

CCPS

An International Journal

Contemporary Chinese Political Economy and Strategic Relations: An International Journal (CCPS) is an academic journal published by the Institute of China and Asia-Pacific Studies, National Sun Yat-sen University, Taiwan, focusing on the Chinese polity, economy, and society; and the interrelationship between sociopolitical and socioeconomic factors that influence political, economic, and social outcomes in contemporary Mainland China and Taiwan, as well as Hong Kong and Macau, and their politico-economic and strategic relations with other regions and countries.

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Strategies under Constraint: China's Rise, Regional Responses, and the Strategic-Relational Dynamics of the Indo-Pacific

To understand how state structures are strategically selective, privileging certain strategies while constraining others; and how agents navigate these contexts to maximize their power and interests, the **Strategic-Relational Approach** (SRA), developed by Bob Jessop (2008), provides a critical political economy framework. SRA rejects the view of the state as a neutral or monolithic actor, instead conceptualizing it as a strategically selective field. SRA emphasizes the interplay between *structural contexts* (*constraints, institutional legacies, and systemic pressures*) and *strategic agency* (*actors' choices and maneuvers*). Structures are not equally open to all strategies; they privilege some while constraining others. At the same time, institutional state agents develop strategies within these selective contexts to pursue their goals. Outcomes, therefore, result from the dialectical interaction between structural selectivity and strategic agency. Instead of viewing structures as determining outcomes or agency as unbounded, SRA looks into how actors develop strategies in relation to opportunities and constraints embedded in structures.

The Indo-Pacific region has emerged gradually as scholars, policymakers, and strategists sought to capture the growing interconnectedness of the Indian and Pacific Oceans in global trade, energy routes, and security dynamics (Medcalf, 2020; Das, 2019). Historically, colonial encounters shaped institutions and alignments across this region. Postcolonial states have since developed varied capacities and strategies to navigate between great powers. The current Indo-Pacific framework emphasizes maritime connectivity, strategic chokepoints, and the presence of multiple middle powers such as India, Japan, and Australia, alongside the rivalry between the United States (US) and China. While the rise of China has transformed the Indo-Pacific region into the most dynamic and contested region of global politics, the ways in which states experience, interpret, and respond to Beijing's influence vary significantly, producing a diverse set of outcomes. As one of the most important geopolitical arenas, the region is now characterized by the rise of China as a central structuring force, the resilience and adaptive strategies of Taiwan, and the hedging behavior of regional actors such as Vietnam and India. The Indo-Pacific region, therefore, embodies the dynamics

of strategic selectivity: China's economic power and geopolitical assertiveness privilege certain alignments, but they also generate counter-strategies and new coalitions.

The global ascent of China, Taiwan's democratic trajectory, and the shifting alignments of regional actors illustrate a dynamic political economy shaped by both structural forces and agency-driven strategies. To capture this interplay, the first issue of the Volume 11 (2025) of the *Contemporary Chinese Political Economy and Strategic Relations: An International Journal* (CCPS) features three articles that explore how the Indo-Pacific order is continuously reshaped by the dialectic of structural selectivity and strategic agency, underscoring the relevance of SRA for understanding political economy and strategic relations in Asia.

By conceptualizing the state and international order as strategically selective fields, the SRA provides an invaluable lens for interpreting how structural conditions and agent choices interact across these three studies. This approach is especially relevant for the Indo-Pacific, where structural constraints (*China's dominance, Taiwan's diplomatic isolation, economic dependency patterns*) and strategic agency (*Taiwan's democratization, Vietnam's hedging, India-Taiwan HADR cooperation*) continuously interact. By placing these articles within the SRA framework, we see them not as isolated individual scholarly works but as interlocking illustrations of how relational outcomes have emerged in the region. Specifically, offering the following key insights to strategic relational dynamics in the Indo-Pacific:

1. Historical legacies shape present structures;
2. China's rise is structurally powerful but relationally contested;
3. Agency under constraint yields creative strategies; and
4. The Indo-Pacific is a layered strategic field, where structures (*China's power*), relations (*ASEAN hedging, India-Taiwan cooperation*), and agents (*Xi, Taiwan's democratizers*) interact.

Samuel Jung's study provides a long-term institutional and agent-centered explanation for why Taiwan and the PRC, although both are culturally related societies shaped by imperialism, took fundamentally different political trajectories.

The central argument is that imperial legacies and political agents' choices created path-dependent developments. Taiwan, under Japanese rule from 1895

to 1945, inherited relatively efficient state institutions and modern bureaucracies. Despite colonial exploitation, these institutions provided a foundation for later adaptation. Political agents in Taiwan eventually shifted from authoritarian consolidation toward pragmatic liberalization, culminating in democratization. By contrast, the PRC experienced a century of extractive Western imperialism that eroded institutions and fostered deep resentment. Communist leaders chose ideology-driven strategies of power retention, reinforcing authoritarian path dependence.

From an SRA perspective, Taiwan and the PRC represent different structural legacies (institutional inheritances from imperialism) and strategic choices (pragmatism versus ideology) that created distinct relational positions in the international system.

Building on this divergence, Tran Xuan Hiep, Nguyen Tang Nghi, and Nguyen Cam Tu analyze China's contemporary strategy of external projection: The Belt and Road Initiative (BRI). At the *international level*, BRI responds to systemic shifts: the US "Pivot to Asia" (Clinton, 2011), the 2008 financial crisis (Dreher et al., 2022), and multipolarity. At the *national level*, BRI addresses domestic imperatives: balancing development, exporting industrial overcapacity, securing energy, and internationalizing the renminbi. At the *individual level*, Xi Jinping's "Chinese Dream" provides ideological impetus.

Yet challenges are significant. ASEAN states express concerns over debt traps, sovereignty, and negative experiences with Chinese contractors. Surveys reveal widespread distrust of China, with Vietnam among the most cautious. Thus, BRI illustrates China's ability to reshape structural contexts but also the strategic agency of Southeast Asian states, which adaptively hedge, resist, or embrace projects.

Gregory Coutaz's paper turns to India and Taiwan. Two democracies sharing vulnerabilities vis-à-vis China. Despite limited formal ties, both India and Taiwan face recurring natural disasters and rely on their militaries for disaster response. Coutaz argues that Humanitarian Assistance and Disaster Relief (HADR) provides a low-politics, non-threatening entry point for bilateral cooperation. India leverages multilateral mechanisms like IORA, BIMSTEC, and the Quad, while Taiwan uses the Global Cooperation and Training Framework (GCTF) as a diplomatic workaround.

HADR thus enables India and Taiwan to:

- Build trust incrementally,

- Enhance soft power,
- Develop interoperability without openly provoking China.

From the SRA's lens, this represents strategic maneuvering within structural constraints: both India and Taiwan craft relational strategies in spaces where China's influence is limited.

The [CCPS Volume 11 \(2025\) Issue 1](#) highlights SRA's temporality, showing how past structures shape present dynamics. Thus, it starts with Samuel Jung's [Divergent Paths: Imperial Legacies, Strategic Agency, and the Divergence of Democracy in Taiwan and Authoritarianism in the PRC](#) (*historical foundations*) to Tran Xuan Hiep, Nguyen Tang Nghi, and Nguyen Cam Tu's [China's Belt and Road Initiative in Southeast Asia: Vietnam's Strategic Responses and Regional Implications](#) (*contemporary structural contestation*), to Gregory Coutaz's [Balancing through Humanitarianism: India-Taiwan Cooperation in Humanitarian Assistance and Disaster Relief](#) (*practical cooperation*). Rather than reducing the Indo-Pacific to a simple US-China rivalry or a deterministic account of rising power transitions, this issue underscores the region as a strategically relational field where outcomes emerge from the interplay of structural selectivity and agent strategies.

Thus, reading through these articles, you can argue that the Indo-Pacific order is co-produced: China sets structural parameters, but diverse state strategies shape outcomes. Consequently, the region's future will not be determined by China alone, but by the multiplicity of relational strategies employed by regional actors. China's rise is rooted in authoritarian resilience and projected through initiatives like BRI. Yet regional responses, from Vietnam's hedging to India-Taiwan's functional cooperation, illustrate how states navigate structural constraints with strategic agency.

This issue also features Tonny Dian Effendi's review of the book ["Constructing Political Economy with Chinese Characteristics"](#).

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Divergent Paths: Imperial Legacies, Strategic Agency, and the Divergence of Democracy in Taiwan and Authoritarianism in the PRC

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Abstract

This study provides an explanatory approach to the question, why the People's Republic of China (PRC) and Taiwan developed so differently despite both having experienced foreign imperialism. The short and informal answer is the choice of power retention, namely ideology in the PRC and pragmatic adaptation in Taiwan. The PRC's formal and informal institutions deteriorated starkly after the extractive Western imperialism. Taiwan experienced a Japanese colonizer exporting and leaving behind an effective state apparatus, on which following agents could confidently build. Agents are understood here as individuals, human beings, social beings, who are affected by the society they live in and simultaneously shape this very same society with their activities and consequences. The results of this comparative analysis are twofold: *Firstly*, societies that experienced imperialism are more likely to develop on a path towards democracy if the imperial power engaged in building efficient state institutions. *Secondly*, preference-based choices (i.e., normative, utilitarian and habitual) of political agents matter significantly. The case of the PRC demonstrates normative path dependence with agents, who maximize their utility by preferring ideology over pragmatism. The case of Taiwan shows a utilitarian path dependence with agents maximizing their own benefits by constant adaptation.

Keywords: *historical institutionalism, critical juncture analysis, international relations, China, Taiwan, United States, imperialism*

1. Introduction

The mainland-Chinese path dependence after the experience of Western imperialism was caused by this external shock in the PRC. Consequently, the Confucian culture diverged from its original path and solidified the desire for self-protection by rejecting the systemic offers from the former imperialist Western powers, most notably the first-wave treaty port nations Great Britain and the United States (US) as well as France and Germany (Jia, 2014: 598). While the culturally related Taiwan experienced foreign imperialism as an external shock as well, the impact differed from the experiences in mainland-China as the results of Jung and Grigoriadis (2019: 87) suggest.

Today, Taiwan is one of the strongest industrialized East Asian democracies besides Japan. That is remarkable seeing that the PRC developed almost contrarily into an authoritarian state. Internationally, Taiwan plays a key role in the Sino-US power conflict with its world-leading microchip and semiconductor industries as well as its geo-strategically important in the South China Sea (just over 80 miles of the mainland Chinese coast). According to Acemoglu et al. (2001: 1369) and with regards to countries that experienced imperialism, a country's current state and civil institutions are built on historical predecessors created by imperial powers. Furthermore, countries with stronger institutions appear to invest more efficiently towards economic development and therefore achieve higher per capita income than countries with weaker institutions. In 2015, Taiwan's per capita gross domestic product (GDP) was USD 22,752.99, while the PRC achieved USD 8,034.29 (International Monetary Fund 2022, online).

From the above observations, this study derives two hypotheses:

1. The Japanese imperialism in Taiwan was more conducive towards efficient state institution building than Western imperialism in mainland China, which stabilized Taiwanese society and allowed for liberalization and ultimately democratization. Formally, this study hypothesizes that the "lock-in" (Pierson, 2000b: 492) options during the initial causal steps, which produce the path dependence (Ji, 2022: 3) or enchainment of sequences of social events (Abbott, 1983: 132) were substantially different in Taiwan and the PRC; and

2. The choices of political agents then solidified the respective path dependence conditioned by the agents' risk aversion and desire for power preservation. With the help of the morphogenetic approach, the cultural conditionings, emergent properties and situational logics as well as the outcomes resulting from the conditioning effects of the relevant interactions will be analyzed (Greener, 2005: 65).

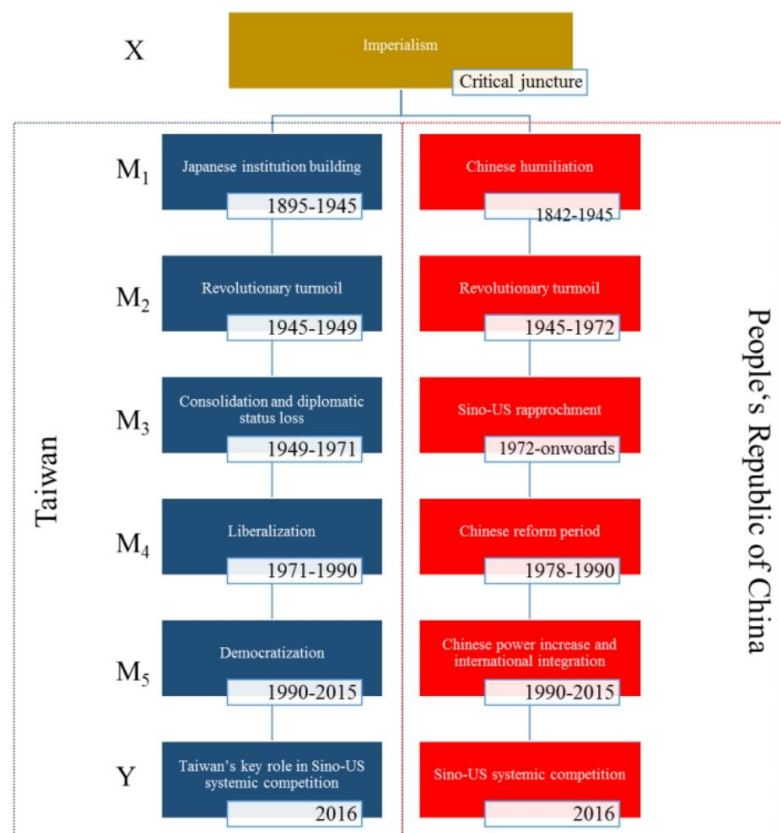
The cases of the PRC and Taiwan provide a rare opportunity for paired comparison analyses of two culturally related territories in pre-imperialist times. On the one hand, comparing these two countries is experimentally ideal (Read et al., 2021: 211) owing to their partly shared cultural roots and close historical ties. On the other hand, "Taiwan has its own distinct history; it cannot simply be reduced to an offshoot of China and interpreted through a Sino-centric lens" (Read, 2018: 1). However, this study does not assume a complete cultural and historical overlap between China and Taiwan. Rather it focuses on differences before and after an event of commonality, namely the experience of foreign imperialism. Imperialism functions as a quasi-experimental treatment on both societies, such that different effects on societies originally sharing the same Confucian culture can be studied (Jung and Grigoriadis, 2019: 85). The juxtapositional comparison (Schaffer, 2021: 47) of the nowadays systemically fundamentally different Taiwan, a tremendously resilient democracy (Wong, 2019: 200), and the PRC, an authoritarian system, is in danger of becoming arbitrary. That is correct regarding the two societies' status quo. This study, however, compares the development paths originating from a joint or closely related path preceding these substantially different outcomes. This study therefore systematically compares the diverging development paths to then draw conclusions and explain why Taiwan turned out to be a stable democracy and the PRC an authoritarian system. In other words, this analysis examines the causal mechanisms of how institutions were created as well as how they were sustained to combine agent-centered and structural explanations (Bennett and Elman, 2006: 260–261).

The paired comparison between the cases of the PRC and Taiwan allows to control for variables, causal-process analysis and create a greater descriptive power for the hypotheses in question (Gisselquist, 2014: 478). The present comparison is designed after Mill's method of difference, "in which the phenomenon [here democratization in Taiwan] under investigation occurs, and an instance in which it does not occur [no democratization in the PRC],

have every circumstance in common save one, that one occurring only in the former; the circumstance in which alone the two instances differ, is the effect, or the cause, or an indispensable part of the cause, of the phenomenon" (Mill, 2012: 455). Structurally, this study constitutes a cross-regime-type study (Read, 2021: 209). With that, both internal and external validity can be achieved.

The present study builds on the findings of the previous one. It aims at assessing the significant differences in the critical juncture and the subsequent lock-in options (Howlett and Goetz, 2014: 483), namely imperialism that led Taiwan on a development path notably different, practically diametrically, from the PRC. For this comparative analysis, this study will equally apply an extended post-critical juncture causal process as suggested by Mahoney et al. (2016: 77) but graphically adapted to fit the comparative analysis. Figure 1 illustrates the determined causal steps or sequences. On the left side of Figure 1, Taiwan's causal process is opposed by that of the PRC.

Figure 1 *Extended post-critical juncture causal process (Mahoney et al. 2016, p. 77) of Taiwan and the PRC in comparison*



Notes: X = critical juncture, M = causal steps; Y = outcome of interest.

