

## **Taiwan at a Crossroads: Implications of the 2024 U.S. Election**

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Advisors close to former president Donald Trump and Vice President Kamala Harris tend to downplay the potential for major changes in U.S. policy toward Taiwan should their preferred candidate come to occupy the Oval Office in January. The historical record would seem to support such assertions, given that Taiwan has maintained robust bipartisan support from the United States for nearly half a century. On deeper inspection, however, broader trends within the United States, above all fatigue with military interventions and a sense that relationships with allies and partners are one-sided, could influence U.S. policy toward Taiwan in the years ahead.

#### **Trump: Would a Second Term Look the Same as the First Term?**

When Trump left office in 2021, Taiwanese officials and citizens were broadly happy with his policies towards the island. On Trump's watch, arms sales to Taiwan and U.S. Navy patrols in the Taiwan Strait increased, while high-level visits by US officials were undertaken. Signaling appreciation for these steps, President Tsai Ing-wen declared toward the end of the Trump administration that US-Taiwan relations "have never been better." In one survey, Taiwan was the only place in the Indo-Pacific that preferred Trump over Biden in the 2020 election.

There is growing evidence, however, that this improvement of U.S.-Taiwan ties happened *despite* rather than *because* of Trump. In recent months, Trump has voiced skepticism about defending Taiwan and blamed it for taking the United States' semiconductor manufacturing industry. He also reportedly doubted whether the United States could even defend Taiwan if it wanted to.

Advisors close to Trump who care about Taiwan's security argue that they could continue where they left off during his first term, bolstering ties with the island without raising his attention. A key question is whether this would be possible or whether Taiwan has now been elevated to Trump's attention such that he would pay closer attention to the bilateral relationship and personally intervene. An additional important factor would be the extent to which Trump's China policy focuses more on economic and trade considerations or geopolitical ones.

#### **Harris: Biden 2.0 or Obama 2.0?**

Advisors close to Harris argue that President Joe Biden has taken important steps to strengthen U.S.-Taiwan relations and she would pick up where he left off. For instance, Biden remarked on four occasions that he would defend Taiwan, restarted Trade and Investment Framework Agreement (TIFA) talks with Taiwan, announced a U.S.-Taiwan Initiative on 21st Century Trade (the only trade negotiation underway during the Biden administration), and pushed for presidential drawdown authority to be extended to Taiwan.

Assuming that Harris would continue Biden's policies, however, is just as uncertain. For instance, during her 60 Minutes interview, Harris refused to state unequivocally that she would defend Taiwan. Within the Democratic party, there are some China experts urging for a return to a less confrontational approach to Beijing. In many ways, Harris's views on foreign policy are unknown, and as a result her approach to Taiwan is similarly difficult to divine.

## **How Much Does Trump or Harris Matter for Taiwan?**

Taiwanese officials are correct in expressing confidence in the durability of U.S.-Taiwan relations, which is one of the few foreign policy issues in the United States that enjoys strong bipartisan support. Similarly, there is a bipartisan consensus of what Taiwan should do regardless of who wins the November election.

First, with a growing appreciation in Washington for the military threat that China poses to Taiwan and uncertainty over whether Xi Jinping will seek to compel unification, Taiwan will continue to hear calls to increase its defense budget. While Taiwan spends roughly 2.5 percent of its GDP on defense and has nearly doubled its defense budget over the past decade, Trump has stated that Taiwan should spend 10 percent of GDP on defense. While this issue has not garnered the same attention in Democratic circles, a Harris administration would likely urge Taiwan to continue to raise its defense spending.

Second, with concerns in Washington about supply chain security, Taiwan will be asked to partner with the United States on this issue, including calls to onshore semiconductor manufacturing in the United States. Through the bipartisan CHIPS and Science Act, the Biden administration is allocating nearly US\$53 billion to expand chip production in the United States and has already awarded the Taiwan Semiconductor Manufacturing Company US\$6.6 billion to establish a foundry in Arizona. Harris is all but certain to continue to pursue this policy, while Trump could seek to accelerate U.S. chip production by loosening regulations and streamlining permitting.

One area where Taiwan might want to have a different approach depending on the election result is in how it presents its value proposition to the United States. In recent years, Taiwan's leaders have embraced President Biden's framing of this era as "a battle between democracy and autocracy," arguing that Taiwan stands on the frontlines of that struggle. Harris has not directly embraced this framing, choosing to instead emphasize how Russia's invasion of Ukraine undermines international order, an argument that also applies to Taiwan. Should Trump win, however, such abstract notions are unlikely to persuade him. Taiwan will likely instead need to adopt a more transactional approach, emphasizing its economic value to the United States.

## **Will We See a Shift in Cross-Strait Relations?**

In another context, more uncertainty in Taiwan regarding U.S. support may have prompted it to attempt to stabilize cross-strait relations. It is highly doubtful, though, that the Lai administration will be able to find any formulation acceptable to Xi that would restart authoritative cross-strait communications and lower tensions. Instead, China is all but certain to continue to exert pressure on Taiwan over the next three-plus years, as it looks to make Lai a one-term president. As a result, Taiwan could find itself vulnerable if support from the United States diminishes.