The Evolving Military Balance in the Taiwan Strait

Speakers

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Panelists discuss the risk of an armed conflict between the United States and China over Taiwan and how the United States should adapt its defense strategy to meet the China challenge.

LEWIS: Good afternoon and good morning to those of you who are on this side of the planet. We have an excellent lineup of speakers and our topic could not be more timely, especially with both the increased activity in Taiwan's air defense identification zone recently and the *Wall Street Journal* report yesterday—or today where a lot of you are—about U.S. Special Operations being on the ground in Taiwan to train troops.

So my role, especially with six hundred members signed up, is to be brief: To introduce the panelists, to stir up some discussion, and then to make sure we do leave the second half for Q&A. I'm sure there will be many excellent questions.

So, turning to our speakers today, we have three.

First, Elbridge Colby, who is the principal and co-founder of The Marathon Initiative. He's also the former deputy assistant secretary of defense for strategy and force development, and that was in 2017-18, and a CFR member. He is the author of *The Strategy of Denial: American Defense in an Age of Great Power Conflict*, which is out now from Yale University Press.

Second, Admiral Lee Hsi-min. He is a senior fellow with the Project 2049 Institute and former chief of the general staff of Taiwan's armed forces from 2017 to 2019, during which he developed and introduced the Overall Defense Concept, or ODC.

And third, Patricia Kim. She is the David M. Rubenstein Fellow with joint appointments to the John L. Thornton China Center and the Center for East Asia Policy Studies at the Brookings Institution. She is also a global fellow at the Wilson Center and a CFR term member.

And so let's start with Dr. Kim. And we're in this period now between October 1st—so the PRC National Day—and October 10th, the ROC Double Ten National Day, and that turns our thoughts to history. And I don't want to take us way back to a hundred-plus years ago or 1949, but rather to a decade ago. And we're looking now to the end of Xi Jinping's second term next summer, assuming that he's going to start a third term, but could you talk a little bit about how we've seen policy towards Taiwan or at least noises or rhetoric towards Taiwan change in the first ten years of Xi's leadership?

KIM: Well, thanks, Maggie. And I want to thank CFR for inviting me to—for what's turned out to be a very timely panel with a record-breaking number of Chinese military planes flying into Taiwan's ADIZ over this past weekend and increasingly alarming forecasts about China's abilities to launch a full-scale attack on Taiwan.

So I—you know, I don't want to go back too far into history, but when you do talk about China's policies towards Taiwan, you do have to take a historical look. And I think it's important to note that there is notable continuity in Beijing's stated policy on Taiwan. You know, ever since the Chinese Civil War ended on the mainland and the CCP established the PRC, Beijing has consistently maintained that Taiwan is a renegade province of the PRC and that its unification with the mainland is inevitable and nonnegotiable.

Over the past decade, Beijing has used a combination of carrots and sticks towards Taipei, from diplomatic overtures and economic incentives on the one hand to diplomatic pressure, economic coercion, and military intimidation on the other. And it's sort of picked and choosed between these tools depending on who's in charge in Taipei and whether Beijing deems Taiwan as moving further towards independence under his or her leadership.

So, from the early 2000s when Chen Shui-bian was in power—this is when the more independence-leaning DPP took presidency for the first time in Taiwan—we saw Beijing revert to sticks, cutting off all official dialogues and diplomatically isolating Taiwan. And this is when it passed the anti-secession law of 2005, which reiterated Beijing's right to use force to prevent Taiwan's independence and/or to compel reunification if it determined that all means of peaceful reunification were exhausted.

And then we come to the time when Xi Jinping came to power, which was during Ma Ying-jeou's period, which is when the KMT was sitting in Taipei and Beijing again turned to a charm offensive, trying to resume cross-strait exchanges, strengthen economic ties, and so on.

And then, from the election of President Tsai Ing-wen and the DPP's return to power, we saw a decisive shift in Beijing's tools to the coercive end of the spectrum. And so, in addition to amplifying military coercion, Beijing has since cut off all official cross-strait exchanges, it's isolated Taiwan in the international arena, and increased pressure on international businesses and countries who don't toe the one China principle.

So China's toolkit hasn't really changed under Xi Jinping, necessarily, the types of tools, but what has significantly changed is the impact that Beijing's tools have and the pain that it's able to inflict because of just how much China's military might, its economic weight, and its diplomatic clout has increased vis-à-vis Taiwan and the rest of the world.

And you know, the theme of this panel is China's military capabilities. So looking specifically at China's military capabilities, we've seen a significant growth under Xi Jinping's watch, with the PLA's budget expanding from $73 billion in 2011 to $250 trillion (sic; billion) last year. And so China now has the largest military budget in Asia. It ranks second in the world behind the United States. And not only has its military budget grown, but China has also implemented a variety of military reforms to modernize its forces. It's streamlined its command structure. It's shifted its focus to the navy. The PLA has built up an arsenal of thousands of short- and medium-range ballistic missiles and cruise missiles that are all pointed at Taiwan. And again, it's dramatically increased the number of military aircraft that it's sending into Taiwan's ADIZ over the past two years, with a record-breaking number just this weekend flying in. And so, you know, these kinds of gray-zone tactics that China has adopted is—are designed to test and wear down Taiwan's military forces, its public morale, and to send a signal to third parties that China will not back down when it comes to its sovereignty claims over Taiwan.

