



# DEFENDING TAIWAN

## Understanding and Meeting Military, Economic and Political Threats

DR. SHALE HOROWITZ/UNIVERSITY OF WISCONSIN-MILWAUKEE

**T**aiwan's survival as a democracy and free society is under imminent threat. While invasion and blockade are the greatest dangers, economic and political threats also demand attention. All are interdependent, and all require close and continuing cooperation among Japan, Taiwan, the United States, and other Allies and Partners. Over the past decade, significant progress has been made in meeting the threats, and today, that progress has achieved potentially decisive momentum. If it continues, the People's Republic of China's (PRC) aggression is highly likely to be deterred or defeated.

Since 1949, the Chinese Communist Party (CCP) has viewed Taiwan's continuing self-rule as unfinished business. Even the narrower, more nationalist ideology of Deng Xiaoping, the PRC's supreme leader from 1978 through the early 1990s, made absorbing Taiwan the CCP's most important long-term foreign policy goal. Since the modernization of the People's Liberation Army (PLA) began in the 1990s, the huge buildup of capabilities has focused on invading Taiwan and expanding operational capacity beyond the South China Sea. Since 2012, under CCP General Secretary Xi Jinping, there is an ideological urgency to forge a "New Era" and achieve China's "national rejuvenation."



Taiwan President Lai Ching-te, center, poses with Airmen and Soldiers in Hualien in May 2024. REUTERS

This involves moving China into a more prominent, central position on the world stage, creating an alternative to the U.S.-led international order and, perhaps above all, taking control of Taiwan.

### The Military Threat: Defeating Invasion

Invasion is the most dangerous threat to Taiwan. If invasion is unlikely to succeed, then lesser uses of force and threats by the CCP, involving blockade or attacks, are even less likely to do so. Similarly, if invasion is likely to succeed, lesser means will probably suffice.

Invasion requires landing a sufficiently large force and then building and sustaining it until Taiwan's resistance fails. U.S. forces in the Western Pacific, if left intact, can rapidly destroy a PLA invasion fleet and its direct support vessels. Therefore, the PLA has prepared a massive first strike, targeting not only Taiwan's air and naval bases and other critical military assets but also those of the U.S., Japan and other allies.

Three elements are necessary in defeating a PLA preemptive strike and follow-on invasion:

- **First**, Taiwan's military prevents an uncontrolled breakout by the invaders.
- **Second**, the U.S. military has sufficient surviving and reinforcing strike forces to destroy or degrade the PLA invasion fleet; and U.S. and Taiwan forces prevent the PLA's use of local ports and airfields to ferry in sufficient reinforcements and supplies.
- **Third**, Japan's Self-Defense Forces cooperate with Taiwan, which also benefits significantly from cooperation with Australia and the Philippines.

For much of the past 30 years, Taiwan was complacent about a slowly growing threat. Military spending fell from nearly 5% of gross domestic product in 1993 to about 2% in the early 2000s. Moreover, Taiwan remained wedded to a symmetrical military strategy, which maintained expensive and vulnerable air and naval assets to confront increasingly advanced PLA forces.

Beginning in 2016, Taiwan awakened to the rising threat and started preparing. Military spending rebounded to about 2.5% of GDP in 2024. More importantly,

Taiwan Soldiers demonstrate a 105 mm howitzer at a Hualien military base in May 2024.

REUTERS



an asymmetrical strategy has been put in place alongside the traditional symmetrical capabilities. This approach emphasizes cheaper, more survivable missile and drone munitions to target invading PLA forces on land and sea and in the air. Taiwan has also set aside its effort to build a volunteer-professional military and returned to a conscription-based force. Other crucial efforts include minimizing early loss of symmetrical and asymmetrical capabilities by hardening, dispersing and preparing to maneuver forces; and preparing and training to respond to invasion quickly at any of a small number of likely locations, while rendering relevant airfields and ports unusable for the invaders.

The U.S. has also gradually reoriented its own strategy, recognizing the PRC as the primary threat and Taiwan as the most dangerous flashpoint in the Indo-Pacific. U.S. preparations and procurement have shifted to address a similar range of issues: hardening, dispersing and preparing to maneuver regional forces; and increasing longer-range strike capacities that are less expensive, more survivable and more likely to decimate a PLA invasion force.

Although the U.S. has followed a policy of ambiguity on Taiwan, U.S. President Joe

Biden has publicly committed to defend Taiwan against invasion, making it much less likely that future presidents will invite conflict by withdrawing the commitment.

The U.S.'s "One China" policy is guided by the goal of maintaining peace and stability across the Taiwan Strait, an international waterway key to global commerce. The policy upholds the status quo by opposing unilateral changes by Beijing or Taipei; and recognizes Beijing as the PRC's "sole legal government" but takes no position on Taiwan's status. Still, the U.S. public and both major political parties have become much more aware of the broader PRC threat and support a strong response.

In recent years, Japanese leaders have made unprecedented statements in support of Taiwan, while inaugurating massive quantitative and qualitative defense improvements. Together, Japan and the U.S. can prepare and protect Japanese bases in ways that make it difficult for an invasion of Taiwan to succeed. These efforts also protect other core Japanese and U.S. interests — such as the Japanese-held island chain between the Home Islands and Taiwan, U.S. bases, and military and commercial sea lanes.

**Military spending rebounded to about 2.5% of GDP in 2024 [and] an asymmetrical strategy has been put in place alongside the traditional symmetrical capacities. Taiwan has also set aside its effort to build a volunteer-professional military and returned to a conscription-based force.**

**Taiwan Soldiers drill in Taitung in January 2024.**

THE ASSOCIATED PRESS





A Taiwan Coast Guard member monitors a Chinese navy vessel near Pengjia Islet, north of Taiwan, in May 2024. THE ASSOCIATED PRESS

### **Economic Threat: Building Resilience, Diversifying Supply Chains**

The economic threat to Taiwan has two major dimensions: resilience to invasion and blockade; and broader impacts on the international economy. Economic resilience involves protecting and backstopping critical infrastructure and preparing to maintain essential services and functions during war or blockade. The PLA, aiming to disrupt Taiwan's military operations and economy and induce panic, would likely attack communications and transportation networks, the electrical grid, and other infrastructure. A shorter, sharp war or a longer, blockade-siege are possible. Contingencies must be developed and rehearsed to protect all vital systems and services. The wider public should participate and learn what to expect. Amid the fog of war, this will enable Taiwan's robust civil society and network of small and medium businesses to respond rapidly and effectively.

Taiwan's most important role in international supply chains is in the semiconductor sector. Taiwan Semiconductor Manufacturing Co. (TSMC), the world's largest chipmaker, produces the most advanced chips for a wide range of essential businesses, from automobiles and machinery to cellphones and other consumer electronics. TSMC and other Taiwan manufacturers account for over 60% of global semiconductor production. Taiwan is also a key global producer of laptops, machine tools, and various electronic and electro-optical components.

During the early decades of the PRC's economic reform, Taiwan embraced economic integration with the PRC's global supply chains. Many believed that the benefits to Beijing would make any attack on Taiwan a kind of mutually assured economic destruction. But this was never the Chinese government's view. It seeks to absorb — and then copy-and-replace — Taiwan's technology and production, to the point where conflict mainly threatens Taiwan's economy and its businesses become captive PRC proponents within Taiwan. The same applies to other foreigners doing business in the PRC.

Taiwan and others have woken up to this reality. Rising labor costs were already pushing many labor-intensive producers from the PRC toward Southeast Asia and India. Businesses are also confronted with rampant technology theft, regulatory

TSMC operates a semiconductor manufacturing plant in Tainan Science Park. ISTOCK



**Taiwan's most important role in international supply chains is in the semiconductor sector. TSMC and other Taiwan manufacturers account for over 60% of global semiconductor production.**

discrimination, and shakedowns by local partners and CCP officials. Intensifying geopolitical friction and political repression as well as COVID-19 disruptions under Xi led to the retreat of investment and the “de-risking” of supply chains — moving toward separate supply chains for the Chinese and non-Chinese markets.

As a result, Taiwan investment in the PRC fell from more than 80% of its total foreign investments in 2012 to 13% in 2023, as investment moved elsewhere in Asia and to the U.S. Since 2016, Taiwan's Southbound Policy, introduced by then-President Tsai Ing-wen, has subsidized expanded trade, investment, educational, and cultural cooperation with 18 countries in South and Southeast Asia and Oceania. Taiwan's export markets have developed similarly. While the diversification of exports away from China has been less abrupt, the de-risking of Taiwan's supply chains is well underway.

In the semiconductor sector, policies incentivize TSMC and other manufacturers to diversify production across the world's major economic regions, while TSMC's high-end production for the Chinese market remains largely in Taiwan. This is also a better arrangement for TSMC and similar Taiwan firms: A war or blockade would disrupt supply to China, while having less effect on Taiwan's partners. At the same time, destroyed or disrupted plants would not prevent Taiwan-based multinational firms, operating from robust facilities overseas, from maintaining and rapidly rebuilding their businesses.

### **Political Threat: Fortifying Will**

Just as all military affairs must serve political objectives and choose politically as well as militarily rational strategies, politics is at the center of meeting the CCP's threat. Nothing can be done without political will. In Taiwan, that means democratically elected leaders, working through a multiparty, checks-and-balances system, responding to public opinion. Over the past decade, Taiwan's democracy has overcome its old complacency and moved toward better defending the island against the CCP's military and economic threats.

How and why did this happen, and what does it portend? An important trigger was the 2014 Sunflower Movement, in which student-led demonstrations blocked a services trade agreement that opponents said would give the PRC too much influence over Taiwan, especially in telecommunications, media, public opinion and politics. In 2016, the movement helped elect a Democratic Progressive Party (DPP) government, which presided over the reforms of Taiwan's traditional symmetrical-warfare defense strategy and China-integrationist economic policy. The policy changes reflected underlying shifts in public opinion over the preceding decades, with polls showing an increasing percentage of the island's populace as having a Taiwan-focused identity emphasizing local culture, freedom and democracy.

For the past decade, this gradual identity change has been sharpened by external events. First, Xi's "New Era" of China's "national rejuvenation" most threatens Taiwan. Xi hasn't limited himself to tough words. He eliminated Hong Kong's freedoms,

intended by his three predecessors to serve as a model for Taiwan's peaceful unification, and he has intensified and regularized invasion-rehearsing military incursions and exercises around Taiwan. Second, Russia's illegal invasion of Ukraine showed that large-scale war is a looming threat and also that smaller, determined powers can resist effectively. These events have bolstered support for Taiwan's military reforms. Thus, roughly 75% of Taiwan residents support the recent extension of military conscription from four months to a year, while 70% say they would fight to protect the island from invasion.

