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Online Event
“Ukraine and Taiwan: Parallels and Early Lessons Learned”

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FEATURING
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Good afternoon, everyone and thank you for joining us today. I’m Bonny Lin, Director of the China Power Projects and Senior Fellow for Asia Security at CSIS. I am excited to welcome you to what I think will be a very engaging conversation. So our discussion today will focus on the topic “Ukraine and Taiwan: Parallels and Early Lessons Learned.” Xi Jinping and other leaders in Beijing are watching the war in Ukraine closely, including the responses from the United States and our allies and partners, and impacts of our actions on Russia. Chinese officials have insisted that the dispute between China and Taiwan and Ukraine and Russia are not the same, but comparisons between Ukraine and Taiwan have been a central topic of discussion within the policy community. Today's panel will discuss what China may be learning from the Russian invasion of Ukraine, and how such lessons may impact China’s calculus regarding Taiwan.

So to discuss these questions I am delighted to be joined by an incredible lineup of four experts.

So our first panelist is Ms. Bonnie Glaser. She’s the director of the Asia Program at the German Marshall Fund. She was previously Senior Advisor for Asia and director of the China Power Project at CSIS.

Our second panelist today is Mr. John Culver, a retired CIA analyst who served as our National Intelligence Officer for East Asia from 2015 to 2018.

Our third panelist is Dr. Scott Kennedy, Senior Advisor and Trustee Chair in Chinese Business and Economics at CSIS. Scott has written and edited numerous books and articles on China’s industrial policy, technology innovation and global governance and business.

And last but not least, our final panelist is Dr. Mike Green, Senior Vice President for Asia, Japan Chair, and our Henry A. Kissinger Chair at CSIS. He’s also the Director of Asian Studies at the Edmund A. Walsh School of Foreign Service at Georgetown University.

So without taking much time in ceding the floor to our panelists, let me first turn to Bonnie Glaser. I’ve asked Bonnie to discuss what Beijing sees as parallels, or lack of parallels, between Ukraine and Taiwan, and also what broad lessons learned Beijing is taking away from Ukraine for Taiwan. So, Bonnie, thank you again for joining us and over to you.

Thanks for having me, Bonny. I'll start by reiterating your statement that China is really not drawing parallels to Taiwan. We just saw, in fact, a few days ago the Chinese Ambassador to the United States, Qin Gang, published an article in The Washington Post, where he insisted that Ukraine and
Taiwan are, quote, "totally different things." Saying that Ukraine is a sovereign state, while Taiwan is an inseparable part of China's territory.

It's interesting that there's some evidence that Chinese netizens are drawing parallels with Taiwan. So, for example, netizens have been posting on WeChat that since Russia invaded Ukraine, Beijing could soon use force against Taiwan. They appear to believe that a takeover of Taiwan would be a piece of cake. Some have said something like, well, if China decides to attack Taiwan in the morning, China will achieve victory in the afternoon and China's national flag will fly over Taiwan the next day. Of course, we know netizens don't represent the views of either the leadership or the People's Liberation Army.

Another point is about Chinese propaganda organs that are actually using the Ukraine war to send some disinformation to Taiwan. And the consistent message here is that the United States did not come to the defense of Ukraine militarily, and therefore will not defend Taiwan. It will instead abandon Taiwan. So by implication, therefore, you know, the message is the people in Taiwan should negotiate with Beijing now before they face that outcome of abandonment. There's also been another disinformation message that is worth noting. It was contained in China's offer to evacuate Taiwan citizens from Ukraine, saying that their government wouldn't rescue them. And again, as we know, early on in the conflict, China was telling its citizens in Ukraine to basically stay in place and put small signs on their cars saying, or a flag from – Chinese flag, and then, later on, they had to scramble to catch up to get their citizens out. And the government in Taiwan had actually already evacuated many of its citizens who were trying to leave Ukraine long before the Chinese even had an evacuation plan in place.

So that's some of the way – the things that are going on as far as the parallels go. I'll say a few things about maybe what some of the early lessons are that the PRC may be drawing. I mean, the war is not over and that's an important point to make. I think it is probably too early for China to draw lessons, but I suspect they will study this war closely and there will be diplomatic, economic, and other military aspects that they will study.

So what lessons might they draw? You know, one particular thing to look for is that Chinese assessment of the international situation and the trajectory of the global balance of power could – and I stress "could" – be influenced by this war. I mean, that's not certain, but in recent years, China has become ever more confident about the assessment that the U.S. is in decline, that Western democracies have failed, and that U.S. alliances are fraying. So while I doubt that Beijing will fundamentally revise this assessment, it's possible that China concludes that the unfolding transition that they see in the balance of power might be somewhat more unpredictable and chaotic than they expected. And that worry about instability and chaos in the transition
period to China becoming perhaps the most powerful country in the world, that’s a prominent part of Xi Jinping’s understanding of his phrase “great changes unseen in a century” that doesn’t, I think, always get full attention from observers. So that assessment, if it is revised in some way, could lead to some adjustments in Chinese foreign policy. I wouldn’t predict a fundamental shift, but it could perhaps introduce a little bit more caution.

I think another point is the demonstration of unity by the United States and its allies in response to Russia’s invasion and the rapidity of their coordination to implement sanctions. I think that’s probably attracted a lot of attention in China. Now, many people will say that most countries in the world will be unwilling to impose such comprehensive sanctions on China, and they may be right, but I think there will nevertheless be concern about this possibility in Beijing, and steps may be taken to shield China from the negative impacts that we see Russia facing today. So, you know, there’s a possibility, of course, if China were to use force against Taiwan or even Japan in the Senakus or, again, on the border with India on a larger scale, that China could face some sanctions. And I think that we’ll see over the coming months and years that China will probably double down on its dual-circulation strategy, which essentially aims to reduce China’s dependence on the world but increase the world’s dependence on China. I think China will accelerate efforts to establish domestic supply chains for things like semiconductors, develop ways to insulate itself from possible international sanctions. But it’s also necessary for China’s economy to remain deeply embedded in the West, and this point was particularly interesting, recently made by a leading Chinese scholar Jiang Yunmian (ph) in an interview; he maintained that China must keep going global for this reason.

