



Sigur Center
for Asian Studies

THE GEORGE WASHINGTON UNIVERSITY

Indo-Pacific Partnerships and Taiwan

The Indo-Pacific is the most critical region today for global prosperity and security. As the region continues in a state of flux, pivotal countries in the region – including India, Japan, Australia, and New Zealand – are recognizing the opportunities Taiwan offers as a partner while being challenged by the difficulty to improve relations with Taipei without angering Beijing. To explore the prospects of Indo-Pacific partnership, the Sigur Center of Asian Studies [gathered a panel of leading experts](#) to discuss how cross-strait relations interact with the diplomacy of pivotal Indo-Pacific states.

This Asia Report presents insights on Indo-Pacific partnership from Sana Hashmi, Taiwan Fellow of the Institute of International Relations at National Chengchi University in Taiwan, Jennifer Chang, Research Fellow at the Global Taiwan Institute in Washington, and Mike Mochizuki, Japan-U.S. Relations Chair in Memory of Gaston Sigur at The George Washington University.

Potential Engagement with India

Hashmi suggested that India-Taiwan relationship is underutilized but has much room for improvement under Taiwan's New Southbound Policy. Although Taiwan's handling of the pandemic and the rising tensions between China and India have elevated Indian domestic discourse in favor of Taiwan, the scale of existing India-Taiwan cooperation remains minimal compared to Taiwan's relationship with Japan and ASEAN states.

Since the initiation of New Southbound Policy under the President

Tsai Ing-wen, Taiwan started to improve its relations with South Asian states, but interactions between the India and Taiwan are limited. If Taiwan wants to further engage with the stakeholders of the Indo-Pacific, India needs to be at the core of Taiwan's New Southbound Policy. President Tsai has stated that the New Southbound Policy is complementary to Washington's commitment of a free and open Indo-Pacific, thus focusing on cooperation with India would bring Taiwan greater visibility and credibility in the Indo-Pacific region.

However, Hashmi also pointed out that a main challenge to closer India-Taiwan relations is the lack of reciprocity from New Delhi, who remains restricted by its adherence to the One China Policy. Under Prime Minister Narendra Modi, New Delhi initiated some symbolic steps – for instance, inviting Taiwan's top diplomat in India, Tien Chung-kwang, to his swearing-in ceremony in 2014 – but the momentum slowed when China began to oppose the increasing level of official interaction between India and Taiwan, especially the visit of an all-women parliamentary delegation from Taiwan in 2017.

Even though the Galwan Valley clashes along the India-China border in 2020 have led to India's elevated engagement in the quadrilateral security dialogue with the U.S., Japan and Australia, New Delhi should be cautious in rethinking Indian policy toward China and Taiwan. In particular, Hashmi believed that India and Taiwan should initiate and deepen economic and political interactions while not rushing to establish advanced relations like robust defense ties. For example, the economies of India and Taiwan are complementary and this could be utilized more effectively. The bilateral tensions between Beijing and New Delhi have generated a widening gap in foreign investment, which could be filled by more economic cooperation between India and Taiwan.

Australia and New Zealand under Pressure

Amid recent economic and diplomatic pressures from China, Chang argued that Taiwan's relations with Australia and New Zealand are significant for uniting regional democracies to deter Chinese expansionism. Both countries have been long time supporters of Taiwan's participation in the World Health Organization and other international organizations that do not require statehood, but recent tensions between Australia and China have reduced the willingness of both Australia and New Zealand in taking immediate steps to improve relations with Taiwan.

In line with U.S. positions on regional issues, Australia and New Zealand have restricted the installation of Chinese 5G equipment,

spoken out against human rights issues in Xinjiang, and voiced support for pro-democracy movements in Hong Kong. Although Beijing has retaliated against both countries, tensions between Australia and China are exceptionally high due to Canberra's rhetoric on Beijing's apparent responsibility in causing the pandemic. Over the past year, China has slapped tariffs on \$20 billion worth of Australian agricultural exports, which has been a huge blow to Australia's export economy since China is its largest trade partner. In November 2020, the Chinese Embassy in Australia revealed a list of 14 grievances – including all of the sensitive issue topics from the banning of Chinese 5G technology to Canberra's statements on the South China Sea – and argued that Australia has to change its policies on the list for bilateral relations to improve.

Given the current level of tensions between Australia and China, Chang believed that it would be difficult for Canberra to make any substantive policy changes regarding relations with Taiwan. Beijing is clearly exerting tremendous pressure to teach Canberra a lesson while sending a message to other U.S. allies and partners in the region that China will utilize various tools and tactics to achieve its objectives. Nevertheless, Taiwan has expressed solidarity by supporting a campaign organized by the Inter-Parliamentarian Alliance on China to purchase Australian wine. Taiwan empathizes with what Australia has to deal with not only because they're both targets of Chinese pressure, but also because Taipei wants Australian support for its own struggles against China.

