. In light of PRC efforts to isolate Taiwan diplomatically, compounded by Beijing's escalating threats against Taiwan militarily, maintaining and expanding ties with Taipei, as well as championing their inclusion abroad, is critical to the U.S.-Taiwan relationship, which now, more than ever, has profound impacts on U.S. economic and national security interests.





**Figure 3. Countries with Official Diplomatic Relations with Taiwan, 1971-2023**

Source: Benjamin Dooley & Ari Winkleman, “The Graphic Truth: Taiwan’s shrinking recognition,” March 17, 2023, *GZero*, <<https://www.gzeromedia.com/the-graphic-truth-taiwan-s-shrinking-recognition>>.

While the U.S. adjusts its Indo-Pacific strategy and broader aperture of U.S. foreign policy in response to PRC escalation against Taiwan and other malign activities throughout the region, elevating Taiwan’s international position should be

a policy priority of the next U.S. administration, both as a core component of U.S. engagement with Taiwan, but also a wise initiative that serves to stabilize relations and deter aggression in the Taiwan Strait. Both Taipei and Washington are interested in closely coordinating their efforts to improve Taiwan's diplomatic access and international standing. If properly and carefully executed, these efforts will act as a bulwark for Taiwan against the PRC pressure campaign and work towards the common interests of the international community in allowing a diversity of members in international organizations that promote peace, stability, cooperation, and dialogue.

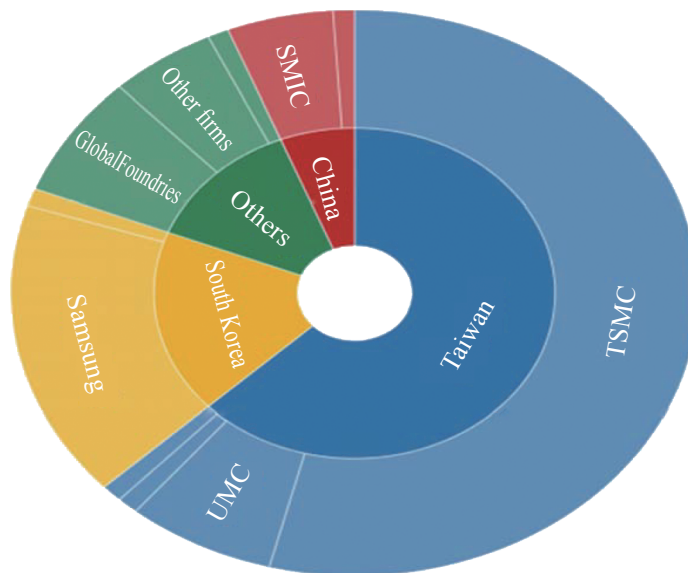
## **V. Core U.S. National Interests**

As in past U.S. presidential administrations, the President's Taiwan policy will be primarily informed by the issues that most significantly have an impact on core U.S. national interests. This benefits the U.S.-Taiwan relationship because, over the years, Taiwan has only become more consequential for the U.S.' geopolitical, economic, and national security interests. Since the prosperity of the U.S. and Taiwan has become closely linked, future U.S. presidents will seek even deeper cooperation with Taipei.

The strategic importance of Taiwan in the semiconductor industry is a key economic issue that has captured the attention of policymakers in Washington. As the primary manufacturer of advanced microchips, Taiwan's role is inseparable from the global supply chain. The widespread use of semiconductors in consumer electronics, future technologies like electric vehicles (EVs) and artificial intelligence (AI), and military equipment, including dual-use technologies like drones, underscores Taiwan's distinct advantage as the top global semiconductor manufacturer. Furthermore, Taiwan is among the limited locations globally that currently produce 5-nanometer semiconductors, with the Taiwan Semiconductor Manufacturing Co (TSMC) leading the way in research and development for 3-nanometer semiconductors.