And I’ll close just by saying in this Jiang Yunmian (ph) interview that he did with Global Times, I was really struck that he said that he believes that if China can remain, you know, deeply connected with the global economy, it will not have to follow Russia’s example of threatening to use nuclear weapons in a crisis. And that could mean that one of the lessons that others in China are drawing from the Ukraine crisis is that China needs to quickly increase its nuclear arsenal. So I thought maybe that would be a good segue to turn the floor over to John Culver.

And thanks again for having me, Bonnie.

Dr. Lin: Thank you very much, Bonnie. Much food for thought. And I think we’ll follow up with many of the points that you raised in the Q&A.

As you suggested, I’ll turn the floor next to John. So I’ve asked John to talk about the potential lessons learned the Ukraine crisis has for the PLA, and particularly as the PLA thinks about planning for major Taiwan contingencies.
So, John, thank you again, and over to you.

John Culver: My pleasure. It’s always both intimidating and then really good to follow Bonnie Glaser because she tees up so many points I can just kind of then reinforce.

I’ll start, you know, by reinforcing some of the caveats. It’s early days. It may seem like we’ve been living – you know, doomsscrolling through the war in Ukraine for half of our lives, but it’s only been a few weeks. So proper caution applied when I’m talking about lessons that China and the PLA intend to draw from Ukraine.

You know, this conflict is still ongoing. And the Chinese have usually been very close students of usually U.S.-led combat dating back to Desert Storm, even earlier in the Falklands War, and then really taking their time. So it will probably be one or two years before the PLA really comes to a final summation about lessons to be learned from the Russian invasion of Ukraine, and a lot of that will depend on whether Russia is ultimately viewed as the winner or in some significant sense a loser that will drive their final determination. But even if Russia’s perceived, say, six months or a year from now as having lost, the mechanisms of that loss could actually reinforce the trajectory of the PLA, which, as I – as I said, had adopted some deep lessons from earlier conflicts, both in the late 20th and early 21st century.

I think that some of the assumptions the Chinese have made previous to Russia’s invasion of Ukraine are being confirmed. One is that China had assessed, as Bonnie intimated, that it’s facing a more dangerous security environment with increased U.S. activities and expansion in East Asia that are likely to provoke conflict in the Indo-Pacific. There’s a phrase that Xi Jinping used, actually, with President Biden in their videoconference just last week that sounds somewhat obtuse, as some Chinese phrases do, but I paid special attention to it, that there have been – there’s a major disruption in the era or the concept of peace and development as a major issue, and that peace and development faces severe challenges. This is a fraught phrase in Chinese Communist Party lexicon because it’s the phrase that Deng Xiaoping invoked in 1978 to justify a shift from preparations for a major war, a nuclear war, to reform and opening.

So it signals – you know, in this case from Xi Jinping to the president and then more broadly, that China is – you know, among these changes unseen in a century that Bonnie mentioned, one of – one of Jinping’s favorite phrases is the idea that this era of stability is ending. And the Ukraine war and Russia’s willingness to use major military force for the first time since 1945 in Europe, with the exception of the Balkans conflict, you know, is a signal as much as it is a development in that Chinese way of thinking.
I’d add that one conclusion that China might draw that’s reinforced is that nuclear deterrence can enable a conventional military conflict and limit escalation by major-power rivals. We should pay particular attention as to whether or not they’re drawing that conclusion. You know, they note that – as Bonnie indicated – in their disinformation campaign the U.S. has not directly intervened in Ukraine. I think that – and if I’m mischaracterizing, I’d like my co-panelists to speak up – there’s been an assumption among – on the U.S. side that U.S. intervention in a Taiwan war is expected by China and that we would under the right circumstances feel, you know, both a strategic and maybe a moral obligation to do that.

But there’s a real, you know – I think it underscores that China is no longer just a limited nuclear power with a minimal deterrent capability. The last – the last DOD report to Congress in October noted that U.S. estimates of Chinese ICBM forces have grown from estimating that by 2030 they would have 400 nuclear weapons to now a thousand. So China has made a decision, if you will, within the last few years to greatly increase their nuclear deterrence and to move towards something that’s closer to U.S. and Soviet ICBM stockpiles. And you know, in the same timeframe open-source imagery identified new Chinese ICBM silos being built at three large fields that cumulatively total about 360 potential missile launch sites.

So they’re going from a nuclear force that only had 18 ICBMs that could reach the United States in the mid-2000s to about 70 a handful of years ago to a thousand by 2030, and that makes me really question our assumptions and the credibility of China’s no-first-use doctrine and, you know, their willingness to threaten nuclear escalation or to use nuclear weapons as demonstration in the event of a conflict over Taiwan to constrain U.S. conventional intervention. I think another assumption that’s being confirmed, mostly in the breach by the Russians but especially by the Ukrainians, is that information dominance that drones and unmanned platforms and integrated joint operations are the key to success in 21st century warfare. This is a lesson that PLA originally drew from the first Gulf War – from Desert Storm – and it was reinforced by U.S. military operations in Iraq and Afghanistan in the 21st century.

So far, the only advantages Russia is demonstrating are what you’d call 20th century metrics of military power – mass and firepower. You know, China, for its part, has made major investments in communications, reconnaissance – they’re a major space power and major military space power today – strike, including multiple-armed autonomous aircraft models, and it also launched a massive restructuring of its military seven years ago to ensure that it could conduct U.S. style agile, rapid, and highly lethal operations against peer competitors and to conduct multi-domain operations against Taiwan.
So, somewhat paradoxically, Russia’s failures kind of reinforced most of the lessons that the PLA had learned over the last 20 years. I think, again, the role of information and intelligence in shaping the conflict is going to be lesson the Chinese draw, something they understood, and Bonnie indicated that there was already disinformation that was drawing on some of these themes.