The processes following the post-critical juncture in Japan are summarized in Figure 1. X represents the critical juncture of the onset of Japanese imperialism experienced in Taiwan in 1895 marked by the Treaty of Shimonoseki; X is therefore a point in time and not a time period. M₁ is the Japanese institution building between 1895 and 1945, which aimed at supporting the Japanese economy. M₂ is the period of civil war (from 1945 to 1949) in China between the Communists and the Nationalists; the latter withdrew to Taiwan after their defeat. M₃ is the phase where Taiwan experienced domestic consolidation but lost its diplomatic status as a member of the United Nations (UN) General Assembly. M₄ represents the liberalization period, which brought about several political reforms and paved the way for M₅. M₅ marks the democratization of Taiwan between 1990 and 2015. Y is therefore the outcome of interest or status quo, namely Taiwan being a resilient democracy and market economy with a key role in the Sino-US power conflict due to its significant economic and geo-strategic relevance for both powers from the year 2016 onwards. Figure 1 already suggests that a number of Taiwan's causal steps lasted remarkably shorter than some of the PRC's steps, especially M₁ and M₂. This will be part of the comparative analysis in the following sections.

For mainland-China, the post-critical juncture process encompasses the same number of steps. However, they differ in duration period and agency decisions. Imperialism, X, presents the critical juncture of the onset of Western imperialism experienced in China in 1842; X is equally a point in time rather than a period. M₁ is the perceived humiliation of the Chinese side resulting from being overwhelmed and subjugated by Western aggression between 1842 and 1945. M₂ describes the period of civil war (from 1945 to 1949) in China and resulting in the victory of the Communists over the Nationalists and leading to the Cultural Revolution with the abandonment of Confucian tradition – a diversion from original cultural paths (Jung and Grigoriadis, 2019: 78). M₃ represents the beginning of Sino-US (economic) engagement from the 1970s onwards. M₄ marks the reform period under Deng Xiaoping with his motto of “*tao guang yang hui* (keeping a low profile)” (Yang, 2020: 428) on the world stage. M₅ is the Chinese power growth resulting from economic and social development as well as international integration between 1990 and 2015. Y is

the outcome of interest, namely the inter-state power conflict or systemic competition¹ between the only remaining world power after the Cold War, the USA, on the one side and the PRC on the other side.

The succeeding analysis therefore compares the causal possibilities, contingencies, and closure in the sense of feasible paths and constraints of the respective development paths (Bennett and Elman, 2006: 252) to argue for path dependence for the PRC and Taiwan.

2. The critical antecedent: East Asia as the target for imperialism

This study, like Basu and Miroshnik (2020: 7), defined “imperialism” according to Rosa Luxemburg’s (2014) definition: “Imperialism is the political expression of the accumulation of capital in its competitive struggle for what remains still open of the non-capitalist environment” (426). In that sense, with imperialism, states pursue privileged channels for their goods and capital, utilizing either force or threat (Allio, 2020: 83). From that, this study derives that imperialism - and its sub-form colonialism - of the nineteenth century is a result of economically and industrially advanced countries fiercely and violently competing with each other over the acquisition of geographical areas, which would serve as both resource supplier and market (Basu and Miroshnik 2020: 1–2).

Taiwan had been a peripheral part of the Chinese Qing-empire for roughly three centuries before it became a province in 1885 (Paine, 2003: 6) and was thus relatively closer integrated into the Qing-empire’s administration. Historically, China had been the dominant power in East Asia up until the onset of Western imperialism in China. Being defeated in the Opium Wars by Great Britain (1839–1842 and 1856–1860) as well as in the Sino-French War (1884–1885) laid bare the institutional and structural weaknesses of the Chinese governance system (Greve and Levy, 2018: 12). This ultimately paved the way for Japan as an East Asian rising power aiming at increasing its international power status by territorial conquests. Just like among Western imperial powers, the Japanese government of the late nineteenth century deemed it necessary to have an empire in order to be part of the group of great powers. While the competition for territories in the mainland East Asia was fiercer, the seizing of Taiwan appeared to be a less costly start (Paine, 2003: 249). The decision to seize Taiwan was made by the Japanese Imperial Conference in September

1872 (Lengerer, 2019: 116). Officially, the objective was to punish Taiwanese natives for repeatedly attacking Japanese vessels. However, the economic motivation behind Japan's imperial endeavors were driven by the desire for new markets and resources (Jansen, 2002: 415–455). In 1874, Japanese steamships indeed embarked for Taiwan after the USA, Great Britain, Italy, Russia and other Western powers declared their neutrality in the issue and the Chinese government merely protested (Lengerer, 2019: 120). This first expedition was unsuccessful but made the Japanese government realize their need for an own fleet of steamships to enable troop movements – the Japanese company Mitsubishi was entrusted with the running and maintenance of the ships and thus received a crucial role within the Japanese military-industrial complex (ibid., 131).

While Japan had planned the occupation of Taiwan for decades, the First Sino-Japanese War from 1894-1895 broke out due to conditions of “uncertainty of rules within an institutional and strategic environment of legal pluralism; and the presence of multiple strategic competitors who were bilaterally and multilaterally rewriting the rules of the game” (Park, 2020: 229). In other words, China and Japan fought for regional hegemony with each other as well as with Western imperial powers. The outcome of this First Sino-Japanese War is the critical juncture of this study.

3. The critical juncture X: The Treaty of Shimonoseki (1895)

A critical juncture is a relatively short period of time - rather than a point in time - during which permissive conditions allow change within the scope of existing productive conditions. Critical junctures are thus periods of relative fluidity, where an (exogenous) shock can cause a deviation from the original development path (Mahoney et al., 2016: 77; Capoccia, 2015: 156). This path deviation contains equifinality in the sense that the outcome of such a juncture is part of a set of equally possible options (Soifer, 2012: 1573).

The Sino-Japanese War resulted in the Chinese defeat and the signing of the Treaty of Shimonoseki on 17 April 1895 (Park, 2020: 224). The design of the treaty shows that the Japanese “Premier Ito was a great admirer of Otto von Bismarck. He hoped to emulate Germany's victory over France in the Franco-Prussian War of 1870-1. [...] Just as Ito had modeled the Meiji Constitution on that of Prussia, so he wanted the Treaty of Shimonoseki to mirror the key

features of the 1871 Treaty of Frankfurt: territorial annexation, a large indemnity, occupation of an enemy city to insure payment of the indemnity" (Paine, 2003: 265). Indeed, the content of the treaty demanded China to accept Korea's full independence, to pay Japan 200 million silver taels in war reparations as well as to hand over control over the Liaodong peninsula, Taiwan, and the Penghu Islands to Japan. Furthermore, the Qing government "opened four more treaty ports, gave railroad concession rights to Japan, and granted unilateral extraterritorial privileges to Japanese nationals in various industry and manufacturing sectors in northeast China" (Park, 2020: 225). The treaty thus mirrored the power political endeavors of the time by securing territories and economic assets to the victorious power and additionally ensuring humiliation of the defeated party.

The Treaty of Shimonoseki is therefore in line with the Treaty of Nanking from 1842, with which the United Kingdom established the Treaty Port System (1842 - ca. 1945) in mainland-China. The Treaty Port System granted foreign powers privileges such as favorable trade privileges and extraterritoriality in China (Jia, 2014: 598). After three centuries under Qing-rule, Taiwan was thus integrated into the Japanese governance system (Matsuzaki, 2019: 14).

Regarding the theoretical framework of this study, the "distinct feature of a historical juncture with the potential to be critical is the loosening of the constraints of structure to allow for agency or contingency to shape divergence from the past, or divergence across cases" (Soifer, 2012: 1573). The Sino-Japanese War "shattered Chinese hegemony and demonstrated to an astonished West that Japan had become a modern great power. Such a seismic reversal in the traditional balance of power fractured the previous international harmony within the Confucian world and left an aftershock of enduring territorial and political fault lines that have embroiled China [and] Japan" (Paine, 2003: 3). Thus, the Sino-centric worldview and order that China had been living by for centuries surrounded by states paying tributes to secure China's support and protection ended abruptly. The military conflict between China and Japan was not only a conflict between nations but between state philosophies, cultures, and between Chinese culturalism, and Japanese expansionism. The Chinese governments had been rejecting for centuries to open up and exchange with the outside world; focusing on self-preservation and following the strict Confucian traditions instead, which China deemed

superior to any other culture. In the case of the Treaty of Shimonoseki, the defeat of the Chinese side by the Japanese power is the permissive condition, which altered the status quo, namely the former power balance between China and Japan. The treaty ensuring Japanese privileges is the productive condition in that critical juncture that manifests the divergence from the initial conditions (Soifer, 2012: 1574–1575). Therefore, both mainland China and Taiwan experienced the onset of Western and Japanese imperialism, the critical juncture, without significant differences. The Treaty of Shimonoseki is an integral part of the Chinese Century of Humiliation (Christensen, 1996: 45). The foreign invasions in mainland China and Taiwan are thus a quasi-experimental treatment, whose effects will be discussed in the following sections.

4. (M₁) Japanese institution building (1895-1945)

To clarify one aspect: This section does not seek to relativize the violent Japanese rule over Taiwan. Its purpose is to assess the state and institution building efforts made by the Japanese rulers in Taiwan and to compare these to the experiences with Western imperial powers by the mainland China. When speaking of state and institution building in this analysis, that refers to the installation of state institutions in the shape of formal rules and enforcement mechanisms as well as their (informal) social contract between state and citizens. When China ceded the island of Taiwan to Japanese control as dictated by the Treaty of Shimonoseki, Japan faced a living laboratory of institution building in its first colony (Ts'ai, 2006: 98). Acemoglu et al. (2001: 1395) found that current institutions in former colonial areas are significantly affected by colonial treatments. These treatments are a useful determinant of the performance of today's institutions in formerly colonized or imperialized areas to predict economic output. They furthermore found that the Japanese Meiji Restoration turned out to be a helpful basis for economic development due to more effective state institutions organizing society, while European powers tended to establish extractive institutions in areas that were too hostile to settle – like in Asia. Mattingly (2017: 5; 8) found similar evidence for the effect of the Japanese rule over the mainland-Chinese province of Manchukuo from 1932 to 1945, which was based on administrative restructuring.

Just one year after the annexation of Taiwan, the new Japanese rulers conducted a survey in Taiwan assessing its population and ethnic groups

(Wang, 2002: 533). Three years after the annexation, in 1898, the Japanese conducted an island-wide cadastral survey to assess the amount of cultivated acreage, which turned out to be double the size assessed by the previous Qing-administration (Matsuzaki, 2019: 7). This systematic approach to assessing its new colony enabled the Japanese rulers to relatively quickly understand local conditions and implement effective institutions in its best interest. From the late 1910s, the Japanese rulers began enforcing ethnic assimilation of Taiwanese and from 1 January 1923 on, adopted the “extension of the homeland” policy (Wang, 2002: 535) in Taiwan. This policy comprises the implementation of vast parts of Japanese law in Taiwan, including civil, commercial and administrative laws. Furthermore, in “Taiwan [...], the Japanese trained bureaucrats, restructured bureaucracies, and expanded schooling and public health, but without introducing strong property rights or free and fair elections, and while often resorting to violence to control the local population” (Mattingly, 2017: 435). Additionally, the Japanese constructed a dual bureaucratic structure in Taiwan, which instrumentalized pre-existing social and geo-spatial networks for state-building efforts (Ts'ai, 2006: 104-105; 115). These local intermediaries were effective in enforcing the newly imposed rules and regulations (Matsuzaki, 2019: 49). The institutions built by the Japanese “were also utilized by the colonizer as apparatuses of disciplinary power for more effective rule over the Taiwanese. There was colonial discrimination in access to these institutions. In short, it was a colonial modernity that the Japanese brought to the Taiwanese people” (Wakabayashi, 2006: 8).

The Japanese state-building efforts affected the local culture less divertingly than Western imperialism: “The extractive nature of institutions, such as a colonial-style customs system, established by Western imperialists [in mainland China] undermined generalized trust and confidence in the central government; the [empirical result] indicates a stronger predisposition for confidence in the central government in provinces that developed Japanese-style institutions. [...] Confucian social capital is more highly developed in areas of Japanese, rather than Western, imperial expansion” (Jung and Grigoriadis, 2019: 88).

In sum, while the Japanese colonizers only had half as long, namely fifty years compared to the century of Western imperialism in mainland-China, Japanese state-building efforts in Taiwan can be called quite successful

(Matsuzaki, 2019: 7): After the annexation of Taiwan by Japan (X), power of agency (Soifer, 2012: 1574) was relatively large for the new Japanese rulers and relatively small for the Taiwanese population. That is because the new Japanese rulers were quick and effective in gaining control over the island, which left little room for maneuver for the local population. Japanese imperial reign over Taiwan was violent and exploitative while effective in sustainably creating well-trained as well as highly efficient bureaucratic state institutions. These institutions of imperial or colonial descent determined the future development path of the treated society: "the scale of [...] the subsequent divergence in incomes are due to the emergence of the opportunity to industrialize [...]. While societies with extractive institutions or those with highly hierarchical structures could exploit available agricultural technologies relatively effectively, the spread of industrial technology required the participation of a broad cross section of the society [...]. The age of industry, therefore, created a considerable advantage for societies with institutions of private property" (Acemoglu et al., 2002: 1279). Therefore, the Japanese state-building efforts laid the foundations for Taiwanese economic growth and industrialization. At the same time, "Japan, as Taiwan's colonial ruler monopolizing the agency of modernity [...] was the 'subject of a love-hate relationship,' hence the 'unforgettable other' to Taiwanese" (Wakabayashi, 2006: 9). Jung and Grigoriadis (2019: 100) provide empirical evidence "that the cultural distance between the invader and the invaded in mainland China and Taiwan is a powerful predictor of institutional outcomes and the persistence path of unrelenting Confucian values. The cultural proximity of Japanese invaders to Taiwan facilitated the creation of an efficient public administration and state-run economy". In their analysis, cultural proximity is given, where related languages imply cultural kinship, which would be cultural proximity. Language barriers between culturally closely related groups are thus less costly to overcome than those with culturally more distant groups.

Applying the terminology of the morphogenetic approach, the emergent property, imperialism (X), made Taiwanese locals cooperate with the new rulers after the annexation of Taiwan by Japan, which constitutes the structural situational logic of compromise (leading to syncretism). However, this compromise and syncretism comprise a built-in incompatibility, which can eventually lead to endogenous change caused by groups no longer being able to sustain the compromise that covers the incompatibility (Greener, 2005:

67). Therefore, X resulted in the cultural situational logic of correction in the form of a sufficiently large number of Taiwanese supporting or at least accepting the Japanese state building more or less voluntarily or pragmatically in this first step M_1 . These conditions within M_1 result in a high-medium likelihood of path-dependence (Greener, 2005: 66; Archer, 2009: 222).

5. (M_2) Revolutionary turmoil (1945-1949)

After Japan gave up Taiwan after being defeated in World War II in 1945, Taiwan went under the control of the Kuomintang-led Republic of China (ROC). As one of the victorious parties of World War II, the ROC became one of the founding members of the UN on 26 June 1945 (UN, 1945: 31). Politically, mainland-China itself had been in the midst of internal decay in the years prior: "For China, the Sino-Japanese War had set in motion a most detrimental cascade of actions precipitating reactions until the long chain finally culminated in the far more deadly second Sino-Japanese War of 1937 to 1945: The first Sino-Japanese War, the ensuing scramble for concessions, and China's attempt to respond to the growing crisis with a broadening reform program resulted in the collapse of the dynasty. This fed directly into the era of warlordism that continued through the 1940s. Debilitating warlordism, really a series of multilateral and localized civil wars, lasted until the end of the great Chinese Civil War in 1949" (Paine, 2003: 314). After being overpowered by the Communists under Mao Zedong in the Chinese Civil War (1945-1949), the nationalist Kuomintang (KMT) party under their chairman and commander-in-chief Chiang Kai-shek retreated to Taiwan (ibid). After the civil war, "China split into the Republic of China on Taiwan and the People's Republic of China on the mainland, both with aspirations of being the one, true China" (Forster, 2021: 7).

When Taiwan went abruptly from Japanese to KMT-rule, this included the ousting of all Japanese residents from the island as well as a second migration movement from mainland-China to Taiwan (Wang, 2002: 535). Once the KMT seized Taiwan, they implemented what Wong (2020: 158) coins as national colonialism, namely the symbiosis of nation-building and colonization. Similar to the Japanese colonizers, the ethnic mainland-Chinese Han migrating to Taiwan around 1949 monopolized political power by excluding native ethnic

groups as well as ethnic Han-Chinese who migrated before 1949 from political participation. The purpose of the KMT's colonial state-building efforts were driven by the ambition to use Taiwan as a base for recapturing mainland-China (Wong, 2020: 159).

Following the effective Japanese institution-building (M_1), the KMT were in the fortunate situation to build upon these efforts towards their own state-building ambitions. That is a decisive difference to mainland-China, where after the founding of the PRC in 1949, a development sequence reacting to the Century of Humiliation under extractive and destructive foreign imperialism took place. The decline of the Qing empire was largely due to endogenous factors (i.e., economic recession, demographic explosion, and an overburdened administration), which provided favorable conditions for Western imperialism in China (Perez-Garcia, 2021: 61; Park, 2018: 315). This experience of an over-challenged and humiliated Qing court from the mid-nineteenth century onwards is a defining moment in modern Chinese history (Pieke, 2016: 59) and destabilized mainland China for decades to come after 1945. The revolutionary turmoil in mainland-China, spanning from Civil War to Cultural Revolution, lasted from 1945 to 1972, while Taiwan already entered a new and consolidating development sequence in 1949.