And I guess I'll end here by saying that while increasing military pressure and China's hardline stance in recent years has certainly done the job of alarming many citizens in Taiwan and many people in the region, I think in many ways it's also undermined Beijing's objectives to some extent by spurring greater concerns here in the United States and among U.S. allies and partners about the need to strengthen support for Taiwan, which is the trend that we're seeing.

LEWIS: Great. Thanks so much.

So turning to Mr. Colby about—I'm not going to ask you to give a number of years or—(laughs)—but I do want to turn to this idea that there's been this military threat in the background for years and decades, and there's a big debate right now about how concerned and how imminent the potential for military action could be. So could you give us a sense of,

you know, how on that spectrum concerned you are that there actually is more of a real threat of military action being not just possible, but you know, in the realm of real potential action? And also, from D.C., why should Americans—not just those of us who have personal connections to Taiwan, but more generally why should Americans care about Taiwan's fate?

COLBY: Sure. Thanks, Professor. And thanks to CFR for hosting this important discussion.

I mean, the military balance across the Taiwan Strait has declined dramatically and is now at the point where it is a very urgent matter. And I would say basically what's changed, in effect, is a product of a couple of different factors, the most significant which is just the enormous growth in Chinese military power that has been focused above all on Taiwan.

So Patricia mentioned intent. China clearly has irredentist intent. It's amplified it for years. In fact, they were planning on invading Taiwan in 1950 or so, before the Korean War, but they were frustrated in that—in that goal.

In addition, my view is that China actually has a rational strategic goal. If its goal, as the U.S. Department of Defense has assessed, is a regionally predominant or hegemonic position, it's going to have to break apart any coalition that stands against it, which we actually see forming today with things like AUKUS and the Quad. And Taiwan plays a critical role in that because of its connection to the United States. I think people often think of our security relationships in a kind of binary fashion. I would say Taiwan, in shorthand, is about two-thirds of an ally. So it's not the same as the United Kingdom, but it matters a lot. And if China wants to attain that regional hegemony, it's got to discredit the U.S. security guarantee, which is kind of the steel in the spine of any aborning anti-hegemonic coalition. So that—it's not just an irredentist, kind of revanchist ambition towards Taiwan. It's actually connected.

It's also—Taiwan is also very militarily significant. It was famously called the unsinkable aircraft carrier. It sits right at the heart of the first island chain. And that first island chain is critically important, as Admiral Davidson has emphasized and as the White House in its Indo-Pacific strategic framework of 2018 pointed out as well—late 2017. So Taiwan is very valuable. It makes sense. And frankly, the Chinese have not been shy about pointing that out.

Secondly, China's capability, as I mentioned—and Admiral Lee would know this very well—has just increased way, way beyond what I think people really appreciate. One of the strange things is in a group like this, with a lot of distinguished participants, there's a tendency, I think, to sort of assume that U.S. military superiority is still there and defense specialists are kind of exaggerating. Except when you talk to actual defense specialists, we are almost at the point where we may—a lot of people have given up. So Rear Admiral Studeman, the director of intelligence at INDOPACOM, indicated the other day or a couple months ago that we may be too late for Taiwan. I don't think that's—I don't think that's right—he knows more than I do about the topic—but I think—I think it's not time to give up yet. But I really would urgently underline how serious the threat is.

China has, obviously, the largest-growing economy in the world. It's the first superpower to arise in the international system of equivalent size to our own economy since the 19th century. And it's allocated a significant and increasing fraction of its advancing resources and capabilities to the military—yes, to power projection, which is now a real thing—I mean, they're developing aircraft carriers—but their number-one scenario that they have been laser-focused on is forced unification with Taiwan if necessary. Meanwhile, we've been in the Middle East and in Europe, and we're distracted, and et cetera, et cetera.

So if you—the RAND Corporation did a very good report about five years ago indicating over time—twenty years ago, to your point, Maggie, you know, we could have had one hand tied behind our back and defeated a Chinese invasion of Taiwan with no problem under very constrained rules of engagement. Now we're looking at a point where, as the defense minister of Taiwan said the other day, they may be able—China may be able to take Taiwan with very little cost, actually, within the next four or five years.

And I would emphasize here that I think a direct invasion of Taiwan is a very real possibility. There's a tendency to think that China will creep up incrementally using gray-zone kind of operations and only resort to the use of major force—force majeure, if you will—once it's exhausted those possibilities. But of course, the problem with that is twofold.

One is those gray-zone operations are not going to get Taiwan to back down. I think it's quite clear President Tsai and her decisive reelection have indicated that people don't want to live under Xi Jinping's boot.

And secondly, if China does that it's exactly what, I think, Patricia was pointing to, which is that it will catalyze that anti-hegemonic coalition. It will induce balancing behavior both by Taiwan, the United States, others.

So, if you're China and you're serious about the issue, that leads you to think quite seriously about kind of cauterizing the problem—just doing it directly, taking Taiwan out of the equation, and then presenting a fait accompli to the United States, which is a very real possibility. It would be very, very difficult to help Taiwan defend itself, let alone recapture it. So that's—and that's what the Chinese are training for: amphibious exercises, air assault, these kinds of things.