But, especially, with regard to Taiwan, China has a high interest in being able to dominate the information environment, especially in advance of and during conflict, and they also have, of course, language facility, media ownership, and a lot of capacity to both try to isolate Taiwan physically by cutting off internet access or limiting it, and then becoming a major player in an information war on the Taiwan Strait.

So they will be a very rapt student of all of the rest that’s likely to unfold in the coming weeks or months. I think some of the assumptions that are being challenged, something Bonnie also touched on, is this reconsideration of Taiwan’s will and capacity to resist.

I think that the Chinese are pretty confident that they understand this issue on Taiwan. It’s written about extensively in Western press and Taiwan media. It’s not a secret they had to steal. But the Chinese have had repeated, you know, penetrations through intelligence operations of Taiwan’s military, executive branch, national infrastructure.

So I suspect they may have been very confident that if they need to use military force that they could exercise a lot of internal control to advance their goals in the event of war.

I think that the – to the extent that the U.S. and NATO incorrectly assessed that Russia would meet less resistance than it had is going to be something that they study, though, now. There have been calls on Taiwan and statements by President Tsai to make Taiwan a tougher nut to crack for the PLA, to build territorial defense capability and to add resilience. And to the extent that Taiwan really takes those lessons to heart, I think the Chinese will take notice and the PLA will have to take that into account.

And then, finally – again, Bonnie covered this better than I could and I think Scott may touch on this as well – the speed and expanse of economic sanctions. I mean, Russia is not China when it comes to sheer heft as an economic trading and financial power. But if – you know, China will have to, as Bonnie said, continue to pursue some of the things they’ve been doing in the last decade to insulate themselves from the potential effects of robust, especially, sanctions against technology, finance, and constraints on Chinese banking system.
And I think I’ll stop there and anticipate any excellent questions from the audience.

Dr. Lin: Great. Thank you, John.

That’s a good segue to Scott, who I’ve asked to discuss the economic implications of Ukraine so far and what that means for China, as well as Chinese thinking on Taiwan. So, Scott, over to you. I think you’re still muted, Scott.

Dr. Scott Kennedy: There we go. I’ll never get that right every time, I’m sure. But it’s great to be here with you and the others to talk about this issue, and I’m going to talk mostly about what this means directly for Taiwan short term and long term and say a little bit about China. China gets a lot of the headlines and coverage and a lot of ink, so I’ll talk more about Taiwan, if I can, and then we’ll see what happens in the discussion.

My bottom line, why don’t I begin there, which is in the short term there are few effects of the war for Taiwan’s economy. And I think that actually says a lot more about Russia and its economy than about Taiwan’s. But the war still highlights longer-term challenges for Taiwan, both where Taiwan sits in the global economy and because of cross-strait relations and where they may go, including the possibilities of what would happen in the event of war, and what that would mean for Taiwan’s economy.

Briefly, to break that down just a little bit, the direct effects, again, on Taiwan’s economy so far are really quite teeny. Taiwan has very, very small relationship with Russia and Ukraine. Russia – Taiwan has a trading relationship with Russia that was about 6.3 billion (dollars) last year, about 327 million (dollars) in trade with Ukraine. Big numbers for those of us who works in think tanks and thinking about our budgets, but that’s 0.8 percent of Taiwan’s total trade. And only 1 ½ percent of Taiwanese companies do business with Russia. So it’s not having a big effect on Taiwan right now.

Taiwanese do import neon gas from Russia, which they use in semiconductor manufacturing. But Taiwan has six to nine months inventory. In part, going back to Crimea in 2014, they realized that they needed to stockpile more of these materials and have substitutes. There is almost no effect so far as a result of the primary sanctions. TSMC very early on said we will abide by the sanctions. And the Ministry of Economic Affairs also said that domestic semiconductor manufacturers writ large in Taiwan have expressed that they will abide by laws and closely cooperate with what others are doing in posing sanctions.
Last year Taiwan, out of that 6.3 billion (dollars) in trade with Russia, a teeny part, 20 million (dollars) was chip exports to Russia. So the direct effects are pretty minimal. Indirect effects are also actually still quite small. The central bank in Taiwan says it’s had a moderate impact. What they mean is no impact. Inflation in Taiwan is still low compared to the rest of the world, 2.84 percent in January, down to 2.3 percent last month. Unemployment has not moved at all. GDP forecast in December for this year was 4.03 percent. A couple days ago they revised that to 4.07 percent. No movement in terms of the effect on Taiwan’s economy in the short term, micro or macro. But there are potential effects coming down the pike. The most important is if China’s economy gets hit with the secondary sanctions, if the Chinese do what they’re saying they’re not going to do, if they provide military support, if they help get around the financial sanctions, the technology, then that would be massively – China would get hit with massive sanctions itself, including invocation of the Foreign Direct Product Rule, which would tell everyone in the world to stop doing tech business with China. And of course, that would most – that would fall heavily on Taiwan.

Taiwan exports about a third of its chips west, to the left, and two-thirds to the right, to the east, to the United States and the West. So that’s – and it’s deeply embedded in all of these supply chains. So that would have a huge effect on Taiwan’s economy if the Chinese were to break their promise or – that they’ve been hinting at. They haven’t explicitly said they wouldn’t, but they’ve been hinting that they’re going to violate these sanctions.

I think the longer-term question about Taiwan’s economy is that the war highlights this big question about how does Taiwan adapt in a fragmented or a divided world, where there’s strategic competition or even outright conflict? The two big answers that have been given are diversify and move some of the manufacturing capacity for semiconductors and other things out of Taiwan to elsewhere – the United States and Europe and beyond – and the other is actually double down and spend more. So as the U.S. is getting ready to open more chip plants, including from TSMC in Arizona, the amount of investment going into Taiwan and their chip industry is actually even larger. So right now they’re answering all of the above, which still doesn’t fix everything.