In terms of the morphogenetic approach, the emergent property of Japanese institution building (M_1) resulted in the structural situational logic of opportunism: The KMT as the new colonizers of Taiwan were able to take over a running system of effective institutions from the Japanese colonizers (Wang, 2002: 536). These “[c]ontingent compatibilities entail[ed] a situational logic of pure opportunism, for only gains [could] accrue from their exploitation” (Archer, 2009: 226). This resulted in the cultural situational logic “cultural free play - for novel combinations and applications involving conceptual integration, theoretical reduction or doctrinal extension, all of which have ideational synthesis as their common denominator” (ibid., 244). In the present case, the KMT obtained the opportunity to utilize the functioning state apparatus in Taiwan for their own power ambitions. These conditions within M_2 resulted in a low likelihood of path-dependence, because this cultural free play opened a vast number of options for further development (Greener, 2005: 66; Archer, 2009: 226–227).

6. (M₃) Consolidation and diplomatic status loss (1949-1971)

When the KMT-led central government of the ROC moved to Taiwan in December 1949, the island became a de-facto state owing to a sovereign government being implemented (Wang, 2002: 537). After a relatively short four-year-period of revolutionary turmoil, the KMT had a formally unlimited time horizon to consolidate in Taiwan. "Political time is institutionalised, in particular, through rules that govern the length and configuration of terms, mandates and tenures of elected and un-elected officials; [...] political time should be understood both as an institution and as a resource for (and, by implication, a constraint on) actors in political decision-making" (Howlett and Goetz, 2014: 486). Thus, the KMT had no formal time constraint to implement reforms and solidify their power base. The first years after losing control over mainland-China in 1949 and then consolidating on Taiwan were "a dire juncture" (Lin, 2022: 13) for the KMT and especially their leader Chiang Kai-shek. Lin (2022) describes in detail how the KMT were reduced to ruling over a few islands in the South China Sea and lacked realistic perspectives as well as formalized international support, even though covert cooperation with the USA was active. Nonetheless, the goal of seizing control over mainland-China "was deeply entrenched in Taiwan's post-1949 political rhetoric, propaganda, civic education, and policy planning. It should be noted that the idea of launching a military operation to restore the whole of China to Nationalist rule from such a limited, localized power base as Taiwan was never an issue to Chiang" (ibid., 42).

In order to attain the goal of control over mainland-China, the KMT needed to consolidate, both, their domestic and international power bases. Domestically, the KMT worked on self-strengthening by consolidating its power base in Taiwan. Beginning in the early 1950s, the KMT permeated all levels of public life with a network of party cells (Riedl et al., 2020: 325). Public administration in Taiwan was dominantly in the hands of emigrated mainland-Chinese and their social (i.e. Confucian) values as well as experience of revolutionary turmoil (Wang, 2002: 538). "The principles of democratic centralism, ideology as guide to policy, and party supremacy over the government and military were reasserted. [...] KMT leaders justified many of these reforms by pointing to the success of the [Communist Party of China

(CPC)]. Although similar, the two parties are obviously not identical: [...] the economic, social, and ethnic environments in which the two parties were embedded were quite different (in particular, Taiwan has always had a vibrant private economy in the post-1949 period) [...]. It is the similarities that make a comparison possible, but it is the differences that make the comparison meaningful" (Dickson, 1998: 350).

After gaining control over Taiwan, the KMT were eager to reverse the Japanization effects and commence Sinicization efforts in order to create a new national identity, legitimacy and gain support for the KMT's fight against the CPC on the mainland (He 2014, p. 478). In the course of this Sinicization, Japan became the negative other to the Taiwanese identity – just like Western imperial powers to the mainland Chinese identity under the narrative of the Century of Humiliation. Domestically, the KMT also drew legitimacy from effective economic reforms, which were implemented from the early 1950s onwards with the support of the USA seemingly resulting in an annual economic growth rate of 10 per cent from the 1960s onwards. The KMT's "efforts to grow Taiwan's small and medium-sized enterprises, combined with large investments in universal education, full employment, and targeted social programs, promoted social mobility and the growth of the middle class. From an economic point of view, this proved to be efficient. Politically, growth with equity in Taiwan prevented the concentration of economic wealth, which the KMT feared could translate into political opposition" (Riedl et al., 2020: 325). During the 1950s and 1960s, the KMT used local elections about patronage to appease and control local populations; with crucial policy being centrally decided, these local participation offers held little risk for the KMT (Dickson, 1998: 356).

Internationally, the KMT used its strategic positioning in the Cold War throughout the 1950s and 1960s. As an ally to the USA, the KMT on Taiwan were an instrument of containing the Communist PRC militarily and politically (Lin, 2022: 101). The cooperation between Taiwan under the KMT and the USA was mutually beneficial: The USA had an ally against the Communist Sino-Russian couple, while the KMT ensured their own political survival and increased their chances of seizing mainland-China. However, with Sino-US rapprochement, the relevance of Taiwan decreased: When US-president Richard Nixon visited Chairman Mao Zedong in the PRC in 1972, the Sino-US relationship morphed from hostility to reconciliation by overcoming mutual mistrust in the context of

the Cold War-power play (Goh, 2005: 483). On 25 October 1971, the UN General Assembly passed the United Nations Resolution 2758, with which the PRC became the sole representative of China (United Nations, 1971). This resolution was preceded by simultaneous developments, namely by the decreased commitment of the USA to Taiwan, Sino-US rapprochement and the success of the PRC's peaceful rhetoric (Forster, 2021: 7).

In summary, after withdrawing to Taiwan, the KMT eagerly attempted to solidify their domestic and international power bases. However, international developments beyond the KMT's control led to a diplomatic status loss, which intensified the need for self-strengthening domestically (Wang, 2002: 538). In terms of the morphogenetic approach the emergent property, the revolutionary turmoil (M_2) accompanied by the KMT's loss of control over mainland China, led to the structural situational logic protection and likewise the cultural situational logic of protection by introducing reforms to strengthen the ROC's domestic and international position. These resulted in the highest likelihood of path-dependence (Greener, 2005: 66; Archer, 2009: 219–220). That is because “structural resilience derive[s] from the fact that necessary complementarities create situations in which everyone has something to lose from disruption (though in absolute terms some have vastly more to lose than others), whereas the changes which would constitute gains are less than obvious and would anyway confront the combined pressures of those threatened by ensuing losses. This is the key which generates and generalizes this situational logic of protection” (Archer, 2009: 220). In the present case, especially the KMT had their power base and political relevance to lose from the described disruptions and therefore followed the situational logic of protection by self-strengthening.

7. (M_4) Liberalization (1971-1990)

Choosing protection by self-strengthening, the KMT opted for adaptation to its changing environment. “Faced with changes in its environment, a ruling party [here the KMT] may do one of three things: ignore, alter, or adapt to the environment” (Dickson, 1998: 351). As a reaction to the revolutionary turmoil (M_2), the KMT adapted to the new environment by consolidating (M_3) its power in Taiwan. The consolidation process comprised international cooperation as

well as nation building and local political participation of citizens. Adaptation is a difficult political decision. The KMT's motivation for this adaptation was to stay in power and to eventually regain control over mainland-China. The side effect was a continued path dependence leading to liberalization as this section lays out.

The combination of an emerging, politically conscious middle class due to economic growth in Taiwan and the island's loss of diplomatic status loss triggered a beginning democratic transition. Losing the seat in the United Nations put a deep dent into the legitimacy of the KMT. With the international community de-recognizing the ROC's status, the KMT's authoritarian rule could no longer be supported by the party's historical mission to recapture the mainland. Thus, oppositional groups began to challenge the KMT's power monopoly by working towards democratic reform (He, 2021: 163). As Dickson (1998: 354–355) describes, by the 1970s, the KMT members were not only individuals from the revolutionary era, but younger members of whom many were representatives who got into office through local elections. With such a feedback mechanism, the KMT became more aware of public opinion, which it included in policymaking and political reform. Throughout the 1970s and 1980s, the ruling KMT continued to lose the support of the US internationally and of the Taiwanese population domestically (Riedl et al., 2020: 325). The KMT understood that they could no longer rely on opposition repression but needed to win political support to stay in power. The KMT therefore began moderating the political and economic agendas, which appeased part of the oppositional movements and thus stabilized the society (Wong, 2019: 201). The KMT implemented responsive adaptation, meaning the party and state bodies not only reform out of elite preferences but integrating to the society's preferences. For example, allowing non-KMT candidates to run in limited elections in the 1970s and 1980s allowed the KMT to assess their popularity. The KMT's political power in the mid- to late 1980s was robust but weakening. Therefore, "[c]onsistent with [the] theory of authoritarian-led democratization, the decision by President Chiang in 1986 to allow the formation of the [Democratic Progressive Party (DPP)] and the introduction of party competition was a preemptive strategy for the ruling party to maintain its power in democracy. [...] An autocratic incumbent conceding democracy is not necessarily conceding defeat [...]. The KMT [...] was a confident party" (Riedl et al., 2020: 324–325). In other words, the KMT allowed for democratic

reforms from a position of relative strength and this “transitioned from a ‘one-party dictatorship’ to a ‘one-party dominant’ democracy” (Wong 2019: 201) throughout the 1980s.

That is a decisive difference to the CPC in mainland-China, where reforms remained limited to economic reforms, while upholding ideology prevailed over political reform: In 1978, Chairman Deng set up the modernization in agriculture, technology, industry, science and military. Chairman Deng was aware that, in order to spur economic development, the PRC depended on Western know-how and technology. One measure to achieve this inflow was to send the Chinese youth to study in Western countries (Bhattacharya, 2019: 86), similar to the Qing court's reform attempts in the second half of the nineteenth century. Xing (2019: 296) summarized the factors for mainland-China's rapid economic growth following these reforms in five points: “(1) abundant labour endowment and corresponding comparative advantage in labour-intensive products; (2) reforms of domestic institutions, such as the transition to a market-oriented economy, the adoption of export-led growth strategy and unilateral trade liberalisation; (3) improved market access for China's exports through institutional arrangements, namely the [World Trade Organization (WTO)] membership, bilateral and multi-lateral free-trade agreements and the abolishment of multifiber arrangement; (4) exchange rate regime adopted by the Chinese government and undervalued currency and (5) massive inflows of export-oriented foreign direct investment.”

Hence, while the KMT in Taiwan built upon a relatively strong economy and stable state institutions from the 1950s on, which allowed for political reforms throughout the 1970s and 1980s, the CPC in the geographically by far larger mainland-China attempted to stabilize its economy while maintaining control and upholding ideology. Applying the morphogenetic approach, the emergent property, the KMT's consolidation in Taiwan (M_3) accompanied by the KMT-led ROC's loss of diplomatic recognition by the United Nations, led to the structural situational logic of compromise and the cultural situational logic of correction leading to syncretism by introducing political (liberal) reforms. These resulted in a high-medium likelihood of path-dependence (Greener, 2005: 66; Archer, 2009: 222–225). The KMT dared to implement such democratic reforms, because its strong power base (by permeating all state institutions), economic growth as well as first positive experiences with limited local

elections provided positively reinforcing incentives for political reform. “The situational logic of compromise thus arises because necessary incompatibilities means that the promotion of vested interests has to be a cautious balancing act, a weighting of gains against losses, where to accrue bonuses is also to invite or incur penalties” (Archer, 2009: 224).

8. (M₅) Democratization (1990-2015)

According to Wong (2019: 200), the democratic resilience in Taiwan is a function of how it transitioned to democracy decades earlier. This insight implies that the foundation laid at the time of transition affects resilience in the future. The development path from X to M₄ describes this transition from imperial Qing-rule to Japanese colonial control and, via a short phase of revolutionary turmoil, to a sequence of stabilizing consolidation that allowed liberalization. Therefore, Taiwan’s democratization appears to be an inevitable consequence of the previous development sequences, as this section shall analyze.

Taiwan’s transition to democracy took place in two stages, namely “the removal of authoritarian institutions in the late 1980s [M₄] and the introduction of democratic elections in the early 1990s [M₅]” (He, 2021: 163). Between May and September 1986, Taiwan’s democratic Tangwai movement, which consisted mostly of middle-class citizens demanding more political rights, organized several large rallies. In the fall of 1986, the formation of the oppositional DPP was announced despite the martial law in force and tolerated by the KMT (Riedl et al., 2020: 324; He, 2021: 164–165). After the abolishment of the martial law and the subsequent liberalization of civil and political rights (Wang, 2002: 538) in 1987, the KMT allowed first elections with oppositional candidates in 1989, which were followed by legislative Yuan elections in 1992 (Riedl et al., 2020: 324). The KMT won both elections in 1992 and 1996 and only lost the presidency to the DPP in 2000. Since then, the KMT still won substantial shares of the electorate, which underscores the organization’s capacity to adapt and transition itself from an authoritarian, somewhat foreign, party to a strong, natively rooted, democratic competitor (Riedl et al., 2020: 326; He, 2021: 168–170; Choi, 2015: 415; 419; Wang, 2002: 539).

In sum, the KMT was a strong party in the sense of a proven track record of successfully presiding over the economic development and international establishment of Taiwan in the decades following 1945 until 1990. However, the KMT also faced strong pressures of political participation demands from the middle-class throughout the 1980s. Abandoning martial law in 1987 and allowing the formation of an oppositional party bore little risk. This is because the authoritarian incumbent KMT was not weakened into defeat despite growing opposition. Rather, the incumbent party was the most likely to lead a transition process from authoritarianism into “a stable democracy [because] autocrats with a strong party calculate that democratizing in their own time and on their own terms is the best strategic response to pressures that are rising but do not yet constitute an imminent threat of regime overthrow” (Riedl et al., 2020: 320).

The ruling CPC in mainland-China, in contrast, continuously rejected political reforms in the sense of liberalization or at least feedback mechanisms and builds their rule on ideological foundations, while constantly weighing party tradition against economic reforms (Dickson, 1998: 354). Due to the distorting effects of imperialism and the Cultural Revolution (1966-1976) on traditional Confucian values and consequentially societal cooperation in PRC, there has been a recourse to selected moral Confucian values like filial piety through, for example, Chinese TV shows, since the 1990s, which often reference an idealized society of the Qing-era (Lin, 2020: 827–832). This recourse to values of times before the revolutionary turmoil such as obedience and preference for strong leadership (Jung and Grigoriadis, 2019: 88) has the effect of legitimizing the autocratic rule of the Chinese central government. However, Confucian moral autonomy is the best fit for a morally conservative society that balances personal freedoms and restrictions in order to achieve the moral ideal (Chan, 2002: 297). In general, “political ideas and cultural traditions—institutionalized, taken-for-granted understandings of political and social arrangements—also constrain and enable policymaking, both by limiting the range of policies that are considered rational and by giving policymakers a repertoire of legitimating tactics for their favored policies” (Lieberman, 2002: 709). In this case, the CPC lacked and lacks what the KMT has had since the first local elections in the 1970s: a functioning feedback mechanism that would

inform the CPC about actual public demands, to which the party could respond accordingly (Dickson, 1998: 357–358).

The morphogenetic approach applied to Taiwan confirms that democratization is not a natural process but a political one (Dickson, 1998: 358). The emergent property, the KMT's gradual political liberalization steps (M₄) created a functioning feedback mechanism for the ruling party. This led to the structural situational logic compromise and the cultural situational logic of correction leading to syncretism by abandoning martial law, allowing an oppositional party to form and participate in major elections. These resulted in a high-medium likelihood of path-dependence (Greener, 2005: 66; Archer, 2009: 222–225) solidifying democratization in Taiwan. The KMT could have cracked down on the oppositional and democratic Tangwai movement with force. However, coming from a position of relative power, the KMT faced little risk of losing this power, which was confirmed by the election results throughout the 1990s.

The major difference between the KMT in Taiwan and the CPC in the PRC is that the KMT continuously and strategically adapted throughout its totalitarian rule, so that the KMT could be sure of its solid power base. Therefore, the KMT “conceded democracy without intending to cede power. There are several reasons why the KMT enjoyed such confidence. In an absolute sense, the party's inherited strengths endowed it with tremendous power and important political-economic assets” (Riedl et al., 2020: 326).

9. Taiwan's key role in the Sino-US systemic competition

This study attempts to show not only that history matters but also how it matters for path dependency. Both the PRC and Taiwan experienced a similar treatment, namely chance-like occurring foreign imperialism. This study focused on assessing the causality following the randomly occurring critical juncture, which initiated the subsequent trajectories (Howlett and Goetz, 2014: 484). Using the concept of path dependence may appear random in that this concept links temporal sequences to one another by attempting to retrospectively create a causality narrative. According to Levi (1997: 28), the more suitable metaphor is a tree, rather than a path. This is because numerous branches stem from the same trunk. Switching from one branch to the other is possible, but more difficult and costly than following the branch on which the

climber began (*ibid.*, 28). Therefore, path dependence is rather a metaphor in order to create an understanding through a historic narrative (Kay, 2005: 565).

