

One of the greatest dangers to international security today is the possibility of a military confrontation between China and Taiwan that leads to a war between China and the United States. Such a war would be not only tragic but also unnecessary, since it would result from a failure of imagination and diplomacy--fought because a place that has long declared itself independent was attacked for doing so again.

Neither Beijing nor Taipei wants a war, but both sides have adopted policies that run an unacceptably high risk of bloodshed over the next several years. The Bush administration should therefore take steps now to reduce the prospect of conflict across the Taiwan Strait. Understanding what those steps should be, however, requires getting past the rhetorical constructs that have dominated discussion to date.

China says that it wants stability across the Taiwan Strait, that it can postpone final resolution of the cross-strait issue for a long time, that it is developing its regional military capabilities solely to deter Taiwanese independence, and that it will use force if necessary to prevent or reverse a declaration of independence. But these positions have not served China's interests well, because it has failed to make clear exactly what "declaring independence" involves.

By not doing so, Beijing has risked miscalculation by a Taiwanese leadership that does not want to provoke a military response but continues to push the envelope just short of one. The fact that for more than a decade Taiwan's leaders have declared Taiwan to be "an independent, sovereign country" without dramatic consequences adds to the confusion. Beijing's stance now runs the risk that Taiwanese President Chen Shui-bian will consider China's threats a bluff. (Chen's pro-independence predecessor Lee Teng-hui, for example, has said that Beijing is nothing more than a "paper tiger.") Ironically, Beijing's position also enhances the stature and leverage of the pro-independence elements in Taiwan. Since China says war and peace will be determined by what these individuals say and do, they attract enormous domestic and international attention.

China may be able to continue on its current course, expanding trade and investment ties with Taiwan while insisting that the island's leaders accept the "one-China principle" as a precondition for any political talks and threatening the use of force in response to a declaration of independence. But if it does, it will be tying both its credibility and the chances of a confrontation to forces beyond its control.

TRIANGULATION

Over the past two decades, Taiwan has moved from dictatorship to democracy. It has achieved this transition with remarkably little political disruption, a fact that is rightfully a source of pride for the island's people and leaders. But Taiwan's democracy is still very young, and it is experiencing growing pains. Political parties remain weak and faction-ridden, the notion of cross-party compromise to produce legislation is not well established, and leaders have been moving toward the use of referendums as a way to get around obstreperous opposition in the legislature.

Cross-strait relations, meanwhile, have become deeply intertwined in intensive partisan maneuvering for electoral advantage. Chen has proven very effective at appealing to the supporters of full independence while not alienating those fearful of rocking the boat with China. In the process, he has created a record that seems to support almost any position on the spectrum. If his tactics have benefited Chen, however, their results have been less happy for Taiwan. Beijing has lost all trust in him, making it hard for Chen to initiate a meaningful dialogue even if he were to try. Beijing supports various multilateral initiatives in Asia and

free-trade agreements in the region, but all of these exclude Taiwan, to the latter's growing economic and political disadvantage. And many corporations are moving activities from Taiwan to the mainland because the costs and bother of doing business across the strait are too high.

Meanwhile, whereas China's military has been gaining in strength and operational capability, Taiwan's defense budget has been declining (it is currently at its lowest level, in real purchasing power, since 1992), and Taiwan still lacks defenses well suited to fend off a mainland attack. Chen also has lost a great deal of support from the Bush administration, which has no desire to see regional tensions rise. Although he is now in his second term of office and prohibited from running for a third in 2008, Chen still has more than two years left to ensure a lasting legacy on the cross-strait issue before he steps down.

Washington has traditionally adhered to a cross-strait relations policy of dual deterrence and dual reassurance. It has signaled that Beijing cannot count on the United States' standing by if China attacks Taiwan and has signaled to Taiwan that it cannot count on U.S. forces to defend it regardless of the circumstances that precipitate the fighting. Washington has also assured Beijing that it will not change its one-China policy unilaterally and assured Taiwan that it will not sell out the island's interests. And it consistently suggests that both sides resolve their differences through negotiations. The United States, in short, has a one-China policy, insists on peaceful resolution of the cross-strait issue, and encourages dialogue as a path to that resolution.

