



## Taiwan: Political and Security Issues

Taiwan, which officially calls itself the Republic of China (ROC), is a self-governing democracy of 23 million people located across the Taiwan Strait from mainland China. Its government claims “effective jurisdiction” over the island of Taiwan, the archipelagos of Penghu, Kinmen, and Matsu, and other outlying islands. Taiwan also claims disputed geographic features in the East and South China Seas.

U.S.-Taiwan relations have been unofficial since January 1, 1979, when the United States established diplomatic relations with the People’s Republic of China (PRC) and broke them with Taiwan, over which the PRC claims sovereignty. The 1979 Taiwan Relations Act (TRA, P.L. 96-8; 22 U.S.C. §3301) provides a legal basis for unofficial relations. See also CRS In Focus IF10256, *U.S.-Taiwan Trade Relations*.

The PRC’s long-stated determination to unify with Taiwan, by force if necessary; resistance in Taiwan to absorption by the PRC; and U.S. security interests and commitments related to Taiwan combine to create the risk of possible future U.S.-PRC armed conflict over Taiwan.

**Figure 1. Taiwan**



**Sources:** Graphic by CRS. Map generated by Hannah Fischer using data from NGA (2017); DoS (2015); Esri (2014); DeLorme (2014).

### Modern History

In 1949, as it was losing a civil war on mainland China to the Communist Party of China (CPC), the ROC’s then-ruling party, the Kuomintang (KMT), moved the ROC government to Taiwan. Until 1991, the KMT continued to assert that the ROC government on Taiwan was the sole legitimate government of all China. In 1971, however, U.N. General Assembly Resolution 2758 recognized the PRC’s representatives as “the only legitimate representatives of China to the United Nations,” and expelled “the

representatives of Chiang Kai-shek,” the ROC’s then-leader. Taiwan remains outside the U.N. today.

The KMT maintained authoritarian one-party rule on Taiwan until 1987, when it yielded to public pressure for political liberalization. The May 2016 inauguration of President Tsai Ing-wen of the Democratic Progressive Party (DPP) marked Taiwan’s third peaceful transfer of political power from one party to another. Tsai won a second four-year term in 2020, and her party retained its majority in Taiwan’s parliament, the Legislative Yuan. Taiwan is to hold presidential and legislative elections in early 2024.

### U.S. Policy Toward Taiwan

Since 1979, the United States has maintained a “one-China policy,” which it currently describes as being guided by the TRA; U.S.-PRC joint communiqués concluded in 1972, 1978, and 1982; and “Six Assurances” that President Ronald Reagan communicated to Taiwan’s government in 1982. Under the one-China policy, the United States maintains official relations with the PRC and unofficial relations with Taiwan, sells defensive arms to Taiwan, supports peaceful resolution of cross-Strait differences, opposes any unilateral changes to the status quo (without explicitly defining the status quo), and states that it does not support independence for Taiwan. The U.S. one-China policy is distinct from the PRC’s “one China principle,” which defines Taiwan as part of China.

In the communiqués, the U.S. government recognized the PRC government as the “sole legal government of China,” and acknowledged, but did not endorse, “the Chinese position that there is but one China and Taiwan is part of China.” The Six Assurances include statements to Taiwan that in negotiating the 1982 joint communiqué with the PRC, the United States did not agree to consult with the PRC on arms sales to Taiwan or to “take any position regarding sovereignty over Taiwan.” (See CRS In Focus IF11665, *President Reagan’s Six Assurances to Taiwan*.)

Key provisions of the TRA include the following:

- U.S. relations with Taiwan shall be carried out through the American Institute in Taiwan (AIT), a private corporation. (AIT Taipei performs many of the same functions as U.S. embassies elsewhere.)
- 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.”
- “The President is directed to inform the Congress promptly of any threat to the security or the social or economic system of the people on Taiwan and any danger to the interests of the United States arising therefrom. The President and the Congress shall determine... appropriate action by the United States in response to any such danger.”

The TRA does not require the United States to defend Taiwan, but it states that it is U.S. policy to maintain the capacity to do so, creating “strategic ambiguity” about U.S. actions in the event of a PRC attack on Taiwan. Some observers, including some Members of Congress, have advocated abandoning the policy of strategic ambiguity in favor of a clear U.S. commitment to defend Taiwan. Supporters of ambiguity see it as having deterred provocations from both sides of the Taiwan Strait and as incentivizing Taiwan to invest in its own defense.

President Biden has sent mixed messages about U.S. policy. Since August 2021, he has four times stated that the United States would defend Taiwan, appearing to abandon strategic ambiguity, although White House officials later said U.S. policy remained unchanged.