A lot will depend not just on what Taiwan decides to do and what the U.S. and others do in terms of trying to diversify. As Bonnie Glaser mentioned in her initial remarks, China’s pursuit of self-reliance/dual circulation will have a lot to say on this. If the Chinese are somewhat more successful than they have been to date in developing the full supply chain of a semiconductor industry, that would have a huge effect on Taiwan, Taiwanese business. I’m more skeptical of that. I think we’re looking at generations for that type of capacity to be developed. Actually, no country is an island when it comes to
And so I think what this does is highlight the question for Taiwan as to think beyond the semiconductor industry and where can Taiwan continue to thrive going forward. I think a central highlight of Taiwan’s economic success the last 70 years has been about specialization. At certain moments during their history, they have focused on specific areas of products, technologies, and services, and been the dominant player in that space. So it’s been for the last 20 years semiconductor manufacturing. They still can play a very large role. But they’re going to need to look at artificial intelligence, virtual reality, other types of hardware solutions – maybe 3D printing – to see where they can continue to develop a specialized comparative advantage relative to everyone that makes them critical for rest of the global economy. So that’s what this – the conflict now highlights about this debate, and you see that occurring amongst economists and officials in Taiwan.

Let me stop there.

Dr. Lin: Thank you very much, Scott.

Dr. Michael J. Green: Great. Thank you, Bonny. So I’ll talk about the delegation to Taiwan earlier this month and the impact of the Ukraine invasion on our key allies – Japan, Australia, Korea.

But beginning with the Taiwan trip, so I was part of this NODEL – which stands for non-official delegation – the White House sent at the beginning of March to convey President Biden and the administration’s support for a reassurance of Taiwan, but also other allies in the Western Pacific at a time when we were focused on Ukraine to signal that the administration has not taken its eye off the ball in Asia. And as you know, Bonny and Bonnie and John and Scott, it’s difficult to send high-level officials – Cabinet officials – to Taiwan because of some of the restrictions in place since ’79. One of the fastest ways to send this kind of signal publicly is to get a very respected, prominent national security official. And so former Chairman of the Joint Chiefs Admiral Mike Mullen led our delegation and, you know, immediately commanded respect and attention as a result. Evan Medeiros, who was...
President Obama’s senior director for Asia, and I joined Michèle Flournoy and Meghan O’Sullivan.

And the mood we found was interesting. Social media was alive in Taiwan with criticism of the United States and disinformation, as Bonnie pointed out, about the U.S. commitment. And some estimates were as high as 90 percent of the social media commentary on Ukraine was negative about the U.S., not all of it indigenous to Taiwan, obviously. And when we were on the way to Taiwan and while we were there, our delegation was being trolled by the Ministry of Foreign Affairs. The spokesman said that reassurance by us was futile. The Global Times called us a bunch of important-sounding nobodies. It was delicious. My wife got a big kick out of it. So did my kids. But it was clear that our mission was necessary but also was revealing the narratives that Bonnie described that Beijing was trying to push about the weakness of Taiwan, that Ukraine shows how vulnerable and weak Taiwan is and how resistance is futile. And a big part of our message and, you know, narrative was, stand firm.

And I would describe President Tsai and her team as gripped with a sense of urgency about the implications of Ukraine for Taiwan, but not panicked, not in a crisis, no sense of imminent, you know, Chinese invasion because of Ukraine. You know, if anything, the complexities, the complications, the setbacks the Russians have faced would cause any major power some pause before contemplating the use of force. So there was not a sense of crisis but there was a clear sense of urgency and focus about what this meant, and in particular – I think in two areas, which are two areas where the U.S. can help.

The first is the clear lesson from the valiant defense of their homeland by the Ukrainian people that asymmetrical capabilities really matter, and the Taiwan defense establishment has been debating the so-called overall defense concept for some years now, the idea being they would balance the force, not just procure fighters and frigates and submarines to stop invasion of Taiwan and the Taiwan Strait, but also surface-to-surface missiles, mines, the kind of, quote/unquote, “asymmetrical capabilities” that would make it incredibly difficult for any force to land on or occupy Taiwan. But the reality, as everyone on the panel knows, is that this has been a lot more rhetoric than reality. It’s complicated changing defense concepts. It’s politically complicated talking about defense of the homeland as opposed to defense, you know, offshore. But it was very clear to me, at least, that the Tsai leadership team and the Taiwan people have internalized the lessons of Ukraine and want more U.S. help expediting the provision of some of these asymmetrical capabilities and convincing the defense, the ministry to make greater efforts for this as well. A lot of discussion about, you know, extending national service – right now, national service is four months. That’s how much people serve in uniform. It was two years. A poll came out yesterday in Taiwan that showed over 70 percent of the public support bringing back
national service to at least a year. We heard it from the leadership of DPP and KMT. And there’s a lot, to your question, Bonny, the U.S. can do to help – training, equipping, expediting foreign military sales, all, you know, within the parameters we’ve always followed when it comes to arms sales and the Taiwan Relations Act, and reasonable, given what we’re seeing in Ukraine.

The second major theme we heard and discussed was what John and Bonnie pointed to. The international coalition that has come together, led by the United States, to impose debilitating sanctions on Russia – that, if you’re in Taiwan, is hard not to notice, and it’s actually quite reassuring. As John and others pointed out, you know, the Chinese economy is not the Russian economy – much bigger, much more intertwined. But, you know, this coalition that has dealt this punishing economic set of sanctions against Russia with even a slightly different and even lesser tool kit in a Taiwan contingency could really complicate Beijing’s planning about how long they could sustain an assault on Taiwan or how long they could weather the aftermath in terms of the global reaction. So even if the answer is it’s not going to be the same as Russia because China is a larger economy, I mean, the reality is China’s leadership also depends more on the international economy than Putin does for growth and legitimacy. So this was not lost on the leadership in Taiwan, and it’s a significant insight because, from my perspective, Taiwan’s view of the world is, you know, the U.S. is 80 percent of what matters, Japan is 15 percent, then there’s everybody else, and what this showed is that Europe matters, Canada matters, Australia matters, and I think that could have a profound effect on how Taiwan approaches the world. It means that diplomatic relations with Taiwan’s allies are important to the people of Taiwan, Taiwan’s sense of prestige, and connectivity to the world, but private, quiet, trusting discussions with key capitals in Europe and Asia can matter a lot to Taiwan’s security. And the U.S. can help with that as well.