What are the main political threats to Taiwan's turn toward more effective defense and economic policies? Although the May 2024 presidential inauguration of Lai Ching-te as Tsai's successor means a third consecutive four-year term for the DPP, no one party controls the parliament. Yet there is surprising consensus among the three main parties on major military and economic policies — based on both party ideology and public support.

The PRC has also built significant influence operations in Taiwan. For example, there is the strident and threatening drumbeat of the CCP line: Taiwan must return to the fold of a united China; Taiwan's leaders are betraying the great, unified Chinese people and culture; democracy is a failure; and CCP-led China is good and the U.S. is bad. In addition to being false, these claims are unpopular in Taiwan, and Xi has made them more so.

Second, and more effectively, China seeks to launder more subtle versions of these arguments through local political connections, mass media and social media. The goal is to intensify polarization at the extremes and cynicism in the middle. However, Taiwan's populace is considered less susceptible to influence operations because robust public discussion and debate keep it informed about key issues. The PRC's influence campaigns are also countered by official initiatives and innovative civil society organizations. With Xi in power, moreover, Taiwan is much less likely to let down its guard.

### **Staying the Course Together**

Taiwan has made impressive progress in responding to military, economic and political threats. Its military is better financed and moving toward more effective

Lai and running mate Hsiao Bi-khim, right, celebrate their victory in Taiwan's presidential election in January 2024.

THE ASSOCIATED PRESS



## Taiwan's populace is considered less susceptible to influence operations because robust public discussion and debate keep it informed about key issues.

asymmetric defense, while Japan and the U.S. undertake complementary initiatives. Taiwan is building economic resilience at home and working with partners to establish alternative supply chains overseas. These reforms are driven by political leadership and public opinion more determined to respond to the PRC's threats and protect Taiwan's freedoms and achievements.

As the mutually supporting policies continue to achieve critical mass, it is vital to sustain progress on all fronts. Doing so requires constant engagement among Japan, Taiwan and the U.S. Each must build the closest possible ties with the others, communicating its own capacities, needs

and suggestions and responding to those of the other partners. Each must strive to excel in its areas of greatest responsibility — above all in deterring and defeating the invasion threat. Trends are moving in the right direction, but success will have to be maintained over decades — or until the PRC joins the family of democracies. Other Allies and Partners should be encouraged to join the effort in ways that serve their interests and incorporate their abilities. Here, too, there has been important progress, from Australia through Southeast Asia to India and Europe. □

The Taiwan Ministry of Foreign Affairs' Taiwan Fellowship Program provided support for this research.



## **The Death of ‘Strategic Ambiguity’: Why the United States Abandoned Longstanding Policies toward China and Taiwan**

President Nixon realigned US Cold War policies by withdrawing formal support for the Taiwan government’s sovereignty, without endorsing China’s position that Taiwan was rightfully a Chinese province. Then, after Carter withdrew the US promise to intervene militarily to defend Taiwan against a Chinese invasion, Congress and subsequent presidents continued to support Taiwan’s de facto independence—thus adopting a posture of ‘strategic ambiguity.’ From the 1980s, trade and investment with China mushroomed, and US leaders hoped that China was evolving into a status quo stakeholder and maybe also a democracy. The Trump and Biden Administrations abandoned many of these longstanding U.S. policies. A bargaining framework is used to evaluate why. China’s growth gradually but significantly altered its comparative advantage and relative military power. Taiwanese identity and security policy evolved. Xi Jinping’s ‘New Era’ ideology and changing domestic and foreign policies put a rising China on a collision course with the US-led regional and world order. Presidents Trump and Biden responded by making the US military defense of Taiwan—as part of a general revamp of economic and security policies toward China—one of the few areas of bipartisan consensus. Any retreat from the new consensus risks a major geopolitical crisis.

Keywords: US’s China-Taiwan policy; China-Taiwan conflict; relative power; leadership preferences; Xi Jinping; US Presidents Trump and Biden; Taiwanese politics



Shale Horowitz  
Department of Political Science  
University of Wisconsin-Milwaukee  
[shale@uwm.edu](mailto:shale@uwm.edu)

Over more than three decades after China's 'Reform and Opening Up' began in the late 1970s, US policy toward China and Taiwan remained stable. The US supported the geopolitical status quo. The US recognized the CCP regime as China's sole legitimate government, while supporting continued Taiwan's de facto self-rule, until such time as a peaceful settlement could be reached between Beijing and Taipei. For as long as China continued to seek domestic and international stability while prioritizing economic development, and for as long as China's capabilities made conquering Taiwan unrealistic if there was a significant chance of US intervention, the geopolitical status quo was not threatened. Washington could withhold a formal commitment to defend Taiwan, and thus disincentivize Taipei from declaring formal independence—a diplomatic red line for Beijing (US Department of Defense, 2023, pp. 136-137). On the other hand, by leaving open the possibility of defending Taiwan against attack, Washington made clear to Beijing that an attack on Taiwan would be too risky.

This posture has been called 'strategic ambiguity': the US won't promise to defend Taiwan, but also won't promise not to defend Taiwan. In the meantime, the US facilitated China's growth via integration into the international economy, hoping that China would become a status quo stakeholder. Even after the Tiananmen protest movement was put down in 1989, many still held out hope that China's party-state would eventually evolve toward pluralism and democracy, while others remained happy with the prospect of stable coexistence with an inward-looking, authoritarian China. As recently as a decade ago, few observers expected any significant change to this longstanding status quo.

Today, this old status quo seems long gone—dead and buried. The US and its allies and partners are locked in a series of tense military standoffs across territorial flashpoints stretching from the Diaoyu/Senkaku Islands to China's frontier with India. The standoff across the Taiwan

Strait seems like the most dangerous one—the one most likely to trigger an uncontrolled escalation that might lead to a third world war. China is locked in arms race with a US-led coalition, as experts speculate on how the newest infusions of resources and new weapons systems might alter the outcome in various war scenarios. US efforts to strengthen ties with allies and partners are similarly broad. Again, the most striking change is vis-à-vis Taiwan—with the Trump Administration sending training troops to the island while highlighting planning and preparations for Taiwan’s defense and the Biden Administration adding repeated promises to defend Taiwan against a Chinese attack.

Complementary changes are occurring in international economic policy. There is a systematic “de-risking” of the international division of labor, in which single global supply chains rooted in China are replaced by two or more supply chains—one mostly to supply the China market and one or more others mostly to supply other major markets. New investment and technology transfers to China and investment from China have been sharply restricted, particularly in the overlapping areas of high technology, critical supply chain components, military and dual-use technology, and critical infrastructure. Again, Taiwan is at the center of these changes, with its world-leading semiconductor sector shifting investment and supply patterns from China and Taiwan to North America, Japan, and Europe.

Why, under Trump and Biden, did the US so fundamentally change its security and economic policies toward China and Taiwan? There is no shortage of explanations. First, many attribute the change in US strategy to structural changes in relative power. The power parity theory (Organski, 1968; and, as applied to the US and China, Can & Chan, 2022) argues that, as the dominant or hegemonic world power is challenged by another great power rising toward approximate parity, frictions and eventually conflict become likelier as each anticipates future

conflict and takes measures to prepare. Some structural realists take a similar view (e.g., Mearsheimer, 2021). A related but distinct argument concerns changes in relative power. If one power—usually the rising power—is expected to grow significantly faster than the other, such that the faster-growing power will be in a much stronger position in the future, then the soon-to-be-weaker power might be expected to take preventive action in the present (e.g., Van Evera, 1999, pp. 73-104). Preventive action could take the form of undermining the growth potential of the faster-growing power or going to war sooner rather than later. All of these relative power-related theories predict that the US will shift toward a more confrontational China strategy.

Others emphasize leadership changes. Most China experts view Xi Jinping as qualitatively different than the preceding three leaders—Deng Xiaoping, Jiang Zemin, and Hu Jintao, who presided over China’s Reform and Opening Up phase of political stability and economic development. China’s foreign policy during Reform and Opening Up is often described using Deng’s guidelines: “Observe calmly; secure our position; cope with affairs calmly; hide our capacities and bide our time; be good at maintaining a low profile; and never claim leadership.”<sup>1</sup>

By contrast, Xi’s signature goal is a ‘New Era’ in which he leads China in harvesting the fruits of Reform and Opening Up—attaining ‘national rejuvenation’ at home and on the world stage in his own lifetime. This includes the central concrete goal of absorbing Taiwan. Xi, relative to his predecessors, cares more about these goals and about attaining them more quickly, rather than remaining content with continued Reform and Opening Up (Economy, 2018, pp. 2-18, 186-206; Lam, 2024, pp. 12-14, 143-162, 172-176; Shambaugh, 2021, 280-317).

---

<sup>1</sup> For an early version, see Deng (1989).

The US, facing a more aggressive Chinese leader, responded by adjusting traditional strategy accordingly. The Nixonian engagement strategy was set aside in favor of an updated version of the Cold War-era containment strategy. Some have also argued that President Trump played an independent role in initiating the US strategy change. Trump is often viewed as a transactional leader bent on bargaining for better outcomes with friends and foes alike. When Trump confronted China from a new perspective and made new demands—especially involving trade policies and the balance of trade—a confrontation followed, producing what are likely to be lasting changes in US strategy (e.g., Ashbee & Hurst, 2022).

Still others believe that developments in Taiwan have destabilized US-China relations. Public opinion polls show that Taiwanese identify less and less as Chinese and more and more exclusively as Taiwanese (Election Study Center, 2024b). Similarly, the more anti-China party in Taiwan's two-plus party system, the Democratic Progressive Party, has won an unprecedented three presidential elections in a row (2016, 2020, and 2024) and has plowed more resources into a modernized defense strategy. These changes in Taiwanese society, politics, and strategy, by imperiling China's hope for peaceful unification, have provoked China into a more aggressive posture (e.g., Dreyer, 2024; Hsieh, 2017)—which has in turn led the US to try to deter China.

Each of these explanations has strengths and weaknesses. We use the conflict bargaining framework to integrate the three types of explanation and assess their relative importance. The relative power explanation helps to explain significant changes in Chinese and US strategies, but does not account well for the timing of the changes. The developments in Taiwan, too, help to explain strategy changes, while falling short in accounting for their timing. The changes in leadership preferences—especially those of Xi—are particularly helpful in explaining the timing of the strategy changes and also the forms and sequencing of these changes.