## PRC Policy Toward Taiwan

At the CPC’s 20<sup>th</sup> Party Congress in October 2022, China’s top leader, Xi Jinping, referred to unification with Taiwan as “a historic mission and an unshakable commitment” and as necessary for “the rejuvenation of the Chinese nation.” He reiterated the CPC’s preference for peaceful unification, and its proposal for a “One Country, Two Systems” approach to governance of Taiwan. Xi also restated, however, that the CPC “will never promise to renounce the use of force.” The PRC’s Anti-Secession Law, passed in 2005, states that in the case of Taiwan’s “secession” from China, or if the PRC concludes that possibilities for peaceful unification have been exhausted, “the state shall employ non-peaceful means and other necessary measures to protect China’s sovereignty and territorial integrity.”

Beijing cut off communication with Taiwan’s government in 2016, citing President Tsai’s unwillingness to endorse a formula known as “the 1992 consensus.” The consensus stipulates that the KMT and the CPC agreed that Taiwan and mainland China are parts of “one China,” without agreeing on what “China” means. Xi’s government has also sought to isolate Taiwan internationally. Since 2016, nine former Taiwan diplomatic partners have switched diplomatic recognition to the PRC, leaving Taiwan with 14 such partners. The PRC government has worked to exclude Taiwan from participation in the work of U.N. agencies, claiming that U.N. General Assembly Resolution 2758 “confirmed that Taiwan is a part of China.” In October 2022, AIT Chairman James Moriarty accused the PRC of “intensifying efforts to misuse” the resolution to “preclude Taiwan’s meaningful participation in the U.N. system.”

## Taiwan’s Security

Taiwan’s military is highly capable, but its budget is less than one-tenth of the PLA’s and it faces equipment, readiness, and personnel challenges. As China’s military, the People’s Liberation Army (PLA), has modernized, the cross-Strait balance of military power has shifted in the PRC’s favor. Xi Jinping has instructed the PLA to “be ready” to “conduct a successful invasion” of Taiwan by 2027, according to February 2023 remarks by CIA Director William J. Burns. Burns added, “that does not mean that he’s decided to conduct an invasion.”

President Tsai’s government has accused the PRC of using its growing military might to conduct a sustained campaign of intimidation and coercion against the island. That

campaign appeared to step up in intensity in August 2022, after then-House Speaker Nancy Pelosi became the highest-ranking U.S. official to visit Taiwan since 1997. The PLA conducted large-scale exercises in six locations off the island’s coast. The exercises included missile test-launches over Taiwan. PLA ships and aircraft have operated closer to the island with greater regularity ever since—often multiple times per week—and monitoring and responding to such operations has taxed Taiwan’s military. Many analysts see the PLA activities as intended to undermine the confidence of Taiwan’s population and policymakers.

Taiwan and U.S. officials broadly agree that Taiwan’s strategy to deter a PRC attack should address the asymmetric cross-Strait power balance by targeting PLA weaknesses and harnessing Taiwan’s natural advantages, such as its fortress-like island geography. They do not always agree, however, on how to implement such a strategy. The United States—Taiwan’s primary arms supplier—seeks to shape Taiwan’s strategy to focus on deterring an amphibious invasion. Some in Taiwan argue this approach leaves Taiwan vulnerable to military coercion short of an invasion. Uncertainty as to whether and how Washington might aid Taiwan in the event of an attack informs these debates.

## Taiwan and the U.S. Congress

Congress has been influential in shaping U.S.-Taiwan relations. In 2022, the 117<sup>th</sup> Congress passed the most comprehensive Taiwan-related legislation since the TRA in the form of the Taiwan Enhanced Resilience Act (or TERA, Title LV, Subtitle A of the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, P.L. 117-263). Among other things, the act authorizes Foreign Military Financing (FMF) assistance for U.S. arms sales to Taiwan for the first time; mandates “comprehensive” U.S.-Taiwan military training programming; and establishes a Taiwan Fellowship Program in Taiwan for U.S. government officials. In a December 28, 2022 statement, Taiwan’s Foreign Ministry defended the fellowship program from domestic criticism, saying, “competent Taiwanese agencies will ... assess whether to accept the U.S. plans,” and that it is “absolutely out of the question that any fellow could interfere in Taiwan’s internal affairs.”

The FMF assistance authorized by TERA includes up to \$2 billion a year in loans and up to \$2 billion a year in grant assistance for Taiwan through FY2027. The Consolidated Appropriations Act, 2023 (P.L. 117-328) makes up to \$2 billion available for FMF loans to Taiwan in FY2023, but does not appropriate funds for FMF grant assistance to Taiwan. Taiwan’s government has indicated that it does not plan to make use of the FMF loan assistance. The Taiwan Foreign Ministry’s December 28, 2022, statement declares “strengthening national defense and protecting the homeland are Taiwan’s responsibility.” It adds, “The government will fulfill its obligations by ensuring that sufficient national defense budget is allocated to enhance Taiwan’s asymmetric warfare capabilities.”

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