Really quickly, Japan, it’s been interesting, before the Ukrainian invasion the Japanese people were rallying to Taiwan’s defense, really. I mean, there was a Nikkei poll last year where 70 percent – 74 percent of the Japanese said Japan should play a role in helping to defend Taiwan. That was before the Ukraine invasion. With the Ukraine invasion, 80 percent of the Japanese in one poll said they see this as a direct threat to Japan’s own security. And in the debates right now in Japan, in preparation for major strategic documents coming up, this summer the Japanese government will completely, and in the fall they will publish three major strategic documents – big ones.

The first national security strategy since 2013, the national defense program guidelines, and the midterm defense plan, the force buildup plan. And these are being debated quietly by scholars, government officials. And what I’m hearing loud and clear from talking to people is increased focus on what Ukraine means in terms of Japan’s connectivity to NATO. It’s going to make
the German Marshall Fund Asia Program busy. But also Japan’s own capability set. So strike capability is in the mix for these new plans, but the debate is starting to move towards deep strike, striking enemy airbases. And what you see in Ukraine and Zelensky’s call for the capability to strike Russian airbases, has been picked up by the expert community in Japan. And so I think it’s going to shape thinking about strike and increase support for deterrence by punishment, not just denial. Strike into bases in China, which is a whole new world for the U.S.-Japan alliance.

Super quickly on Australia, again, Australia was trending like Japan. The defense minister announced in November, said in a press statement, that it would be inconceivable Australia would sit out a Taiwan conflict. And colleagues in DFAT and defense in Canberra tell me the number one question they get from parliamentarians now is about Taiwan. Since Ukraine, it’s about Taiwan. And so that tells you something about where that debate is heading on a bipartisan basis. New Korean government under Mr. Yoon is going to be much more forward-leading with the U.S. on the China problem than the previous government.

And I’ll end with this, and this is a wildcard for all of us and for Taiwan, from Seoul’s perspective the major impact of this Ukraine invasion is to divide the major powers on the Security Council, to divide the U.S., Russia, and China, and thereby open a much bigger aperture for Kim Jong-un and North Korea to resume nuclear and ballistic missile testing with less risk of punishment from the Security Council and the international community. So this really complicates Korea’s security environment, and in ways that will affect Taiwan, and Japan, and the U.S. as well. So thanks, Bonny. I’ll end there.

Dr. Lin: Thank you, Mike. A lot to consider, not only in terms of direct implications for Taiwan, but also broadly for the Indo-Pacific region.

So we’re now turning to the Q&A portion. For those of you who are joining us for the first time, you can type in your questions once you pull up the Q&A. I think there’s already 16 – or, now 17 questions. As we’re waiting for those to populate, let me actually build on what Mike mentioned in terms of how Taiwan is perceiving this, but direct this question to Bonnie Glaser as well as John Culver, who didn’t have as much time to weigh in on what potential lessons learned Taiwan may be taking. So, Bonnie, as – you gave a really holistic description of the lessons learned that China is taking from this. Are you hearing anything in terms of what key lessons learned Taipei may be taking from Ukraine?

Ms. Glaser: Well, that’s a really important question. And I’m glad that so many of the others on this panel have talked about the lessons that Taiwan itself is learning or should learn. And I have talked with many people from Taiwan over the last week who think that this conflict really does highlight the
importance of accelerating the reforms that are underway in Taiwan regarding the reserves. Now, we know that a new program – it's actually a pilot program – was just started earlier this year. And the reserves that will be called up under this pilot program will have to serve for two weeks, which I think compares to the maybe two or three days that has existed in the past. And they will have some night training and they will also train with active duty military forces.

So these are some things in the pilot program. So, ultimately, obviously, there is a perception that this does need to be accelerated and applied to a larger portion of the reserve force. And then those people who have thought about the need for a territorial defense force, people like Enoch Wu, who's running a – sort of like a first aid course that, apparently, more than 1,000 citizens in Taiwan have signed up for, this really bolsters their arguments that average citizens in Taiwan can be prepared to contribute.

We know in the first hours and days of the war in Ukraine that there were messages that went out that were sent to the Ukrainian citizens that there were 10,000 rifles. You're an able-bodied male. Come get one. And so Taiwan really can stand up, I think, a civilian territorial defense force and I think that they recognize, at least some people, that that's something that they should think about.

This is not something they've done in the past. I mean, let's be honest. Culturally and also for historic reasons Taiwan is very, very different from, you know, places like the Baltics or Israel or even Singapore. And, by the way, Taiwan's military has sent a delegation to all of those countries as well as, I think, Sweden and Finland to study their civilian defense programs and their reserves.

So I think that's sort of early things that are being thought about, that they recognize that having a really staunch robust resistance is really important. I don't know if the military is drawing that conclusion, and my understanding from many conversations I've had with Taiwanese military officers over the years that they think their priority mission is to prevent the PLA from, you know, landing on the beach and establishing a beachhead. That's absolutely important.

But, you know, in the event that the PLA actually succeeds you better have a plan B. You've got to have other things prepared, and having – and, you know, reserves in a potential insurgency and bringing in civilians, I think, is critically important and I think that Ukraine demonstrates that. So, hopefully, they are drawing those conclusions in the government and in the military as well.

Dr. Lin: Thank you, Bonnie.
Actually, for John, if you don’t mind, I want to ask you a slightly different question than the one I just asked Bonnie, grouping some of the questions that I’ve seen in the chat as well as what we’ve received on email.

