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The “One China” Issue in U.S.-China Relations

Zhiqun Zhu

Speaker of the U.S. House of Representatives Nancy Pelosi's visit to Armenia in September 2022 caused some limited geopolitical commotion, as most readers of *Baku Dialogues* are keenly aware. Without downplaying its regional significance in the slightest, it was, however, her visit to Taiwan in August 2022 that made global headlines and triggered a new round of tensions in the Taiwan Strait. At the core of that controversy is the status of Taiwan. While the People's Republic of China (PRC) condemned the visit as a violation of the “one China principle,” the U.S. government and Pelosi herself insisted that it was consistent with America's “one China policy.”

Five decades after U.S. President Richard Nixon's historic visit to

China, the Taiwan issue remains the most difficult and potentially most explosive dispute between the United States and China. While Beijing maintains that the “one China principle,” with the PRC representing all of China, is the foundation of U.S.-China relations, Washington emphasizes that its “one China policy” treats Taiwan as a separate entity from the PRC. Meanwhile, Taipei, under the rule of the Democratic Progressive Party (DPP), has asserted that Taiwan is already independent and the two sides across the Taiwan Strait are not subordinate to each other.

As the U.S.-China rivalry intensifies, Taiwan has quickly re-emerged as the biggest hot-button issue between the two great powers. The Taiwan issue is

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so serious that it routinely tops the agenda of meetings and phone calls between Chinese and U.S. officials, including calls between PRC President Xi Jinping and U.S. President Joe Biden. Shortly before Pelosi's visit to Taiwan, Xi warned that “those who play with fire will get burned” during a phone call with Biden.

Why is Taiwan such an important and difficult issue in U.S.-China relations? How did the United States get involved in Taiwan in the first place? What exactly is “one China?” What does the future hold for the Beijing-Washington-Taipei trilateral relationship?

A Brief History

Taiwan was ceded to Japan by the Qing Dynasty following China's defeat in the first Sino-Japanese war in 1894-1895. Taiwan remained Japan's colony until 1945 when Japan surrendered at the end of World War II. The Chinese view this period as part of the “century of humiliation” when Western powers and Japan invaded and dominated

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a weak China, roughly from the mid-nineteenth to the mid-twentieth century. The “century of humiliation” still shapes Chinese politics today, and Xi Jinping's “Chinese Dream” or “rejuvenation of the Chinese nation” encompasses the complete unification of China.

U.S. involvement in Taiwan can be traced back to World War II. Towards its end, U.S. President Franklin D. Roosevelt, UK Prime Minister Winston Churchill, and Chinese Generalissimo Chiang Kai-shek met in Cairo on 26 November 1943 to outline the Allied position against Japan and make decisions about postwar Asia. The general statement issued at the conclusion of the meeting includes the following regarding Taiwan (Formosa):

It is their purpose that Japan shall be stripped of all the islands in the Pacific which she has seized or occupied since the beginning of the first World War in 1914, and that all the territories Japan has stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China.

In July and August 1945, leaders from the United States, the Soviet Union, and the United Kingdom met in Potsdam to plan postwar peace. On 26 July 1945, U.S. President Harry Truman, together with Churchill, and Chiang issued the Potsdam Declaration, which outlined the terms of unconditional surrender for Japan.

With the support of the United States and other allies, the Republic of China (ROC) government officially celebrated Taiwan's return to China on 25 October 1945. That date became a public holiday called Retrocession Day in the ROC. The ROC government continued to observe this holiday after 1949 when it moved to Taiwan and until 2000, when President Chen Shui-bian from the pro-Taiwan independence DPP came to power and abolished the holiday.

Right after World War II, the United States tried to mediate between Chiang's nationalist government and Mao Zedong's

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communist forces. The mediation failed, and the Chinese civil war resumed. Chiang's nationalist forces were losing, and the United States was not going to intervene militarily to stop the communist victory. In 1948-1949, Chiang's ROC government and about two million troops and followers retreated to Taiwan, carrying with them the nation's revenue and artifacts. On 1 October 1949, Mao proclaimed the founding of the PRC. Mao was ready to send People's Liberation Army troops across the Taiwan Strait to "liberate" Taiwan and end the civil war. The U.S. government, tired of the corrupt Chiang regime, was prepared to let the PRC forces proceed and take Taiwan.

The Korean War that broke out on 25 June 1950 changed America's strategic calculation. Worried about the "domino effect" of communist takeovers across Asia, Truman sent the U.S. Seventh Fleet to the Taiwan Strait, essentially blocking the PRC attempt to incorporate Taiwan.