The next section summarizes the changes in US policy toward the China-Taiwan conflict, in the context of broader changes in US policy toward China. Then, a theoretical section uses the conflict bargaining framework to set out multiple potential causes of the changes in US policy: changes in relative military power between China on the one hand and the US and its allies and partners on the other; changes in status quo conditions prevailing in Taiwanese society, politics, and policy; and changes in leadership preferences in China and the US. The framework is then applied to assess the relative importance of these factors in explaining the changes in US policy. The concluding section summarizes the argument and discusses policy implications.

### **US Policy toward the China-Taiwan Conflict: The Rise and Fall of ‘Strategic Ambiguity’**

In the early part of the Cold War, US policy toward China and Taiwan crystallized following China’s entry into the Korean War. The US would not only continue to recognize the Nationalist government, which had fled to Taiwan in 1949, as China’s legitimate government. It now viewed China as a close partner of the Soviet Union and as a threat to US and allied security throughout the East and Southeast Asian regions. The US military and economic containment strategy was broadened to include China alongside the Soviet Union. The Nationalist government on Taiwan, which was initially shunned following its defeat on the Mainland, was now offered a military alliance. US naval and air power made a cross-strait invasion impossible (Sun, 2024, pp. 25-37). Mao Zedong’s China saved the North Korean regime, but lost the capacity to impose control over Taiwan for the foreseeable future. Mao was limited to contesting control over small Taiwan-controlled islands close to the Mainland (Elleman, 2015).

In the early 1970s, President Richard Nixon sought to capitalize on the growing rift between China and the Soviet Union. US support helped to deter the Soviet Union from targeting Mao's leadership, while Mao's bluster and unpredictability disrupted Soviet propaganda and diverted Soviet resources. To advance these strategies, the US agreed to shift diplomatic recognition from the Taipei government to the Beijing government—giving the People's Republic control over China's permanent, veto-wielding seat on the United Nations Security Council. The US recognized only 'One China,' but did not recognize China's claim to sovereignty over Taiwan (Sun, 2024, pp. 105-121).<sup>2</sup>

Following Mao's death, Deng Xiaoping embarked on the Reform and Opening Up policy, seeking friendly, stable relations with the US and its allies as part of his effort to modernize China's economy through market reform and international trade, investment, and technology transfers. In 1979, President Carter, to strengthen relations with China and reduce US obligations abroad, abrogated the defensive alliance with Taiwan. The US Congress responded by passing the Taiwan Relations Act, which mandated that the US government sell Taiwan weapons sufficient for its defense. The US was no longer obligated to fight to defend Taiwan, but neither Congress nor later presidents accepted Carter's effort to abandon Taiwan entirely. So as not to disrupt Reform and Opening Up, Deng sought to absorb Taiwan peacefully through a 'One Country, Two Systems' arrangement, in which Taiwan would be allowed to retain political and even military autonomy as long as it accepted Beijing's sovereignty. Deng threatened to use force only if Taiwan sought nuclear weapons, allowed foreign troops to be based on its soil, or declared formal independence separate from China (Overholt, 2019).

---

<sup>2</sup> The US's position is usually referred to as the One China Policy and China's as the One China Principle.

Taiwan, protected by the ocean barrier, provided with US weapons, and reassured by Deng's emphasis on stability and development, remained secure for the time being. Thus evolved the US policy of 'strategic ambiguity': the US might or might not come to Taiwan's defense, based on whether China and Taiwan continued to accept the new status quo. The US probably would defend Taiwan if China launched an unprovoked attack. But it probably would not if Taiwan declared formal independence from China or otherwise provoked China unnecessarily.

Meanwhile, China's economy took off and international trade and investment boomed. In 2001, the US and its allies and partners agreed to admit China into the World Trade Organization—thus granting China permanent market access equal to other WTO members. China's economy followed the path of other fast-growing East Asian economies such as Taiwan and South Korea, and, based on its demographic size and market access, became the 'factory of the world.' Before the Reform and Opening Up, China accounted for under one per cent of global trade; by 2020, that had ballooned to 14.7 per cent, far exceeding the US' 8.1 per cent (Nicita & Razo, 2021).

US policy assumed that, as China became richer and more economically integrated, the Communist Party regime would become a stakeholder and supporter of the US-led world order and might even evolve internally toward a democratic, rule-of-law system. With the collapse of the Soviet Union and China's continued rapid growth, the logic of maintaining stable relations with China shifted from working together against the common Soviet enemy to taming and socializing a rising China while capturing the associated economic benefits.

During the Trump Administration, US policy began to change fundamentally. US national security strategy recognized China as the primary threat and made corresponding



changes in military posture and alliance relations.<sup>3</sup> President Trump also viewed China as an economic threat, imposing significant new tariffs in 2019 to pressure China to adopt more non-discriminatory, rules-based trade, investment, and intellectual property policies and to reduce the trade imbalance with the US. Cutting across security and economic policy, a “Clean Network” campaign sought, with significant success, to remove telecommunications equipment made by Huawei and other Chinese producers from the networks of the US and its allies and partners (USCESRC, 2020, pp. 213-227). Significant new restrictions were also placed on sensitive technology transfers (USCESRC, 2023, pp. 474-477, 482).

Taiwan was at the center of the military side of the US policy reorientation. A National Security Council policy statement (McMaster, 2018, pp. 5, 7), declassified in 2020, sought to ‘Devise and implement a defense strategy capable of...defending the first-island-chain nations, including Taiwan...’, in part by ‘Enabl[ing] Taiwan to develop an effective asymmetric defense strategy and capabilities...’ Thus, the Trump Administration sought to bolster Taiwan’s defense with more advanced, suitable weapons (including both upgraded F-16s and asymmetric weapons systems such as anti-ship, anti-aircraft, and anti-tank missiles). For the first time in decades, the US sent military trainers to Taiwan (Lubold, 2021).

The Biden Administration not only maintained the Trump Administration’s national security strategy reorientation, China tariffs, and outreach to Taiwan, but went even further. Restrictions on trade, investment, and technology transfers were enhanced for semiconductors and other high-technology areas, while \$52.7 billion in new subsidies incentivized diversification (‘de-risking’) of vital supply chains away from dependence on China (USCESRC, 2023, pp. 31-

---

<sup>3</sup> Trump’s (2017, pp. 25, 27, 45-47; also U.S. Department of Defense, 2019, pp. 7-10, 17-44) National Security Strategy placed the “Indo-Pacific” at the forefront of U.S. priorities. The idea was to create the broadest possible coalition to deal comprehensively with the threat from China.

33, 36-41, 477-479, 485-487, 617). Significant new arms sales were made to Taiwan, and still more troops sent to the island to improve training. For the first time in many decades, large arms transfers to Taiwan are being made through direct military aid (up to \$2 billion annually in 2023-2027). US military preparations continue to refocus on meeting China's threats in the Western Pacific—especially a potential invasion of Taiwan (Biden, 2022, pp. 23-24, 37-38; Ratner, 2023; USCESRC, 2023, pp. 602-603). Regional defense efforts related to a potential Taiwan conflict include the 2021 AUKUS agreement with Australia and the United Kingdom, which focuses on building nuclear submarines and other advanced military capabilities for Australia and forward-deploying US and British nuclear submarines in Australia (Townshend, 2023); and the 2023 expanded access of the US military to four new bases in the Philippines, including three in Northern Luzon that offer closer proximity to Taiwan (NHK World, 2023). Most importantly, President Biden publicly committed four times to defend Taiwan against an unprovoked attack.<sup>4</sup>

In the space of two four-year presidential administrations, then, over four decades of US policy was set aside in favor of new policies of military and economic containment and deterrence. Within the broader Indo-Pacific confrontation, Taiwan is the center of gravity and main flashpoint. Here the US has ended 'strategic ambiguity' both in words and in actions. The US now promises to defend Taiwan against attack, while reconfiguring its own forces and weapons systems and working closely with Taiwan and other allies and partners to bolster Taiwan's defense capacities. This includes significant new regional defense cooperation efforts with Japan, the Philippines, Australia, and India. Why did this momentous change happen at this time?

---

<sup>4</sup> At the same time, there is no change to the One China Policy. This does not contradict the promise to defend Taiwan against an unprovoked attack. Rather, it reiterates that the US will not support any Taiwanese leader declaring formal independence from China.

## Theory: A Conflict Bargaining Framework

The conflict bargaining framework (Rubinstein, 1982) serves as a useful, simplified theoretical approach to explaining US strategy change under Trump and Biden. Suppose that two players—the US and China—dispute the distribution of some goods or outcomes—above all, the status of Taiwan. In the simplest version, both the US and China choose among the following strategies: accepting the status quo conditions; committing to start a winner-take-all war over control of the disputed goods unless the other side agrees to a negotiated settlement that moves away from the status quo by conceding to specified demands; and, if the other side refuses the demanded negotiated settlement, launching the winner-take-all war.

If there are strategy options short of war, these too can be threatened, and the strategy changes implemented, if the other side does not accede to specified demands. In this section, we focus on explaining the logic of the model and so limit discussion to the simpler case of an all-or-nothing choice between living with the status quo and threatening war unless demands are met. The empirical discussion in the following section allows for strategy changes short of all-out-war.

The strategy choices are determined by three main variables: relative power, status quo conditions, and leadership preferences. (See Figure 1.) The greater is a given player's *relative power*, the more likely is victory in the all-or-nothing war and the lower are expected war costs, and, so, the more likely the player is to move away from the status quo by committing to launch the war unless the demands are satisfied. The higher the probability of victory, the closer the demands will be to the outcome obtained through military victory.

[Figure 1 about here]

Next, the better are the *status quo conditions*—the current conditions relative to which either side might demand change or go to war to change—the less likely a player is to benefit from moving away from the status quo to seek the outcomes expected from threatening war by making demands or by launching a war.

Third, we must consider the expected impact of variation in *leadership preferences*. Two types of leadership preferences are commonly identified. The first type of leader has intrinsic preferences over the various bargaining outcomes. The more highly valued are the ideal goals fully obtainable only via military victory relative to other possible outcomes—i.e, relative to feasible negotiated settlements, downside risks and costs of war, and status quo conditions—the more likely is a leader with intrinsic preferences to make far-reaching demands and, if these demands are not met, to launch a war. Leaders more highly valuing ideal goals relative to other outcomes can be referred to as more extremist leaders, while those less highly valuing ideal goods relative to other outcomes can be referred to as more moderate leaders.