To capitalize on this significant asset for non-diplomatic triumphs on the global stage, Taiwan has the potential to establish exclusive agreements with allied nations like the United States, Japan, and Europe. The Trump and Biden Administrations have made diversifying the semiconductor supply chain a top economic security priority as part of a broader strategy to counter the PRC's ability to hold critical

economic sectors at risk. The *CHIPS Act* of 2022 marked a significant step for U.S. policy to attract renewed investment in the U.S. from established semiconductor producers. Importantly, these policies are not designed only to benefit U.S. companies but rather to broaden the range of suppliers across reliable and trustworthy allies in a process called “friend-shoring,” demonstrating the cooperative and collaborative nature of U.S. policy on the semiconductor issue. The *CHIPS Act* has provided billions of dollars in grant funding for global chip manufacturers like Intel, Samsung, GlobalFoundries, and TSMC.<sup>5</sup> Construction of TSMC facilities is already underway in the United States, and plans for similar supply chain diversification are being evaluated in Japan and Europe. Semiconductors are increasingly viewed as a strategic resource of the future, possibly supplanting oil as more economies shift towards renewable and nuclear energy sources.



**Figure 4. 2020 Global Semiconductor Market Share**

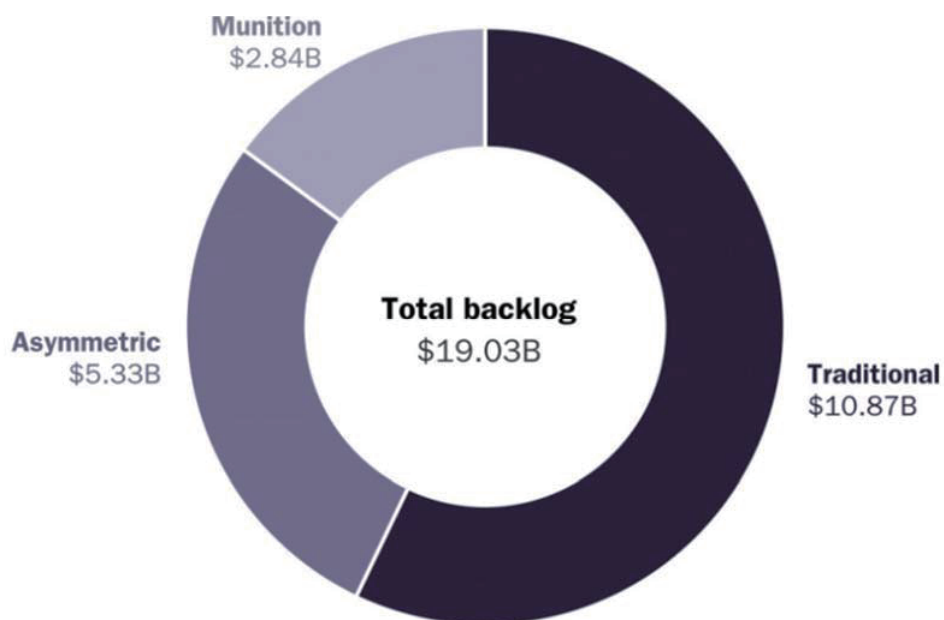
Note: Total foundry revenue stood at \$85.13 billion in 2020.

Source: Yen Nee Lee, “2 charts show how much the world depends on Taiwan for semiconductors,” *CNBC*, March 15, 2021, <<https://www.cnbc.com/2021/03/16/2-charts-show-how-much-the-world-depends-on-taiwan-for-semiconductors.html>>.

5. Semiconductor Industry Association, “CHIPS Incentives Awards,” May 13, 2024, *Semiconductor Industry Association*, <<https://www.semiconductors.org/chips-incentives-awards/>>.

While the geographic significance of semiconductor manufacturing may lessen as TSMC expands its operations into the United States and elsewhere, Taiwanese factories will continue to play a crucial role in the evolving global supply chain due to the limited availability of this resource. This development will benefit the United States as Taiwan's destiny becomes more intertwined with global supply chains. This, in turn, enhances international backing for Taiwan's sovereignty, strengthening deterrence measures in the Taiwan Strait, particularly concerning the U.S.-Taiwan relationship.