So I would summarize this question as, to what extent, given all the changes that you – all the potential lessons learned that you mentioned the PLA could be taking away for this – to what extent does that actually make it more or less difficult for China to think about invasion of Taiwan? And it also relates to a question in the chat, which I thought was phrased quite well, is, if, following this conflict in Ukraine, China realizes that an invasion of Taiwan would likely be long and drawn out, could economic consequences or loss of Taiwanese production be considered too significant by China to risk such a conflict?

So if you want to weigh in on both the PLA thinking about invasion but also the larger – how China thinks of the larger cost, that would be great.

Mr. Culver: OK. Successfully unmuted.

So, first, let me tell you my priors. One is if Taiwan took actions to permanently separate itself from China tomorrow, China would declare war tomorrow. So their willingness to use military force is not primarily determined by their assessment of the preparation of the PLA or, you know, even the relative ease or ferocity of combat.

It’s a political decision by China, and we’ve seen them in the past be prepared to use punitive force against Taiwan in the event of a political act that China considered unacceptable because it would have represented permanent political separation many years before the PLA is remotely what it is today.

So, you know, you have to kind of reset that China’s not just waiting for an opportunity, you know, to leap across the Taiwan Strait. They seem to well understand the risk and complexity of this operation.

Now, at the same time, you know, I’d kind of answer a bit more with a counterfactual. If Putin and the Russian General Staff had understood what they were going to face in Ukraine instead of assuming that it would be comparatively easy – like perhaps they think 2014 was – would they have taken this course? In some ways, the best way to deter war and defeat an enemy is to have them conclude that it’s more difficult than they assess; that if China is ever contemplating a war of choice against Taiwan, all of the steps that Bonnie mentioned, all the things Mike mentioned about building resiliency affects directly Chinese war planning. It affects their assessment of the risk of such an operation and then the course of a war. You know, would
it be relatively quick and they could pacify Taiwan, or would they face a multi-decade insurgency?

You know, and I said earlier the Chinese are close students of U.S. military operations, and one of those that I think made the Chinese, you know, already have some thoughts on this was the insurgency that we faced in Iraq after successfully overthrowing Saddam; that, you know, for the first time the lights kind of went on in PLA headquarters that it wasn’t just enough to defeat the Taiwan military and secure the beaches, you then had to rule a population of 24 million people. And anything that makes that a more complex or risky undertaking can at least buy Taiwan time. It makes the PLA reassess not only phase one or, you know, initial kinetic operations, but then war termination and then postwar. And all of these, you know, I think, you know, again, push back the idea that as the PLA continues to modernize, as its capabilities relative to Taiwan look even more formidable, whether Xi Jinping or a future Chinese leader contemplates a war of choice like Putin just opted for with Ukraine. I think that also covers the kind of, you know, long drawn-out and whether it would be too risky.

I think if there’s a clear, from the Chinese point of view – and I’m not defending their point of view; I’m just kind of relaying it – if they think that the necessity for war exists, they will go to war. I do push back a little bit on a common paradigm you hear, especially in the West, that war with Taiwan means invasion. You know, for China, Taiwan is a political strategic problem, part of which requires military action. But they – you know, it would be an all-of-regime operation. And if they – if they had to go to war and didn’t feel an invasion was feasible or, you know, if they were uncertain about the extent of U.S. military or allied military intervention, they could still conduct operations. You know, they could blockade Taiwan and there’s no ready U.S. military solution to that. They could impose enormous costs on Taiwan and themselves. And you know, at least their rhetoric is that if they’re compelled to go to war with Taiwan, that war might last a decade but eventually, as they say, wars of national unification usually prevail.

Dr. Lin: Thank you, John.

So the next questions are for Scott. There are actually quite a number of questions asking about China and the sanctions, so I’ll group them into two large questions.

One is: To what extent is China abiding by the current Western sanctions on Russia?

And a second question is – related – is: In the case of a Taiwan or a continuously evolving China, the current Western sanctions that we have on Russia, if they were to be or a similar set to be applied on China, what would
the effect be? Would it be similar to what we’re seeing on Russia? Would it be more or less?

Dr. Kennedy:  OK. Great questions.

It appears that the Chinese are so far abiding by the sanctions. Even though, you know, their rhetoric is they won’t use the word “invasion,” they say that the Russian – that the conflict is caused by the eastward expansion of NATO, et cetera, in terms of actions it doesn’t appear that Chinese banks are supporting sanctioned Russian financial institutions or that China is continuing the type of trade that they would have in terms of providing tech support. And in fact, we see Chinese pulling back: Xiaomi, other cellphone makers selling less to China; Geely doing less car business; Chinese aviation companies not providing parts for Russian planes. When this was revealed by a Russian, he got fired. So it looks like so far they – that they are.

Now, of course, China’s a big, complicated place, and there may be Chinese organizations – smaller banks, tech companies that aren’t in the headlines – that either of their own accord or more likely hawkish elements in the Chinese system get them to provide support, which they would. But I think it’s unlikely that we’re going to see a bold-faced, outright, you know, thumbing their nose at the sanctions because the costs to China would be so gosh darn massive.

I think what Mike said was an understatement, right? Yes, Russia is suffering. Yes, China is a big economy. It is a big, globalized economy, and the pain that they would feel if the West employed these sanctions as well as pulled MFN from China would be absolutely devastating to the Chinese economy. I mean, they are so tied in to the rest of the world. That is amazingly useful leverage for us in this situation, and sometimes we forget that interdependence – it, obviously, makes us dependent and gives the Chinese leverage, but in this situation it’s amazingly useful.

And so now the Chinese, of course, would like to get around that. And they’ve talked about, you know, how can they internationalize the renminbi and domesticate these supply chains in chips and stuff like that. That is a really long challenge, and it would require the Chinese on the financial side to open up their capital account to get the world to – central banks to hold renminbi, to have lots of different investment opportunities in renminbi around the world. And that would be a fundamental change not just for the rest of us, but for the Chinese to avail themselves – open themselves up to those vulnerabilities of having their financial system not just simply controlled by them themselves. They could do it, but it would be a big change. Now, if they did do it – if they really went for it, opened their capital account, really started to push that way – that would have dramatic consequences for Taiwan. Taiwan really is interconnected into the global financial system led
by the U.S. and the West, and if the world really bifurcated along that lines, monster challenges. I think we can see out that far. It’s still over the horizon, so it’s not quite here.