The final point I would like to—I would—I would emphasize here, and a particular reason for urgency, is China may reasonably see a closing window. I mean, if you go back and you look historically at why major wars tend to start, there's often a perception of a closing window of opportunity. It was certainly true for Hitler. It was true for the Germans in 1914, I think, probably in the case of Korea in 1950. The reality is that there is an anti-hegemonic coalition sort of inchoately forming, and the United States is finally getting its act together and orienting more towards the Asia-Pacific. Japan is finally talking about increasing its defense spending. Taiwan is making some moves, finally—too slowly and too little, too late, hopefully—or, I hope not, but too little, too late for sure, needs to be going farther. But if you're Xi

Jinping, you're now benefitting—you have forces in your military, in the PLA, that have been developed since 1996 or so that are specifically oriented to the Taiwan scenario, and you know that the American military is going to be much more formidable in about ten years. So if that's your case, you face a potential go/no-go decision because you might have a wasting asset or wasting capability in that sense.

You know, I say sort of, you know, informally, I mean, as somebody who grew up, say, in the '80s and '90s, I find the idea instinctively of a major war of this type very hard to imagine. It seems implausible. But when I look at it deductively, I'm really, really worried. And I only get more worried every successive month. Thanks.

LEWIS: Thanks. And not military directly, but I would love sometime also to discuss the closing window with respect to Taiwanese identity and what it means to be—sort of how connected are the people on the two sides of the strait.

But I want to turn to Admiral Lee, and I welcome you to respond to Bridge's assessment of the threat. But also, given your central role in the ODC, I would love for you to bring the view from within Taiwan. And certainly, military hardware is of great interest, I'm sure, to everyone on this webinar, but also about the—what it means for the people of Taiwan to be involved in defense. And I looked at—of course, President Tsai's essay that's in *Foreign Affairs* just came out, and she starts talking about resilience. And we've had this transition towards an all-volunteer force, which has been not easy, which is not surprising. But also I've heard, you know, more training of the general civilian population about what happens if the electricity goes out or how do you do first aid, and then also the homeland defense force and having a reserve reform. So if you could just give us that view from within Taiwan, especially about these efforts with the population of Taiwan that do not tend to grab the international headlines the same way that an arms sale does, for example.

LEE: OK. Thank you very much for inviting me to participate in this discussion. And also, thank you very much to many people concerning the security of Taiwan and their—so many people have a very strong sense of urgency about Taiwan and their security. Many people may think there's kind of no sense of the urgency in Taiwan, but I would like to say this is quite natural. It's kind of human nature. So people—over time, people can easily be numbed. So people need to be warned, to be encouraged, and to be guided to have this kind of sense of urgency.

And I agree with many people's experience about this part, but I'm happy to see that there's more and more media reports about this kind of urgency. I think the situation will be better. But about the kind of—this kind of urgency we need, I believe the solution is that we need to speed up to implement the Overall Defense Concept that I brought up a couple years ago, because the objective of the Overall Defense Concept is that Taiwan faces an existential threat and given so extreme the imbalance in defense resources across the strait Taiwan will fail if we continue to use the traditional way to resist threats from China.

So, in principle, ODC deal with four challenges in Taiwan's defense based on the asymmetrical concept. The first is that we have to resist the existential threat. Secondly, we must effectively allocate our limited defense resources. And third is that we have to build up instantly capability to address the near-term crisis and we have to maintain—we also have to maintain the ability to counter the gray-zone coercion and to maintain the public morale. But most important part is that we have to get a good approach to counter the full-scale invasion from China.

So, in ODC—the ODC defined winning the war as a failed enemy mission to occupy Taiwan instead of totally destroying enemy forces because we have to be very pragmatic. Under this definition, the ODC specifically established some operational concept based on these threats from the PLA and Taiwan's unique environments.

And firstly, we have abandoned the traditional war of attrition and adopted a concept of asymmetrical warfare.

And secondly, we need to adopt the concept of denial. That's very spatial, deny instead of control.

Third, we need to focus on mission tiers and attack the enemy's center of gravity instead of focus on totally destroying their actual forces. That's very important.

And fourth, we need to shift the battlefield condition to our advantage.

And fifth, we need to utilize Taiwan's unique geographic environments and the civilian resource.

Sixth, we need to do our best to prevent an enemy from landing on our soil and establishing a foothold.

And finally—this is the last line of defense—is to conduct insurgency operations to make an enemy not be able to effectively control our homeland.

So, in practice, ODC consists of three elements, including the capabilities buildup, the concept of (operation ?), and the homeland defense operations.

In capability buildup, the ODC focus on highly-survivable asymmetrical capabilities. In short word, we need a large number of small, mobile, distributed, lethal, precision, and low-cost things such as the sea mines, or unmanned system, or manned or unmanned micro-missile assault force enhanced by AI. And unfortunately, the program has just been killed months ago. I was kind of frustrated. We also need this kind of small-scale missile bases. They are under construction, (indigenous industry ?). And the coast defense—coast defense of the missile system, that is one of the infamous case that just happened months ago about the Harpoon Coastal Defense missile system, I believe that's a very effective system to protect Taiwan. And we need land-based mobile short- and medium-range precision ammunition.