From 1949 to 1971, Beijing and Taipei engaged in fierce competition for international recognition of which of the two represented all of China on the international stage. The United States continued to support the ROC in Taiwan during that period. The global tide turned in 1971, when the United Nations General Assembly passed Resolution 2758 that recognized the representatives of the government of the PRC as the "only lawful representatives of China" and that the PRC is one of the five permanent members of the UN Security Council. The same document also decided to "expel forthwith the representatives of Chiang Kai-shek from the place which they unlawfully occupy at the United Nations and in all the organizations related to it."

The United States shifted its position too. Mired in a costly war in Indochina, the United States felt the need and saw an opportunity in the late 1960s to improve relations with the PRC and form a united front against their common enemy the Soviet Union as the two communist countries openly split. Washington's rapprochement with Beijing was a geostrategic and geo-economic decision. In July 1971, U.S. National Security Advisor Henry Kissinger took a se-

cret trip to China, paving the way for Nixon's historic visit to China. In February 1972 during Nixon's China trip, the two countries issued the Shanghai Communiqué, in which the United States "acknowledges" that "all Chinese on either side of the Taiwan Strait maintain there is but one China" and the United States does not challenge that position. This is the origin of the "one China" policy.

In the December 1978 U.S.-PRC joint communiqué, the two countries agreed to officially establish diplomatic relations on 1 January 1979, with Washington reaffirming its acknowledgement of "one China." The formulation was as follows: "The United States of America recognizes the Government of the People's Republic of China as the sole legal Government of China. Within this context, the people of the United States will maintain cultural, commercial, and other unofficial relations with the people of Taiwan."

Many members of the U.S. Congress were furious at the Carter Administration for breaking diplomatic relations with the ROC in Taiwan and recognizing the PRC in Beijing instead. To preserve U.S. relations with Taiwan, its Congress passed the

Taiwan Relations Act (TRA), and President Jimmy Carter signed it into law in April 1979. The TRA stipulates that the United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to “enable Taiwan to maintain a sufficient self-defense capability.”

In the 1982 U.S.-PRC joint communiqué, the U.S. government, understanding the Chinese policy of striving for a peaceful resolution of the Taiwan question, stated that “it does not seek to carry out a long-term policy of arms sales to Taiwan, that its arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China, and that it intends gradually to reduce its sale of arms to Taiwan, leading, over a period of time, to a final resolution.” The United States also reiterated that “it has no intention of infringing on Chinese sovereignty and territorial integrity, or interfering in China’s internal affairs, or pursuing a policy of ‘two Chinas’ or ‘one China, one Taiwan.’”

“One China”

Clearly, “one China” has been critical in the Beijing-Washington-Taipei relationship, both before and after 1979, when the United States switched diplomatic recognition from Taipei to Beijing. From 1949 to 1971, the ROC in Taiwan continued to represent all of China in international organizations including the United Nations, while the PRC was excluded from much of the international system. During this period, both Chiang and Mao emphasized “one China” and each insisted that their government was the only legitimate government representing all of China, including the Chinese mainland and Taiwan. In 1971, when the PRC was admitted into the UN as the representative of China, replacing the ROC, the United States flirted with the idea of two seats for China, but this was shot down by both Beijing and Taipei since it would create “two Chinas.”

The PRC considers the three joint communiqués between Beijing and Washington—the 1972 Shanghai Communiqué, the 1978 Communiqué establishing diplomatic ties, and the 1982 Communiqué on Arms Sale to

Taiwan—as the foundation of U.S.-China relations. Based on Beijing’s “one China principle,” despite the current political separation of Taiwan and mainland China, China’s sovereignty and territorial integrity remain unchanged. Beijing pursues peaceful reunification with Taiwan under “one China” but has not ruled out the use of force if necessary.

The TRA has guided America’s “unofficial” relations with Taiwan since 1979. The TRA makes it clear that “the United States decision to establish diplomatic relations with the People’s Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means.” Meanwhile, the United States has followed a policy of “strategic ambiguity” with regard to whether it will come to Taiwan’s defense should a war break out across the Taiwan Strait. “Strategic ambiguity” has served as dual deterrence—keeping the PRC from taking Taiwan by force and preventing Taiwan from moving towards de jure independence.

In recent years, U.S. Congressional support for Taiwan has grown stronger, together with increasing hostility towards China. Some scholars and members of Congress have advocated “strategic clarity” to deter

Chinese military actions in the Taiwan Strait.

