

Will the US and China Go to War over Taiwan?

Xuancheng Chen^{1,a,*}

¹University of Southampton, Southampton, SO16 3UD, United Kingdom

a. xc8u22@soton.ac.uk

*corresponding author

Abstract: The Taiwan issue has always been the most controversial topic in US-China relations. Moreover, the Taiwan Strait is often considered the most likely site of a military confrontation between the United States and China. The issue of Taiwan's sovereignty has been the subject of questions and controversy regarding the ownership of Taiwan's regime and sovereignty in the aftermath of the Second World War and the Communist Civil War. This paper analyses the political, economic, and cultural reasons for the establishment of diplomatic relations between the US and China. From the perspective of the construct of international relations, although the Taiwan issue is a dispute, the current analytical perspective suggests that whether China and the US will go to war in Taiwan will always exist, but to a greater extent it will be resolved through economic warfare, political approaches, and other means.

Keywords: China, U.S., geopolitics, semiconductors industry, cultural background

1. Introduction

Taiwan's unique relevance in the geostrategic setting of East Asia is determined by its geographic location; it has long been thought to be the starting point for a dispute involving China, Taiwan, and the United States. Due to US Congressman Dean Pelosi's visit to Taiwan, which has been denounced in a series of official comments by various Chinese government agencies, there have been increasing tensions between Taiwan and China. This essay will explore the possibility of a conflict between China and the US over Taiwan. More aggressive military actions on the island have become acceptable in the wake of Pelosi's visit. Among them is the "acceptable" launching of missiles over the island of Taiwan. Analysis of the political, economic, and cultural facets will be used to discuss if China and the United States will start a war over Taiwan.

2. Political Reasons for U.S.-China Distribute over Taiwan

With regard to the United States' primary interests in the Asia-Pacific region, Taiwan's crucial geographic location is of considerable strategic significance. Furthermore, the position of the United States in the Asia-Pacific area and the reputation of its hegemony are being exploited to create a barrier against China's development. The essential role China plays in the global industrial chain—it is the world's largest trading partner with 130 nations, including the EU, India, Australia, ASEAN, and others—will further strengthen China's position in the industrial chain [1]. According to this, the Taiwan Strait will be open to trade if Taiwan is granted its independence, making China's South China marine the busiest marine area in the world for trade. The key to China's maritime defense is

Taiwan's geopolitical interest in China. For China and the rest of East Asia, Taiwan and the surrounding area serve as an unmatched military foothold. As a strong military stronghold and strategic support point, Taiwan has a certain strategic depth for defense and is easily supported by a strategic rear; Taiwan has huge military ports, airfields, and expansive mobile seas, and it is situated in a critical maritime region. It is possible to launch an attack on Taiwan's north and south from both its northern and southern ends, which have direct access to the sea and adequate integrated protection. Another "unsinkable aircraft carrier" in China's maritime defense is Taiwan. Once enemy forces seize control of Taiwan, the entire Taiwan Strait can be closed off with just shore-based anti-ship missiles, and whether the island is lost or gained will have an impact on how China will develop in the future. The third primary concern is that the US views Taiwan as a "model of democracy" and wants to support Taiwan in order to have an impact on mainland China's political development [2]. Like a blade stabbing into the heart of China's richest southeastern coastal region, the U. S.'s biggest bargaining chip against China. It is important not to underestimate its importance, since it is a key nexus for U.S. power in eastern and Southeast Asia [3].

3. Economic Motives for China-US Distribution over Taiwan

This section aims to present the rivalry between the semiconductor industries, a rivalry that is thought to have contributed significantly to the US-China trade war and to the crisis in ties between the two nations. However, unlike the US-China trade war, there is a special relationship between the US and Japan. While this article cannot analyse this particular connection, it is an important element in the evolution of U.S. and Japan's competitive position (including the Plaza Agreement). The US-China commercial dispute [4] has nothing to do with it. While the previous phrase gives us some insight into the competitive situation which may occur in the semiconductor sector, given its characteristics, it is not possible to exclude entirely (for example, a State being excluded entirely from the semiconductor sector), but must necessarily involve structural changes in the sector (for example, reorienting a nation's position in the entire semiconductor sector). Ever since the outbreak of the H1N1 flu epidemic, China has overtaken the U.S. as the EU's number one trading partner. Along with the spread and adoption of 5G, China's companies have demonstrated their strong technical superiority and competitive position in related sectors. Even though the US continues to interfere with trade between China and the EU, China and the EU still have more room for improvement, which gives the issuer a solid foundation on which to expand its market share in Europe and keep the long-term relationships it has built with European clients [5].