And we need a precision-guided multiple-launch rocket system and precision NT armor missiles, and the mobile area air defense system, and MANPAD, and mobile ISR system, and electronic warfare capability. And so I will not go into detail because of time restrictions.

So in concept, the operations, we should not be too greedy. So we only—we emphasized there only three parts. First is force protection. And second is littoral battle. And the third is beachhead battle.

So, in homeland defense, the ODC urged to develop a kind of homeland defense forces instead of armor-type of regular troop, with lightweight and mobile weapons and equipment such as light arms, IED and MANPADs—man portable anti-armor rockets—precision-guided micro or mini missiles, micro or miniature UAV, man portable communications device, light tactical wheeled vehicle, or motorcycle, and so on. And that's, like, kind of independent, distributed. They're mobile. A lot of the small units, it comes up this kind—(inaudible)—the guerilla urban, guerilla warfare. So, in conclusion, the purpose of ODC is to use as national capability to build up the resilience of regular forces and the resilience of society by developing this kind of homeland defense forces to conduct urban guerrilla warfare.

So my emphasis is this: The time is really short and not enough for us, so we need to develop an instant capability in a few years. So only as manageable, these kind of small, little things can built—can be built in a few years, in five or six years, so that we can counter the threat in the—in the near term. If we still insist on this kind of high-budget, big programs, that's the shiny platform, then we are not able to counter the full-scale invasion because this kind of platform also is very advanced, but easy to be neutralized because of the suffocation of the runway or harbor or base, something like that.

So I urge that Taiwan should do whatever we can as soon as—as soon as we can to establish this kind of asymmetrical, small number—large number of small, mobile, distributed, precision things. That's the only way that we can defend Taiwan successfully from the threat of China. Thank you.

LEWIS: Thank you, Admiral Lee.

And so, Bridge and Patricia, you know, hearing this long list of to-dos that Taiwan has, I wondered if either one of you, first, wants to comment about what to prioritize, what do you see as the most important? And second, another line that struck out to me from President Tsai's essay was that Taiwan needs to signal that we're willing to bear our share of the burden and don't take our security partner's support for granted. So in addition to sort of the to-do list on the military hardware, what do you see as important signals that Taiwan can send to D.C. and other friends around the world that Taiwan really is doing what it needs to do to not just help others, as we have this #TaiwanCanHelp hashtag during the pandemic, but to self-help and to be resilient and militarily as strong as it can?

COLBY: Well, again, I'll jump in, if it's all right, Patricia.

Well, I think, you know, Admiral Lee's logic and presentation is absolutely right, in my view. And I would—I would just comment to the group that unfortunately that has not always been the consensus view out of Taiwan. And that's why Admiral Lee's service was so important, and his vision. That's exactly what's needed.

The thing I would say to your question, Maggie, is it's self-help. But really the idea is that Taiwan needs to pull its own weight. The single most important factor in Taiwan's survival is Taiwan's own effort. Because if Taiwan demands too much from the American people to mount an effective defense, alongside Taiwan's own efforts, it will break. I mean, I think Afghanistan has shown—and, you know, frankly, Vietnam shows—that the United States will walk away from commitments that are too costly or risky. And taking on China in a major war will be enormously costly and risky. And we are reorienting—too slowly, we're not focused enough. We're not focused enough on the near term.

But, you know, the United States, we spend over—roughly 3 percent of GDP on defense every year. Taiwan was spending I think around 1 percent, until recently. You know, President Tsai's special allocation that was announced recently is positive, but it's very small. And it's also just a start. And, I mean, I think—I don't think we should be interested in symbols. And I don't mean to pick on that term. But what we really need to be—would need to see is Taiwan radically wrenching change and an increased level of effort to do exactly what Admiral Lee's talking about—to mount an effective defense, to survive and be resilient.

To look more like what a Finland has traditionally looked like. And hat-tip to Ed Luttwak on this point. And to mount—develop capacity to ride off a blockade. The Chinese will almost certainly couple an invasion with a blockade and bombardment. And so those things are also really important. But I would just say, what Admiral Lee is saying is exactly what needs to happen, and I hope friends in Taiwan will really implement it, and in a full-scale way fast.

LEWIS: Patricia, do you have anything to add on this, or?

KIM: No, I think the topic's been covered well.

LEWIS: OK. Great. So we have just a couple minutes before we turn to Q&A. And so I do want to make sure that people know. Put your questions up. But before we do that, you know, I think too that, as I said, I did want to just think a little bit about the Taiwanese identity. And this is perhaps something for Admiral Lee, to just ask, you know, as we come up again on Double Ten Day, Taiwan National Day, the Republic of China, you know, celebrating what happened in Wuhan over a hundred years ago, which feels very removed, I think, from, you know, sort of today, what it's like to be here in Taipei. If you just maybe could say a little bit about how you see this change and going from having sort of the dual sense of Chinese and Taiwanese identity to a much higher percentage of the population here identifying as solely Taiwanese. Do you see that as perhaps changing Beijing's calculus, or how does that perhaps play into the potential for greater risk for military action or not, in your view?