Members of Congress such as Rep. Claudia Tenney (R-NY) are publicly calling for the United States to revisit its “one China” policy and for boosting Taiwan’s defense. In November 2021, Sen. Josh Hawley (R-MO) and Sen. James Risch (R-ID) introduced the Arm Taiwan Act and the Taiwan Deterrence Act, respectively, at the Senate Foreign Relations Committee, proposing to provide billions of U.S. dollars as aid or loans for Taiwan’s defense. The Taiwan Policy Act of 2022, co-sponsored by Sen. Bob Menendez (D-NJ) and Sen. Lindsey Graham (R-SC), would further upgrade U.S.-Taiwan relations.

In 1982, when the United States and the PRC issued their third joint communiqué on reducing U.S. arms sales to Taiwan, the Reagan Administration offered Six Assurances to Taiwan privately, stating that the United States:

- Has not agreed to set a date for ending arms sales to Taiwan.
- Has not agreed to consult with the PRC on arms sales to Taiwan.

- Will not play a mediation role between Taipei and Beijing.
- Has not agreed to revise the Taiwan Relations Act.
- Has not altered its position regarding sovereignty over Taiwan.
- Will not exert pressure on Taiwan to enter into negotiations with the PRC.

Obviously, the three joint communiqués, the TRA, and the Six Assurances are contradictory in many aspects. It appears that Washington has different commitments to Beijing and Taipei.

For a long time, the United States has based its “one China” policy on the TRA and the three U.S.-PRC joint communiqués.

More recently, as U.S.-Taiwan relations have been strengthened, Washington has publicly added the previously private Six Assurances to the equation when defining its “one China” policy. The Biden Administration has explicitly stated that Washington’s “one China policy” is different from Beijing’s “one China principle” and is guided by the TRA, the Three Communiqués, and the Six Assurances. Nevertheless,

Taiwan’s status under Washington’s “one China policy” has remained ambiguous.

Taiwan continued to follow “one China” from 1949 to the 1990s under the rule of the Chinese Nationalist Party (Kuomintang or KMT). In 1990 the ROC government in Taiwan set up the National Unification Council to promote integration between mainland China and Taiwan. Officials from the two sides met in Hong Kong in 1992, out of which emerged the term “1992 Consensus”—whereby both sides agree there is only one

China, but their interpretation of “one China” could be different. However, in 1999, then ROC President Lee Teng-hui proposed during an interview with a German radio

station that relations across the Taiwan Strait were “special state-to-state relations,” departing from “one China.”

Conflicting Interests

The PRC insists that despite the separation of Taiwan and mainland China, which was caused by the Chinese civil war, there

is only one China, including the mainland and Taiwan. Beijing has also stated that Taiwan must be reunified with the mainland, preferably by peaceful means, but it does not rule out the use of force.

Taiwan’s position has evolved over the decades. Both Chiang Kai-shek and his son and successor Chiang Ching-kuo reiterated “one China” and even dreamed of “recovering” the mainland someday. After Chiang Ching-kuo died in 1988, the KMT under Lee Teng-hui’s leadership continued to follow “one China” and sought to apply the ROC Constitution in managing relations across the Taiwan Strait. The National Unification Council that was set up in 1990 outlined a three-step process for national unification. However, Lee’s “two states” proposition in 1999 violated the ROC Constitution, ratified in 1946 when the ROC still ruled all of China. Article 4 of the Constitution says that “the territory of the Republic of China according to its existing national boundaries shall not be altered except by resolution of the National Assembly.” Unless the ROC Constitution is revised, it remains a “one China” constitution.

Taiwan completed its democratic transition in the 1990s. The pro-independence DPP, which was formed in 1986,

came to power in 2000 and was returned to office in 2016. President Chen Shui-bian from the DPP abrogated the National Unification Council in 2006. The DPP and current president Tsai Ing-wen claim that Taiwan is already an independent state, and the ROC (Taiwan) and the PRC (China) should not be subordinate to each other. The KMT, now in opposition, continues to adhere to the one China-based “1992 Consensus.”

It is important to note that the KMT continues to call the other side of the Taiwan Strait “Chinese mainland” or “Mainland China,” while the DPP simply calls it “China” or “the other side.” Such quibbling over semantics may seem petty to an outsider, but in the Chinese context, such references have political connotations. Simply put, the KMT still considers the other side of the Taiwan Strait as part of “one China” based on the ROC Constitution, but the DPP considers the other side as a neighbor and a different country.