In the short run, China's increased import taxes will make US semiconductor manufacturers less competitive in the Chinese market. China is the world's largest consumer market and manufacturing center, while the US is a major supplier of chips and relies heavily on China's market, especially design companies. [6] It's clear that Qualcomm, Broadcom, Marvell and Skyworks account for over 50 per cent of their revenue in China. The global semiconductor market is heavily linked with China. In the short term, increased import taxes from China would make US semiconductor manufacturers less competitive in China. China is the world's largest consumer market and manufacturing center, while the US is a major supplier of chips and relies heavily on China's market, especially design companies. It's clear that Qualcomm, Broadcom, Marvell and Skyworks account for over 50 per cent of their revenue in China. [7]

Long-term market declines will unavoidably have an impact on corporate profitability, which will in turn have an impact on US design companies' research and development expenditures and the advancement of product technology iterations. Without a doubt, the United States wants to restrain China's semiconductor sector from growing. China's industrial upgrading policy represents an effort to control the semiconductor supply chain. Since China's reform and opening up, it may still be the case that it will continue to handle the downstream portion of the supply chain, but US policy is

primarily focused on moving the upstream and midstream components of the semiconductor sector from China to the US [8].

China remains heavily reliant on Taiwanese imports, particularly chips, like the rest of the globe. China has made little headway in reducing its reliance on imports of essential components over the previous ten years. For instance, recent scandals and fraud cases that have surfaced in the semiconductor business, along with US ownership over fundamental chip technology, may impede China's advancement in the area [9]. Since mainland China still relies on Taiwan for its technology products, machinery-based items, etc., if a conflict broke out, China's economic sanctions against Taiwan would not have much of an impact on the mainland economy. Instead, the mainland would be considerably more affected than Taiwan. If sanctions are put in place on this section, the entire supply chain will be impacted. Taiwanese or land-based businessmen on the mainland import these intermediate products and spare parts and turn them into manufactured goods for sale all over the world. China's prohibitions on the importation of products made in Taiwan could ultimately result in a "bad win" [10]. A suspension of cross-strait trade would be detrimental to Taiwan's major chip export market, China.

Taiwan's economy would undoubtedly suffer, but many of China's own sectors will suffer [11].

There was a surge of unemployment in China's cities once the victory started. There is a downturn in coastal cities, particularly in Guangdong and Fujian, which are close to Taiwan, and many migrant workers go back to their home countries. The secondary industry will force the closure of a significant number of weakly competitive businesses, the primary industry will grow, and the industry will be demoted [12]. The country's tertiary industry will be hurt severely. The military and security companies are probably the ones that will benefit given that the economy as a whole has decreased income. Overall, the war will cause a sharp downturn and ongoing decline in China's economy [13].

4. Cultural Reasons for U.S.-China Dispute over Taiwan

For thousands of years, China has maintained a strong belief in national reunification and a steadfast commitment to preserving the sovereignty and honor of the nation. It is stated in Chinese primary school textbooks that "The island of Taiwan, across the strait, is one with the mainland."

If we assert that the basic goals of primary school languages are to foster global knowledge, truth and beauty, and the upholding of moral values. The China primary school languages then extend out to Taiwan. The common desire of 1.4 billion people in the region is for Taiwan to return to China, and it is unrelated to one's profession, wealth, or class.

5. Analytical framework for US-China-Taiwan relations

Taiwan cannot control cross-strait or U.S.-Taiwan relations, and Taiwan's interests are not exempt from the impact of U.S.-China relations.