The U.S. stance has probably helped keep the peace in the region until now, but it has not solved the underlying standoff. As a result, the United States now finds itself with a conditional commitment to protect a government in Taiwan that pushes the envelope on independence well beyond what Washington wants, while fending off constant requests from Beijing to do more to rein in Taiwan's actions. However loath Washington is to see the risk of instability grow across the Taiwan Strait, its traditional posture can no longer guarantee that the situation will not deteriorate.

Further complicating matters is a series of misguided assumptions in each capital that could easily lead to war. Many in Beijing believe that the White House seeks to encourage Taiwanese independence and uses its ongoing weapons sales to do so; that Taiwan can be defeated before U.S. military power can be brought into play; and that even if the United States did engage militarily, Beijing could force it to withdraw through a dramatic act such as the sinking of an aircraft carrier.

In Taipei, meanwhile, many think that Beijing is so focused on economic growth, domestic political stability, and the 2008 Olympics that it will do anything to avoid a war. Even if Beijing does make good on its threats, the reasoning goes, Washington will step in to defend Taiwan. And, in this view, Taiwan's independent defense capabilities are largely irrelevant, since any conflict will end in either a quick Chinese win or a Sino-American war. Weapons purchases are thus more important for their political symbolism than for their military utility.

In Washington, finally, many officials believe that U.S. policy has "worked" for decades and remains robust. Thus there is no compelling need to engage the Chinese military to increase mutual understanding, and the mixed messages that unavoidably emerge from various parts of Washington are unimportant. Ultimately, if any cross-strait conflict did erupt, the United States could settle the matter for the long term by achieving a decisive military victory.

The tragedy is that all of these assumptions are questionable and most are simply wrong. Yet taken together they could lead to the only outcome that nobody wants: a major war between the United States and China over Taiwan.

A FORK IN THE ROAD

Two developments in December set the stage for possible improvements in the cross-strait relationship. Unfortunately, they could just as easily move things in the opposite direction. On December 11, Taiwan held legislative elections that, to the surprise of nearly all observers, preserved the anti-independence Pan-Blue parties' slim majority in the legislature. Later that month, China's government submitted to its parliament a new anti-secession law that, when adopted, will legally commit China to use force should any part of its territory, explicitly including Taiwan, secede.

The Pan-Blue victory virtually eliminates the chance that Chen can push through pro-independence changes to the constitution during his second term. As a result, he might dampen cross-strait tensions in order to get enough Pan-Blue cooperation to pass at least some of his domestic agenda. Alternatively, Chen might decide to adopt a strongly pro-independence posture in the hope of fully capturing this issue for his party's supporters in the next legislative and presidential elections.

Although Beijing recognizes that the election results have greatly reduced the chances of a crisis-inducing constitutional change in Taiwan, different observers draw contrasting operational lessons about whether to pursue a tough line with Taiwan. Some believe that Pan-Blue's triumph reflects the success of Beijing's refusal to deal with Chen, whereas others see it as vindication of China's having adopted a relatively low profile on cross-strait issues in the months before the election.

Likewise, China's impending adoption of the anti-secession law has ambiguous implications. By legally mandating the use of force to prevent secession, the law is designed to clear up any uncertainty over whether China is willing to sacrifice peace to preserve territorial integrity. (In a loose sense, it is China's counterpart to the U.S. Taiwan Relations Act, which credibly constrains Washington's options.) The law could reduce Beijing's fears that Chen would misinterpret conciliatory gestures as indications of China's lack of resolve. It could also enhance Chinese President Hu Jintao's ability to take the initiative on cross-strait issues, now that he has demonstrated his willingness to commit himself to the use of force if things go badly.

On the other hand, the anti-secession law may also increase the influence of China's military on the Taiwan issue, since it creates an explicit national mandate to use force if necessary. Some Chinese leaders might view the law as an additional instrument for pressuring Chen should they decide to do so. And although many in Taiwan are likely to view the law as increasing the credibility of Beijing's threats, it will not draw a clear enough red line to eliminate the possibility of future Taiwanese misjudgment.

Thus the December 2004 developments have increased the chances of serious movement in relations between Beijing and Taipei without predetermining the direction the movement will take. They have created the potential for grudging cross-party cooperation in Taiwan to seek cross-strait stability, and even for China to move forward. But they have also created the possibility that Taiwan's pro-independence Democratic Progressive Party will turn even more strident and that China's policy will become more muscular and hard-line.