Similarly, Taiwan has demonstrated that it can be a valuable partner to the United States in defense manufacturing and developing dual-use technologies, such as drones. Policymakers in Washington have increasingly become concerned that the U.S. defense industrial base has atrophied and could be under immense strain in a serious conflict with a peer adversary like the PRC. These concerns have prompted additional reviews of policies to speed up production and transfer of critical weapons systems,



**Figure 5. U.S. Arms Sale Backlog to Taiwan, January 2024**

Note: Arms sales backlog by weapons category, billions of dollars.

Source: Eric Gomez & Benjamin Giltner, "Taiwan Arms Backlog, January 2024 Update: A Jump in Asymmetric Capabilities," February 12, 2024, *CATO Institute*, <<https://www.cato.org/blog/taiwan-arms-backlog-january-2024-update-jump-asymmetric-capabilities>>.

munitions, and other technologies. One such idea that could begin to gain traction in a new administration is a bipartisan proposal to allow Taiwan's defense firms to produce U.S. weapons under a special license, significantly cutting down the lead time for weapons deliveries, which is already jammed in a years-long backlog.<sup>6</sup>

Likewise, U.S. defense planners have cited dual-use drones as an essential technology for future conflicts. This revelation was made especially clear since the beginning of Russia's 2022 invasion of Ukraine, in which Ukrainian defenders have employed suicide drones to devastating effects on Russia's mechanized military units, like tanks and BMP infantry vehicles. Disruptive technologies like these are critical to



**Figure 6. Soldiers Participate In The Han Kuang Military Exercise On July 28, 2022, in Pingtung, Taiwan**

Source: Abbie Shull, "Facing growing threats from China, these big war games are how Taiwan prepares to fend off a Chinese invasion," *Business Insider*, August 4, 2022, <<https://www.businessinsider.com/war-games-taiwan-military-people-ready-for-possible-china-offensive-2022-8>>.

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- 6. Phelim Kine & Paul McLeary, "Lawmakers have a fix for Taiwan's weapons backlog: Build them on the island," *Politico*, April 17, 2024, <<https://www.politico.com/news/2024/04/17/taiwan-weapons-backlog-00152000>>.
  - 7. Dan Gettinger, "Taiwan's Drone Industry Takes Flight," October 3, 2023, *The Diplomat*, <<https://thediplomat.com/2023/10/taiwans-drone-industry-takes-flight/>>.

establishing the asymmetric defense posture which is important for Taiwan to deter, or respond to, a PRC attack. Taiwan has been a promising source of investment in developing drone technology, especially those with dual-use commercial and military applications.<sup>7</sup> As the U.S. seeks to keep pace with the PRC's vaunted manufacturing capacity, the conditions are ripe for a sustained two-way partnership with Taiwan that can accelerate the development of, and ramp-up production for these technologies in Taiwan and the United States.