So the irony is China’s a much bigger economy. The pain to China from sanctions would be even worse than what Russia is feeling right now.

Dr. Lin: Great. Thank you.

Mike, there are a number of questions that I think are probably more directed at you. One of the questions relates to other key U.S. allies and partners, particularly India. So you talked about Japan, Australia, and South Korea. So this question from Patrick Cronin in terms of what lessons learned India might be taking away. A related question on the points that you've been talking on in terms of larger strategy is: What does the conflict in Ukraine mean for U.S. Indo-Pacific strategy? So either of these questions, whichever you want to answer, Mike.

Dr. Green: Thank you.

Can I quickly pick up on Scott’s comment just now? Because I think he's right and explained it very, very well that it makes no economic sense for China to risk sanctions by supporting Putin’s war in a visible way. It makes no economic sense. But in the Xi Jinping worldview, it might make sense.

And I was struck that NATO – reports today that NATO is considering sending a message from all its members, many of whom have strong economic ties with China, warning there could be consequences if Beijing supports Putin militarily or otherwise. And I’ve been struck that the administration, which, you know, telegraphed what it knew about Russian intentions clearly and effectively and is not telegraphing concern that China may actually respond to some of Russia’s requests for materiel support, those datapoints suggest to me that the logic Scott is describing – which must have business and economic leaders in China horrified right now – is not necessarily the whole picture for Xi Jinping. And Xi may well do what is for China a very self-defeating move and trigger pressure from the West by supporting Putin because, from his perspective, Putin’s failure is not an option for China from the point of a balance of power that favors autocracies and favors China, from his worldview.

So I think Scott’s right. I hope Scott’s right. But I wouldn’t discount the possibility that Xi Jinping does something that in the long run is very self-defeating for the Chinese economy.

On the question of India, yes, as the president himself said, India is shaky – President Biden. India is shaky for some understandable reasons.
depends heavily on Russia for its military equipment. If it stopped buying military equipment from Russia, it would be in deep trouble in terms of its readiness vis-à-vis Pakistan, internal threats, and China. So that, plus the residual nonalignment mentality, the strategic autonomy instincts in the Ministry of External Affairs and Indian government, have really caught Delhi flat-footed and unable to track with Japan, the U.S., Australia, the Quad members, and others, on the Ukraine problem.

In the longer run, though, I think that Modi and the government are going to also be impacted by this. And they're going to see the consequences of this level of dependence on Russia for military equipment. Not because of Indian public reactions against the invasion, but because of the clear alignment between Moscow and Beijing. And so one other cost Beijing might pay is in an acceleration of Indian alignment with the U.S., Japan, Australia. If we see chemical weapons use, and China stepping up to support Russia after that. Hard to know. This conflict can go in any number of directions in the next few weeks. But I do think it has shaken loose, or certainly shaken the assumptions that Indian strategic planners had about Russia.

The other thing I would say about this in terms of India is I was never – well, from a U.S. national interest perspective, what matters to us is Indian capacity more than Indian alignment. I’ve thought that since I was in the White House working on India 20 years ago. And the Reagan administration had an internal document I declassified for my last book that made this point. It’s more important that India has the capacity to be a net exporter of security in South Asia and in the Indian Ocean. That’s more important, at the end of the day, then whether or not India aligns with us on all the major political events of the day, if what you’re focused on is a geopolitical equilibrium that complicates Chinese hegemonic planning.

So we should be patient with India, but pushing. And the fact the president said India is shaky today was a little undiplomatic, but probably useful. And in terms of the Indo-Pacific, I – you know, there’s an argument out there that the U.S. should not be overly invested in the Ukraine problem because of the China challenge which is the pace-setting geopolitical challenge of our era. And there will be some tradeoffs, clearly, in resources. But I’ve written, and believe strongly, that if Russia prevails, you will have a requirement – you will have a Russian front all along NATO’s eastern flank, with a significant demand for U.S. ground forces. And that, in the long run, would be a much larger distraction and pull of resources away from the Pacific then if we invest now in deterring and complicating Russian ambitions.

And I personally would support provision of fighter jets to Ukraine. Is it risky in the NATO and Europe context? It’s a little more risky. But to me, the risk is worth it because if the Russians prevail, that puts us at greater risk not just in NATO but in the Indo-Pacific, because of the enormous requirements we
will have to defend a much larger NATO frontier against a hostile Russian adversary. So we have to – we have to – short of intervention directly – in my view, we have to help Zelensky prevail for our Asia strategy – for our Asia strategy.

Dr. Lin: Great. Thank you, Mike. I know we’re only a couple minutes until the end of this panel, but I did want to direct a question at all the panelists, starting with Mike first. As we think about reassuring Taiwan, there’s been folks who are saying that now is the time to change our policy towards Taiwan to strategic clarity. I wanted to get your thoughts very quick on whether you think that’s a good idea now, or if you disagree with that proposal.

Dr. Green: So the debate about strategic clarity in the public domain is a very binary debate that I never encountered inside government. That’s not now government talks about this problem, you know? So it’s an academic and theoretical debate, to me – symbolic debate. But what I think we should do is clarify – if you want, you can say strategically clarify – what to me is the most important part of the Taiwan Relations Act, which says that a Chinese attack on Taiwan would represent a grave threat to our interest in the western Pacific. And you can crank up the clarity on that point. And I think Eli Ratner in his testimony in the Senate and others in the administration have been doing that.