The second type of leader—often referred to as having power-seeking or diversionary preferences—values the conflict outcomes only insofar as they influence the leaders' ability to hold onto political power. While obtaining significant concessions from the other player or launching a victorious war are assumed to have significant political benefits, losing a war is assumed to have significant political costs. Two main factors affect the calculations of a power-seeking leader. One factor is the level of ex ante threat to political power from the domestic political opposition. The greater is the internal political threat, the more highly valued is any political benefit from obtaining negotiated concessions or winning a war. On the other hand, the more adverse is relative power, the more likely are demands to be refused and the war lost,

resulting in significant political costs. Thus, the greater the political threat and the more favorable the relative power conditions, the more likely is a power-seeking leader to move away from the status quo by making demands and, if these are not accepted, to go to war.

To this simple framework, it is helpful to add the refinement that political institutions may directly constrain leaders. This is most obvious in democracies, where chief executives face ongoing checks and balances from legislatures and sometimes high courts along with periodic electoral constraints. Even in highly authoritarian regimes, chief executives' policy choices may be constrained by the need to maintain control over state institutions, including the military, via informal coalitions with other top leaders and top-down patron-client networks.

### **Bargaining Framework Explanations of US Strategy Change in the China-Taiwan Conflict**

Changes to fundamental strategies such as the US' strategic ambiguity approach to maintaining stability across the Taiwan Strait may be largely explained by some combination of changes in the three bargaining framework variables.

#### *Relative Power*

In recent decades, China's economy, military spending, and combat capabilities have been expanding much more rapidly than those of the US and Taiwan. While China still spends less than the US, the US military has far more global responsibilities and must project power over far greater distances (Eaglen, 2024; Fravel et al., 2024; US Department of Defense, 2023).

Now consider a potential conflict with China over Taiwan. As Colby (2021) argues, the key mission for defending Taiwan is deterring, and if necessary defeating, a full-scale,

Normandy-style invasion. If invasion can be defeated, it will also be possible to protect Taiwan against more limited threats from blockade or from military attacks below the invasion threshold.

China's military modernization has made invasion feasible. China has built missile, air, and naval forces capable of degrading and suppressing Taiwan's air defenses and air and naval forces; delivering, reinforcing, and resupplying an invasion force; and contesting any effort by US and allied forces to intervene across Taiwan's air and sea periphery. US air bases in the Marianas, Japan, and elsewhere in the region are vulnerable to Chinese missile strikes, and traditional US carrier-based forces would have trouble operating safely anywhere near Taiwan. Given that China's invasion fleet would also be vulnerable to US precision strikes, China would probably prepare an invasion of Taiwan with strikes on US bases in the region and possibly beyond the region (Cancian et al., 2023; US Department of Defense, 2023, pp. 140-148).

Defeating a Chinese invasion requires that Taiwan's military bottle up the invasion force near its bridgeheads and limit capture and use of Taiwanese ports and airfields, while US-led air and naval forces degraded the Chinese sea and air fleets attempting to reinforce and resupply the invasion force. Use of Japanese airfields is considered necessary for success, given the limited capacity and vulnerability of US airfields in the Marianas. Thus, in any successful defense of Taiwan against invasion, US and Japanese forces would have to fight together—albeit with different missions appropriate to their capabilities. At relative capabilities estimated for 2027, the most widely cited wargame (Cancian et al., 2023) estimates with some confidence that an invasion would be defeated, but at significant cost to US and allied forces. Both China and the US view a Taiwan invasion scenario as the highest priority in current and near-term planning, procurement, and training. Uncertainty about relative power is further increased by the constant

efforts from both sides to shore up its own weaknesses while taking greater advantage of the enemy's.

Other things equal, as China's relative military power increases, China should become more likely to demand that Taiwan accept a 'One Country, Two Systems'-like arrangement and, if the demand is not accepted, to invade or blockade Taiwan. This rising risk would tend to destabilize the US strategic ambiguity approach. If the US were to maintain such an ambiguous policy indefinitely as China's power to invade Taiwan grew, it would send a message of indecisiveness and weakness and make a full-scale confrontation likelier. Thus, rising relative Chinese power tends to force the US to choose between committing clearly to Taiwan's defense and abandoning Taiwan (Haas & Sacks, 2020).

#### *Status Quo Conditions*

The relevant status quo conditions are the political and other conditions, mainly in Taiwan, that bear on the acceptability and value of the status quo. Since Taiwan's transition to democracy in 1987, the main changes and continuities are in Taiwanese values and associated policy preferences. First, there is the continued, gradual rise in an exclusively Taiwanese political identity. From 1992 to 2024, those identifying exclusively as Taiwanese have risen from 17.6 per cent to 64.3 per cent; as identifying as exclusively Chinese have fallen from 25.5 to 2.2 per cent; and as both Taiwanese and Chinese have fallen from 46.4 to 30.4 per cent. (See Figure 2.)

[Figure 2 about here]

Second, there is continued caution about translating an increasingly strong Taiwanese identity into the risky option of seeking formal political independence and, thus, there is continued strong support for maintaining the political status quo. From 1994 to 2024, support for maintaining the status quo in the short run has remained roughly constant, at well over 90 per

cent. The most pronounced changes are the rise of ‘maintain status quo, move toward independence’ from 8.0 per cent in 1994 to 22.4 per cent in 2024 and of ‘maintain status quo indefinitely’ from 9.8 to 33.6 per cent, alongside the decline of ‘maintain status quo, move toward unification’ from 15.6 to 5.5 per cent. (See Figure 3.)

[Figure 3 about here]

Reflecting these underlying continuities and changes in public opinion, there has not been much change over time in the preferences of the two main political parties and their successive presidents. The Democratic Progressive Party (DPP), along with its presidents, Chen Shui-bian (2000-2008), Tsai Ing-wen (2016-2024), and Lai Ching-te (2024-), embrace an exclusively Taiwanese identity and hover between the policy options of ‘maintain status quo, move toward independence’ and ‘maintain status quo indefinitely,’ while the Nationalist Party (KMT), along with its president, Ma Ying-jeou (2008-2016), and its losing presidential candidates, maintain a mixed Taiwanese-Chinese identity and hover between the policy options of ‘maintain status quo, move toward unification’ (at some indefinite future time when the Mainland regime no longer threatens Taiwan’s democratic way of life) and ‘maintain status quo indefinitely.’

The 2014 Sunflower Movement during President Ma’s second term was a pivotal and telling event. Opponents criticized a proposed services-investment agreement with China as imperiling the independence of Taiwan’s mass media and the security and reliability of critical infrastructure and other sensitive services. Students and other protestors occupied the Legislative Yuan (parliament building) for three weeks (Rowen, 2015), and the proposed agreement with China was defeated. So, too, was the ruling KMT in the succeeding 2016 election, largely because the public perceived the KMT as being too willing to imperil Taiwan’s de facto independence to improve relations with China.



Then, following Beijing's high-profile confrontation with Hong Kong's democratic opposition in 2019-2020, Tsai and the DPP were able to win reelection in 2020. Given the DPP's poor performance in the 2018 midterm elections, the DPP's recovery in 2020 is widely attributed to the crackdown on Hong Kong's freedoms. "The harsher the oppression China deployed against the protestors in Hong Kong, the more support President Tsai gained" (Lai 2020). The death of 'One Country, Two Systems' in Hong Kong made the threat from China far more salient, undermining the KMT's claim that the status quo was most reliably protected by cooperating with Beijing.

Under Tsai's DPP governments, Taiwan began to increase defense spending gradually from the low level it had reached under Ma. Under Tsai, defense spending as a share of GDP rose from about two per cent under Ma to about 2.5 per cent. Tsai also invested more heavily in asymmetric defense strategies—using lighter, cheaper, and more survivable missiles and drones—alongside traditional symmetrical ones—which relied on a smaller number of more expensive and vulnerable planes and ships.<sup>5</sup>

To summarize, the gradual shift toward an exclusively Taiwanese identity continued, solidifying opposition to policies that might lead toward eventual unification with China. At the same time, however, a large majority understood that moving away from the political status quo toward formal independence would simultaneously provoke China and alienate the US, thus imperiling Taiwan's de facto independence. The political parties and their presidents have been correspondingly constrained in their policies. Hence, it seems unlikely that the trend toward an exclusively Taiwanese identity had a significant effect on US policies. On the other hand, given the Taiwanese public's continued, overwhelming support for the political status quo in the near

---

<sup>5</sup> On the importance of adopting a more asymmetric defense strategy, see Gomez (2023) and Timbie & Ellis (2021/2022).

term, the US can move away from strategic ambiguity without worrying that Taiwan will declare formal independence and trigger a showdown with China. Given the severity of the Chinese threat, the US no longer needs to maintain strategic ambiguity to restrain Taiwan.

What about the shift toward more a greater, more effective defense effort under Tsai? Here, too, there may be some effect. The US cannot mount an effective defense of Taiwan without Taiwan itself bearing a sufficient share of the burden—particularly in preventing the rapid breakout and success of a Chinese invasion and thus providing time for US assistance to tell against China’s more protracted effort to reinforce and resupply the invasion force. There is also a Trumpian corollary (see below): if Taiwan is not going to make a reasonably strong effort to defend itself, proportionate to its great economic and technological capabilities, how can the US be expected to make a disproportionate effort and sacrifice to do so? In this sense, the Taiwanese awakening or quickening associated with the Sunflower Movement, the destruction of Hong Kong’s freedoms, and their political aftershocks was important in making a stronger US commitment to Taiwan’s defense more feasible militarily and politically. However, the enabling conditions in Taiwan do not do much to explain the timing of the US strategy changes.

#### *Chinese Leadership Preferences*

Under Xi, the CCP’s official new ideology is “Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era.” Xi’s New Era is commonly interpreted as motivated by either intrinsic or power-seeking preferences. If Xi means what he says, he aspires to lead China to a central position in the world while he is in power—rather than continuing to wait indefinitely for the fruits of China’s growing relative power to ripen in the manner recommended by Deng (CPC, 2017; Xi, 2017; Xi, 2022). If Xi’s pronouncements are a façade or means for seeking more secure internal political power, then his policies should be more strongly tailored to avoid harm

to political legitimacy and risks to political power. Which view of Xi's preferences is most plausible?

Xi's policy changes from previous leaders are not well-explained by purely power-seeking motives. It seems unlikely that Xi's predecessors, Jiang Zemin and Hu Jintao, were less power-seeking than Xi. Nor, after Deng crushed the Tiananmen movement in Beijing and across China, did Jiang and Hu have any significant problem preserving the CCP's power and authority. Xi's most distinctive policies, moreover, do not seem calculated to guard the CCP regime's political legitimacy. Rather, they have accumulated an unprecedented combination of institutional authority and policymaking control and enabled Xi personally to lead China more quickly and decisively toward what he calls 'national rejuvenation' at home and abroad.