## VI. Foreign Policy in the 2024 U.S. Election

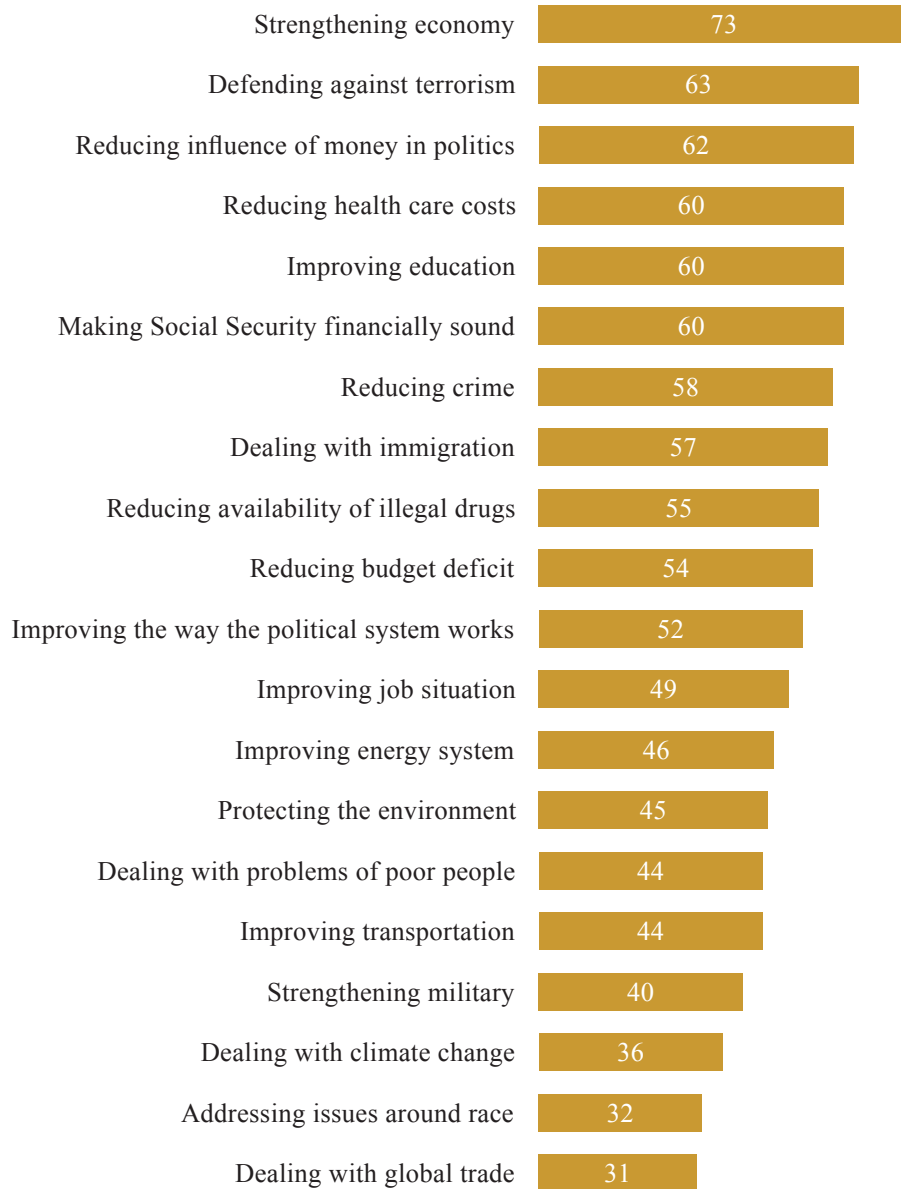
All things considered, the issues and factors described above, while are already helpful guides for policymakers in the next U.S. Presidential administration, will certainly also be shaped considerably by the 2024 election itself, specifically how American voters respond to political messaging on U.S.-Taiwan policy and U.S.-PRC bilateral relations. Generally speaking, the American electorate has an existing tendency to respond positively to gestures of strong leadership in the face of external threats, like the PRC. This incentivizes firm rhetoric and sometimes outlandish policy proposals from candidates for office, which are meant more to project strong leadership and garner political support than actually to represent a serious policy agenda.

Increasingly, Americans view the PRC as a concerning threat to the economic and national security of the United States. However, many American voters are also growing tired of foreign engagements abroad that do not possess clear and convincing implications for core U.S. national interests. Above all, however, foreign policy, including U.S. policy regarding Taiwan and the PRC, is not the top priority for most American voters. Many Americans would likely struggle to identify Taiwan on a map correctly. Polls show that the average American is far more concerned with issues that affect their well-being in the short term, like economic growth and inflation.<sup>8</sup> Both presidential candidates, Mr. Biden, and Mr. Trump, will attempt to strike a balance

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8. Pew Research Center, "Americans' Top Policy Priority for 2024: Strengthening the Economy," February 29, 2024, *Pew Research Center*, <<https://www.pewresearch.org/politics/2024/02/29/americans-top-policy-priority-for-2024-strengthening-the-economy/#:~:text=These%20are%20among%20the%20highlights,economy%20as%20a%20top%20priority>>.