Here is where U.S. initiatives can help tilt the outcome in a more benign direction. Right now, there appears to be an unusual two-year window of opportunity to change the underlying cross-strait dynamic because the top leaders in Beijing, Taipei, and Washington now have terms of office that stretch until at least late 2007, with no elections coming beforehand that could present major obstacles. Within this context, two broad approaches could eliminate the possibility of war across the Taiwan Strait. Both are feasible, for they do not require any of the players to repudiate existing core principles. Nevertheless, each requires considerable political initiative and courage.

The first approach, which could be adopted by Beijing largely on its own, consists of embracing an "international" definition of Taiwanese independence instead of an "ideational" or "juridical" one. The second approach would rely on getting Beijing and Taipei to negotiate a long-term agreed framework for stability across the strait, perhaps with the help of U.S. diplomacy.

THINKING ABOUT INDEPENDENCE

On close examination, Beijing can think about Taiwan's independence in three separate ways, each with very different repercussions for China's interests. The first, which is common in international relations, considers a country independent only if other countries recognize it as such and grant it diplomatic recognition. By this definition, Beijing has already won and Taiwan has already lost. Every single major country in the world not only recognizes Beijing as China's legitimate government but also shares the view, articulated by former Secretary of State Colin Powell in his last official trip to Beijing, that "Taiwan is not independent."

If it accepted this standard, China could declare that it had already succeeded in preventing Taiwan's independence and that nothing Taiwan does could change that reality. China could thus assure Taiwan that it would not need to use force because the goal of preserving territorial integrity had already been achieved (whether or not the residents of Taiwan agreed). Only a move by other governments to recognize an independent Taiwan would change the status quo.

Unfortunately, Beijing is highly unlikely to adopt this simple, elegant, and powerful solution to the independence issue. Having ignored it for years, China's leaders would be hard-pressed to embrace it now. China's powerful military, moreover, would probably vehemently oppose any shift. And such a move might have undesirable effects, from Beijing's perspective, on the political dynamics in such areas as Tibet, Xinjiang, and Inner Mongolia.

The second, or ideational, definition considers a country independent if its own people accept and promote the view that they are a distinctive community constituting an independent political entity. By this definition, however, Beijing has already lost the game, since a sense of independent identity is widespread and growing within Taiwan. At times, Beijing seems to expect the United States to stop Taiwan's nationalistic tendencies, but that hope is unrealistic. Yet if this definition prevails, Beijing will inevitably feel that it must resort to force to impose its will--which, of course, would only increase, not decrease, Taiwan's sense of its separate identity.

According to the third, or juridical, definition, a country is considered independent if it takes some formal legal action to declare itself so. With respect to Taiwan, such action would likely come in the form of changes to Taiwan's constitution that clearly create a political entity distinct from the government that has been ruling Taiwan since 1949, after fleeing the Chinese mainland (where it was established in the early twentieth century as "the Republic of

China"). Beijing has hinted that any such constitutional change would cross a red line and spark a crisis.

The juridical definition seems extremely artificial, even arbitrary, and thus may feed a sense of unreality on Taiwan. It virtually invites salami tactics, such as constitutionally changing Taiwan's name to "Republic of China (Taiwan)" instead of to "Republic of Taiwan." The latter would apparently induce a Chinese use of force and so should be avoided. But would the former? If not, what lesson should Taiwan draw?

Nevertheless, Beijing regularly asks the United States to make sure that Taiwan does not cross the juridical independence line. Washington has made clear to Taipei that it does not want games played on this issue, but Taipei has repeatedly pushed the envelope, evidently feeling confident of Washington's support should the mainland respond aggressively to another seemingly minor Taiwanese initiative.

In sum, by embracing the international definition of independence, Beijing could ignore independence activities on Taiwan. On the other hand, asserting the ideational definition would inevitably result in Chinese defeat on Taiwan's independence, and accepting the juridical definition would perpetuate the current lack of clarity and the risk of salami tactics. Thus only the first definition would clearly avoid war, but, unfortunately, China will not adopt that approach.

AGREEING TO DISAGREE

A second and politically more feasible approach would be to lock in the status quo by having Beijing and Taipei negotiate a 20- to 30-year "agreed framework" for stability across the Taiwan Strait. Such an agreement would eliminate the things that each side fears the most: for Taiwan, the threat that Beijing will attack; and for Beijing, the threat that Taiwan will cross the independence red line.