In Xi's first five-year term, he ruthlessly purged the rival Jiang and Hu factions within the CCP, state apparatus, and the People's Liberation Army (PLA), while using broader repression and anti-corruption campaigns to cow the broader society (Feldman, 2023). This allowed Xi to end Deng's institutional term limits, put himself in direct control over all important areas of policymaking (making himself the 'Chairman of Everything'), and restore a 'cult of personality' glorifying his leadership (Lam, 2024, pp. 12-13, 32-39, 58-61; USCESRC, 2023, pp. 28-84).

Using regulatory and financial levers, Xi has solidified the dominance of state-owned enterprises in the economy, marginalized foreign companies, and conducted a more ambitious industrial policy that aspires to put Chinese firms in leading positions across all major high-tech sectors of the world economy. Xi's response to nearly every domestic problem or threat is more top-down regulation—such as restrictions on private tutoring, popular culture, online gaming, business uses of customer information, fintech, and real-estate financing methods (Lam, 2024, pp. 109-123; Naughton, 2021; Roberts, 2021; USCESRC, 2021, pp. 214-230). Such restrictions

typically mask rather than address underlying problems, while undermining economic confidence. Cumulatively, these policies reduce efficiency and discourage new private investment.

In foreign security policy, Xi has mobilized greater military force and used more threatening demonstrations of power and more far-reaching incursions against China's rivals across all major territorial disputes—not only against Taiwan, but also around the Diaoyu/Senkaku Islands against Japan, in the South China Sea against the Philippines and Vietnam, and along the disputed border with India. In the diplomatic arena, the carrots of 'Belt and Road' investment are coupled with the sticks of 'Wolf Warrior' rhetoric and punitive economic sanctions against any country that defies China. Xi's China also ended Hong Kong's autonomy and played complex, murky roles in the Covid shock (Lam, 2024, pp. 146-176; US Department of Defense, 2023, pp. ix-x, 10-19, 25-27, 121-131, 137-140). In foreign economic policy, Xi's China no longer seeks to integrate into a decentralized, competitive international division of labor, but to exercise a controlled domination from the commanding technological heights (USCESRC, 2020, pp. 43-52).

Such policy changes inevitably generate foreign economic policy reactions at both the state and firm levels. Rival states, motivated by both economic and security threats, have predictably moved to protect capital-intensive sectors threatened by Chinese industrial policies and to de-risk supply chains that are overly dependent on China. Taiwan and the US have been the leaders of this reaction, but Japan, South Korea, and European states have followed. Multinational firms observe these policy trends and responded by re-orienting their production and investment in China to supply the narrower Chinese market rather than the entire world (USCESRC, 2023, pp. 29-68). Apart from the negative short-term effects on growth, this limits

China's access to foreign investment, new technology, and innovative management methods just as China seeks to compete directly with the world's most advanced economies.

Xi's control-oriented domestic economic policies and more ambitious and confrontational security and foreign economic policies, by weakening China's economic performance, strike at the heart of CCP legitimacy. Nor are such policies necessary to burnish legitimacy via Chinese nationalism. This can be done via cheaper nationalist talk, especially in a state with such overwhelming control over information—as Xi's predecessors have done ever since Tiananmen via the 'patriotic education' campaign (Zhao, 1998). Xi's heightened authority and distinctive policy initiatives have thus undermined the CCP's economic legitimacy without any compensating advantage to its nationalist legitimacy.

In Xi's case, moreover, *modus operandi* or habitually preferred methods also appear to play an independent, reinforcing role in explaining more assertive foreign policies. As can be seen from the above catalog of policies both domestic and foreign, Xi seems to approach nearly every issue with a similar recipe of top-down, control-oriented solutions, even as the consequences are often counter-productive (Lam, 2024, pp. 12-13, 32-39, 58-61).

If Xi's preferences and habitual methods are as advertised in his ideology and broader range of policies, then, at any given levels of relative power and under any given status quo conditions, China has become likelier to move away from the status quo, toward crisis and conflict over Taiwan. In the language of military strategists, China under Xi's leadership has become harder to deter. As with the more gradual shift in relative power in China's favor, this tends to destabilize the US strategic ambiguity approach. By pushing the US to reassess strategic ambiguity at an earlier point in time, when relative power had not shifted as much in China's favor, Xi's preferences and associated policies made it likelier that any shift away from strategy

ambiguity would be in the direction of committing to defend Taiwan against forced unification. The change in preferences under Xi, then, help to explain both the direction and the timing of Chinese and US strategy changes.

### *US Leadership Preferences*

Since the Nixon-Kissinger realignment in China relations, the US has highly valued both good relations with China and preserving Taiwan's de facto independence. More ideal goals, such as China accepting Taiwan's de jure independence or China permanently accepting Taiwan's de facto independence—like the early Cold War-era goal of defeating the CCP on the Mainland—were not valued highly enough to pursue using threats or force, given the very high associated risks and costs.<sup>6</sup> Beginning with Barack Obama, US presidents—reacting to the high costs and disappointing outcomes in Afghanistan and Iraq—have been more hesitant about foreign military intervention where vital national interests are not at stake. At the same time, there remains a consensus that the Western Pacific—where important US allies and partners including Taiwan confront increasing threats from China—is a core area of vital national interests (Sun, 2024, pp. 257-317).

Both Trump (2017, pp. 45-47) and Biden (2022, pp. 23-25) identified China as the primary rising threat to the US and its allies and partners. Based upon preferences toward the Western Pacific region that were quite similar to their predecessors, both Trump and Biden reoriented US defense procurement, force postures, and military planning to focus on the rising threat from China.

---

<sup>6</sup> The Carter Administration (1976-80) is the main exception to this generalization. Carter sought to retrench from US commitments to allies and partners across the board. This was most marked in the case of Taiwan: Carter withdrew from the US defense treaty with Taiwan. This prompted the US Congress to pass the Taiwan Relations Act, which promised to provide Taiwan with weapons sufficient for self-defense.

Trump, in addition, also regularly sought better international economic bargains for the US. In economic relations, this often meant renegotiating trade agreements to obtain terms considered to be more equitable. In alliance relations, it led to more insistent demands that allies bear a share of the defense spending burden closer to that borne by the US. Trump regularly pursued these policies despite often-negative short-term economic consequences—indicating that they reflected intrinsic preferences or habitually preferred methods and were not driven exclusively by power-seeking motives.

Consider the attempts to renegotiate trade relations. Trump observed limits to these efforts, seemingly in accordance with the fairness of initial trading relations and the extent of U.S. economic bargaining power. Among all major trading partners, trade norms were most heavily violated by China—particularly in subsidizing Chinese companies, discriminating against foreign multinationals in China, and stealing intellectual property. Where U.S. leverage was greater—as with Canada and Mexico, Japan, and South Korea—Trump was able to obtain what he considered favorable revisions in trade agreements. For the European Union, inconclusive bargaining occurred, without any disruption of trade relations. In the case of China, Trump extracted an interim agreement with some revisions, alongside ongoing, higher trade barriers. This interim agreement—like any agreement with China—could not be reliably enforced (USCESRC, 2020, pp. 213-230; Vangrasstek, 2021).

Biden retained Trump’s existing China trade policies, while significantly deepening restrictions on exports and technology transfers across a range of high-technology sectors or areas. These efforts were coordinated with European and East Asian allies (USCESRC, 2023, pp. 29-68). U.S. oversight and regulation of investment, trade, technology transfers, and intellectual exchanges with China is looking increasingly like that prevailing with the Soviet Union.

To summarize, US leadership preferences have not changed fundamentally, but US strategy choices have changed in response to perceptions of a qualitatively increased threat from China. The Trump Administration seems in retrospect to be a tipping point for strategy change. China came to be viewed as a more dangerous threat, both in general and in the core conflict over Taiwan. US security and economic policies have been reoriented accordingly. The strategy changes are deep, continuing, and apparently lasting. Most significantly, the changes included, under Biden, the repeated promises to come to Taiwan's assistance in the event of a Chinese attack. Trump's preference or habitual method of seeking improved international bargains helps to explain increased frictions in US-China relations, but doesn't adequately explain the full extent or the lasting character of US policy change.

### **Assessing the Relative Importance of Explanatory Factors**

As US policies toward China and Taiwan were realigned during the Trump and Biden Administrations, there were changes in all three major bargaining framework variables. China's relative economic and military power continued to grow gradually, as it had done in previous periods. Status quo conditions in Taiwan also changed. The strength of Taiwanese identity continued to shift gradually in a manner adverse to China's unification goal, while Taiwan's defense spending and strategy began to shift away from the stagnant, increasingly obsolete Ma-era efforts. Next, China under Xi saw an abrupt shift away from Dengist preferences and policies toward more ambitious goals and more confrontational policies. The US under Trump and Biden did not see significant changes in leadership preferences, although Trump had a stronger desire to bargain for more advantageous economic and defense burden-sharing arrangements.



Nevertheless, both Trump and Biden perceived a qualitatively increased threat from China—in the Western Pacific generally and to Taiwan in particular. Both shifted US defense strategy accordingly, culminating in Biden’s commitment to defend Taiwan against attack.

While all three explanatory factors appear to have made some contribution toward the change in US policy, the most important factor appears to be the change in China’s leadership preferences under Xi. The changes in relative power and in Taiwanese identity were gradual changes that long preceded the change in US policy. Hence, taken alone, they do not well explain the timing of the US policy change. Similarly, continued public support for maintaining the political status quo and Tsai’s somewhat more effective Taiwanese defense strategy, by themselves, would be unlikely to prompt a fundamental change in US strategy—despite playing a role in enabling such a change. Without the change in China’s leadership preferences, US policies might easily have remained largely unchanged for an indeterminate, potentially lengthy time-period. If we look back to the year 2012, when Xi came to power, expert opinion did not show any significant expectation of an unfavorable change in US-China relations—even as trends in relative power and Taiwanese identity were expected to persist. Xi’s leadership was expected to follow the long-established, apparently sacrosanct Deng-era pattern. If anything, Xi was expected to be a moderate reformer, who might further liberalize Chinese economic policy and bring about improved relations with the US and its allies and partners (e.g., Cabestan, 2012 and Li and McElveen, 2013).