Decades of political transformations in Taiwan have resulted in a new Taiwanese identity. Most people in Taiwan today, including many who came to Taiwan from the mainland in the 1940s and their descendants, identify themselves as Taiwanese, not Chinese, or as both

Taiwanese and Chinese. Among the young generation in Taiwan, most share the DPP’s position and view Taiwan as an independent country and believe that its giant (and threatening) neighbor China intends to absorb it forcefully.

The United States has opposed unilateral change to the status quo, but the U.S. interpretation of what constitutes the status quo is vague and confusing. For example, U.S. officials consider the PRC’s aggressive military activities around Taiwan as a challenge to the status quo. Beijing has argued that such military moves are in response to the DPP government’s refusal to follow “one China.” U.S. officials, however, do not consider the DPP government’s abandoning of “one China” and the “1992 Consensus” as changing the status quo. Indeed, one may ask whether the United States itself has changed the status quo by unilaterally adding the “Six Assurances” to its definition of “one China” policy in handling the Taiwan issue.

The delicate status quo in the Taiwan Strait was shaken when

the United States and the PRC established diplomatic relations in 1979, yet it has been possible to maintain peace for the most part. The status quo, however, remains fragile as Beijing, Taipei, and Washington each have conflicting interests and goals; and all have attempted to change it in their own interests.

Beijing fears that Taiwan is slipping away from China. While it prefers peaceful unification, Beijing has vowed to crush Taiwan independence at all costs. But the more pressure the PRC ex-

The status quo remains fragile as Beijing, Taipei, and Washington each have conflicting interests and goals. All have attempted to change it in their own interests.

erts on Taiwan, the more resentful the Taiwanese become, and the less likely unification will take place voluntarily. For example, Beijing continues to block Taiwan’s participation in the World Health Organization as a way to punish the DPP government, but this has alienated many Taiwanese who bridle at Beijing’s intimidation. Beijing’s behavior has ironically consolidated support for the DPP in Taiwan. How to curb Taiwan independence without hurting and alienating the Taiwanese public is a real dilemma for Beijing.

The DPP government has categorically rejected “one China” as something that Beijing seeks to impose on Taiwan. It has stated that the two sides should engage in a meaningful dialogue based on parity and without “one China” as the precondition. However, by claiming that Taiwan is already independent, or that Taiwan and China are not subordinate to each other, the DPP government is imposing its own precondition—one that Beijing cannot accept.

The United States will help Taiwan maintain “a sufficient self-defense capability” based on the TRA. But the TRA is not a defense treaty, and the United States is not obligated to defend Taiwan. How can the United States support Taiwan’s democracy without encouraging Taiwanese independence, which could drag the United State into a war with China? How can the United States protect Taiwan’s people and way of life without turning Taiwan into a chess piece in the U.S.-China power game? Such serious questions are not publicly discussed and debated in the United

Serious questions at the heart of the current impasse in U.S.-China-Taiwan relations are not publicly discussed and debated in America.

States. But they are at the heart of the current impasse in U.S.-China-Taiwan relations.

The U.S. government has stated that it does not support Taiwan independence and does not follow a policy of “one China, one Taiwan” or “two Chinas.” Meanwhile, U.S. officials routinely pledge to deepen relations with Taiwan and support Taiwan at a time of growing political, security, and economic conflict between the United States and China.

The U.S. government insists it has not changed its commitment to “one China,” but it has significantly upgraded relations with Taiwan and embarked on a matrix of policies that have led to increasing conflict with China since the Trump Administration. In addition, the U.S. Congress passed a few new bills to boost U.S.-Taiwan relations, which President Donald Trump signed into law, including the 2018 Taiwan Travel Act and the 2019 Taiwan Allies International Protection and Enhancement Initiative (TAIPEI) Act.

The Biden Administration is implementing its Free and Open

Indo-Pacific (FOIP) strategy in earnest by strengthening existing security arrangements in the region such as the QUAD and Five Eyes, and forming new ones such as AUKUS.

It is actively supporting Taiwan's participation in the UN system, which it asserts is consistent with the "one China policy." In December 2021, Biden signed into law the National Defense Authorization Act (NDAA) for Fiscal Year 2022, which significantly buttresses U.S. military ties with Taiwan. Section 1252 of the NDAA calls for "strengthening the United States partnership with Taiwan;" Section 1246 calls for joint military exercises between U.S. and Taiwanese forces, increased consultation between senior U.S. and Taiwanese military officials, and enhanced linkages ("interoperability") between U.S. and Taiwanese maritime surveillance and air-defense systems; and Section 1249 calls for a briefing on possible cooperation between the American and Taiwanese National Guards.