Japan's Diplomatic Success

In contrast to India, Australia, and New Zealand, Mochizuki showed that by pursuing a policy of separating politics and economics, Japan has successfully established closer engagements with Taiwan without tarnishing relations with China. As a backdrop, Mochizuki highlighted four important positive developments between Japan and Taiwan. First, there has been a long-standing trend of positive mutual perceptions between the people of Japan and Taiwan. For instance, a 2018 survey in Taiwan stated that 59% of the respondents prefer Japan as the country they like the most. Similarly, a 2019 survey in Japan showed that 55% of the Japanese have the feeling of greatest affinity towards Taiwan out of all Asian countries. Second, the economic relationship between Japan and Taiwan have become tighter over the years as bilateral trade remains robust. In the last decade, the two sides have signed a number of bilateral economic agreements that cover the areas of investment, e-commerce taxation, customs cooperation, and agricultural products.

In addition to public perception and economic relations, a third type of positive engagement between Japan and Taiwan is the

incremental upgrading of diplomatic interactions. Over the last decade, there has been a gradual elevation in official interactions between Japan and Taiwan, the most notable of which include Prime Minister Shinzo Abe and President Tsai sending each other congratulatory notes after their electoral victories, the visit to Taiwan by Japan's incumbent Vice Minister of Internal Affairs and Communications Jiro Akama, as well as the visit of former Prime Minister Yoshiro Mori after former Taiwanese President Li Teng-hui had passed away. Finally, the fourth area of positive interactions is that two sides have managed well potential contentious issues, including territorial disputes over the Senkaku-Diaoyu Islands, Japan's claim of exclusive economic zone, and the legacy of sexual slavery during World War II.

Over the years, Tokyo has been able to advance bilateral relations with Taiwan while adhering to the One China policy and avoiding serious diplomatic tensions with Beijing. However, Mochizuki also suggested that security issues in the region, especially the possibility of cross-strait military conflict, is one of the most sensitive diplomatic issues for Japan and a crucial factor determining Japanese policy toward China and Taiwan. While many in Japan would prefer the status quo of cross-strait separation, Tokyo has not made an explicit and formal commitment to Taiwan's defense and has been ambiguous about whether or not Japan would support the U.S. and Taiwan in a cross-strait military conflict. Although some hardliners in Japan would prefer Tokyo moving away from strategic ambiguity, Mochizuki believed that there is not enough support in Japan to push toward strategic clarity in terms of the defense of Taiwan, given Tokyo's current interest in stabilizing relations with China.

Prospects of Indo-Pacific Partnership

Considering the future of India-Taiwan partnership, Hashmi concluded that the participation of Taiwan is necessary for the establishment of an open, rule-based, and inclusive order in the Indo-Pacific, especially after seeing its success in handling the pandemic. Taiwan shares the values and interests of the stakeholders of the region, thus not engaging with Taiwan would be a missed opportunity for India and a loss for both. As long as India and Taiwan remain cautious by following the example of Japan, it is possible for the relationship to move forward without impacting their ties with China.

Despite the pressure from Beijing, Chang suggested that closer economic relations could be one promising area of cooperation between Australia and Taiwan. As Canberra looks for alternate markets for Australian exports, it could enhance bilateral trade

with Taiwan. However, Chang also noted that there seems to be no desire on Australia's part to negotiate a free trade agreement with Taiwan because Canberra's priority at the moment is to prevent further tensions with Beijing. Moreover, Chang saw the possibility of additional pressure to uphold U.S. interests in the region under the Biden administration, which would make Australia's position between China and the U.S. even more difficult.

Among the pivotal states of the Indo-Pacific, Japan saw the most success in managing relations with China and Taiwan, but it would be difficult for the relationship with Taiwan to advance much further. Mochizuki believed that Japan is currently in an optimal position and Tokyo will be motivated to preserve the benefits from existing policies. Paradoxically, any deepening of regional partnership with Taiwan or any additional international space for Taiwan would require the improvement of U.S.-China and cross-strait relations. However, since the issue of Taiwan is key to the rivalry between the U.S. and China, Mochizuki expected Washington to put more pressure on Japan to play a more prominent role in U.S. military strategies against China as the rivalry intensifies, which would create one of the greatest diplomatic challenges for Japan.

By Dennis Yuen Li, Ph.D. Candidate, The George Washington University and Graduate Research Assistant, Rising Powers Initiative.

About the Sigur Center for Asian Studies

The Sigur Center for Asian Studies is an international research center of The Elliott School of International Affairs at The George Washington University. Its mission is to increase the quality and broaden the scope of scholarly research and publications on Asian affairs, promote U.S.-Asian scholarly interaction and serve as the nexus for educating a new generation of students, scholars, analysts and policymakers. The Sigur Center houses the Rising Powers Initiative, a multi-year, multi-project research effort that studies the role of domestic identities and foreign policy debates of aspiring

Sigur Center for Asian Studies

THE GEORGE WASHINGTON UNIVERSITY

powers. The Sigur Center's Rising Powers Initiative examines how domestic political debates and identity issues affect international relations in Asia. RPI acknowledges support from the MacArthur Foundation and Carnegie Corporation of New York for its activities.

Sigur Center for Asian Studies
Elliott School of International Affairs
The George Washington University
1957 E St. NW, Suite 503
Washington, DC 20052

TEL 202.994.5886
EMAIL gsigur@gwu.edu
<https://sigur.elliott.gwu.edu>
<http://www.risingpowersinitiative.org>