It can be argued that US-China relations were worsened by Trump’s demands to renegotiate trade relations. But this explanation too has significant limitations. Trump did not attempt to renegotiate trade relations until 2018, six years after Xi acceded to power. By then, Xi had already laid out his more ambitious goals and adopted more confrontational strategies across

the entire range of conflict areas. Nor did Trump's trade policies produce any significant change in China's national security and economic policies. Rather, the tough response to Trump reflected Xi's preexisting goals and strategies. For example, the goals and policies laid out by Xi in 2017 at the Nineteenth Party Congress were nearly identical to those of 2022's Twentieth Party Congress.

A different point about the Trump policies is that the changes in national security strategy—the new “Indo-Pacific,” China-focused approach and the associated changes in procurement, planning, and force structure—were largely independent of the changes in trade policy and, again, preceded them. This point can be coupled with the argument that a different US president might not have chosen to make such significant changes at that point in time. Yet it is also true that, while the Biden Administration reversed or changed many Trump foreign policies, that did not include policy toward China and Taiwan. Again, the Biden Administration viewed Xi's China differently enough to feel compelled to repeat the promise to defend Taiwan against attack on four different occasions. Presumably, this was because there was a strong fear that, otherwise, Xi might easily order an attack or blockade.

Both Administrations viewed Xi's China as a qualitatively greater threat and both adopted correspondingly stronger responses. Had Xi followed in the Dengist footsteps of Jiang and Hu—and had Xi had stepped down from power in 2022 and been succeeded by another Dengist—it is doubtful that US policies would have changed so abruptly. Had there been no significant change to Dengist goals and policies, relative power would probably have continued to move more quickly in China's favor; and any eventual change in US strategy would likelier have been in the direction of abandoning Taiwan's defense.

There are also more nuanced questions to be asked about possible indirect effects among the bargaining model factors. Figure 4 shows possible indirect effects of changes in relative power, status quo conditions, and US leadership preferences on China leadership preferences. Each of these possibilities is worth considering. First, did China's rising relative power increase the probability of a more Xi-like leader? Here it is important again to distinguish between preferences and strategy choices. Other things equal, greater relative power makes a more confrontational strategy likelier. This would also be true, albeit to a lesser extent, for a Dengist leader. On the other hand, it is not clear that variation in relative power has any predictable effect on leadership preferences. If an entity is gaining relative strength, or losing it, does it make sense that a new leader will more or less highly value ideal upside outcomes of conflict relative to the status quo and to downside risks and costs of conflict?

[Figure 4 about here]

More contingent answers to this question may be possible if we take into account institutional conditions prevailing in a state at a time of leadership change. In the face of rising relative power, the viewpoint of a Dengist leader would be that there is no rush—that continued increases in relative power would make it easier to pluck the Taiwanese fruit, without a risky, costly confrontation, at some point farther in the future. That is the logic of Deng's One-Country-Two-Systems strategy. Given the successes of Dengist leaders in gradually strengthening China at home and abroad, there is no particular reason to expect a leader with different preferences at the point that Xi came to power. Most observers believe that Xi was chosen to succeed Hu largely for factional reasons and partially because Xi was not viewed as having significantly different preferences from his predecessors (e.g., Lam, 2024, pp. 22-23). To put it differently, had Xi made his preferences clear, it seems highly unlikely that he would have

been chosen. Also, there is no evidence that Xi's preferences changed once he assumed power. There is a strong continuity from his earliest statements of goals and principles to his later ones.<sup>7</sup>

Similar points can be made about the effects of changes in status quo conditions and US leadership preferences. There is no abstract theoretical reason to expect that changes in status quo conditions or US leadership preferences will tend to change China leadership preferences in any particular direction. Again, we can try to reason more specifically by considering the characteristics of the CCP party-state. At the time Xi was chosen to succeed Hu, around 2007, and since Xi came to power, there has been the same gradual rise in exclusively Taiwanese identity as there was in the years before. While this might arguably make a more confrontational Chinese strategy likelier, it does not help to explain the timing of change in China leadership preferences. In the case of US leadership preferences, there is no significant change to create a potential predictor of change in China leadership preferences. As discussed, the biggest change, under Trump, was marginal, was preceded by Xi's own changes, and would likely have had little lasting effect had a Dengist leader been in power. It is hard to escape the conclusion that the change in leadership preferences under Xi was an exogenous shock.

Figure 5 shows another possible type of indirect effect—from China leadership preferences via status quo conditions in Taiwan. Again, there is a distinction to be made between pure logic and actual historical conditions. In terms of pure logic, does a more ideologically extreme or hawkish enemy along with a greater threat of the type posed by China toward Taiwan, make people, on average, more hawkish or more dovish? It seems hard to say. Turning to historical evidence of China-Taiwan relations, however, we do see a pattern. When CCP leaders have attempted to influence Taiwanese behavior by increasing threats, as has often

---

<sup>7</sup> Compare Xi (2019), a speech given in 2013, with Xi (2017) and Xi (2022).

occurred before Taiwanese elections, the result has typically been to increase support for the DPP over the KMT (Lai 2020). Do such events accelerate the long-term trend of a higher share of the population adopting an exclusively Taiwanese identity? Do they make it likelier that Taiwan will spend more on defense and adopt more effective defense strategies? Probably so, although it is not clear by how much. The same can be said for Xi's more confrontational policies toward Taiwan and Hong Kong. Thus, there may be some indirect effect of Xi's more hawkish preferences and more confrontational policies in changing status quo conditions in Taiwan. In turn, such a stronger Taiwanese identity and more robust Taiwanese defense efforts made it more likely that any change in US strategy toward Taiwan would be in the direction of more strongly guaranteeing Taiwan's security.

[Figure 5 about here]

### **Conclusions**

The traditional Nixonian policy sought to promote good relations with China by shifting diplomatic recognition to the Mainland regime. After the Carter Administration withdrew from defense treaty with Taiwan, Congress' Taiwan Relations Act promised to supply weapons to defend Taiwan. But there was no effort to restore the formal commitment to come to Taiwan's defense in the event of a PRC attack, and US strategy was left 'ambiguous.' During the early decades of Dengist Reform and Opening Up, such strategic ambiguity was not destabilizing for a number of reasons. PRC leaders emphasized stability and cooperation in relations with the US and its allies and partners as a means of supporting the trade, investment, and technology transfer necessary to China's economic development. Along these lines, Deng also established the 'One

Country, Two Systems' approach to Taiwan, which aimed to achieve unification over the long run by a peaceful process, in which Taiwan would retain maximum autonomy after accepting Beijing's sovereignty. Despite China's rapid military modernization after Tiananmen, the PLA was for a long time incapable of mounting a Normandy-style invasion of Taiwan.

During the Trump and Biden Administrations, there was a fundamental reassessment of relations with China. The US came to see Xi Jinping's China as a dangerous threat to US allies and partners—most of all Taiwan, but also Japan, the Philippines, India, and even Australia and a number of Pacific Island states. China's economic modernization did not transform China into a stakeholder in the international division of labor that accepted the traditional rules of the game. Rather, China continued to discriminate in favor of local firms in its home market, while subsidizing their expansion abroad and massively stealing foreign technology. Xi intensified these policies. This economically modernizing China now began to compete directly with the US and its allies in capital-intensive, high-technology sectors. Given China's scale, this threatened to put China in a dominant position both economically and militarily, while threatening the security of other states' critical infrastructure and supply chains.

As a result, US policy was transformed across both security and economic dimensions. Both the Trump and the Biden Administrations came to view China as by far the most significant, most pressing, and most dangerous threat to the US and its allies and partners. US planning, procurement, and training was transformed along with its relations with allies and partners to focus on the threat from China. On the economic front, the US adopted a broad 10 per cent tariff against Chinese products, while ramping up restrictions on technology transfers and sales of high-technology inputs to China. Taken alongside China's own policies, this triggered a realignment of global production and trade, away from single supply chains focused on China

toward dual or multiple supply chains in which production for non-Chinese markets was less dependent on Chinese supply chains.

The US' narrower policies toward China and Taiwan were transformed in the same ways. Taiwan was viewed as most threatened by China. War contingencies across the Taiwan Strait became the central scenario for US defense preparations in the Western Pacific. The US cooperated closely with Taiwan in increasing and refining defense preparations, including greater reliance on asymmetric weapons systems and improved training and war planning. The Biden Administration's repeated public commitment to come to Taiwan's aid in the event of attack was a culminating indicator of this larger effort. The US and its allies also sought to alter Taiwan's place in global supply chains—above all in the crucially important, Taiwan-centered semiconductor sector. Local production subsidies and trade and technology transfer barriers against China sought to limit semiconductor production in China, while incentivizing Taiwan Semiconductor Manufacturing Company (TSMC) and other firms to locate minimum-scale semiconductor production in North America, Japan, and Europe.

Why did these changes happen when they did? Why in particular was the longstanding strategic ambiguity policy abandoned? The bargaining framework and causal evidence point to multiple significant factors. China's relative economic and military power continued to grow, making China increasingly capable of invading Taiwan—even if the US military intervened in Taiwan's favor. Status quo conditions gradually moved against China, with an exclusively Taiwanese identity becoming dominant and Taiwan's defense preparations beginning to awaken from a long and dangerous slumber. These trends in the Taiwanese status quo gave China greater reason to risk crisis and conflict to prevent further adverse change. Most importantly, China's leadership preferences shifted dramatically away from long-established Dengist norms. Xi

Jinping announced a New Era of ambitious, nearer-term goals and adopted correspondingly confrontational security and economic policies. Absorbing Taiwan has been the centerpiece of Xi's foreign policy ambitions. The gradual but incrementally significant changes in relative power and status quo conditions made any given Chinese leader more likely to risk conflict, while Xi's more ambitious, impatient preferences indicated that China would now be more willing to risk conflict at any given level of relative power and under any given status quo conditions. While US leadership preferences did not change significantly, the changes in relative power, status quo conditions, and Chinese leadership preferences made war over Taiwan increasingly likely. Both the Trump and the Biden Administrations responded by refocusing US security policies on deterring a Chinese attack. As part of the Biden Administration's effort, strategic ambiguity was explicitly abandoned.

What were the relative importance of the bargaining framework causes? While the changes in relative power and status quo conditions made it more likely that China would risk conflict, the changes were longstanding and do not account well for the timing of Chinese and US policy changes. The Dengist approach would have been to wait patiently for a time when Taiwan would have little choice but to submit peacefully to Chinese sovereignty; and there was ample reason to believe that that this plan was coming to fruition. It was Xi's New Era that was the decisive change agent. China adopted more ambitious, nearer-term objectives of 'national rejuvenation,' in which absorbing Taiwan was to be the centerpiece of China's broader move toward a more central, dominant position in its region and the broader world. China's security and economic policies changed accordingly—most importantly, in more confrontational actions across the full range of China's territorial disputes. In response, the Trump and Biden



Administrations chose to adopt their own significant policy changes, rather than acquiesce to China's ambitions and demands.