LEE: Well, you give me a tough question. And actually, my expertise is not kind of a political analysis. But I'll still give you my personal opinion about the national identity. I think that most challenging thing in Taiwan, whatever we do—in defense, economy, everything—this will be affected by the identity. So when you ask what Double Tens means, well, if I am a kind of—kind of—I'm a Chinese, also Taiwanese. The Double Ten really means something for us, because it established things to be part of China. But if I'm a kind of a pro-Taiwan independence people, then, well, it's meaningless for me. It's only a kind of a holiday—national holiday.

But the—well, there's kind of two groups of the people. But there is still another kind of a people who don't care about this kind of identity. As long as there's no war, I'm fine to be a Chinese or Taiwanese. I'm fine. I got a good friend who is pro-Taiwan independence. But he said, if there's missile coming here, I surrender immediately because I don't want a war. It's worthless to, you know, fight for this kind of thing, because we are seen as identical groups. So it's very, very divided. Taiwanese identity cause the peoples in Taiwan divided. And the unity of—unity in Taiwan is the most important factor to deter China from launching this kind of invasion.

So I cannot give you a solution for how to—how to solve this kind of problem. And I will see this kind of a problem will still follow us as long as we talk about these kind of ideology things. So I hope that at least my colleagues, my friends, and all the members in the military should get over this kind of trash. Whatever your identity, I'm in the military, I'm in the protection of Taiwan. Defending Taiwan is my job, it's my duty, it's my obligation. It doesn't matter which identity. It doesn't matter with ideology. I really hope that the people in the military, they will adhere to this kind of sense of the defense. It's the only thing I can hope. For the general population, you know, you just cannot do anything about it. Thank you.

LEWIS: No, I have Richard Bush's *Difficult Choices* behind me, with one of his main messages being that politics should stop at the water's edge in Taiwan—harkening back to a line from U.S. history—and how important that is, because it can be quite fractious here.

So with that, I'm going to turn it over to the CFR moderator to start pulling questions from the Q&A.

OPERATOR: Thank you.

(Gives queuing instructions.)

We'll take the first question from Graham Allison.

Q: Thank you for excellent presentations. And Graham Allison from Harvard.

I think I really appreciate the candor from all three panelists about what Bridge rightly called the dramatic shift in the local balance of power for conflict over Taiwan, or Taiwan scenarios. As the former Secretary of Defense Bob Work has said publicly and repeatedly, in the last

eighteen wargames in which we tried to simulate this, the score is eighteen to zero, and the eighteen is not the USA. So this is a war we could lose if it was simply limited to the war over Taiwan. And most Americans who are conversing about this, as Bridge said, have not awakened to those facts. So I think those are alarming facts. My question is: As we watch what's recently happened to the PLA's attempt to fly into the buffer zones to intimidate Taiwan, does the U.S. have any feasible, prudent military options that would be relevant in a response?

LEWIS: I'll leave it up to whoever feels best able to take that one.

COLBY: Well, maybe I'll jump in because it seems like it was sort of directed to me. I mean, thanks, Graham, for your candor. It's always great. I will just say, Bob Work does say that. But Bob Work will also point out, as with General Clint Hinote, the Air Force head of strategy, and Dave Ochmanek, the RAND Corporation, that we lose these wargames. We know how to win them. Unfortunately, in your—we are not yet programming the force to win them, which is a problem. But we do know to win them. We have a lot of advantages, Admiral Lee suggested, about military geography. If we get posture right, if we—if we leverage our advantages, if we focus basically, in my view, stop—we shouldn't be doing almost anything other than China, nuclear deterrence, and low-cost counterterrorism. We can do this. We can do this. So I would just—I would just point out. And I don't want to speak for Bob, but I'm pretty sure Bob believes that too.

Are there military options in response. My actual view, because I'm relatively sanguine about the danger posed by the gray zone—this connects to something Maggie was saying. That really people have a stronger sense of Taiwan identity. They don't want to live like in Hong Kong. They don't want to live under the—under the control of the PRC. I don't think that China's going to be able to hoodwink or intimidate Taiwan into submission, which increases the allure of the military option, direct military attack, for Beijing. So actually—and I think what they might be doing also is, as Patricia suggested, eroding Taiwan's readiness. I think Taiwan spends something between 10 and 20 percent of its defense budget—Admiral, correct me if I'm wrong, please—on responding to these provocations, which is a net loss in the event of a major attack.

And also, potentially one of the big problems the PRC faces is the problem of surprise. They need to generate surprise. And if you're mounting an amphibious and air invasion, it's hard to do that when you're dealing with the United States with all of our intelligence capacities. I think what they might be doing is trying to dull our sensors. If you go back and you look at 1973, the Arab-Israeli War, this is what the Egyptians were able to do to us, and more directly the Israelis. So my general view is we should be very economical in our response—military response to these provocations, and make sure we can win at the high end, which is very much in question, as you point out.

LEE: So may I add a few points about this question? I think—because when I consider the Overall Defense Concept, I have to deal with two threats. One is the gray-zone aggression. Another one is full-scale invasion.

So to counter the gray-zone aggression, we need less kind of advanced—big, advanced platform, but, however, it's not survivable—it cannot survive during the real wars. That kind of large of number of small lethal things can be highly survived. So, in my view, we don't have to pay too much attention to the gray-zone aggression because you just cannot stop them from doing that. However, we need to put more resources on how to counter the full-scale invasion.

