

(Q) What is "One China Two Systems policy"? How US Policy towards Taiwan is hurting it. what could be its possible implications? Give recommendations.

1) Introduction:

Taiwan has long been a bone of contention between the US and China. Over the course of history, the US has changed its policy towards Taiwan many times, however the recent visit of Nancy Pelosi, speaker of House of Representatives of US, to Taiwan has once again brought this issue to attention.

2) Background:

China has drawn 9 dash lines over the South and East China sea. These lines are imaginary lines and the Chinese claim all the territories and islands within these lines as their territory. According to China these areas were once a part of the great Chinese empire and therefore should be considered a part of China. Taiwan is an island which happens to be situated within these 9 dash lines, and this is where the issue stemmed from.

3) One country two systems policy:

China, in a bid to unify these territories under mainland China, propounded a One Country

two system policy, which was soon established with Taiwan. The policy stipulated that China composed of two parts, Mainland China, which would be governed by the communist party. The other part, Democratic Republic of China aka Taiwan. Under this system, Taiwan was granted complete internal autonomy including their own paramilitary, currency, economy and their desired form of government system i.e democracy, on the condition that Taiwan would endorse China's supremacy and its claims over the island. The agreement also stipulated that the defense and foreign policy of Taiwan would be supervised by main land China.

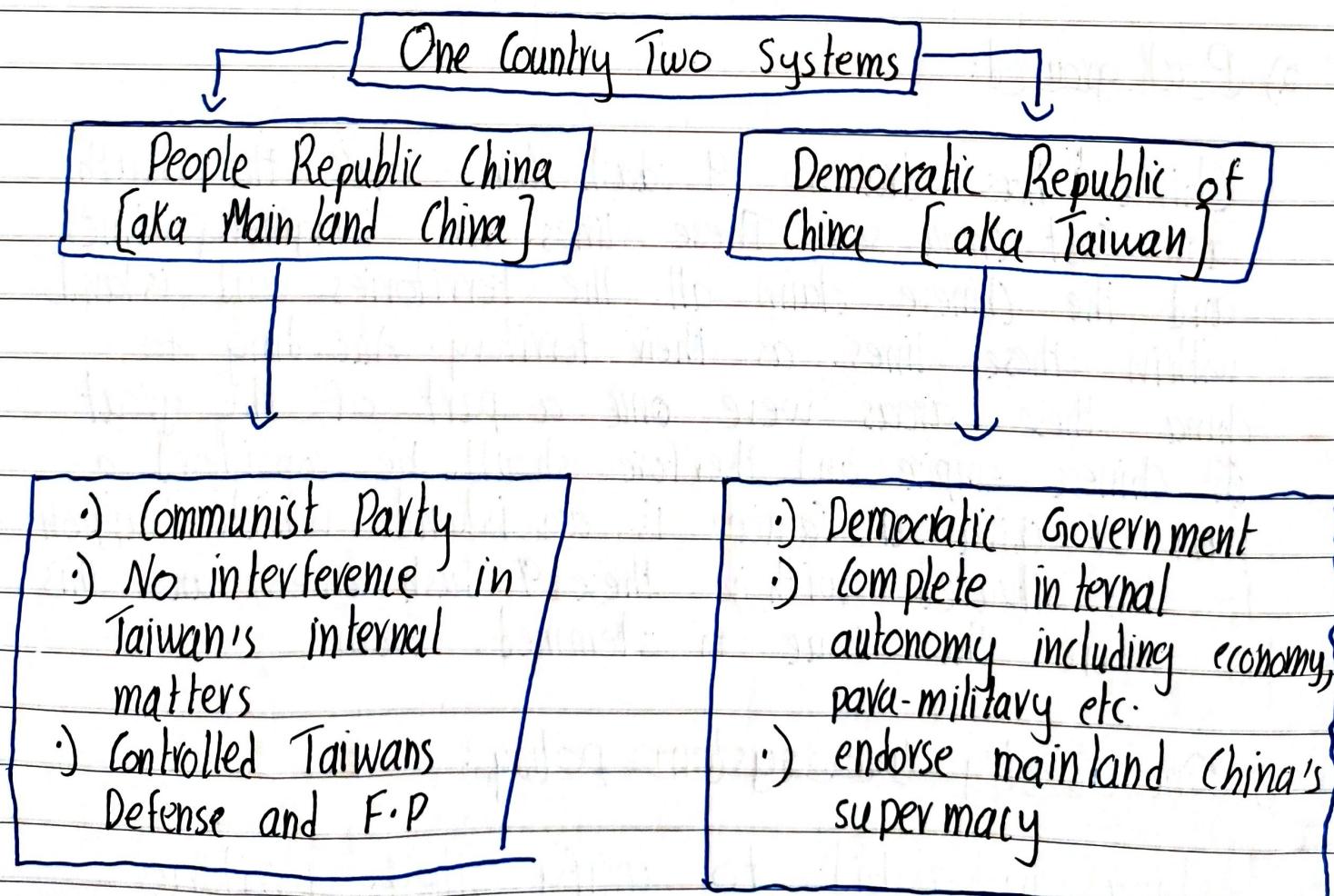


figure: Overview of One Country -
two System policy

4) US stance over Taiwan:

In 1952, USA established a clear policy pertaining to Taiwan, wherein it clearly stated that it would defend Taiwan from any aggression. This was made apparent when US conceived the SEATO [Southeast Asia Treaty Organization] agreement, in an attempt to contain China. However, In 1970's the USA altered its Policies towards China. This is because Henry Kissinger, Secretary of the state, was of the view that engaging China was imperative to containing USSR. In 1979, USA also endorsed Taiwan as a breakaway of China, and thereafter China devised the One Country two system policy and vowed not to initiate unprovoked attack on Taiwan. The policy on Taiwan of USA, became ambiguous once the threat of USSR was dealt with, however, in recent times, USA has once again adopted its 1950's policy relating Taiwan, which is evident from Nancy Pelosi's visit to Taiwan, despite China's apprehensions. This visit has once again brought the two nuclear states at loggerheads.

5) How USA's policies are sabotaging China's Policies :

5.1) Nancy Pelosi's visit:

The detrimental impact of US policies on that of China's can be discerned by Nancy Pelosi's visit, which not only reignited a dwindling conflict but has resulted in severe consequence for Taiwan in the shape of China's reprisal. Pelosi's visit despite China's grievance,

albeit termed as a personal visit by White House, it indicates USA's change in stance from the 1979 Policy.

5.2) Defense Deals:

In 2019, the erstwhile president of USA, Donald Trump signed a \$19 bn deal with Taiwan, whereby the USA sold weapons to Taiwan worth the stated amount. This was a clear violation of the One Country Two System Policy, where in China reserved the right to supervise the defense of Taiwan.

5.3) Strategic ambiguity to strategic clarity:

There has been a swift change in USA's policy from strategic ambiguity to strategic clarity. US has commenced direct deals with Taiwan, previously conducted through Beijing. This has raised concerns in China, who expects foreign deals with Taiwan conducted through itself.

5.4) Invitation to Taiwan for participating in democratic conference:

To the dismay of Beijing, Taiwanese president has been invited to attend a virtual democratic conference by the USA. These growing ties of Taiwan with the west is a source of agitation for China, who deem such

actions as a threat to China's sovereignty.

5.5) Biden's stance on defending Taiwan:

Biden's remarks when asked about Taiwan's defense in a 60 Minutes interview, were akin to that of adding fuel to the fire. Biden clarified America's stance, wherein he asserted that US would defend Taiwan in an unprovoked attack from China. This clear stance indicates that US is challenging China's supremacy over Taiwan.

6) Implications:

These actions did not go unnoticed by the Chinese government, who have retaliated in an aggressive manner.

6.1) Massive Military Deployment:

China has commenced a massive military deployment around Taiwan, surrounding it. This includes full naval fleet consisting of aircraft carriers, submarines, warships. Beijing has also conducted military drills in which Chinese jets have entered Taiwan's air space. Moreover, there have also been tests done sea to sea missiles have been fired over Taiwan.

6.2) Assertion of Traditional stance:

China has reinforced its traditional stance on the 9-dash lines, making it clear to the US that territories within these lines belong to China including Taiwan. The heavy military deployment indicates that anyone who challenges the claims would be met by coercive military might of the People's Liberation Army. It also implies that Beijing is willing to go to any length to protect its sovereignty.

6.3) Possibility of a war:

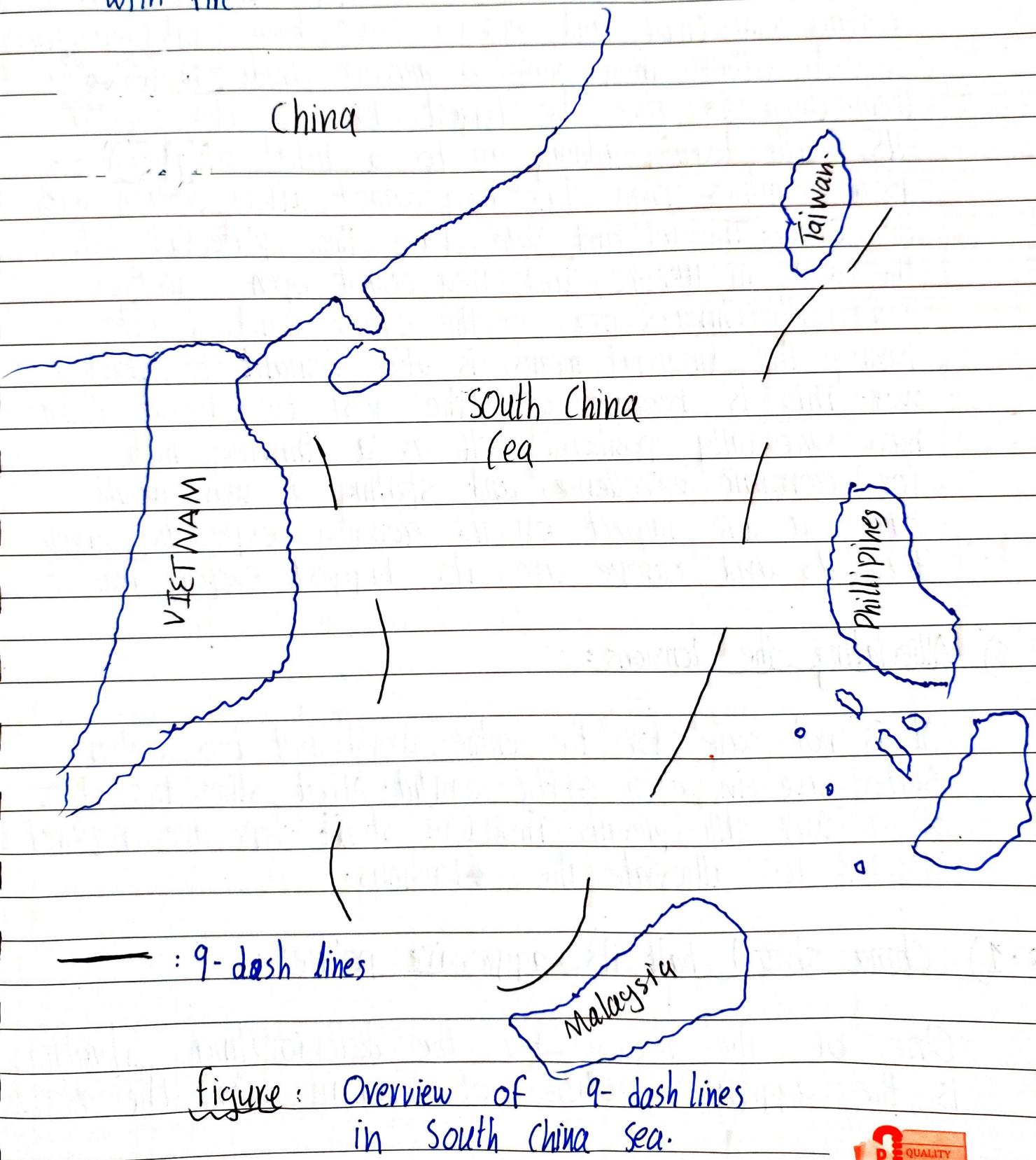
There is a possibility that a war breaks out between the two countries. Taiwan is of great significance to both the countries since its economy is interlinked with both countries.

There is a slim chance that the situation can exacerbate to the point where both countries engage in direct confrontation. This will not only have dire impacts on the two states but for all the region.

6.4) China's stance on Taiwan:

China has strengthened and clarified its stance on Taiwan, ~~at~~ warning the US about China's retaliation if provoked. The aggressive stance

that China has opted for can be discerned from a statement issued by the foreign minister of China, wherein he stated that the US is playing with fire.



7) Analysis:

Although both the nuclear armed countries are at daggers drawn, chances of a full-fledged war remain slim. China and America have huge interdependencies on each other. They have a massive trade between them. China is also the largest loan provider to the US, with loans adding up to a total of \$1.5 trn. Both countries know that they cannot afford a war with the other. The US and Nato have their plate full with the war in Ukraine, and they cannot start another war with China. China, on the other hand, despite having the financial means, is also hesitant to start a war. This is because over the past two decades China has successfully positioned itself as a thriving hub for economic excellence, and starting a war would have a dire impact on its economy, especially given that US and Europe are its biggest export market.

8) Alleviating the tensions:

It is not safe for the entire world that two nuclear states are in open conflict. Albeit slim, the chance of a war still prevails. Therefore swift steps are required in order to alleviate the tensions.

8.1) China should halt its aggressive policies:

One of the reasons for the deteriorating situation is the aggressive policies of Beijing. In the recent

years there has been a sudden change in China's policies. China is, albeit not publically announced, trying to nullify its two system one country policy and pursuing a more of a ~~one~~ one country one system, which is evident from the situation in Hong Kong. If peace is to prevail, China must stop this transition in their policies and adhere by the agreed form government in Taiwan.

8.2) US intervention must stop:

The US intervention has only exacerbated the crisis. China being a military and economic might, reserves the right to have its sovereignty respected, just like any other country. US intervention in China's internal matters should be stopped and US should uphold its policy of 1979.

8.3) Taiwan should limit its relations with US:

Taiwan, being a major stakeholder, should be cognisant about how its growing ties with US are upending its relationship with China. Taiwan should avoid being part of conferences and defense deals, in a bid to keep China's aggression at bay.

8.4) Continuation of One Country two systems:

All the stakeholders should follow the

One country two system policy. This policy was adhered by for many years and helped to maintain peace and prosperity, therefore the logical conclusion is to uphold this policy to in order to secure a peaceful future.

a) Conclusion:

The exacerbating situation relating to Taiwan bring risk of global destruction. The situation is multifaceted and requires all the stakeholders to indulge in negotiations, if the situation is to be kept from deteriorating. The solutions mentioned above have the potential to steer the countries out of this crisis, therefore should be pondered over.