The PRC case shows normative (Sarigil, 2015: 226) path dependence and the Taiwan case utilitarian (Kay, 2005: 562) path dependence. The development path of the PRC is determined by the Century of Humiliation following the critical juncture of foreign imperialism X. Since this critical juncture, the PRC's leadership's agency has been characterized by the Chinese "resentment complex" (Zhang, 2020: 231) against Western systemic offers. The upholding of CPC doctrine and its defense against any sort of political reform prevails so that the "victimized identity remains relevant today because it was chosen to be, in order to bolster the [CPC]'s legitimacy" (Wang, 2020: 40). The case of Taiwan, respectively the ROC, has shown a utilitarian path dependence following the critical juncture of Japanese imperialism. The KMT's objective after their defeat in the Chinese civil war was consolidation and power gain to recapture mainland-China. Solidifying their power base in Taiwan and within the international community has been their main objective throughout the sequences M_1 to M_5 . With each strategic adaptation, the KMT increased their return (Bennett and Elman, 2006: 256), namely power, in "self-reinforcing or positive feedback processes" (Pierson, 2000a: 252).

This study advanced two hypotheses, namely (I) Japanese imperialism in Taiwan was more conducive towards efficient state institution building than Western imperialism in mainland China and (II) the choices of political agents then solidified the respective path dependence conditioned by the agents' risk aversion and desire for power preservation. Therefore, the development paths of Taiwan and the PRC diverged with every next causal step farther from one another and led to the outcome of interest, Y. For the PRC, Y is the systemic competition between the autocratic PRC with a state-controlled marketized economy and the democratic US with a free-market economy. For Taiwan, Y is playing a key role in exactly this systemic competition.

For the US, Taiwan is of geostrategic, economic and political importance as a tool to contain the PRC. The US provide Taiwan with support along the lines of the Taiwan Relations Act enacted in 1979 (US Congress, 1979). While the Taiwan Relations Act has remained unchanged in its core for decades, the USA gradually intensified their senior-level engagements with the ROC's government (Xin, 2023: 2–3) – both through ignorance and intention – since

2016. On 2 December 2016, ROC President Tsai Ing-wen was among the first callers to congratulate US-President-elect Donald Trump. This was the first recorded phone call between the heads of government of the UA and the ROC since 1979. When President Trump's successor in office, President Joe Biden, was inaugurated, ROC's representative in the US, Hsiao Bi-khim, was an official guest at the inauguration ceremony in Washington D.C. on 21 January 2021. From 02 to 03 August 2022, the Speaker of the United States House of Representatives, Nancy Pelosi, visited President Tsai Ing-wen in Taiwan. This was the first such high-ranking visit since Speaker Newt Gingrich's visit in 1997. The Ministry of Foreign Affairs, the People's Republic of China (2022) was quick to condemn the visit on the morning of the 03 August 2022 by stating that the visit "seriously violates the one-China principle, maliciously infringes on China's sovereignty and blatantly engages in political provocations [...] attempts to use the Taiwan question to contain China are doomed to failure." While Speaker Pelosi merely repeated the vague commitment to stand with Taiwan, the PRC's reaction, including military exercises around Taiwan and trade suspensions, depicts how serious such symbolic gestures are taken by the government of the PRC. In an interview televised on 18 September 2022, US-President Biden answered the question whether US Forces would defend Taiwan: "Yes, if in fact there was an unprecedented attack." (CBS Interactive Inc. 2022).

The PRC generally reacts with tailored responses aimed at increasing pressures on Taiwan's government, while dissuading other countries, such as the US, from supporting Taiwan. Eight days after the historic visit of Speaker Pelosi in Taiwan, the PRC clarified its position on Taiwan in its third white paper since the first one in 1993 and the second one in 2000. The latest white paper titled "The Taiwan Question and China's Reunification in the New Era" was published by the Taiwan Affairs Office of the State Council and the State Council Information Office of the People's Republic of China (2022) on 10 August 2022. In this white paper, the PRC underscores its claim over Taiwan by referencing archeological findings, the Qing courts administration of the island after the Dutch colonization, Japanese colonization as well as the KMT's defeat in the civil war to create "a sound basis in history and jurisprudence". According to the white paper, the PRC's rule over Taiwan would be the only way to prevent another foreign invasion and occupation of the island and heal the intense wound of humiliation. The latter is an obvious reference to the

Century of Humiliation or, which is the critical juncture X specified in this study. Already in the early 1980s, during a narrational shift towards a nationalism built on overcoming foreign humiliation, the CPC began to rewrite the narrative about the KMT by claiming the mutual fight against the Japanese war of aggression against China (He, 2009: 215). These historical references and interpretations are used to justify the PRC's claim on full sovereignty over Taiwan. Referring to the US, the white paper speaks of delusional forces within the USA that depict the PRC as a strategic adversary and incite separatism to exploit Taiwan. Overall, this white paper highlights the relevance of Taiwan for the PRC's current self-conception. For the first time, the PRC publicly states that the stationing of Chinese soldiers and administrative cadres in Taiwan is a possibility, which is in line with the Chinese anti-secession law from 2005. The PRC also emphasizes its readiness to apply military force by, for example, frequently having People's Liberation Army Air Force (PLAAF) aircrafts flying over Taiwan's Air Defense Identification Zone (ADIZ) or across the Median Line in the Taiwan Strait. Operations as these are also good indicators of tensions between the PRC and Taiwan or the PRC and US over Taiwan or upcoming bilateral meetings. These military operations peak along with increased conflict potential and intensify when the People's Liberation Army (PLA) has reached new capabilities. For example, between 08 and 10 April 2023, the PLA conducted the large-scale military exercise "Joint Sword" with warships and aircrafts crossing the ADIZ. During "Joint Sword", an aircraft carrier was used for the first time to launch aircrafts against the Eastern part of Taiwan to show that the PLA could uphold a sea blockade on that side of Taiwan as well. After the exercise, the PLA remained present around Taiwan with an increased number of war ships, which likely signals a new normal in the intensified conflict. The PRC's President Xi Jinping confirmed and summarized the PRC's stance on Taiwan on 22 October 2022 during the 20th party congress of the CPC by stating that reunification between PRC and Taiwan is a historical mission, which must be achieved, whether peacefully or by force against foreign interference or separatists (National Congress of the Communist Party of China, 2022: 51–52). Neither official documents nor statements specify a target year for this reunification, which complicates prognoses on the matter. It is, however, safe to say that gaining control over Taiwan is of the highest priority for the PRC's current leadership. The Chinese perception of an increased foreign

interference in what the PRC sees as an internal issue caused a strategic shift, in which “an ‘anti-external interference’ policy has matched or surpassed the anti-secessionist movement as a strategic priority” (Xin, 2023: 2) from 2016 onwards.

While the PRC and US intensify their conflict around Taiwan, Taiwanese society intensifies its national identity as delimitation to the Chinese identity as shown in Figure 2.

Figure 2. *Changes in the Taiwanese/Chinese identity of Taiwanese (Source: Election Study Center, National Chengchi University, 2023)*

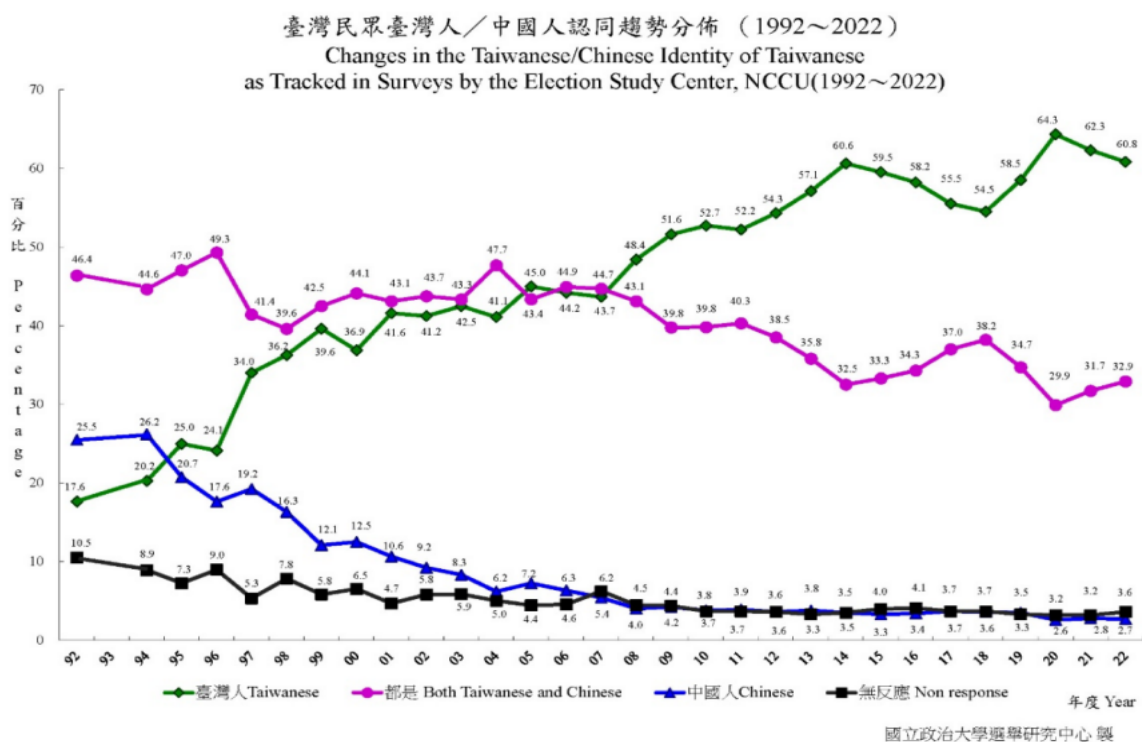


Figure 2 shows a steady upward trend for the percentage of Taiwanese, who only identify themselves as Taiwanese. The trend of the simultaneous decline of the share of Taiwanese, who identify as Taiwanese and Chinese is relatively flat but clearly negative. While both lines converge during the periods between 1997 and 2007, the line for Taiwanese identity surpasses the mixed identity line sharply after 2007 and continues its upward trend. This is a likely indicator of the fact that the PRC's proclaimed peaceful reunification is

increasingly unlikely, since the majority of Taiwanese do not show an interest in being citizens of the PRC.

In sum, Taiwan, PRC, and the US demonstrate a classical trilemma situation, in which interests of three differently organized societies and their respective elites clash. Bachrach and Baratz (1962: 952) suggest that such a situation can be analyzed stepwise by (I) assessing the predominant cultural-historical developments, (II) assessing who benefits and who loses from such a clash, (III) assessing how influential the agents supporting the status quo are and finally (IV) merging these insights into a full picture of the “mobilization of bias” (Bachrach and Baratz, 1962: 949). The mobilization of bias means that all political organizations have an incentive to exploit conflicts and integrate exploitation into politics. This study analyzed the cultural-historic developments of this study's conflict, the outcome of interest Y, the beneficiaries as well as agencies. In the present case, the PRC's normatively motivated leadership benefits from the conflict with the US over Taiwan by utilizing it in support of its continued narrative referencing the Century of Humiliation to legitimize its own rule. The US as the last remaining world power after the Cold War benefited from this conflict with the PRC to upkeep the credibility of its international commitments, while containing the rising world power PRC. Taiwan, the object of this power-conflict with its leadership showing a utilitarian path dependence, both benefits and losses from the conflict. The conflict led to the increased economic integration of Taiwan with the US as well as the PRC, which is now referred to as Taiwan's “silicon shield”. This power-conflict thus contributed positively to Taiwan's economic development. The constant threat of a Chinese invasion, which would highly likely entail the end of Taiwan's democratic liberty, brings political gains to PRC-skeptical politicians, for instance, politicians of the DPP.

Such a constant danger is also an obstacle to further investments in Taiwan. For example, in May 2023, US-holding company Berkshire Hathaway Inc. sold its investment of more than USD 4 billion in the market-leading Taiwan Semiconductor Manufacturing Company due to geopolitical risks (CNN, 2023). Further developments as well as the solution to this trilemma need to be the subject of future analysis. The present study provided, however, an explanatory approach to how this trilemma came about.

Notes:

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1. The term “systemic competition” is used in this study to emphasise the comprehensiveness of the inter-state power conflict between the PRC and USA. A system is a set of interacting elements that, combined, form a whole. Competition shall, in the present context, describe the rivalry of two or more powers for a position that cannot be shared, namely the position of a world power in contrast to a regional power. In this study’s context, the word “systemic” thus implies competition in a variety of interrelated fields including trade and economy, regional military and political partnerships as well as political influence in different spheres such as multilateral organisations.

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China's Belt and Road Initiative in Southeast Asia: Vietnam's Strategic Responses and Regional Implications

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Abstract

This study examines the Belt and Road Initiative (BRI), a central component of China's foreign policy under President Xi Jinping. Since its launch, the BRI has afforded China considerable opportunities in infrastructure development and trade enhancement. However, it has also encountered challenges, including sovereignty issues from regional nations, public debt concerns, and security threats. Utilising the Foreign Policy Analysis (FPA) framework, this research evaluates the challenges the BRI faces in Southeast Asia, aiming to illuminate its regional impact and specifically investigate its effects on Vietnam.

Keywords: *OBOR, BRI, Belt and Road Initiative, China, Southeast Asia*

1. Introduction

The BRI is the cornerstone of the Communist Party of China's new foreign policy under President Xi Jinping. This extensive mega-project consists of a vast network of infrastructure systems designed to boost integration and connectivity throughout the Eurasian economy. Originally known as "One Belt, One Road" (OBOR) and inspired by the ancient Silk Road, the concept was

unveiled by President Xi in a 2013 speech at Nazarbayev University in Kazakhstan. He emphasized the importance of connecting economies, strengthening cooperation, and fostering development in the Eurasian region by innovating cooperation methods and jointly constructing an economic belt along the Silk Road (Jinping, 2013). During his October 2013 visit to Indonesia, President Xi also expressed a desire to work with Association of Southeast Asian Nations (ASEAN) member states to establish a “21st Century Maritime Silk Road.”

With these foundations, the Belt and Road Initiative became the focal point of China's foreign policy agenda in November 2013. However, the term “One Belt, One Road” (OBOR) was often misunderstood to suggest a singular belt and road, prompting the Chinese government to rename it the BRI in 2015. This rebranding aimed to clarify its expansive scope and to convey Beijing's commitment to building an extensive network of connectivity and infrastructure. Through the BRI, China underscores its growing role and influence on the global stage.

Research Objectives

The aim of this study is to utilize the FPA framework based on three levels: international, national level, and individual, to investigate the driving forces behind China's formulation of the BRI. Simultaneously, the study aims to identify the challenges that the BRI faces in Southeast Asia. To clarify these research objectives, the paper will concentrate on analyzing and elaborating on two main aspects: the motivations for the formation of the BRI and the challenges it encounters in the region.

Methodology

The foreign policy analysis method: Based on Baris Kesgin's FPA framework, the research team conducts analysis at three levels: the international system level, the national level, and the individual level to examine China's motivations for initiating the BRI and the challenges BRI faces in Southeast Asia.

Additionally, the study employs the *analytical-synthetic method* to collect, process, and systematize information from various sources, including textbooks, official websites, and academic studies related to the topic. This method helps the research team build a theoretical and empirical foundation, clarifying key concepts in a systematic and scientific manner.

1.3. Overview of the FPA Framework

FPA is regarded as a subfield of International Relations (IR), emerging in the late 1950s to early 1960s (Hudson, 2005: 5). The concept of the “level of analysis” was introduced by David Singer in 1960 when he commented on Kenneth Waltz’s work, “Man, the State, and War” (Singer, 1961). In this work, Waltz identified three factors: human nature, the nature of states, and the nature of the international system, which he considered the causes of war. Building on this, Singer highlighted the significance of selecting the appropriate level of analysis in IR research—from the individual level, the state level, to the international system level—as this choice directly affects the understanding and resolution of issues. He also warned against the danger of focusing solely on one level, which could result in a biased analysis (Soltani, 2014: 167).

Similarly, Hudson contended that FPA sheds light on policy decisions by analyzing from the micro to the macro level, emphasizing the role of individuals and underscoring the interaction between material factors and ideas, with policymakers acting as the link between these two elements (Hudson, 2005: 3).

In summary, scholar Nguyen Thanh Trung posits that the international system level involves examining how states interact and influence one another within a global economic, political, and social network. These states aim to shape influence, order, and systems that serve their interests. Consequently, states within this system are compelled to make decisions, formulate policies, and develop diplomatic strategies. The national level emphasizes the role of domestic political institutions in shaping foreign policy. Finally, the individual level scrutinizes the decision-making processes of leaders, including information gathering, goal-setting, and policy choices, reflecting human nature, organizational behavior, and individual characteristics (Khoa Quan he quoc te, 2021).