And from the United States side, I think United States should consider mainly of how to help Taiwan to build these self-defense capabilities. Don't think too much about the military intervention because it's too complicated. As long as Taiwan can establish very strong self-defense capabilities, then the PLA, that China have to think again and again if they can conduct this kind of full-scale invasion. And to create this kind of surprise on modernized war is not easy. But on this part the United States can provide this kind of an early warning, a strategic warning. This kind of things the United States can really help. Plus, Taiwan should not think about the tying of military invention, because defending Taiwan is our job. It's Taiwanese job; it's not Americans' job. It does not make sense that the Americans sacrifice their young boys' life for defending Taiwan. It's totally nonsense. So we have to be aware of that. But United States can still—can help Taiwan to establish the kind of the asymmetrical, effective way to defend Taiwan.

So my point is that, yes, we should pay attention to gray-zone things, but not too much, because when you put too much attention and too much activity, too much countermeasure, probably you will lose the attention for the existential threat. An old saying is: If you want to prepare for everything, then you lose everything. We need to have a kind of a focus on existential threat. Thank you.

KIM: If I could jump in. I mean, I agree with Admiral Lee that it doesn't make sense to respond to every single incursion, and we need to be thinking about the holistic picture, and sort of how we could—how the U.S. could be convincing Chinese leaders that a coercive shift vis-à-vis Taiwan is ultimately not in their interests, by increasing the military, and economic, and diplomatic costs that Beijing were to incur if it really were to turn its aggressive actions into compelling unification. I think the Biden administration is doing a good job of laying the groundwork for this by rallying allies and partners.

We've seen a number of statements from Australia and Japan. And maybe not explicitly from certain allies and partners, but we've seen announcements that have been made on the sidelines of meetings, such as in Seoul. So I think this is a good job to signaling to Beijing that others care and that they're watching. And, of course, helping Taiwan strengthen itself militarily, economically, diplomatically—those are all part of the bigger equation, rather than responding to every single, you know, incursion. Or, yeah, thinking of the big picture.

LEWIS: Yeah. And I would add too Japan. I mean, there's been so much gratitude to Japan, in part because of the large number of doses of vaccines that have been donated to Taiwan, but certainly that relationship has been in the news a lot more here too than I can remember.

So let's go to the next question, please.

OPERATOR: We'll take our next question from Stapleton Roy.

Q: My name's Stapleton Roy. I'm with the Woodrow Wilson Center here in Washington.

Very good comments by the presenters. But we are not focusing on a crucial aspect of the issue. Beijing has two goals with respect to Taiwan. The first is to prevent independence. And it has made crystal clear that it will go to war and use military force to prevent independence. The second is unification of Taiwan with the mainland. And since 1979, the PRC has made peaceful unification its fundamental policy. This distinction is vitally important because Taiwan has prospered, moved from a dictatorship to democracy, within a framework that was based on one China. And Taiwan demonstrated from 2008 to 2016 that it could lower the cost-strait threat by remaining within a one China framework.

But Taiwan has now moved outside of the one China framework. The president of Taiwan refuses to acknowledge in any way the concept of one China. And therefore, seeking more international space or seeking to strengthen Taiwan's diplomatic position, is asking for conflict. Admiral Lee has made exactly the right point, the United States has a responsibility to keep Taiwan strong enough to resist coercion, but Taiwan has the responsibility to lower the threat. And Taiwan is not meeting that responsibility. And that's partly because of democracy in Taiwan. So in a sense the biggest threat to democracy on Taiwan is democracy on Taiwan, because there are pressures inside Taiwan to move outside of a one China framework.

And the United States has a responsibility to keep Taiwan within a one China framework because there are no prospects for peaceful unification at this time. And that means we need a stable status quo in Taiwan Strait in order to see if better prospects emerge sometime in the future. We've already had forty years. And during those forty years Taiwan has prospered better than most independent countries in the world. It now has a per capita income equivalent to Canada. And it has capable armed forces. But it is no longer able to manage the cross-strait threat because it has moved outside of a one China framework. And the United States is not adequately understanding the distinction between Chinese actions to coerce Taiwan in order to prevent independence, as opposed to coercing Taiwan in order to force independence. And this is a vital distinction. I would be interested in comments from our speakers.

LEWIS: And, along with that, I know this is not about domestic Taiwan politics, but as just noted that this is hugely connected the military side and the domestic side. We just had Eric Chu elected as KMT chair, and some overtures, some messages sent between him and

Beijing. Of course, Tsai Ing-wen is not going to be president forever. But I welcome any thoughts on Stapleton Roy's comments from our three speakers.

LEE: I'll say a few words. I believe this part should be part of the prevention—preventing war, because in the serious ODC all national security should be included in the three part. First is prevent the raising of a war. Second is deter war. And finally, if we fail, that we can win a war. So we keep everything on track and prevent a war.

However, I am not kind of a political analyst. So my expertise and my energy was spent in only how to deter and, if that failed then to face the enemy. Of course, the—the best strategy for Taiwan, of course, is that we speak very softly, and with kind of—kind of a big stick. But we are very polite, but we are standing firmly about our position. Because Taiwan is a democratic country, we just cannot say you should go this way or you should go that way. I'd just say peoples are very, very divided. But it's not necessary to be too provocative to cause the war's happening. That's still the things Taiwan should prevent from doing that.