Xi's timing was important in two significant ways. By broadly challenging the US-led regional and world orders at a time when the US and its allies still viewed relative power as favorable enough to resist and deter China, Xi made it more likely that US leaders would seek to do so. The same was true for Taiwan itself. The exclusively Taiwanese identity continued to strengthen, and Taiwanese responded to the increased threat—made particularly clear when Xi crushed Hong Kong's freedoms—by supporting DPP efforts to increase and improve defense preparations. This made it more feasible and promising for the US to pledge to come to Taiwan's defense. Xi made these outcomes far more likely by hastening the confrontation—by impatiently rejecting Deng's guideline that China keep a low, unthreatening profile generally and pursue longer-term, peaceful unification with Taiwan via One Country, Two Systems. To state the argument counterfactually, it seems very unlikely that US and Taiwanese policies would have changed so abruptly, at the time they did, had China continued to field Dengist supreme leaders.

Consider now some policy implications. It seems unlikely that Xi Jinping will change his preferences or adjust his strategies significantly. Xi is now in his third five-year term and seems determined to rule China indefinitely. If Xi will not change, can he be deterred? Based on broad patterns, the answer seems to be 'yes' when he faces sufficiently high risk and costs of defeat.

In domestic politics, where Xi holds a prohibitive power advantage, nothing seems to stop him or make him reconsider. He continues to purge all those who might threaten his power or stand in his way. He continues to impose ever more draconian oversight and control on the Chinese people. He continues to establish increasing economic control by strengthening state-

owned enterprises, firm-level CCP influence and oversight, and financial and regulatory influence.

Abroad, however, China's core conflicts are territorial, pitting China against a web of US allies and partners. Largely because Xi's more confrontational policies challenge all of these rivals simultaneously, each sees a graver threat and is more likely to cooperate with other threatened states. Of all of these conflicts, Taiwan lies at the center because of its geopolitical, economic, and symbolic or reputational importance. So far, the evidence indicates that, because of the high risk and costs of defeat, Xi can be deterred from using force in territorial disputes.

Overall, Xi has shown a broad, persistent willingness to break with the Dengist status quo and take risks—in consolidating political power at home, in pursuing ambitious, control-oriented economic policies at home and abroad, and in maintaining a constant, high state of tension through confrontational policies in territorial disputes. To maintain deterrence across the Taiwan Strait—and in the South China Sea, over the Diaoyus/Senkakus, and along the Indian frontier—it will be necessary to maintain both the capacity and the will to impose high risks and costs of military defeat. This will require a sustained effort over an indefinite time-period by the US and its allies and partners. In the case of Taiwan, again, this effort will have to be sustained by at least three essential actors—Taiwan, the US, and Japan. Anything less invites a potentially catastrophic conflict. This means that any return to the US's traditional strategic ambiguity invites a crisis that would force a choice between war and surrender to China's demands. These high-risk conditions are likely to last for at least as long as Xi Jinping remains China's supreme leader.

## References

- Ashbee, E., & Hurst, S. (2022). *The Trump Administration and China: policy continuity or transformation?* Routledge.
- Biden, J. (2022). *National security strategy*. White House.
- Cabestan, J.-P. (2012). "Is Xi Jinping the reformist leader China needs?" *China Perspectives*, 2012/3, 69-76. <http://journals.openedition.org/chinaperspectives/5969>
- Can, C. M., & Chan, A. (2022). Preventive or revisionist challenge during power transition? The case of China-USA strategic competition. *Journal of Asian Security and International Affairs*, 9(1), 7-25.
- Cancian, M. F., Cancian, M., & Heginbotham, E. (2023). *The first battle of the next war: Wargaining a Chinese invasion of Taiwan*. Center for Strategic and International Studies. [https://csis-website-prod.s3.amazonaws.com/s3fs-public/publication/230109\\_Cancian\\_FirstBattle\\_NextWar.pdf?WdEUwJYWlySMPIr3ivhFolxC\\_gZQuSOQ](https://csis-website-prod.s3.amazonaws.com/s3fs-public/publication/230109_Cancian_FirstBattle_NextWar.pdf?WdEUwJYWlySMPIr3ivhFolxC_gZQuSOQ)
- Colby, E. (2021). *The strategy of denial: American defense in an age of great power conflict*. Yale University Press.
- CPC [Communist Party of China]. (2017, October 24). Resolution of the 19th National Congress of the Communist Party of China on the Revised Constitution of the Communist Party of China. *Xinhua*. [http://www.xinhuanet.com/english/2017-10/24/c\\_136702726.htm](http://www.xinhuanet.com/english/2017-10/24/c_136702726.htm)
- Deng, Xiaoping. (1989, September 4). With stable policies of reform and opening to the outside world, China can have great hopes for the future. *Selected works of Deng Xiaoping*, vol. 3. Foreign Languages Press. <https://dengxiaopingworks.wordpress.com/2013/03/18/with->

[stable-policies-of-reform-and-opening-to-the-outside-world-china-can-have-great-hopes-for-the-future/](#)

Dreyer, J. T. (2024). Taiwan's 2024 election. *American Journal of Chinese Studies*, 31(1), 61-72.

Eaglen, M. (2024, April 29). Keeping up with the pacing threat: Unveiling the true size of Beijing's military spending. American Enterprise Institute. <https://www.aei.org/research-products/report/keeping-up-with-the-pacing-threat-unveiling-the-true-size-of-beijings-military-spending/>

Economy, E. (2018). *The third revolution: Xi Jinping and the new Chinese state*. Oxford University Press.

Election Study Center. (2024a). Taiwan independence vs. unification with the Mainland (1994/12~2024/06). National Chengchi University. <https://esc.nccu.edu.tw/PageDoc/Detail?fid=7801&id=6963>

Election Study Center. (2024b). Taiwanese/Chinese identity (1992/06~2024/06). National Chengchi University. <https://esc.nccu.edu.tw/PageDoc/Detail?fid=7800&id=6961>

Elleman, B. A. (2015). *Taiwan straits: Crisis in Asia and the role of the U.S. Navy*. Rowman and Littlefield.

Feldman, S. P. (2023). *Xi Jinping's Anticorruption Campaign: The politics of revenge*. Routledge.

Fravel, M. T., Gilboy, G. J., & Heginbotham, E. (2024). Estimating China's defense spending: How to get it wrong (and right). *Texas National Security Review*, 7(3), 40-54

Gomez, E. (2023, November 14). Taiwan's urgent need for asymmetric defense. Cato Institute, Policy Analysis No. 965. <https://www.cato.org/policy-analysis/taiwans-urgent-need-asymmetric-defense>

- Haas, R., & Sacks, D. (2020, September 2). American support for Taiwan must be unambiguous. *Foreign Affairs*. <https://www.foreignaffairs.com/articles/united-states/american-support-taiwan-must-be-unambiguous>
- Hsieh, J. F. (2017). Cross-strait relations in the aftermath of Taiwan's 2016 Elections. *Journal of Chinese Political Science*, 22(1), 1-15.
- Lai, C. (2020, January 23). The impact of the Hong Kong protests on the election in Taiwan. National Bureau of Asian Research. <https://www.nbr.org/publication/the-impact-of-the-hong-kong-protests-on-the-election-in-taiwan/>
- Lam, W. (2024). *Xi Jinping: The hidden agendas of China's ruler for life*. Routledge.
- Li, C. and R. McElveen. (2013, September 26). Can Xi Jinping's Governing Strategy Succeed? Brookings Institution. <https://www.brookings.edu/articles/can-xi-jinpings-governing-strategy-succeed/>
- Lubold, G. (2021, October 7). U.S. troops have been deployed in Taiwan for at least a year. *Wall Street Journal*. [https://www.wsj.com/articles/u-s-troops-have-been-deployed-in-taiwan-for-at-least-a-year-11633614043?mod=article\\_inline](https://www.wsj.com/articles/u-s-troops-have-been-deployed-in-taiwan-for-at-least-a-year-11633614043?mod=article_inline)
- Mearsheimer, J. J. (2021). The inevitable rivalry: America, China, and the tragedy of great-power politics. *Foreign Affairs*, 100(6), 48-58.
- McMaster, H. R. (2018). *Cabinet memorandum on the U.S. strategic framework for the Indo-Pacific*. White House.
- NHK World. (2023, June 16). Philippines agrees to expanded U.S. military presence. NHK World. <https://www3.nhk.or.jp/nhkworld/en/news/backstories/2475/>
- Naughton, B. (2021). *The rise of China's industrial policy, 1978 to 2020*. UNAM.
- Nicita, A., & Razo, C. (2021). China: The rise of a trade titan. UNCTAD.

- Organski, A. F. K. (1968). *World Politics*. 2<sup>nd</sup> ed. Knopf.
- Overholt, W. H. (2019). Hong Kong: The rise and fall of ‘One Country, Two Systems.’ Harvard Kennedy School Ash Center.
- Ratner, E. (2023). Security in the Indo-Pacific. War on the Rocks Podcast.  
<https://warontherocks.com/2024/02/security-in-the-indo-pacific-with-assistant-secretary-of-defense-ely-ratner/>
- Roberts, D. T. (2021, July). “Xi Jinping’s politics in command economy.” *Atlantic Council Issue Brief*. <https://www.atlanticcouncil.org/wp-content/uploads/2021/07/Xi-Jinpings-politics-in-command-economy.pdf>
- Rowen, I. (2015). Inside Taiwan's Sunflower Movement: Twenty-four days in a student-occupied parliament, and the future of the region. *Journal of Asian Studies*, 74(1), 5-21.
- Rubinstein, A. (1982). Perfect equilibrium in a bargaining model. *Econometrica*, 50(1), 97-109.
- Shambaugh, D. (2021). *China’s leaders: From Mao to now*. Polity.
- Sun, S.-C. (2024). *Hedging the China threat: US-Taiwan relations since 1949*. Lynne Rienner.
- Timbie, J., & Ellis, J. O., Jr. (2021/2022). A large number of small things: a ‘porcupine’ strategy for Taiwan. *Texas National Security Review*, 5(1), 83-93.
- Townshend, A. (2023, March 27). The AUKUS submarine deal highlights a tectonic shift in the U.S.-Australia alliance. Carnegie Endowment for International Peace.  
<https://carnegieendowment.org/2023/03/27/aucus-submarine-deal-highlights-tectonic-shift-in-u.s.-australia-alliance-pub-89383>
- Trump, D. (2017). *National security strategy of the United States of America*. White House.
- U.S. Department of Defense. (2019). *Indo-Pacific strategy report*. Department of Defense.