It is worth noting that as an unresolved issue from the Chinese civil war and the Cold War, Taiwan's security has regional repercussions.

While the focus has been on diplomatic and security dimensions in discussing the Taiwan issue, cross-strait relations have a crucial economic component as well.

Countries in the region, particularly Japan, view growing tensions in the Taiwan Strait with grave concern. As the former colonizer of Taiwan and a neighboring country, Japan has a special attachment to the island. Due to their common worries about a rising China, the Japanese and Taiwanese today view each other very favorably and consider each other both security and economic partners.

Japan and China have sovereignty disputes over a group of Japanese-controlled islets in the East China Sea, known as the Senkaku in Japanese and the Diaoyu in Chinese. But in recent years, defense hawks in Japan have focused more intently on rising tensions over Taiwan. In fact, in December 2021 Japan's cabinet approved the country's biggest increase in military spending in decades, as Japanese officials expressed growing concerns about the possibility of being pulled into a conflict over Taiwan.

Other regional efforts to maintain stability and to deter Chinese aggressiveness all have Taiwan in mind, such as the formation of a new nuclear cooperation pact

AUKUS between the United States, Australia and the United Kingdom, and the introduction and implementation of the FOIP vision, which was first proposed by Japan and has been formalized by the United States and others as part of their overall Asia strategy. Clearly, how China handles the Taiwan issue will affect its relations with other countries in the region.

Economic Cooperation

While the focus has been on diplomatic and security dimensions in discussing the Taiwan issue, cross-strait relations have a crucial economic component as well. Indeed, economic interdependence could serve as a brake on deteriorating political ties so that war across the strait becomes less likely.

In December 1987, Taiwan lifted the 38-year ban on travel to mainland China for those with close relatives there. Taiwanese businesses also started to invest in the mainland in tandem with China's "reform and opening up" policy. Between 1991 and the end of March 2020, there were 44,056 cases of approved Taiwanese investments in China, valued at a total of \$188.5 billion, according to Taiwan's official statistics. Direct flights between the two

sides started in December 2008, which greatly expanded trade, investment, tourism, education, and other exchanges. In 2019, travelers from mainland China made 2.68 million visits to Taiwan.

The two sides signed 23 economic cooperation agreements during Ma Ying-jeou's presidency (2008-2016). Most significant among the accords was the Cross-Straits Economic Cooperation Framework Agreement (ECFA), which was concluded in June 2010 and aimed to institutionalize trade and economic relations between the two sides. Both Taiwan and China also aspire to be integrated into the regional economy, as evidenced by their respective applications in 2021 to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which includes Japan, Australia, Canada, Mexico, Singapore, and six other countries that seek to form one of the world's leading free trade zones. The United States pulled out of the original Trans-Pacific Partnership (TPP) under the Trump Administration and is also absent from another regional trade group—the Regional Comprehensive Economic Partnership (RCEP), which currently includes China, Japan, South Korea, Australia, New Zealand, and the 10 ASEAN states.

Despite political and military malaise in the Taiwan Strait, economic relations including investment, technological development, and trade, as well as tourism between the two sides, have flourished since the early 1990s. Taiwan's exports to the mainland and Hong Kong totaled \$151.45 billion in 2020, the highest ever. The figure showed a 14.6 percent increase over that of 2019 and accounted for 43.9 percent of Taiwan's total exports in 2020. In other words, despite high tensions in the Taiwan Strait and the DPP government's efforts to diversify trade and expand economic ties with countries in Southeast Asia and South Asia, cross-strait economic relations have strengthened.

Some scholars have argued that, together with Western investments, Taiwanese investment on the mainland transformed Chinese business practices, helped elevate Chinese industry, especially electronics, and played a key role in China's emergence as the world leader in trade today—rising from virtually no trade with the West a few decades ago. Taiwanese businesses on the mainland have also contributed to Chinese consumer behavior, philanthropy, religion, popular culture, and law.

A major reason the PRC's post-Mao leader, Deng Xiaoping, set up four special economic zones (SEZs) in the late 1970s and early 1980s was their proximity to Taiwan and Southeast Asia. In particular, Xiamen in Fujian province just across the strait and Shenzhen adjacent to Hong Kong quickly became top destinations of investments from Taiwan. The fact that Fujian and Taiwan share cultural, historical, and linguistic links has facilitated dynamic economic and societal exchanges between the two. Taiwanese investment in the mainland also expanded to other regions, notably the Yangtze River Delta, with Shanghai as its hub. Exact estimates vary, but as many as 1.2 million Taiwanese, or 5 percent of Taiwan's population, are reckoned to live in mainland China.