Overall, the fundamental questions in analyzing a state’s foreign policy typically center on three issues: What do states aim to achieve through their policies? How are foreign policies developed? What are the effects of these policies? Thus, to tackle these questions, the study will employ a three-level framework to elucidate the underlying factors and their impact on the formation of BRI.

2. Relevant Concepts

Foreign policy is a set of strategies and policies that a country implements to shape its relations with other nations and international organizations, aiming to ensure security, promote economic growth, and maximize national interests (Dung, 2019). Unlike domestic policy, foreign policy focuses on expanding a country's influence on the international stage. As an extension of domestic policy, foreign policy is implemented flexibly through cooperation, competition, conflict, or even war, depending on specific objectives and circumstances (Hang, 2015).

A *foreign policy strategy* serves as a comprehensive guiding document, providing the foundation for region-specific and issue-based strategies (Federal Department of Foreign Affairs, 2025). Meanwhile, a *national security strategy* is a plan designed to ensure the survival and safety of a nation against future challenges and threats. Its primary objective is to manage risks and protect the country from both clear threats and uncertainties, thereby maintaining long-term sustainable security (DuMont, 2019).

It is evident that foreign policy serves as a foundation, creating opportunities for international cooperation and advancing economic interests, while foreign policy strategy provides overarching direction for specific actions, and national security strategy focuses on safeguarding the nation from threats. The close alignment between foreign policy and national security is crucial for ensuring domestic stability, enhancing national influence, and protecting national interests in an increasingly volatile international environment.

For China, the BRI is regarded as a core strategy within its foreign policy, as it integrates both economic development objectives and national security considerations. By fostering international partnerships, promoting economic interests, and expanding global influence, BRI serves as a strategic tool for Beijing. Additionally, infrastructure projects under BRI contribute to national security by establishing strategic partnerships and securing key transportation routes, thereby ensuring stability and safeguarding China's geopolitical interests.

3. Motivation Behind the Initiative

3.1. International System Level

Firstly, the world is undergoing complex transformations, with strategic competition emerging among major powers. Entering the 21st century, global trends are leaning towards national independence, democracy, cooperation, and development, yet significant transformations continue to unfold. The acceleration of multipolarity is giving rise to multiple power centres, while the movement towards democratization and the expansion of international organizations and infrastructure heralds a new era of multilateralism in global politics.

Countries such as the Newly Industrialized Countries (NICs) and BRICS (Brazil, Russia, India, China, and South Africa) are experiencing rising development levels. In contrast, the growth of developed nations like the United States (US), Japan, and Europe is slowing, diminishing their traditional advantages (O'Neill et al., 2017, p. 174). Within this shifting landscape, the complex interplay between the US, China, and Russia – marked by competition and conciliation – has significant implications for international relations. Concurrently, emerging economies and smaller countries are striving to enhance their roles within cooperative institutions, which led to the creation of the OBOR to reshape regional and international dynamics in favour of China.

In 2011, US President Barack Obama unveiled the “Pivot” or Rebalancing strategy towards the Asia-Pacific, aiming to increase the US military presence, strengthen security ties with allies, and reinforce regional institutions (Clinton, 2011, pp. 56-63). This strategy was perceived by Beijing as an attempt to counter China's rise and destabilize the region, potentially undermining China's strategic interests. The People's Daily of China characterized the U.S. strategy as “prominent feature of confrontation” (Swaine, 2012: 23). Reports, such as those from the Pew Research Centre, indicate growing Chinese perception of hostility in US-China relations, with a notable increase in those viewing the relationship negatively over recent years (Pew Research Center, 2012). Additionally, according to a BBC World Service survey (2017), only 22 per cent of Chinese people viewed the influence of the US positively, while 70 per cent saw the relationship between the two countries as negative (BBC World Service, 2017). Wang Jisi from Peking University suggested that the US aims to

maintain global hegemony, thereby restricting China's potential to achieve its objectives and enhance its global status (Lieberthal & Jisi, 2012: 8-10).

The US strategy found support from some Southeast Asian countries hoping for a strategic balance (Chau, 2022), which China interpreted as an encouragement for these nations to challenge China under U.S. protection (Ratner, 2013: 23). In response, China focused on reinforcing its presence in the South China Sea. After the US raised concerns over China's actions there in August 2012, China's state media urged the US to "be silent" accusing it of being an "instigator" of division (Buckley, 2012). The Chinese Ministry of Foreign Affairs stated that "it is impossible not to doubt America's true intentions" (Foreign Ministry of the People's Republic of China, 2012). Additionally, tensions escalated in the East China Sea over the Senkaku/Diaoyu Islands, where the U.S. reaffirmed its defence commitment to Japan under the U.S.-Japan Security Treaty and planned to deploy an X-Band radar system (David, 2012). China viewed these moves as attempts to weaken its nuclear deterrence capabilities. Former Chinese Ambassador to Japan Chen Jian remarked in October 2012 that "the U.S. is setting a time bomb for tensions between China and Japan" (Perlez & Bradsher, 2012).

Secondly, the impact of the 2008 global economic crisis. The economic crisis of 2008 and its aftermath negatively impacted Western economies, resulting in an imbalanced global economy. This shift marked a move away from a unipolar order towards a multipolar one, driven by the rapid rise of emerging powers such as China. Within this evolving landscape, regionalism gained prominence, presenting China with opportunities to take a leading role in influencing regional and global dynamics through initiatives like the OBOR.

Following 2008, the international financial and monetary crisis also posed challenges for China (Womack, 2017: 383-401). A decline in market demand from many developed countries constrained the growth potential for China's trade with these nations. In response, the OBOR emerged as a strategic initiative to address these obstacles by enhancing regional connectivity and fostering investment, production, and business activities (Thuan, 2021: 82). This approach aims to bolster China's development and strengthen its role in the global economy.

Thirdly, the strategic importance of Southeast Asia. Southeast Asia is a diverse and dynamic region covering over 4.5 million square kilometres and comprising 11 countries, 10 of which are ASEAN members. As of 2024, it is home to more than 693 million people, making it the third most populous region globally, following China and India (Worldometer, 2024). The Asian

Development Bank (ADB) projects the population to reach 700 million by 2030 (ADB, 2014: 254). The region's diversity encompasses political systems, ethnicities, cultures, geography, and economic conditions (Mahbubani & Sng, 2017: 1-14). Historical struggles for independence from colonialism and for self-determination have fostered a regional inclination to resist external intervention, causing Southeast Asian nations to approach both China and the US with caution (Shambaugh, 2018: 86).

Economically, Southeast Asia has emerged as the fastest-growing region in the world since the global financial crisis of 2008 - 2009. By 2024, it is experiencing robust growth, boasting an average GDP growth rate of 4.6 per cent, with most countries showing positive trends, aside from Indonesia (Wong, 2024). The region currently ranks as the fifth-largest economy worldwide. Between 2022 and 2023, its economic growth accelerated from four to five per cent, on par with India's growth (from six to seven per cent) and potentially surpassing China's growth (from three to five per cent) (The Lowy Institute, 2024). Projections suggest that by 2050, Southeast Asia could rise to become the fourth-largest economy in the world (ASEAN Main Portal, 2023: 8).

Moreover, China, seeking to counter the US-led "regional encirclement" policy (Hillman et al., 2021: 79), views cooperation with Southeast Asia as vital to prevent these countries from falling under US and its allies' influence. For China and other East Asian countries, the South China Sea serves as an essential economic conduit, linking China's coastal areas with the Asia-Pacific. Consequently, infrastructure development in Southeast Asia is pivotal, ensuring a network of ports and high-speed railways to facilitate trade. However, many of China's neighbouring developing countries have underdeveloped infrastructure, posing a connectivity challenge that needs to be addressed to enhance broader cooperation (Bluhm et al., 2018: 9). OBOR was designed to promote connectivity across Asia, Europe, and Africa, and surrounding seas strengthening partnerships, and develop a comprehensive network (The People's Republic of China, 2015). Given its extensive economic ties with China, Southeast Asia holds a priority position in the OBOR's implementation. Chinese leaders have underscored Southeast Asian countries' crucial role, with Premier Li Keqiang highlighting the past decade as a "golden decade" of China -ASEAN cooperation at the 2013 China-ASEAN Trade and Investment Summit (ASEAN Briefing, 2013).

The dynamic nature of international power emphasizes that economic strength is crucial for a country's comprehensive power and geopolitical influence. The OBOR not only represents China's strategic response to the U.S.

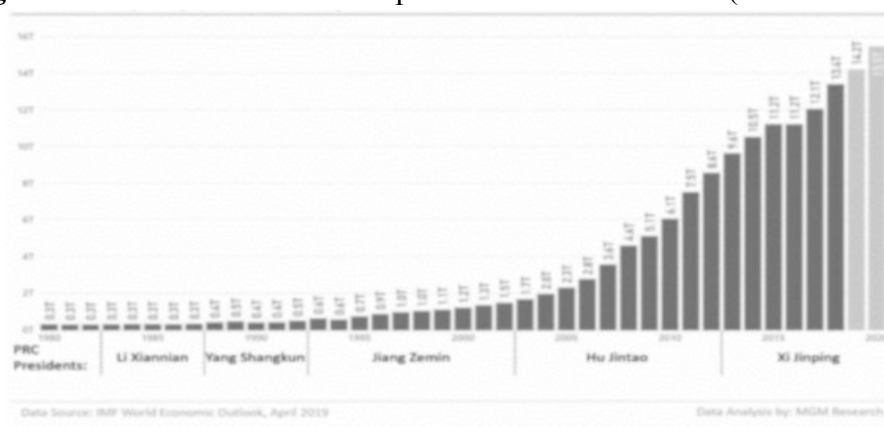
Rebalance but also signals its ambition to become a central figure in the global economy.

3.2. National Level

The rise of China in the early 21st century, particularly its economic ascent, is a critical factor in the formation of the OBOR. According to the International Monetary Fund (IMF), by 2028, China is projected to contribute 22.6 per cent to global economic growth, positioning it as the largest contributor worldwide. This figure is expected to be nearly double the contributions of the U.S. at 11.3 per cent and surpass India at 12.9 per cent. The IMF also predicts that 75 per cent of global economic growth will originate from 20 countries, with China, India, the US, and Indonesia collectively contributing over half of this growth. The BRIC countries (Brazil, Russia, India, and China) are anticipated to account for nearly 40 per cent of global economic expansion (Tanzi, 2023), highlighting China's prominent role in the era of innovation.

In 2008, amid the global economic crisis, China capitalized on the opportunity to fortify its economic position, becoming the world's second-largest economy after the US by 2010. This rapid ascent prompted Chinese leaders to adopt an "outward orientation" strategy to maintain growth through increased exports, encourage domestic businesses to invest internationally, and diversify investment sources beyond merely attracting foreign investment. This strategic shift aims to internationalize China's economic presence, captured by the policy slogan "zou chuqu" (走出去), or "going out," underscoring China's ambition to assert itself as a rising power on the global stage (Aravind, 2014: 2).

Figure 1 China's GDP in current prices from 1980 to 2020 (in USD Trillions)



Firstly, OBOR addresses domestic challenges and development needs in China's western regions. These challenges include the East-West development gap, the balance between industry and agriculture, issues in Tibet and Xinjiang, employment and unemployment concerns, environmental pollution, population aging, social stratification, wealth disparity, cultural and social issues, and challenges related to immigrants and vulnerable groups (Thang & Phuong, 2022). These factors collectively constrain China's economic growth. Through OBOR, China aims to foster a more balanced development environment, particularly by addressing the disparities between the eastern and western regions.

Secondly, OBOR shapes the Chinese development model and facilitates the export of surplus industrial products. Under Xi Jinping's leadership, China faces three major challenges: (1) excess industrial capacity, (2) a sluggish global economy post-2008-2009 crisis, and (3) the strategic pivot of the U.S. back to Asia, requiring China to develop a new model distinct from Western ones. To some extent, China's development model, characterized by (1) a commitment to innovation and reform, (2) an emphasis on sustainability and equity, and (3) a dedication to national sovereignty under external pressure, provides the foundation for OBOR. This model has attracted many countries to join the initiative. Additionally, exporting surplus capacity to countries along the BRI routes addresses overcapacity issues, especially in industries such as steel and cement, with infrastructure projects funded by China playing a key role in resolving this challenge.

Thirdly, energy security is a critical focus. Since China's economic opening in 1978, coal and oil have been pivotal to the domestic economy. With the economy's expansion, coal consumption increased dramatically, nearly quadrupling from 1.06 billion tons in 1990 to 4.02 billion tons in 2019. By 2020, coal accounted for 56.8% of China's energy consumption (ChinaPower, 2023). Additionally, China's growing oil demand has raised energy security concerns, as it became a net importer of crude oil in 1993 and the world's largest crude oil importer by 2017. In 2019, roughly 67.3% of China's crude oil supply came from imports, with projections indicating that by 2040, about 80% of its oil supply will need to be imported (ChinaPower, 2023). Given that most imports are transported by sea, China places strategic importance on the South China Sea and seeks to mitigate risks like

those at the “Malacca Strait” by developing overland pipelines for oil and gas, reducing maritime dependency.

Moreover, the BRI helps internationalize the renminbi, promoting its use as an alternative to the U.S. dollar by encouraging its adoption in investment and trade, especially in the energy and infrastructure sectors. This accelerates the renminbi's internationalization and enhances China's financial influence globally.

3.3. Individual Level

The political orientation of Xi Jinping plays a crucial role in shaping the “Belt” and “Road” components of the BRI. Since coming to power in November 2012, Xi has advanced a doctrine of socialism with Chinese characteristics for a new era, centered on realizing the “Chinese Dream”. This comprehensive vision includes the dreams of a strong military, a powerful nation, development, happiness, harmony, peace, cultural advancement, environmental protection, and the rule of law (Truong, 2017).

Central to this vision, the “Chinese Dream” extends China's influence beyond its borders, with OBOR serving as a strategic tool to create expansive development opportunities and foster deeper economic cooperation with countries along its routes. The initiative aims to enhance the prosperity of the Chinese people while strengthening ties with partner countries.

To achieve the “Chinese Dream,” Xi has introduced several major strategies, such as the Shanghai Free Trade Zone, the Golden Waterway and OBOR for global outreach. These initiatives are intended to actualize the “Chinese Dream” and contribute to China's rejuvenation on the global stage.

Simultaneously, to temper concerns about hegemonic ambitions, Xi has emphasized that “the Chinese Dream requires peace, only peace can realize the dream.” This message is aimed at reassuring the international community that China's rise is rooted in peaceful intentions, focused on building cooperative and developmental relationships with other nations.

4. Challenges

International System Level

The BRI faces significant challenges, largely stemming from the cautious and sceptical attitudes of participating countries (Anh, 2023: 238-245). Despite the growing number of countries involved, many remain wary for three main reasons:

1. *Debt Trap Concerns*: Countries fear the possibility of falling into a “debt trap”¹ where economic assistance from China could lead to increased political or military influence. Examples like Cambodia and Laos highlight concerns over potential political pressure from China;
2. *Security and Sovereignty Issues*: Participating countries express concerns about maintaining their security and territorial sovereignty amidst growing Chinese influence; and
3. *Non-Traditional Security Concerns*: There are worries about non-traditional security issues related to the BRI.

Scholar Cai Yuan (蔡源) from the Lowy Institute emphasises that these concerns, particularly those of Southeast Asian nations, serve as a primary obstacle to China's BRI (Shan Wen & Yu Li, 2016). This sentiment is reflected in public opinion surveys regarding China's economic influence in the region. According to the 2023 Southeast Asia State Survey Report by the ISEAS - Yusof Ishak Institute, nearly half of the respondents (49.8 per cent) expressed distrust in China's ability to contribute positively to peace and security, with 30.8 per cent being “somewhat distrustful” and 19.0 per cent “not at all trusting”. Only 29.5 per cent of respondents believe China will effectively address these challenges. Distrust in China is widespread among ASEAN countries, except for Brunei, Cambodia, and Laos. Myanmar shows the highest level of distrust at 80.0 per cent, followed by Vietnam (78.7 per cent), the Philippines (62.7 per cent), Indonesia (57.8 per cent), Thailand (56.9 per cent), and Singapore (56.3 per cent). Laos, in contrast, exhibits the lowest level of distrust at 16.8 per cent, significantly lower than the ASEAN average of 49.8 per cent. These statistics highlight the substantial scepticism China faces in its efforts to expand influence through the BRI (ISEAS-Yusof Ishak Institute, 2023: 44-45).

Figure 2 ASEAN countries' views on "Why do you distrust China?"