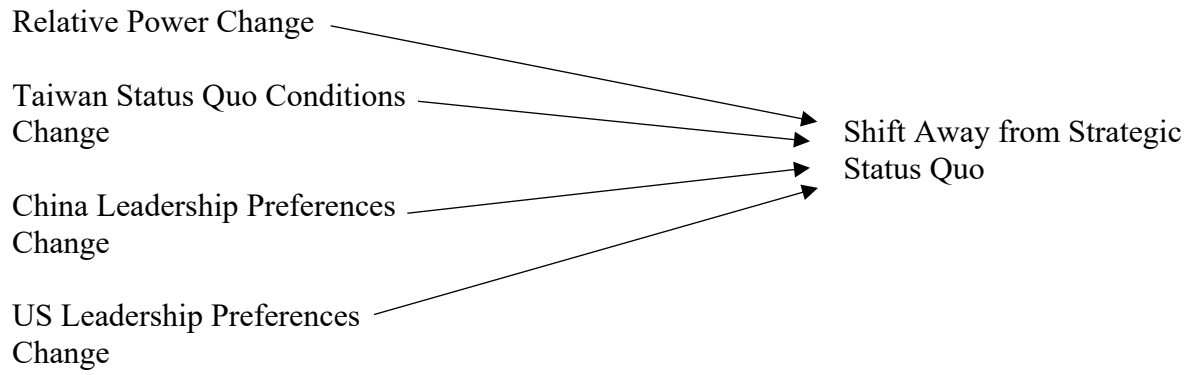
- USCESRC [U.S.-China Economic and Security Review Commission]. (2020). *Annual report to Congress 2020*. USCESRC.
- USCESRC [U.S.-China Economic and Security Review Commission]. (2021). *Annual report to Congress 2021*. USCESRC.
- USCESRC [U.S.-China Economic and Security Review Commission]. (2023). *Annual report to Congress 2023*. USCESRC.
- U.S. Department of Defense. (2023). *Indo-Pacific strategy report*. Department of Defense.
- Van Evera, Stephen. (1999). *Causes of war: power and the roots of conflict*. Cornell University Press.
- Vangrasstek, C. (2021). The trade policy of the United States under the Trump Administration. In B. Hoekman & E. Zedillo (Eds.), *Trade in the 21st Century: Back to the past?* (pp. 109-152). Brookings Institution Press.
- Xi, J. (2017, October 18). Secure a decisive victory in building a moderately prosperous society in all respects and strive for the great success of Socialism with Chinese Characteristics for a New Era. *China Daily*.  
[https://www.chinadaily.com.cn/china/19thcpnationalcongress/2017-11/04/content\\_34115212.htm](https://www.chinadaily.com.cn/china/19thcpnationalcongress/2017-11/04/content_34115212.htm)
- Xi, J. (2019, April 1 [2013]). 关于坚持和发展中国特色社会主义的几个问题 [Several issues concerning upholding and developing Socialism with Chinese Characteristics]. *Qiushi*.  
[http://www.qstheory.cn/dukan/qs/2019-04/01/c\\_1124307480.htm](http://www.qstheory.cn/dukan/qs/2019-04/01/c_1124307480.htm)
- Xi, J. (2022, October 16). 二十大报告 [Twentieth Party Congress political report]. State Council. <http://www.gov.cn/zhuanti/zggcdescqgdbdh/>

Zhao, S. (1998). "A state-led nationalism: The Patriotic Education Campaign in post-Tiananmen China." *Communist and Post-Communist Studies*, 31(3), 287-302.

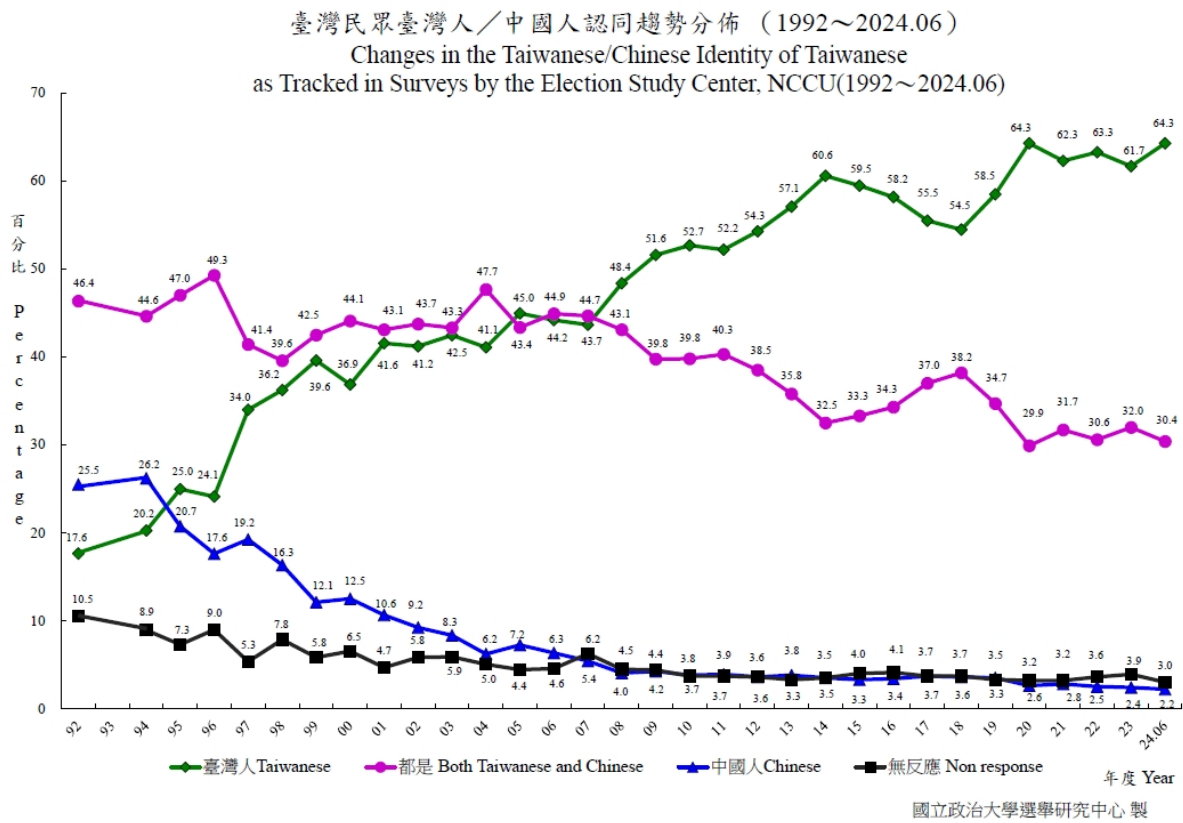




**Figure 1.** Potential Direct Sources of Change in US' Strategic Ambiguity Approach



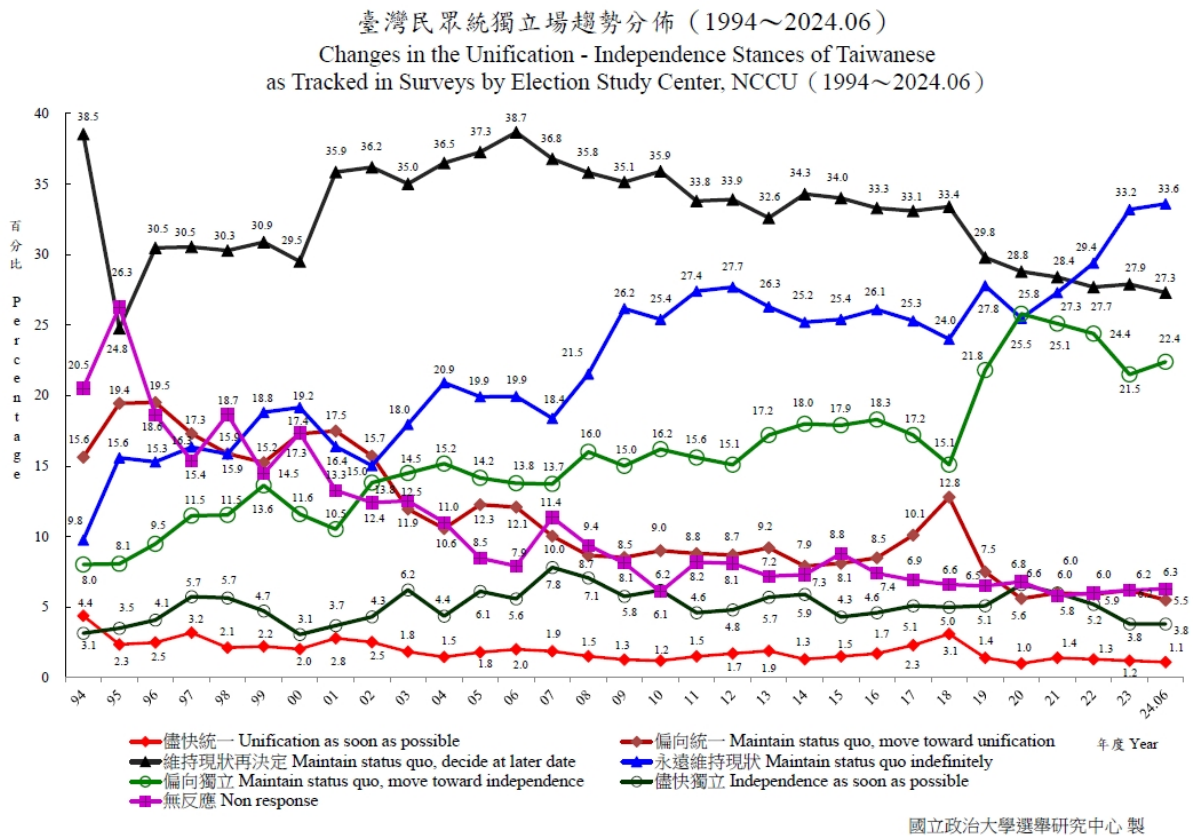
**Figure 2.** Changes over Time among Taiwanese, Taiwanese, and Mixed Identities



Source: Election Study Center (2024b).



**Figure 3. Changing Taiwanese Policy Preferences for Independence, Unification, and the Status Quo**



Source: Election Study Center (2024a).

**Figure 4.** Potential Indirect Sources of Change from Other Explanatory Variables via China Leadership Preferences Change



**Figure 5.** Potential Indirect Source of Change from China Leadership Preferences Change via Status Quo Conditions Variable