**Figure 7. 2024 Top Policy Priorities for U.S. Voters**

Note: % who say \_\_ should be a top priority for the president and Congress to address this year.

Source: Pew Research Center, “Americans’ Top Policy Priority for 2024: Strengthening the Economy.”

in political messaging that clearly identifies and articulates the central concerns and issues presented by an aggressive PRC, highlighting the negative economic and societal consequences of U.S. inaction or abdication. While there is an increasingly

broad bipartisan consensus between Republicans and Democrats that the PRC is a determined strategic challenger to the United States, there is plenty of nuance within the issue of U.S. Taiwan policy that may not outline clear distinctions in either candidate's policy.

One such nuance is the policy of strategic ambiguity, in which U.S. leaders intentionally leave unanswered whether the United States military would come to Taiwan's defense in the event of a PRC attack. The longstanding policy, per its



**Figure 8. President Lai Ching-te Meets a U.S. Bipartisan Congressional Delegation Led by House Foreign Affairs Committee Chairman Michael McCaul**

Source: Liu Shu fu, "President Lai Ching-te meets US bipartisan congressional delegation led by House Foreign Affairs Committee Chairman Michael McCaul," May 27, 2024, *Office of the President, ROC (Taiwan)*, <<https://www.flickr.com/photos/presidentialoffice/53749074261/>>.

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9. James Crabtree, "America's Strategy of Ambiguity Is Ending Now," January 22, 2024, *Foreign Policy*, <<https://foreignpolicy.com/2024/01/22/america-biden-foreign-policy-ambiguity-alliances-security-taiwan-nato-china/>>.

name, is meant to give Beijing pause and make it more challenging to assess U.S. determination and plan accordingly. President Biden has on several occasions said the U.S. would, in fact, come to Taiwan's military defense, though each time, his administration immediately walked back these statements.<sup>9</sup> In keeping with the policy of strategic ambiguity, President Trump has not given a clear statement on the same question.

As with any point in history, the unknown near-future events between now and the U.S. election in November will prompt the candidates to alter their messaging according to how voters are most likely to receive it. Breakthroughs or deteriorations in the U.S.-PRC bilateral relationship, PRC military exercises or actions around Taiwan, and quasi-domestic U.S. political issues like TikTok restrictions could also impact how voters perceive the state of affairs abroad and prioritize these issues in deciding how to cast their ballot.

## VII. Conclusion

Taiwan is a critical partner for the United States in the Indo-Pacific. While the relationship between Taiwan and the U.S. has often been restricted and carefully coordinated under U.S. law, Taiwan's growing importance to U.S. economic and national security warrants changes in how Washington approaches the relationship and deals with their government counterparts in Taipei. Modernization of the U.S.-Taiwan relationship is not without precedent. Throughout the entire history of the relationship, even after the enactment of the *Taiwan Relations Act*, the U.S. and Taipei have broadened the scope of cooperation as needed to address their respective interests at the time.

Today, the geopolitical situation in the Indo-Pacific is at a more concerning state than it has ever been. The strategic competition between the U.S. and PRC is fraught with challenges concerning Taiwan. Maintaining peace and stability across the Taiwan Strait is now directly in the national interest of the United States, as Taiwan plays a critical role in the world economy. The next U.S. president must continue to adapt the U.S.-Taiwan relationship as needed to open up new vehicles of cooperation on economic, military, trade, and diplomatic issues. By throwing off dated self-imposed

restrictions on the U.S.-Taiwan relationship, the U.S. can secure its core interests in the Indo-Pacific and develop a more fruitful partnership with Taipei that supports two way investment, closer military cooperation and preparedness, diplomatic friendship, and mutually beneficial trade and economic prosperity. Though the current geopolitical situation is fraught with tensions and challenges, it also presents the right opportunity to bring U.S.-Taiwan relations into the 21<sup>st</sup> century. The inauguration of the next U.S. President in January 2025 could serve as an important milestone for this potential growth and modernization of the U.S.-Taiwan relationship, given the distinct challenges the next president is likely to deal with regarding U.S. policy in the Indo-Pacific.