The problem with a highly symbolic – there are two problems with a highly symbolic statement that we now have strategic clarity. One is that – you know, I mentioned one of the two significant takeaways from Ukraine is this international coalition. In the last year, the U.S. has included reference – important reference to Taiwan in joint statements with Japan, Korea, the EU, the G-7, and others. If we were pushing for strategic clarity, we would not have gotten those statements from key allies. So there’s a tradeoff there. And I think the tradeoff is one where you want to keep that international solidarity. That’s the first point.

The second point is, you know, if you’re talking about strategic clarity in a binary way, and you’re talking about the kind of Article 5 security commitments we make to Japan, Australia, or Korea, or NATO, that is complicated in the case of Taiwan because it is long-standing U.S. policy, and our allies’ policy, that we oppose unilateral changes to the status quo by either side. And there are risks associated with a blank check, but there are clear and compelling threats to Taiwan right now. There are threats to our interests, to Japan’s interests, Australia’s, and Europe’s.

So I would – I would pursue a course that maximizes that international solidarity in support of Taiwan and to complicate Chinese planning, while cranking up the clarity about what an attack would mean for U.S. interests, and our ability and determination to defend our interests, as they’re
articulated in the Taiwan Relations Act. To me, that’s the right balance. And it’s not theoretical. It’s actual policy that the government could pursue.

Dr. Lin: Thank you, Mike. Let me go in the reverse order. So Scott next, John, and then finally to Bonnie.

Dr. Kennedy: You know, I defer a lot to Mike, and Bonny, and John, and you on the specifics of how to ensure that conflict in the Taiwan Strait is as unlikely as possible, and that if it does occur that we get an outcome which reestablishes peace and protects this important democracy. That anxiety about war and the possibilities for conflict certainly has a big effect on how Taiwanese businesses plan for the future and how we think about them, and their business in China. The larger the ambiguity space, the more they are to diversify and to actually not think about what is the sweet spot for them in the future, that innovation that will keep them ahead.

So I think it’s really important, for those of you who manage the diplomatic/political/military space, to come up with a policy and environment that gives room for entrepreneurs, economic planners in Taiwan the space to imagine continuing to innovate over the coming decades. Without that, I think that that creates long-term risks to Taiwan’s economic infrastructure and foundations, which is important for having – being, you know, able to defend themselves on the battlefield as well.

Dr. Lin: Thank you, Scott. John.

Mr. Culver: Yeah. I mean, it kind of depends. I really like Mike’s sort of characterization, without putting words in his mouth, of this so-called debate over strategic clarity or strategic ambiguity as really a sort of performative American domestic politics rather than a kind of rational approach to a different strategy. I mean, from a Chinese point of view, if the U.S. declared that there was unambiguous support for Taiwan, to include even more military sales, direct training, high-level security official visits, then, you know, I think that you have to assume that they would conclude that it constitutes a mutual defense agreement, which the U.S. abrogated with Taiwan back in the 1970s. In which case, the basis for U.S.-China relations would be called into question.

So if you want a war sooner rather than later, that’s one way to get it. You know, that you would foreclose this kind of delicate balancing that’s enabled Taiwan to turn itself into a robust, prosperous democracy and instead turn it into potentially a battlefield between the two most powerful military forces on the planet, now that we see that Russia’s not really in the running. I think that there’s a lot of room within the current arrangement, the current U.S. policy, and the current understanding to do everything we want to do, you know, with respect to encouraging Taiwan resiliency, to making it better
able to withstand pressure, without this performative, you know, gesture to end strategic ambiguity and move toward a position of strategic clarity.

Dr. Lin: Thank you, John. Last but not least, Bonnie. And I hope to ensure everyone that Bonnie’s comments are well worth waiting for, and the fact that we are running five minutes over. But, Bonnie, over to you.

Ms. Glaser: Oh, sorry. I’ll be brief. I’ve written a lot and spoken a lot on this topic, so let me just make a couple of points.

I agree with Mike Green that we should think about this more as a spectrum rather than just sort of black and white, that you have to make one choice or the other extreme, and I think we’ve already seen, in fact, some senior Biden administration officials making statements that would move the needle more towards strategic clarity and yet not take a position that gives Taiwan sort of an ironclad commitment for defense, doesn’t make – and doesn’t box in the president in advance, that he would have to come to Taiwan’s defense, which I think is not necessarily in U.S. interests either.

But the other points I wanted to make is that I think that those who advocate strategic clarity make two incorrect assumptions. One is that the PLA doesn’t take U.S. intervention seriously, so it has to be told under all circumstances the U.S. will come to Taiwan’s defense. I don’t think we need strategic clarity for that reason. The PLA takes it quite seriously. It has shaped most of its modernization over several decades to deal with a potential intervening force, which is why it has developed anti-access/area-denial capabilities.

The other assumption that I think is incorrect is that taking this declaratory policy of strategic clarity will deter China from attacking Taiwan, and in fact, here’s why I would agree with John: It’s more likely to provoke than it is to deter because of the fact that the U.S. did have a neutral defense treaty with Taiwan that we broke as part of our understanding of establishing diplomatic ties, and if we’re actually reneging on that and this mutual defense, you know, clause that was in that security treaty, I think that the Chinese will believe that we are on the verge of actually recognizing Taiwan as, you know, a diplomatic – having diplomatic ties with the United States, as former Secretary Pompeo has advocated, and I think that’s quite dangerous.

But the last thing that I’ll say is that those who want to adopt strategic clarity, they’re well intentioned, right? What they want to do is they want to strengthen deterrence; they’re concerned about deterrence being weakened, and so they realize we can’t fix that problem quickly, we can’t do it overnight. So they’re looking for an easy fix – oh, change our declaratory policy. I think they don’t recognize the dangers and the downside. But what those who advocate strategic clarity and those who believe that it’s not a good idea all agree on is that we have to bolster our military capability. We have to have a
credible capability to intervene. That is what is the most important thing in bolstering deterrence.

Dr. Lin: Thank you very much, Bonnie. And also thank you very much, John, Scott, and Mike. Our apologies for running eight minutes over but I think the final discussion was well worth the time running over. Thank you, everyone.