From a political, economic, and cultural point of view, Chinese, American, and Taiwanese relations can not be interpreted purely on the basis of a liberal cooperation based purely on individual will and a realistic total foreign opposition. On the contrary, from the viewpoint of constructivism, they are not considered to be completely independent entities in the field of international relations. Their differences are differences within a common system. The US opposes Taiwan's declaration of independence and seeks to stop China from using force to reunite Taiwan, retain Taiwan's ambiguous position. However, the long-standing fear of China by the United States has had the effect of making China, whose military power has been increasing, more and more callous. Some, however, argue that Beijing may become enraged by US policies and actions toward Taiwan and take action against Taiwan as a result. Even if China encircles Taiwan rather than attacking it directly, any slip-up or event that results in casualties will probably lead to the US freezing Beijing's assets or hurting the

mainland economy through chip restrictions. Some US politicians have suggested that it is inevitable that China will annex Taiwan, yet doing so would seriously undermine US influence and alliances in the Indo-Pacific. The Indo-Pacific nations may approach China more closely and placate the US, or they may feel more threatened and act militarily more aggressively, leading to nuclear proliferation. China's control over crucial shipping channels near the Gulf of Mexico or the semiconductor sector will also unavoidably weaken US economic influence and stability in the Indo-Pacific region. To stop the spread of China influence and military might, the US must reformat its alliances, fortify its allies in the Indo-Pacific area, such as Japan, South Korea, Australia, and India, and improve military cooperation and capabilities.

6. Conclusion

In general, the US and mainland China are putting a hold on the Taiwan problem. This paper makes the case that in the medium term, China and the US won't go to war over the Taiwan issue because the US stops China from attacking Taiwan by force by military and economic methods, while China needs to expand its economy through trade. National policies will need to be further examined since the future of the Taiwan issue may change as a result of adjustments to national policies.

References

- [1] Friedman, E. (1997). *Chinese nationalism, Taiwan autonomy and the prospects of a larger war*. *Journal of Contemporary China*, 6(14), pp.5–32. doi:10.1080/10670569708724263.
- [2] Hsieh, P.L. (2009). *The Taiwan Question and the One-China Policy: Legal Challenges with Renewed Momentum*. *Die Friedens-Warte*, [online] 84(3), pp.59–81. Available at: https://www.jstor.org/stable/23773999#metadata_inf_o_tab_contents [Accessed 8 Dec. 2022].
- [3] Nathan, A.J. (2000). *What's wrong with American Taiwan policy*. *The Washington Quarterly*, 23(2), pp.91–106. doi:10.1162/016366000560980.
- [4] Swaine, M.D. (2004). *Trouble in Taiwan*. *Foreign Affairs*, 83(2), p.39. doi:10.2307/20033901.
- [5] Wang, Q.K. (2000). *Taiwan in Japan's Relations with China and the United States after the Cold War*. *Pacific Affairs*, 73(3), p.353. doi:10.2307/2672024.
- [6] Zhao, Q. (2005). *Beijing's dilemma with Taiwan: war or peace?* *The Pacific Review*, 18(2), pp.217–242. doi:10.1080/09512740500162980.
- [7] Leachman, R.C. and Leachman, C.H., 2000. *E-commerce and the changing terms of competition in the semiconductor industry*. University of California at Berkeley, CSM report.
- [8] Carvalho, M., Azevedo, A. and Massuquetti, A., 2019. *Emerging Countries and the Effects of the Trade War between the US and China*. *Economies*, 7(2), p.45.
- [9] Liu, T. and Woo, W.T., 2018. *Understanding the US-China trade war*. *China Economic Journal*, 11(3), pp.319–340.
- [10] Okimoto, D.I., Sugano, T., Weinstein, F.B. and Flaherty, M.T., 1984. *Competitive edge: the semiconductor industry in the US and Japan (Vol. 1)*. Stanford University Press.
- [11] Flamm, K., 2010. *Mismanaged Trade ? : Strategic Policy and the Semiconductor Industry*. Brookings Institution Press.
- [12] Karabuk, S. and Wu, S.D., 2003. *Coordinating strategic capacity planning in the semiconductor industry*. *Operations Research*, 51(6), pp.839–849.
- [13] Poitiers, N. and Weil, P., 2021. *A new direction for the European Union's Half-hearted semiconductor strategy (No. 17/2021)*. Bruegel Policy Contribution.