So, however, we should be very polite, but we should let them know we have a very well preparation for war if they really want to unify by force. We should let them know. But, however, it's not necessary to be provocative, really, on the—or on the kind of unnecessary starts—the campaigns endangering Taiwan's current situation. That's my personal point. Thank you.

COLBY: Yeah, if I could jump in. I mean, thanks to Ambassador Roy for his comments. I mean, I'd say a couple things. I mean, I think the clear American interest is in preventing a forcible unification of Taiwan with the mainland. We don't have an interest in Taiwan being independent. I don't think anybody's talking about that. But it is not in our interest both declaratory-wise from a military point of view and from a credibility in Asia point of view for Taiwan to be forcibly unified. And that is now a real prospect in the way that it wasn't in the past. So I think that we should be prepared to do all things with Taiwan that contribute to that goal. At the same time, I take Ambassador Roy's point that we don't have an interest in provoking Taiwan—Beijing. And I differ from some of my friends on this side of these arguments because I actually think we should be avoiding totemic statements or moves.

So, for instance, I think it's unfortunate that the news came out, if it's true, about the special operators in the Marines on Taiwan. I don't know whether it's true or not. But I would rather that that kind of thing—everything that we should be doing should be contributing to Taiwan's ability to defend itself. Now, I will emphasize that the notion that Taiwan can defend itself against the People's Republic I don't this is sustainable. I mean, it's just not tenable given the imbalance that while Taiwan does have geographic advantages, the United States has rolled over such geographic advantages in the past. And the PLA will be of comparable strength.

So I think we as Americans need to be clear to ourselves: This is our interest. We want to avoid unduly provoking Beijing while not playing into their ideas about one country two systems and such. I mean, we've seen what China thinks about one country two systems in Hong Kong. I mean, that's sort of outside of the military balance, but I can understand why people in Taiwan are very skeptical of that idea, with all due respect. But our—we need to be clear. This is in our interest and we should be prepared to go along with Taiwan. But, you know, for instance, I think this is a—you know, the strategic ambiguity debate I think is actually missing the point a little bit.

The Biden administration, as Patricia has pointed out, has actually made a large number of quite significant statements in support of Taiwan. And that's good. It also actually is not only provocative but it could actually induce Chinese aggressiveness because it ties our credibility, West Berlin-style, even more to Taiwan. So we really need to focus on backing up, substantiating that defense capability alongside our friends in Taiwan, as Admiral Lee has very eloquently pointed out.

LEWIS: And I'd just add that, you know, not only is Taiwan a democracy, but it's a really functioning democracy, which we don't take for granted in the world today. And, also, you know, an amazing example of being able to have a democratic society that's brought COVID so effectively under control. After the outbreak this summer, we've just had a week of zero domestic cases reported. And so there's, you know, so much too, you know, as we focus on all the concerns militarily. It's interesting to see part of the messaging getting out from Taiwan is about its successes, and also about how it speaks to the value side of the Biden administration in saying that we need to support democracy not just in the United States, but abroad.

So let's see if one more question, hopefully get two more in before the end of the hour.

OPERATOR: We'll take our next question from Mark Kennedy.

Q: My question would be, is that if we had a need to keep China from coming over the strait, what capabilities would we either wish we had now, or wish we had more of now?

COLBY: Well, I don't mean to keep going, but, I mean, it seems like a U.S. defense kind of question. So maybe I'll jump in.

I mean, I think this is the big question. And this is very current, given that that Biden administration defense budget, while positive in its prioritization of China, the common critique is that it's too long-term focused. And we—as Admiral Davidson pointed out, and I think Admiral Aquilino agrees—we are facing a window problem. So we need to cover down the next five or six years. This is about munition stocks. It's about using existing legacy, potentially, platforms, keeping them in the force long enough and making them lethal and resilient enough to basically, as Admiral Lee pointed out, to attrit and ultimately deny an

invasion and a blockade of the island. Enough ISR assets, enough forward-deployed systems. As somebody has said, I think we have studied the problem of our posture in the Western Pacific to death over the last ten years, and yet done very little.

And we urgently, urgently need our Taiwan friends and partners and our Japanese allies to step up. I mean, it's very encouraging that the Japanese political discussion is now talking about a doubling of the defense budget. It's long overdue. But this is not something, especially given the time and distance issues, that the United States can handle alone. So I think it's—I'm hoping that some of these—what's called the Pacific Deterrence Initiative requests that Indo-Pacific Command had and that the Congress might refine will get added in the eventual NDAA and be appropriated as well.

LEE: May I jump in here to add a few words? I'm not good to speak for United States—how United States can deter or defeat the PLA from crossing the strait. But I do believe the various kind of approaches that the United States can consider with the WRSA, that's the War Reserve Stockpile Allies, in the current year the United States is doing with Israel. Because during wartime there's no way that you can transport this kind of whatever weapon or stock or anything from outside of Taiwan's area. But during peacetime, United States can really seriously consider this WRSA. I believe let's also can establish a kind of deterrence effect. That's my point. Thank you.