659 respondents who chose the "Little Confidence" and "No Confidence" options in Q38

| Country | China does not have the capacity or political will for global leadership | China's future stability has become more uncertain after the 20 th Chinese Communist Party Congress | My country's political culture and worldview are incompatible with China's | | I am concerned that China is distracted with its internal affairs and thus cannot focus on global concerns and issues | | China's economic and military power could be used to threaten my country's interests and sovereignty. | | I do not consider China a reliable power | |
|-------------|--|--|--|-------|---|-------|---|-------|--|-------|
| | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 |
| ASEAN | 8.4% | 12.7% | 7.6% | 7.9% | 11.4% | 11.3% | 49.6% | 41.4% | 23.0% | 26.6% |
| Brunei | 2.8% | 26.9% | 11.1% | 15.4% | 8.3% | 15.4% | 50.0% | 23.1% | 27.8% | 19.2% |
| Cambodia | 7.1% | 20.0% | 0.0% | 4.0% | 14.3% | 16.0% | 71.4% | 44.0% | 7.1% | 16.0% |
| Indonesia | 4.5% | 14.3% | 13.4% | 15.7% | 28.4% | 12.9% | 40.3% | 35.7% | 13.4% | 21.4% |
| Laos | 16.7% | 11.1% | 11.1% | 5.6% | 16.7% | 11.1% | 38.9% | 33.3% | 16.7% | 38.9% |
| Malaysia | 11.6% | 20.0% | 7.2% | 8.3% | 8.7% | 15.0% | 49.3% | 41.7% | 23.2% | 15.0% |
| Myanmar | 14.1% | 3.3% | 7.1% | 5.4% | 5.5% | 5.4% | 47.9% | 31.5% | 25.4% | 54.3% |
| Philippines | 4.0% | 8.1% | 4.9% | 8.1% | 2.7% | 4.8% | 70.7% | 62.7% | 17.7% | 16.1% |
| Singapore | 8.4% | 10.3% | 3.9% | 10.3% | 5.8% | 11.1% | 38.1% | 35.0% | 43.9% | 33.3% |
| Thailand | 10.7% | 8.5% | 10.7% | 3.7% | 16.1% | 15.9% | 39.3% | 41.5% | 23.2% | 30.5% |
| Vietnam | 4.3% | 4.7% | 6.5% | 2.8% | 7.5% | 5.6% | 50.5% | 65.4% | 31.2% | 21.5% |

Source: ISEAS-Yusof Ishak Institute, 2023: 44-45

Albana and Fiori (2021: 154) categorise the reactions of Southeast Asian countries to the BRI into three groups:

1. Positive Reception: Cambodia, Laos, and Myanmar are generally welcoming of BRI projects.
2. Cautious and Reserved: Singapore, Thailand, and Vietnam maintain a more cautious stance.
3. China Scepticism: Indonesia, Malaysia, and the Philippines exhibit scepticism towards BRI investments.

Another significant challenge for the BRI is the negative impression left by failed projects (Yang & Li, 2019: 52), particularly affecting countries that are neutral or non-supportive. In Malaysia, the East Coast Rail Link (ECRL) and other joint projects have intensified public scepticism about Chinese investments. Critics cite issues such as transparency, potential corruption, lack of social responsibility, minimal local hiring, failure to engage local suppliers, and disregard for cultural values, as well as environmental and societal impacts (Ngeow, 2018). Similarly, Vietnam is cautious about borrowing from China due to past unsatisfactory experiences with Chinese contractors, such as outdated technology, high costs, poor quality, and delayed projects exemplified by the Cat Linh - Ha Dong railway in Hanoi (Yang & Li, 2019: 46).

China also faces stiff competition from major powers pursuing their infrastructure strategies. India is advancing its "Act East" strategy, the US promotes its Indo-Pacific strategy and Indo-Pacific Economic Vision as a

counter to the BRI, and Japan is investing USD200 billion in the “Partnership for Quality Infrastructure”. The European Union (EU) is developing its Asia -Europe connectivity strategy, and Russia seeks to influence the post-Soviet space (Hung, 2019). Competing interests allow countries like Thailand and Indonesia to leverage investments from China's rivals, encouraging Japanese and Indian participation in projects to offset China's growing influence (ibid.).

The COVID-19 pandemic has further complicated BRI implementation (Wang, 2022b). Since early 2020, many projects in Indonesia have been delayed, with travel restrictions and measures against the pandemic hindering Chinese workers' return to sites and disrupting supply chains (Ngoc, 2020). According to Reuters, approximately 40 per cent of projects experienced minor impacts, 30 to 40 per cent faced significant effects, and about 20 per cent required major adjustments, such as re-evaluation due to debt burdens or cancellations (Reuters, 2020). Travel and health measures have affected project timelines, increased investment costs, and fueled criticisms over high costs, slow progress, corruption risks, and potential security threats in countries like Indonesia and Malaysia (Nhan, 2021).

Additionally, China's activities in the South China Sea and “debt trap diplomacy”² might push Southeast Asian countries closer to the US, contrary to Beijing's strategic interests (Ghani, 2023).

National Level

The slowing Chinese economy has led to a more conservative approach towards investing in the BRI projects (TLTKDB, 2022). Investments and funding have decreased significantly compared to pre-pandemic levels. According to the 2021 BRI investment report from the Financial and Development Centre at Fudan University, China's BRI investments and contracts totalled USD59.5 billion in 2021, a reduction of about USD53 billion (approximately 48 per cent) from 2019, the year before the pandemic (Nedopil, 2022: 5). Additionally, China's lower economic growth rate compared to when the BRI was first launched poses further challenges. Despite having the world's largest foreign exchange reserves, over USD3.13 trillion in 2022, fluctuations in dollar reserves occurred due to domestic and international crises, such as the Omicron variant surge and geopolitical instability from the Ukraine conflict (Slotta, 2023). These factors are likely to constrain China's BRI ambitions.

Southeast Asian countries present substantial disparities in economic development, industrial structures, investment climates, and management

systems, alongside varied legal systems, logistics costs, and market standards. Unstable legal frameworks and high logistics costs create challenging business environments and elevated project risks. Additionally, differences in languages, customs, and religions increase the complexity of Chinese investments in the region (Zhang, 2022).

Concerns about debt default among poorer BRI countries are growing, given that Chinese direct investments over the past six years have exceeded USD60 billion. Since late 2018, many key BRI projects have been suspended or reassessed, tightening financial resources amid concerns over loan stability and transparency (Anh, 2020). The Centre for Global Development points to Laos as one of eight BRI countries at risk of a debt crisis (Hurley et al., 2019: 148). Worries about accumulating unmanageable debt have led countries like Thailand, Malaysia, and Myanmar to cancel or downsize projects involving Chinese investment, presenting significant hurdles for BRI investments previously seen as favourable.

As a result, some Southeast Asian countries, including Myanmar and Vietnam, are actively seeking alternatives to BRI investments. For instance, in 2018, Thailand proposed the Ayeyarwady-Chao Phraya-Mekong (ACMECS) Strategic Cooperation Fund worth USD500 million, funded by Thailand with contributions from Australia, Japan, South Korea, and the U.S. Similarly, Myanmar has sought infrastructure investment from India for the India - Myanmar Border Area Development Programme (BADP) (Nouwens, 2023). These actions reflect a diversification strategy in seeking infrastructure funding and a shift in regional investment dynamics.

Individual Level

At an individual level, in addition to facing competition from major global players like the US, Japan, and India, China contends with challenges arising from its weakening economy. Since 2010, China's economic growth has slowed due to a dwindling cheap labour supply and rising land costs (Hong, 2022). The situation has been exacerbated by the COVID-19 pandemic, lockdowns, and longstanding structural issues, resulting in declining industrial output and domestic demand. In July 2022, the IMF projected China's economic growth rate to be only 4.4 per cent, marking the lowest rate in over 40 years (excluding 2020, when growth was 2.2 per cent due to the pandemic) (IMF, 2022: 6). This has negatively BRI, forcing China to adjust its implementation plans. To sustain economic stability, Chinese banks may reduce overseas

investment in favour of domestic lending, further decelerating BRI progress and the completion of new projects. Additionally, the “debt trap” issue, where countries struggle to repay loans, further complicates China's challenges.

Moreover, the excessive control of the Communist Party of China has contributed to economic stagnation and social instability. Xi Jinping's consolidation of power and the global expansion of BRI have created economic challenges and increased scepticism from other nations. This scepticism is evident as some Southeast Asian countries, like Malaysia and Myanmar, have demanded contract revisions with China, impacting the BRI and forcing Beijing to reconsider its strategy. The notion of “debt traps” has raised concerns internationally, with fears that China's infrastructure loans and favourable terms bind borrowing countries to Beijing. These developments suggest that Xi Jinping's approach may be backfiring, as Beijing's ambitions have reduced the initial enthusiasm within the international community for his vision of a world order “with Chinese characteristics” (Dy, 2019).

These challenges present significant difficulties for Xi Jinping himself, underscoring the need for continuous adaptation and innovation within the BRI to navigate global fluctuations and minimize potential damages. To maintain the initiative's viability, President Xi will need to strategically adjust to address these evolving economic and geopolitical realities.

5. Impacts on Vietnam

Positive Aspects

First, Vietnam can leverage the BRI to meet the increasing demand for infrastructure. Projections indicated that from 2016 to 2020, Vietnam needed approximately USD23.4 billion for infrastructure investments, double the amount required from 2011 to 2015. After reaching middle-income status in 2011, Vietnam faced challenges due to a decline in Official Development Assistance (ODA) (Hiep, 2019: 82). In this context, the BRI emerged as a significant solution, providing capital through the Asian Infrastructure Investment Bank (AIIB) and technology and expertise from Chinese firms to upgrade infrastructure in key areas such as transportation, telecommunications, and energy (Hiep, 2018).

With an anticipated infrastructure demand of about USD605 billion from 2016 to 2040 (Hiep, 2018), engaging with the BRI helps Vietnam tackle financial challenges for large-scale projects, fosters economic development, and

enhances trade connectivity. For instance, the International Road-Sea Trade Corridor, which links Chongqing with Vietnamese and ASEAN ports, has reduced shipping times from Chongqing to Hai Phong to just three days since 2017, offering practical benefits for logistics businesses (Truong, 2023). This not only attracts significant investment but also broadens international connectivity, drives sustainable economic growth, and bolsters Vietnam's global standing.

Second, the BRI offers crucial opportunities for investment and trade cooperation between China and Vietnam. Both countries have large populations and are at similar developmental stages, facilitating bilateral trade. According to Vietnam's Foreign Investment Agency, Chinese investment in Vietnam reached USD1.95 billion in the first half of 2023, marking a 53.5 per cent increase from the previous year, positioning China as the third-largest foreign investor in Vietnam (Jingjing, 2023). These investments are primarily in textiles, machinery manufacturing, electronics, and new energy sectors.

Vietnam serves as a gateway to Southeast Asia, facilitating the movement of goods from China and opening markets for international suppliers. Vietnam's abundant and underutilized natural resources present significant opportunities for attracting Foreign Direct Investment (FDI) in mining, infrastructure development, and economic stabilization for its mountainous regions (Khanh, 2017). Additionally, Vietnam's low labour costs and a young workforce of approximately 54.5 million people, predominantly under 50 years old, are attractive factors for long-term investment (CDR, 2021). Enhanced infrastructure, such as ports, roads, railways, and airports, will improve transportation capabilities, boost trade and investment, and increase economic integration between Vietnam and other countries.

Thirdly, the BRI provides Vietnam with opportunities to transform its economic development model and enhance regional integration. As Southeast Asia becomes a strategic competition hotspot for major powers like the US and China, the BRI offers Vietnam a crucial chance to assert its global economic position and connect with the international economic network. Vietnam sees the BRI as a vehicle to bridge the gap with developed economies, particularly in the context of Industry 4.0. Vietnam aims to raise the digital economy's share to 20 per cent of GDP by 2025 and 30 per cent by 2030, promoting business activities and transactions through digital technology. Currently, Vietnam leads Southeast Asia in digital economy

growth, with a 28 per cent rate, indicating rapid development relative to other countries in the region (Tap chi Kinh te Viet Nam, 2023).

Moreover, competitively priced and diverse Chinese goods match Vietnamese market needs, and gaining access to China's vast market represents a significant advantage for Vietnam. Infrastructure projects like roads and railways connecting southern China with the Mekong Subregion will reduce transportation costs and time, benefiting domestic businesses (Vu et al., 2021: 5). Additionally, China's support in regional and global forums will facilitate cooperation, as many countries seek to collaborate or adjust policies to maximize benefits from relations with Vietnam. This presents a valuable opportunity for Vietnam to enhance its international position and influence.

Negative Aspects

Firstly, Vietnam faces challenges in balancing its policies with major global powers. Positioned between its two largest trade partners, China and the US, Vietnam must navigate a complex landscape of increasing competition in trade and technology (Son, 2023a). A globally polarized and fragmented trade system, shaped by differing infrastructure, trade rules, and production standards, could harm Vietnam's domestic economy (Son, 2023b). The escalating strategic competition between the US and China presents significant challenges for Vietnam in maintaining an independent and autonomous foreign policy while balancing economic relations with both powers. While the US currently takes a proactive role in global issues, its relationship with China is unstable and unpredictable. China's assertive actions, especially in the South China Sea where US presence is crucial for countering Chinese dominance, could negatively impact Vietnam (Thanh, 2022). During US Vice President Kamala Harris's visit to Vietnam in August 2021, she encouraged Vietnam to oppose China's aggressive actions in the South China Sea. While this reflects US concern about regional security and offers strategic support to Vietnam, the country maintains a neutral stance (Rim, 2021). Moreover, China has historically used its economic power to influence Vietnam and other ASEAN countries, such as the Philippines, to make concessions on the South China Sea issue, posing additional challenges for Vietnam as it tries to mitigate risks associated with Beijing's influence (Vu et al., 2021: 3). This highlights Vietnam's difficulty in balancing relations between the two superpowers, as Southeast Asia, particularly the South China Sea, has

become a battleground for US-China influence, raising concerns that Vietnam might face a security dilemma or be forced to “choose sides”.

Secondly, there is the risk of debt trap diplomacy. Beyond national security concerns, Vietnam is wary of borrowing from China, viewing AIIB's generous loans as potentially problematic. Many BRI participants have encountered financial difficulties due to debts from Chinese loans (Romeu, 2024). For example, Sri Lanka leased the Hambantota Port to China for 99 years after failing to repay its debt, raising concerns about sovereignty and control over key assets (Hiep, 2019: 79). Vietnam faces similar risks if it does not carefully manage Chinese loans. Large loans with high interest rates and opaque conditions could result in mounting debt and increased financial and political dependence on China. Chinese loans often lack transparency and come with conditions that may affect the borrowing country's economic sovereignty. Consequently, participating in the BRI could exacerbate Vietnam's public debt, leading to severe financial and political repercussions if not carefully monitored.

Thirdly, Vietnam faces concerns over security in the South China Sea. China's increased activities in this region, including island construction, militarization, and extensive territorial claims, have raised tensions and complicated regional security. With ambitions to make the South China Sea a vital “maritime trade artery” China has intensified competition among major powers, significantly impacting global and regional dynamics (Long, 2016). This could place smaller countries like Vietnam at a disadvantage in multilateral negotiations. Participating in the “Maritime Silk Road” may subject Vietnam to a “sovereignty trap” in the South China Sea. Conversely, not participating in the “Silk Road Economic Belt” could lead to resource diversion to neighbouring countries like Laos and Cambodia, introducing new security risks (Ha, 2023: 150).

Fourthly, Vietnam faces increased competition between domestic businesses and Chinese companies. While BRI's infrastructure improvements reduce trade costs and boost commerce between China and BRI partners, China's investments primarily aim to secure energy and resources for its economy, challenging Vietnamese businesses (Li et al., 2022). Smaller Vietnamese companies may struggle against larger, financially robust, and technologically advanced Chinese firms (Vu et al., 2021: 4). For instance, China's investments in coastal economic zones such as Guangxi and Hainan exert strong competitive pressure on Vietnam's industrial and tourism sectors in the Gulf of Tonkin. Vietnamese tourist destinations like Van Don and Cat Ba

face challenges in attracting international visitors compared to China's Hainan Island, while Vietnamese ports like Lach Huyen, Haiphong, and Cai Lan lag behind China's Beihai and Pingxiang ports. This competition hinders the ability of Vietnam's economic zones in the Gulf of Tonkin to attract investment and develop (Ha, 2023: 149).

Overall, while Vietnam's engagement with the BRI involves risks such as debt and security concerns, the initiative offers substantial benefits. BRI-supported infrastructure development enhances connectivity, reduces transportation costs, and promotes economic growth by attracting investment and expanding trade opportunities. Positive outcomes, like advancing infrastructure connectivity and exploring new cooperation areas in the digital economy and green growth, illustrate the initiative's potential. The two governments are in the process of finalizing several important agreements, including a cooperation plan to link the "Two Corridors, One Belt" framework with BRI (Nguyen, 2023). Additionally, China's investment of over USD2.5 billion in 555 projects makes it the fourth-largest foreign direct investor (FDI) in Vietnam (Nguyen, 2023).