Such an agreement would be built on the recognition that deep-rooted political factors in both Beijing and Taipei preclude negotiating a peaceful resolution to the cross-strait issue for at least another generation--something that officials on both sides acknowledge privately. It would also be rooted in a sense that the current obsession with final-status issues ("reunification" for Beijing and "independence" for Taiwan) has made the situation pregnant with catastrophe. There is every reason to believe, in contrast, that, two or three decades down the road, things will have changed significantly. At that point, the two sides might be able to hold more fruitful final-status negotiations.

Only Beijing and Taipei could determine the details and scope of any such long-term agreement, but presumably it would encompass a variety of issues, including confidence-building measures in the security arena, provision for increased economic and political contact across the strait, and consideration of more international space for Taiwan politically. Its core, however, would consist of credible commitments to take the issues of independence and the use of force off the table.

Each side has already seriously considered a long-term stability framework agreement in private, but it remains unclear how compatible their respective positions on it are. Neither, moreover, has yet figured out how to start dialogue on the subject given their extraordinary levels of mutual distrust and the lack of a reliable and secret channel of communication between them.

This is where the United States comes in. Washington can play two potentially important roles in reducing the chances of military conflict. It could strongly encourage each side to focus on achieving a cross-strait stability framework agreement as its major objective, stating that, if either side does not, it will pay a price in its bilateral relations with the United States. Washington could also offer its good offices to facilitate the necessary, delicate, and secret communications that would have to take place before either side is prepared to commit publicly to such a plan.

If both sides agreed, moreover, Washington could help create the mutual confidence necessary to make the core commitments in the agreement credible. Taipei might ask, for example, that all major governments promise to take Beijing's use of force against Taiwan as a matter of grave concern and to react accordingly (the current U.S. commitment). Beijing, in turn, might demand a commitment from all major governments to cut off ties with Taiwan and remove it from all international organizations if it asks for recognition as an independent country while the agreement is in force.

These comments are suggestive, not prescriptive, but they indicate the ways in which outside actors might play a helpful role. Washington could indicate from the outset its willingness, in principle, to help line up international support.

OUT OF THE BOX

A framework agreement would be difficult to negotiate and, given the countries' respective electoral calendars, would have to be completed before the middle of 2007. Furthermore, the substance of the agreement would have to prove broadly acceptable to each country's public, lest opposition politicians in Taiwan, for example, manage to win the 2008 elections on a platform rejecting it.

Is such an agreement even conceivable? It should be. The main obstacle in China would likely be Beijing's position that Taiwan must accept the one-China principle before any negotiations begin. But Beijing has always asserted this condition in the context of efforts designed to address final-status issues. If the sole purpose of the proposed agreement is to assure stability for a defined period of time and the agreement includes Taiwan's commitment not to declare independence for the entire term, the one-China principle will not be violated by the outcome of the negotiations.

The main obstacles in Taiwan would likely be the government's position that Taiwan is already an independent country and the public's increasing sense of a separate Taiwanese identity. But because Beijing does not consider Taiwan to have already declared independence, the practical task will be for the two sides to negotiate a definition of "declaring independence" clear enough to determine what future acts would cross the red line. Issues such as Taiwan's domestic identity and China's development of its overall (as opposed to cross-strait) military capabilities could be deemed beyond the scope of the agreement and thus not up for discussion.

This approach has the virtue of turning all the participants' attention to the most urgent task at hand--reducing the risks of a cross-strait conflict without compromising either side's core objectives--and dealing with it for at least a generation. It also provides an opportunity for Chen to establish a legacy and for leaders in Beijing to ensure that the Taiwan issue will not hinder their nation's overall aspirations. Indeed, it could lay the groundwork for the 2008 Olympics in Beijing to mark the beginning of a new geopolitical era in cross-strait relations.

Wars sometimes occur because of miscalculations influenced by the weight of historical legacies. In the case of the Taiwan Strait, the dangers of such a conflict are so clear and the potential consequences so dire, that all three major players should summon the courage to think creatively about how to prevent it. Because neither Beijing nor Taipei is likely to make the first move even if they recognize such a plan's potential benefits, Washington will have to jump-start the process. Given the relatively brief window of opportunity during which a stable framework agreement can be reached, as well as the still-ambiguous implications of recent developments, the Bush administration should move quickly.