Taiwan-invested businesses have not only created millions of mainland jobs; they have also become a critical part of the global supply chain. Many well-known Taiwan enterprises are overwhelmingly dependent on China for labor and market (both the mainland market and foreign markets through China). For example, Foxconn, a giant Taiwanese contract manufacturer of electronics for Apple and other gadget-makers, employs one million workers in China—more than

any other private enterprise in the country. Indeed, many “Made in China” products are manufactured or assembled in Taiwanese-invested businesses on the mainland before they are sold around the world.

Without doubt, Taiwan has helped to turn China into a manufacturing power, the factory of the world, and the world's leading trading nation.

Nothing Is Inevitable

The cross-strait dispute remains an unresolved matter left over from the unfinished Chinese civil war. From an historical perspective, though the two sides have been separated since 1949, both Taiwan and mainland Chinese remain part of the Chinese territory. Today, political transformations in Taiwan—including Taiwan's democratization—challenge this historical narrative. Developments in China and growing U.S.-China rivalry also threaten the delicate status quo across the Taiwan Strait.

As Washington continues to pay mere lip service to “one China,” and as Beijing appears more willing to use force to resolve cross-strait differences, the foundation of U.S.-China relations is cracking.

Taiwan has changed fundamentally since its democratization in the 1980s. The DPP is projected to stay in power in the near future. Not only is it the largest political party in Taiwan, but it has won the support of

the young generation. The DPP has become more sophisticated in pursuing its agenda regarding Taiwan's political identity. It has dominated narratives about Taiwan's status and has framed the cross-Taiwan Strait dispute simply as “democracy vs. autocracy,” which easily appeals to a global, particularly Western, audience—especially after the Russia invasion of Ukraine in February 2022. However, this formulation ignores the history and complexity of the Taiwan issue, which hinges on the cross-strait relationship as well as the U.S.-China relationship.

The U.S. government has sent out perplexing messages regarding Taiwan. Washington continues to assert that it is committed to its “one China” policy, but America's “one China” policy seems to be gradually evolving into a de

facto “one China, one Taiwan” policy. The result is that the once collegial and multifaceted U.S.-China relationship is becoming antagonistic, threatening not only stability across the Taiwan Strait but also world peace. American efforts to upgrade relations with Taiwan have raised Beijing’s worries about the United States abandoning its “one China” commitment and increased the possibility of war across the Taiwan Strait and beyond. Both the Trump and Biden administrations have expedited this process. As Washington continues to pay mere lip service to “one China,” and as Beijing appears more willing to use force to resolve cross-strait differences, the foundation of U.S.-China relations is cracking.

Nothing is inevitable about the future of the Washington-Beijing-Taipei relationship. Crisis management of this difficult issue requires patience, wisdom, and recognition of history as well as political and economic reality. Peace is the common denominator that can assure the future of all three parties. That will require, however, that all refrain from taking unilateral actions that destabilize the Taiwan Strait. Stability and peace in the Taiwan Strait behoove Washington, Beijing, and Taipei to

re-establish confidence and avoid further damaging the status quo.

If U.S.-China tensions are to be eased and proactive security, economic, and environmental cooperation is to be advanced, it is important that Washington reaffirm its commitment to “one China” and make clear that the United States does not support Taiwan independence or a “one China, one Taiwan” policy. U.S. encouragement of cross-strait economic, social, and cultural interactions, and, when the time is ripe, political dialogue, could ease both cross-strait conflict and U.S.-China conflict while contributing to regional peace, prosperity, and security.

Reciprocal Chinese policies emphasizing peaceful unification and winning the hearts and minds of people in Taiwan through exchanges and economic integration could advance these goals too. Unification across the strait could then rest on an equal footing for the two sides and the promotion of mutual interests.

Taiwan could contribute to these goals by defending its democracy and human rights while keeping the prospect of a future “one China” open as an option, however dim the immediate

prospects. It is imprudent to claim that Taiwan and China are already two different countries, and irresponsible to confront Chinese nationalism in the name of democracy—a course that promotes anti-China policies and sentiments and builds cross-strait conflict.

Only when all three parties take the potential military conflict seriously and provide appropriate reassurances will they be able to restore and maintain peace and stability in the Taiwan Strait, leading to an eventual peaceful resolution of cross-strait differences. **BD**

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