In summary, research suggests that Vietnam can reap significant benefits from the BRI if it effectively manages projects and addresses related challenges. To maximize these benefits, Vietnam must carefully manage public debt and safeguard national interests. Implementing effective policies and strategies will enable Vietnam to fully leverage BRI opportunities while minimizing risks, creating a robust foundation for sustainable development and enhancing its position in the global economy.

6. Conclusion

The BRI is a major strategic undertaking by China, strongly reflecting President Xi Jinping's vision. Launched in 2013 against a backdrop of complex domestic and international factors, the BRI's most crucial strategic aspect is its potential to impact existing global orders by reshaping the "rules of the game" in various regions to enhance China's role, power, and influence. During its first decade in Southeast Asia, the initiative has achieved significant progress, becoming increasingly institutionalized and establishing its growing importance to China.

However, the BRI faces substantial challenges both within China and Southeast Asian countries. These challenges include issues related to management capacity, transparency, traditional and non-traditional security concerns, and negative environmental and social impacts. For Vietnam, while

the BRI presents opportunities for infrastructure development and economic connectivity, it also poses challenges related to competition and political risks.

To fully leverage the benefits of the BRI, Vietnam must carefully consider its cooperation strategies, ensuring that national interests are protected. Maintaining long-term stability requires a flexible, balanced approach that integrates cooperation with the safeguarding of national interests. By doing so, Vietnam can maximize the effectiveness of its participation in the BRI and navigate the associated challenges for future success.

Notes

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1. A “debt trap” occurs when a borrowing country must take on new debt to repay old debt, leading to an unsustainable cycle of indebtedness (Ajnoti, 2022). In this context, the BRI is considered a form of debt diplomacy, creating economic leverage not only by granting China access to a country's material resources but also by using economic influence to exert pressure on the policies and decisions of recipient nations (Gutiérrez, 2023).
2. A strategy used by creditor nations or financial institutions to expand their political influence over borrowing countries. Under this strategy, loans are provided under stringent financial conditions, making it difficult for the borrowing country to repay on time. When

unable to meet its obligations, the debtor nation is forced to make economic or political concessions (Ajnoti, 2022).

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Balancing through Humanitarianism: India-Taiwan Cooperation in Humanitarian Assistance and Disaster Relief

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Abstract

As Sino-Indian relations grow more tense amid violent clashes on the Himalayan border, and the tensions in the Taiwan Strait continue to rise, New Delhi and Taipei are inching closer to each other. India and Taiwan are both democratic entities in the Indo-Pacific region involved in disputes with China. Yet for a variety of economic interests and diplomatic legacies, security ties between India and Taiwan remain limited. India and Taiwan also share a common vulnerability with regard to the occurrence of natural disasters. Both countries have a long history of catastrophes that have devastated their populations, infrastructure, and both tangible and intangible heritage. To cope with the challenges posed by the augmentation in the frequency and severity of natural disasters, national armed forces have come to play a pivotal role in humanitarian response. This article explores the scope of interactions between the Indian armed forces and their Taiwanese counterparts. The key research question is: whether the substance and dynamics of humanitarian assistance and disaster relief (HADR) activities can serve as a potential avenue for New Delhi and Taipei to deepen their bilateral engagement and consider the promotion of military cooperation. To address this research question, this article focuses on India and Taiwan's approach to disaster management examined through the lens of the theoretical foundation of realism. The changing Indo-Pacific geopolitical environment is giving a fresh impetus to India-Taiwan security ties. Sadly, the relationship between those two dynamic Asian democracies has been neglected and remains widely understudied in the academic literature. This article intends to rectify this matter and raise awareness about the massive potential of such a liaison.

Keywords: *India-Taiwan relations, Security cooperation, Humanitarian assistance and disaster relief (HADR)*

1. Introduction

As Sino-Indian relations grow more tense amid violent clashes on the Himalayan border, and the tensions in the Taiwan Strait continue to rise, New Delhi and Taipei are inching closer to each other. India and Taiwan are both democratic nations situated in the Indo-Pacific region, engaged in territorial disputes with China. Yet for a variety of economic interests and diplomatic legacies, security ties between India and Taiwan remain limited. India and Taiwan also share a common vulnerability with regard to the occurrence of natural disasters. Both countries have a long history of catastrophes that have devastated their populations, infrastructure, and both tangible and intangible heritage. Their adverse geo-climatic conditions and unique topographic features make them particularly prone to the ravages wrought by typhoons, floods, and earthquakes. To cope with the challenges posed by the augmentation in the frequency and severity of natural disasters, national armed forces have come to play a pivotal role in humanitarian response. Militaries are increasingly being called upon to complement relief efforts led by civilian agencies. This article explores the scope of interactions between the Indian armed forces and their Taiwanese counterparts.

The key research question is: whether the substance and dynamics of humanitarian assistance and disaster relief (HADR) activities can serve as a potential avenue for New Delhi and Taipei to deepen their bilateral engagement and consider the promotion of military cooperation. To address this research question, this article focuses on India and Taiwan's approach to disaster management examined through the lens of the theoretical foundation of realism. The realist paradigm offers the most thorough theoretical framework for understanding alliance politics within the context of the emerging power distribution in the Indo-Pacific region. Realism is particularly significant in this scenario as it emphasizes power dynamics, state actions, and survival in an anarchic international system; these elements are especially relevant in the current Indo-Pacific landscape, where power is increasingly contested, notably due to the rise of China. Using a qualitative methodology, this article endorses a triangulation of sources, including academic sources, government documents, and news media publications. All information on natural disasters is based on the Emergency Events Database (EM-DAT)

maintained by the Center for Research on the Epidemiology of Disasters (CRED).¹

The present article is organized as follows. The first section looks at international security engagement and the prospects of building partner capacity for HADR operations. The second section assesses the vulnerability of India and Taiwan to natural disasters and highlights the commitment of their armed forces to cope with complex emergency situations. The third section addresses the nature of India-Taiwan relations and the recent rapprochement observed between the two countries. Finally, the fourth section discusses the influence of the China factor and the cautious approach that New Delhi and Taipei need to adopt in order to avoid unwanted consequences. The changing Indo-Pacific geopolitical environment is giving a fresh impetus to India-Taiwan security ties. Sadly, the relationship between those two dynamic Asian democracies has been neglected and remains widely understudied in the academic literature. This article intends to rectify this matter and raise awareness about the massive potential of such a liaison.

2. Humanitarian Operations

Contemporary military collaboration has emerged as a crucial element of military diplomacy. This type of cooperation aids in fortifying strategic security alliances and tackling common security issues. Since the conclusion of the Cold War, a significant transformation has occurred in the nature and objectives of international military collaboration and support, which encompasses the evolution of the security concept, covering human, societal, and environmental security. The role of military collaboration is no longer limited to supporting allies and counterbalancing enemies but is increasingly used as a means of pursuing wider foreign policy goals, including in the capacity of states to engage with former or potential rivals. For instance, the organization of joint military training and exercises offers an opportunity to build a constructive dialogue that may facilitate further communication and, during a crisis, avoid confusion between cultures (Ebitz, 2019). In contrast, the suspension of a planned exercise by one of the participants is often perceived as a sign of displeasure or diplomatic tensions. The emergence of new security threats such as terrorism, drug trafficking, illegal migration, infectious diseases, and climate change, to name a few, is challenging long-held assumptions

about what a state's armed forces are for and how they should be structured and tasked (Edmunds, 2006).

Global phenomena such as natural disasters know no borders and can cause damage in multiple jurisdictions. Contrary to what is commonly assumed, the adverse effects of natural disasters are not limited to the loss of human life and destruction of physical infrastructure, but they also exacerbate pre-existing vulnerabilities and increase the risk of violent civil conflict. Although situations vary, the occurrence of a major catastrophe in an already fragile environment can lead to political and social turmoil. Over the last twenty years, there has been a noticeable increase in the deployment of military personnel and resources to deliver humanitarian assistance both domestically and internationally (Canyon et al., 2017). In that sense, the 2004 Indian Ocean earthquake and tsunami was a game-changer for both civilian and military authorities, especially in the Indo-Pacific region. As a result of the unprecedented scale of that catastrophe, HADR operations escalated from brief mentions in early strategy and defense documents into entire sections dedicated to the subject. Internationally, numerous lessons emerged from the experience of the 2004 Indian Ocean earthquake and tsunami, including education, preventive measures, and pre-coordination. Given that the same event affected so many states, this showed that governments that had conducted previous bilateral exercises and coordination events to prepare for natural disasters fared better in responding to an actual disaster (Cameron, 2016).

India's HADR efforts have gained in prominence with its economic rise. New Delhi has repeatedly stated its intent to be the region's first "responder" and a leading actor during emergencies (Chakradeo, 2021). India's cooperative activities include participating in capacity-building events run by the inter-governmental Indian Ocean Rim Association (IORA). Disaster risk management is one of IORA's eight focus areas with the objective to "facilitate and enhance regional cooperation on preparedness and response strategies to fragile and unpredictable situations" (Indian Ocean Rim Association, n.d.). The organization held the First IORA Expert Group Meeting on Disaster Risk Management on January 19, 2021. The meeting was set to finalize the IORA Guidelines for HADR, aimed at "developing a speedy, responsive, coordinated, and effective HADR strategy for IORA member states

when required, and serving the purpose of establishing a common understanding of HADR operations” (Cook and Chen, 2021: 10). India also leads the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), which has the potential to play an important role in disaster management. In 2016, New Delhi initiated discussions on closer regional cooperation and inter-governmental disaster response coordination. One year later, India hosted the first-ever four-day Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation Disaster Management Exercise (BIMSTEC DMEx-2017). Attended by around 135 participants from all BIMSTEC member states, the exercise served to develop synergy and synchronize the use of government and military resources to cope with an emergency circumstance (National Disaster Response Force, 2017). Similar exercises were held in 2020 and 2021 to further improve the BIMSTEC structure for joint strategy and capability development.

Additionally, India is one of the founding members of the South Asian Association for Regional Cooperation (SAARC), a regional political and economic organization that focuses on promoting regional peace, economic prosperity, and social empowerment for the people in the region (White, 2015). In 2006, a SAARC Disaster Management Center (SDMC) was inaugurated in New Delhi. Later, in November 2016, the Interim Unit (IU) of the SDMC was set up under the premise of the Gujarat Institute of Disaster Management. The IU provides policy guidance, technical assistance, capacity-building services, and professional training to help all SAARC member states manage disaster risks more effectively. It has also conducted regional consultations jointly with the United Nations Disaster Office for Risk Reduction on the Asia-Pacific Action Plan 2021-2024 (SAARC Disaster Management Center, 2021). The latter addresses how the ongoing threat of climate change is exacerbating the cascading nature of disaster risk. It calls for several actions around the need to strengthen innovative actions that emerged from good practices (United Nations Disaster Risk Reduction, 2021).

As a member of the Quadrilateral Security Dialogue (Quad) along with the United States (US), Japan, and Australia, India is committed to cooperating on non-traditional security issues and mitigating the threat from natural disasters in the Indo-Pacific region. On 23 September 2022, Quad leaders signed into operation the Guidelines for the Quad Partnership on HADR in the Indo-Pacific. These guidelines aim to create a framework for Quad countries

to strengthen coordination and improve interoperability during disaster responses. All four Quad partners are also regular participants in joint regional exercises such as the ASEAN Regional Forum Disaster Relief Exercise (Chen, 2023). Although Taiwan has gained considerable diplomatic support from Quad members over the past few years, its political and military relations with the Quad remain limited. The fact that none of the Quad countries officially recognizes the Republic of China (ROC) on Taiwan means that membership for Taipei is unlikely to occur in the near future.

While Taiwan's ambiguous international status certainly complicates its ability to join international organizations in which the rest of the world shares information and makes critical decisions for disaster management, it does not prevent Taipei from pursuing bilateral HADR training and exercises on its own (Coutaz, 2021). Through initiatives such as the Global Cooperation and Training Framework (GCTF), Taiwan has been able to share its expertise in public health, digital governance, and disaster resilience with partners in the Indo-Pacific region. This initiative aids countries in their capacity-building efforts by offering training programs for officials and experts, while simultaneously enhancing Taiwan's global presence and promoting collaborative networks across the Indo-Pacific. Founded in 2015 by Taiwan and the US, with Japan joining in 2019 and Australia in 2021, the GCTF functions through workshops, training sessions, and multilateral cooperation. Since its establishment, it has conducted over 85 events, reaching more than 130 countries (Global Cooperation and training Framework, 2025). Although it holds an informal status, the GCTF operates as a *de facto* international forum that functions independently of formal recognition. This allows countries to leverage Taiwan's capabilities without the need to establish official diplomatic relations. For Taipei, this arrangement serves as a diplomatic workaround that enhances its soft power and provides a vital platform for coalition-building.

3. Living with Natural Disasters

Armed forces in the Indo-Pacific region are the main responders in the event of a natural disaster. Due to a lack of civilian HADR agencies, military involvement in domestic relief efforts often represents the safest way to bring assistance to those who need it the most. In India and Taiwan, civilian and

military disaster management structures have adopted various coordinating mechanisms to strengthen disaster risk governance, investing in all phases of disasters (i.e. prevention, preparedness, response, and recovery) and through HADR activities. When it comes to addressing the challenges associated with natural disasters, not all countries are equal. Some devote more resources to the issue and find themselves in a better position to deal with the impacts of natural disasters (Coutaz, 2021). Both India and Taiwan have experienced their fair share of disasters and remain constantly under threat of future catastrophes.

India is among the world's most disaster-prone countries, with 27 of its 29 states and seven union territories exposed to recurrent disasters (United Nations International Children's Emergency Fund, n.d.). The country's vast and variable geographical extent, diverse relief features coupled with climatic variations are the primary reasons for its vulnerability. Some 60 per cent of India is vulnerable to earthquakes, and around 40 million hectares are susceptible to floods. Two-thirds of its 7,500-kilometer coastline is exposed to typhoons, and 68 per cent of its area is prone to drought (World Bank, 2016). From 1970 to 2020, India was hit by 638 catastrophes, or 12.5 per year on average. Floods made up 42 per cent (268) of these, while typhoons (and convective storms) accounted for 26 per cent (164) and earthquakes 4 per cent (23). During that time, 203,928 people lost their lives due to natural disasters (3.999 per year on average). Floods (63,585), typhoons and convective storms (52,214) and earthquakes (49,872) represented 81 per cent of total fatalities. The total number of affected people, which includes the number of people injured and the number of homeless or those whose houses have been destroyed, was 2.4 billion (46.2 million per year on average). In terms of economic losses, natural disasters caused USD137.3 billion in damage, which amounts to USD2.7 billion per year on average. Floods caused the most damage and generated economic losses of USD84.6 billion (62 per cent), while typhoons (and convective storms) led to economic losses of USD40.3 billion (29 per cent) and earthquakes to USD5.3 billion (4 per cent) (ibid.).

Following the 2004 Indian Ocean earthquake and tsunami, the Indian government enacted the Disaster Management Act on December 23, 2005. The Act envisaged the creation of a National Disaster Management Authority (NDMA) and State Disaster Management Authorities (SDMAs) to implement a holistic and integrated approach to emergency management across the

country (Ministry of Home Affairs, 2023). Despite the setting up of these institutions, the response of the civil authorities remains “sub-optimal and there is still a heavy reliance on the [national] armed forces” (Parmar, 2012: 94). On several occasions, the armed forces under the Ministry of Defense have been called upon to intervene and provide aid to local government and officials. Operation Surya Hope is a case in point. In June 2013, a flash flood came down upon the overflowing banks of the Chorabari lake in the state of Uttarakhand. The catastrophe coincided with the peak tourist and pilgrimage season, considerably enhancing the number of casualties (6,054). The army’s response included the deployment of infantry battalions, regiments of combat engineers, advanced dressing stations and other medical units, logistics and supply assets, specialized mountain forces, and army aviation corps assets. Over 8,500 troops and 83 aircraft participated in the operation (Tripathi, 2013). It was considered one of the largest humanitarian missions ever undertaken by the Indian armed forces (*New Delhi Television Limited* 2013). In 2019 and 2020, military resources and capabilities were also mobilized during the monsoon seasons and floods which killed 1,900 people and 1,920 people, respectively (*ibid.*).

India has carried out similar relief operations to assist its neighbors in the recent past. For instance, after the 2015 Nepal earthquake, the government in New Delhi was among the first to react, launching Operation Maitri and deploying the Indian Army, Air Force, and other specialized assets. Nepal’s then Ambassador to India recognized the country’s timely efforts and called the response “unique” in its scale (Chakradeo, 2021). In the following years, India’s external HADR included the deployment of military assets in Sri Lanka (2016), Bangladesh and Myanmar (2017), and Afghanistan (2018). The armed forces have also been engaged in regular bilateral exercises with multiple strategic partners, demonstrating a growing comfort in security cooperation. In 2022, India held joint military exercises with the US (“Yudh Abhyas”), Kazakhstan (“Ex KazInd”), and Nepal (“Surya Kiran”). The objective of these exercises is to share best practices, tactics, techniques and procedures for the successful conduct of the HADR. India contributes its resources to prevent or mitigate regional and international crises. New Delhi is demonstrating its commitment to assume the role of a leading power. Beyond narrow self-

interest, such contributions help project India's soft power abroad and portray the country in a positive light.