KIM: So if I could add some. You know, I think in addition to thinking about how do—so, for a certain factor that continues to deter China from using military force to take over Taiwan is the fact that there could be U.S. involvement and potential escalation into a larger war. And so I think we need to think about how do you keep that very credible. At the same time, I think there are other factors that keep China from attacking Taiwan. And this includes China's other national rejuvenation goals, like economic growth at home. And its global reputation, which China does care about and it's tried very hard to position itself as a champion of multilateralism and a leader of the developing world. So we don't only want to—I know this is a panel on military capabilities, but those aren't the only factors that matter in Chinese calculus. And we also want to think what other factors have restrained China from, you know, behaving irresponsibly in its neighborhood as we're thinking about deterring China.

LEWIS: Yeah, I think that's so important as well, trying to peer into Zhongnanhai and figure out where are the priorities and how—you know, and how that plays into the cross-strait dynamics when there are, you know, so many domestic concerns—everything from power outages, aging society, you name it—that is also on the leadership's plate right now.

So let's take another question.

OPERATOR: We'll take our next question from Krishna Guha.

Q: Thank you very much, indeed. Krishna Guha with Evercore Partners.

Listening to what you've had to say today, I am struck by the question of whether there is any prospect that Xi Jinping might seek a forcible unification on a much shorter timeline, on a timeline of the next—even next couple of years, given the prospect for the U.S. to reorient its force posture over coming years, and for Taiwan to increase defense spending and resiliency in the way that Admiral Lee has described. Most of the commentary continues to focus on dates like 2025, 2026, 2027. Is the—how would you assess the risk of the shorter horizon of a two- to three-year window?

LEWIS: This is on the record. Who wants to pick some dates? (Laughs.)

COLBY: Well, I think it's a very—I think you've put your finger on it, sir. I mean, I think it is a real possibility. I mean, conventional metrics, as it's known on the outside, about China's capabilities suggests that they're not right where they need to be right now, for instance, because of a lack of amphibious lift, although some people point out that they actually—they have an enormous civilian large vessel fleet, like, several times the size of, say, the Martha's Vineyard Ferry, which are military grade. And they actually apparently exercise them with, you know, rolling things on and off.

And I think—I presume—you know, I have a lot of respect for the Chinese in general, but certainly their strategic thinking. And if they're watching our conversation and they're adapting rationally, they will consider the near term. Would I say it's likely? I don't think so, although I don't know what that means because likelihood is dynamic. Obviously, you're an investor; you understand that better than I do. But I would worry about it. And I think there is a serious problem. And I think, you know, there are other factors we could go into. But I'm very worried. I'm very worried. And this is one of the reasons that I sometimes am almost, you know, extreme in my focus on it, because I think the margin may be—may be very, very tight. And I would really rather make sure that we're on the safe side of that margin.

LEE: May I jump in to say a few words? I really agree with this kind of a near-term crisis. So there's not much time that we still have. So we need to be prepared to establish kind of instant capabilities. So that's why in the beginning I say on the concept, the ODC, we have to deal with this kind of instant capability. So that's why I urge that we need to, in fact, establish this kind of large number of small things, because small things sometimes means the lower cost and short time to be—to be ready, you know? We should not think about the big projects, the big, sophisticated equipment. So that is the ODC, the concept—very important concept. We need to consider near term. We have to look at long-term things, but the near term will be the most serious things. We need friends.

So, in Taiwan, I believe there's a very difficult political thing is establish this kind of consensus about the asymmetry. You know, sometimes people think different about the asymmetry, you know, because people don't think about this as a near-term crisis. They're only thinking about the performance, function, capability, these kind of traditional things. I really believe it's the consensus for Taiwan to establish the kinds of small things, can be ready in a few years. That is very, very important, very urgent for Taiwan's defense. Thank you.

LEWIS: Patricia, where do you stand on this?

KIM: So, you know, I don't think there is a D-Day marked on some secret calendar in Zhongnanhai or that Chinese leaders are waiting for the perfect excuse to initiate a strike on Taiwan. I think, in fact, Chinese leaders have been very careful to preserve their own strategic ambiguity when it comes to the timeline of reunification. And they refrain from drawing very specific red lines, I think to preserve their flexibility. And so, you know, I don't know. I don't know if Xi Jinping—I don't think Xin Jinping knows himself when—if or when this will happen.

And my sense is that, you know, they'll be—that Chinese leaders will be looking at situational factors. They'll be doing a global assessment in Beijing of its other core interest. Some people saying, you know, Xi wants to do this to burnish his legacy or to complete it under his leadership. I think that's a very risky proposition. And there's a lot that the CCP's dealing with at home. And so I don't think there's a yes or no answer here.

LEWIS: Well, we are—we are at our hour. And so I want to thank CFR for putting together this discussion—certainly will not be the last on this topic—as well as all three of our speakers for their candor and their insights. And I'll just say, as someone who's—I mean, my focus is human rights and criminal justice and things that are not military focused. But, you know, if you do work with Taiwan, I think it's so important that we understand more of the military side beyond the people who are the specialists in this. And so I really appreciate how the speakers have made these complex issues accessible and not used too many acronyms. Because, you know, that's always appreciated as well.

So with that, thank you so much to everyone who joined us today. And this will be posted, I understand. And thank you. And good afternoon and good morning.

COLBY: Thank you.

(END)