The specific location and distinct geography of the island of Taiwan have given rise to its beautiful scenery, but they are also responsible for the recurrent misfortune of natural disasters. Taiwan lies on the Pacific Ring of Fire along the collision zone between the Philippine Sea and the Eurasian plate, one of the most seismically active regions on the planet. Fortunately, most of the earthquakes are unnoticeable and cause minimal damage. In addition to earthquakes, Taiwan is prone to typhoons, floods, and landslides. Specific endogenous characteristics such as a fragile geological formation, steep terrain, and land given to erosion, combined with the country's uneven distribution of population, add to the vulnerability of the island (Coutaz, 2018). From 1970 to 2020, Taiwan suffered from 92 catastrophes (1.8 per year on average). Typhoons made up 75 per cent (69) of them, while earthquakes accounted for 11 per cent (10) and floods 10 per cent (9). Natural disasters killed 4,513 people (88.5 per year on average). Earthquakes (2,490), typhoons (1,714) and floods (119) represented 96 per cent of total fatalities. The total number of affected people was 3.8 million (75,473 per year on average). During that time, natural disasters resulted in economic losses of USD22.2 billion (USD435.6 million per year on average). Earthquakes caused the largest amount of damage and generated the majority of economic losses with USD15.9 billion (72 per cent), followed by typhoons at USD6 billion (27 per cent) (ibid.).

The traumatic experience of the 921 earthquake remains etched in people's memories as one of the worst natural disasters in Taiwan's history. On September 21, 1999, a magnitude 7.3 earthquake struck the island, killing more than 2,250 people and leaving 11,000 injured. Thousands of houses collapsed, leaving more than 100,000 homeless (Central Bureau Weather 1999). The unprecedented scale of the catastrophe compelled the government to strengthen its prevention and response policies, and increase the protection of people's life, property, and safety. The Disaster Prevention and Protection Act (DPPA) was enacted on July 19, 2000. Focusing on the development of "mitigation and preparedness before disaster, response actions during disaster and recovery after disasters," it serves as the legal basis for national disaster management plans (ROC Ministry of Justice 2022). The DPPA listed HADR among the military key's responsibilities. Because of its strict regulations and

excellent natural disaster management, Taiwan was able to keep the death toll of the magnitude 7.4 earthquake that struck off the coast of Hualien County on 3 April 2024 to fewer than 20 people (*The Economic Times*, 2024).

The ROC armed forces spend training time each year conducting disaster relief exercises alongside their civilian counterparts to practise prevention and rescue operations during composite disasters. The Min An No. 10 (The National Defense Mobilization and Disaster Prevention and Rescue Drill) public safety exercise is held with local governments, and attended by observers from international disaster relief organizations and NGOs from around the Indo-Pacific region. To monitor the occurrence of possible disasters, the military has prepositioned an HADR force of 1,844 personnel in 99 locations within 19 geographic areas situated across the island. Furthermore, there is a standby force of 39,000 personnel deployed in each area of operation (Coutaz, 2021). Since 2018, the armed forces have accomplished HADR tasks and mitigated losses to people's lives and property in several major events, including in 2018 the Hualien earthquake, torrential rains and typhoon Maria; in 2019 the dengue fever prevention efforts, typhoon Danas, typhoon Lekima and typhoon Bailu; and in 2020 the worst drought seen in decades and the rampant spread of the COVID-19 pandemic. To meet the needs of international HADR missions, the armed forces have organized a medical team equipped with medical supplies, tents, generators and lamps ready to be deployed for immediate response to disasters. In recent years, medical resources have been assigned to overseas emergencies in countries like Macedonia, Haiti, the Philippines, Palau, and Nepal (ROC Ministry of National Defense, 2019). During the period of the pandemic, contacts were maintained through various alternative means such as video and teleconferencing, and transmission of documentation.

4. Enhancing India-Taiwan Cooperation

Taiwan has consistently shared with India its unique perspective on the People's Republic of China (PRC). This relationship is rooted in the historical ties between India and the Kuomintang (KMT), which were firmly established during the visit of Chiang Kai-shek and Soong Mei-ling to India in 1942. The visit by the Generalissimo and his wife was instrumental in forging a closer bond

between India and the ROC. However, India's recognition of the PRC on 1 April 1950 marked the end of what had been cordial India-ROC ties. During a significant portion of the Cold War, there was minimal official interaction between India and Taiwan. Despite the fact that India and China maintained no relations for 15 years following the Sino-Indian War of 1962, New Delhi and Taipei did not pursue substantial engagement until avenues for informal communication were created in the 1990s (Hashmi 2020).

India and Taiwan have experienced a significant amelioration of their relationship in recent years. When ROC President Tsai Ing-wen of the Democratic Progressive Party (DPP), assumed office in 2016, one of her first policy moves was to launch the New Southbound Policy. During her inaugural address, President Tsai stated: "We will promote the New Southbound Policy in order to elevate the scope and diversity of our external economy, and bid farewell to our past over-reliance on a single market... We will broaden exchanges and cooperation with regional neighbors in areas such as technology, culture and commerce, and expand in particular our dynamic relationships with ASEAN and India" (Tsai 2016). The main objectives of the policy have been to reduce the island's dependence on China and to increase its international outreach. India is one of the focus countries of the New Southbound Policy and has occupied an important place in Taiwan's new strategy. James Huang, the first Director of the New Southbound Policy, called India "the 'jewel' in Taiwan's external economic strategy" (Hashmi 2020: 40).

Engagements between India and Taiwan gradually strengthened. In 2017, the Taipei Economic and Cultural Center in New Delhi and the India Taipei Association formalized a Memorandum of Understanding (MoU) on the Promotion of Industry Collaboration, an agreement that was preceded by 21 MoUs signed earlier that year by Taiwan's Chinese National Federation of Industries and the Federation of Indian Chambers of Commerce and Industry (Karackattu, 2019). Interactions further grew in 2018 with the inking of two agreements of an updated version of the "Bilateral Investment Agreement" and "Mutual Recognition of the Respective Authorized Economic Operation Programs." That same year, the Taiwan Tourism Information Center opened in Mumbai to boost people-to-people contacts (Strong, 2018).

After Tsai's reelection in 2020, bilateral ties gathered unprecedented momentum. In 2022, the trade volume between India and Taiwan reached

USD8.45 billion, an increase of 9.8 per cent from 2021. The number and interest of Taiwanese companies that were exploring strategic expansion into the Indian market rose rapidly. In November 2023, Foxconn's Hon Hai Technology announced an investment of USD1.6 billion for construction projects in India (Kar, 2023). In April, the world's largest contract manufacturer of electronics had already announced its intention to invest USD600 million in two component factories in the state of Karnataka. Additional companies such as the shoemaker Pou Chen and electric scooter maker and battery solutions provider Gogoro made similar announcements in 2023 (Everington, 2023). However, the deeper engagement between Taipei and New Delhi has not been limited to trade and investment alone. Taiwan is faced with a low birth rate and an aging population, and so the Tsai administration has projected a need to hire as many as 100,000 Indians to work at factories, farms, and hospitals in Taiwan. On 16 February 2024, the two countries concluded an agreement to facilitate the employment of Indian workers in Taiwan. Once fully implemented, this agreement would make Indians one of the largest migrant worker communities on the island after Indonesia, Vietnam, and the Philippines (ROC Ministry of Labor, 2024).

Taiwan has also spared no effort in its promotion of educational exchanges with India. Since 2021, National Taiwan University, National Ching Hsing University and six other Taiwanese universities have signed MoUs with the Indian Institute of Technology Bombay and the Indian Institute of Technology Madras, among others (*Taiwan Today*, 2023). That same year, the ROC Ministry of Education launched the first "Taiwan Studies Project" at Flame University. The project is designed to extend Indian scholars' knowledge of Taiwan in the field of democratic governance, including disaster management and public health (ROC Ministry of Education 2021). Most recently, the Education Division of the Taipei Economic and Cultural Centre signed an MoU with the Er. Perumal Manimekalai College of Engineering in Tamil Nadu to provide Mandarin language courses for engineering students (ROC Ministry of Education, 2024). In addition to tourism, academic cooperation represents another meaningful way to promote interaction between people.

India does not have official diplomatic relations with Taiwan. New Delhi was one of the first non-communist governments to recognize the People's Republic of China (PRC), and only a few countries have held onto a more rigid

one-China policy than India. Even after the government of P.V. Narasimha Rao established formal contacts with Taipei after the Cold War, India remained extremely cautious in its engagement with the island-state (Mohan, 2023). That approach began to change after the election of Narendra Modi in 2014, who had once visited Taiwan in his capacity as the General Secretary of the ruling Bharatiya Janata Party (BJP) (Hashmi, 2020). Under Modi's leadership, India has pursued a more ambitious foreign policy agenda, including carving out a greater global role for itself within the Indo-Pacific region. Building on the Look East Policy of the early 1990s, Modi has initiated the Act East Policy, giving a new thrust to efforts to intensify economic, strategic and diplomatic relations with countries that share common concerns with India on China's growing economic and military strength and its implication for the evolving regional order (Kesavan, 2020). It is in this context that New Delhi has shown interest in expanding its economic and sociocultural ties with Taipei. Under a series of national strategies such as "Make in India," "Skill India," and "Digital India," the Indian government has welcomed the development of technological and high-end industrial engagements with Taiwanese companies (*Focus Taiwan CNA*, 2023).

On the political front, India is now paying greater attention to East Asia. In an increasingly fraught geopolitical neighborhood, New Delhi recognizes the role played by the seas in promoting sustainable progress in a secure and stable environment. It would like to see the Indo-Pacific not only better connected, but also free from traditional and non-traditional security threats that prevent the free movement of goods, people, and ideas (Ministry of External Affairs, 2019). Narendra Modi has termed sea lanes the "main arteries" of global trade and called for freedom of navigation and the need to adhere to international norms in order to maintain peace and support economic growth (*The Economic Times*, 2017; Bratton, 2023). India has voiced concerns over the militarization of the Taiwan Strait. It has obliquely criticized China by urging "restraint and avoidance of unilateral actions to change the *status quo*" (*Reuters*, 2022). In 2023, General Anil Chauhan, India's top military commander, commissioned a study to examine the wider impact of a conflict over Taiwan, and what action New Delhi could take in response. India would be a direct stakeholder in a scenario of war across the Taiwan Strait. That is not only because of the rapid deterioration of India-China relations, but also due to the larger role India seeks for itself, regionally and globally (Mohan, 2023).

According to leaked information, one option the Indian armed forces have been studying involves serving as a logistics hub to provide repair and maintenance facilities for allied warships and aircraft, as well as food, fuel and medical equipment for armies resisting China. A more extreme option is assessing the potential for New Delhi to get directly involved along its northern border, opening a new theater of war for Beijing (Sen, 2023). After years of silence, the Indian strategic community seems to be waking up to the pressing policy dilemma that a prospective Chinese invasion of Taiwan poses.

Taiwan's strategy for the Indo-Pacific is based on several fundamental national goals: ensuring national security against increasing threats from China, broadening economic partnerships to lessen dependence on the mainland market, improving its international presence despite diplomatic isolation, and actively participating in the global order as a dynamic democracy and technological frontrunner (Hashmi, 2023). These objectives illustrate Taipei's distinct vulnerabilities as well as its ambitions to contribute positively to the future of the region. Taiwan has positioned itself as a stronghold for democracy, a free press, and transparent technology. It has emerged as a crucial partner for India in protecting the information domain, due to its vast expertise in managing disinformation and cyber threats, which are frequently attributed to Chinese sources.

Bilateral relations in the area of defense and security remain the most sensitive point of India-Taiwan cooperation. Military-to-military contacts have been limited. However, India's recent attendance at a security forum in Taipei indicates that the possibility of security or military engagements and information-sharing are currently being explored. In August 2023, General Manoj Mukund Naravane, Admiral Karambir Singh, and Air Force Marshall Rakesh Kumar Singh Bhadauria traveled to the island to participate in the Ketagalan Forum, hosted by the ROC Ministry of Foreign Affairs. They were joined by two additional former military officials from the Army and the Navy, one of whom possessed experience in scenario simulation and planning for the National Defence College and the Army War College. The visiting delegation also held closed-door talks with the Institute of National Defense and Security Research (INDSR), the primary think tank of the ROC Ministry of Defense (Brar, 2023). The Indian government maintained that the visit was "private," but the amount of media coverage around it suggests otherwise. In the summer of

2024, INDSR and the United Service Institution of India held their first war games in New Delhi, simulating the potential effect of tensions in the Taiwan Strait on the Sino-Indian border. The exercise was attended by retired officers of the Indian armed forces (Chin, 2024). While it is certainly naïve to expect any dramatic shift in India-Taiwan security ties, it is fair to assume that there is an appetite for a low-key strengthening of defense diplomacy and joint security networking.

A broad consensus exists in India on the necessity of building a closer relationship with Taiwan. A growing number of influential voices have acknowledged that the time has come for a more active engagement with Taipei. In 2018, an official report by the Parliamentary Standing Committee on External Affairs called for Modi's government to collaborate with Taiwan, and to not see the island through a China-centric lens. It stated that India could not continue with a "conventionally deferential foreign policy towards China," and had to adopt a more "flexible approach." It further stipulated that the government should contemplate "using all options including its relations with Taiwan, as part of such an approach" (Menon, 2022). The report was followed by a series of high-profile visits such as the participation of two BJP parliamentarians, Meenakshi Lekhi and Rahul Kaswan, in the swearing-in ceremony of President Tsai Ing-wen in 2020, and the invitation of lawmaker Sujeet Kumar, President and Chief Executive Officer of SEMI Ajit Manocha, and former Secretary of the Ministry of Electronics and Information Technology Ajay Prakash Sawhney to the first Inaugural Taiwan-India Dialogue in 2022 (Taiwan-Asia Exchange Foundation, 2022). In light of the changing Indo-Pacific environment and economic security considerations, there is a favorable attitude toward Taiwan among the Indian elite. While the nature of India-Taiwan cooperation poses considerable challenges, the present moment provides a window of opportunity for both countries to build upon common synergies and give a fresh impetus to consolidating their relationship.

5. Mutual Concerns about China

Both Taiwan and India share the same apprehensions about China's rising military power and regional political influence. Beijing views the island as a renegade province and vows to eventually "reunify" Taiwan with the mainland. This is reflected in the Preamble to the PRC's Constitution, which says

that “Taiwan is part of the sacred territory of the People’s Republic of China” (Yin, 2006: 182). Beijing has a standing policy of potentially invading Taiwan if Taipei declares *de jure* independence. The policy was for a long time informal but in 2000 a Chinese white paper, titled “The One-China Principle and the Taiwan Question,” held that “China will do its best to achieve peaceful reunification, but will not commit itself to rule out the use of force” (Taiwan Affairs Office of the State Council of China 2000). This position was later incorporated into domestic legislation with the 2005 “Anti-Secession Law.” China’s People’s Liberation Army (PLA) has made preparing for a Taiwan contingency one of its top priorities. Since the election of Tsai Ing-wen in 2016, China has taken increasingly aggressive actions against Taiwan. Beijing employs various coercive tactics short of armed conflict to intimidate Taipei. These include sailing its warships and aircraft carriers through the Taiwan Strait and flying its fighter jets and surveillance aircraft over and around the island. In 2024, more than 3,000 Chinese warplanes were tracked entering Taiwan’s Air Defense Identification Zone (ADIZ), a 76 per cent increase from 2023 (PLATracker, n.d.). The PLA has also initiated joint air and naval live-fire exercises that included missile tests over Taiwan, as well as a simulation of a military blockade of the island. China’s recent demonstrations of force have been unprecedented in their intensity, frequency, and scale. The election of Lai Ching-te in January 2024, marking a third consecutive win for the DPP, did not reduce Chinese military pressure on Taiwan.

The modern Indo-China diplomatic relationship began in 1950 when India was among the first non-Communist countries to establish official relations with the PRC (Lu, 2017). India and China share a 3,400 km-long border, which the two countries have disputed for over 70 years. Relations between New Delhi and Beijing have soured over the past few years, particularly following a 2022 border brawl between Indian and Chinese troops along the Line of Actual Control (LAC), the notional demarcation that separates the two Asian giants. The skirmish was the worst since the summer of 2020 when deadly fighting in the Galwan Valley led to the most significant border escalation in over four decades (Yeung, 2022). Despite the fact that these confrontations are frequently succeeded by discussions and other measures aimed at alleviating tensions, both parties have progressively intensified their militarization of border policies and have exhibited no signs of retreating. Beijing considers the

government of Narendra Modi responsible for stirring up trouble along the Himalayan border and collaborating with other powers to contain the rise of China and counter its growing presence in South Asia. China also takes umbrage at India's burgeoning economy and growing military capabilities, and it is still absorbing the psychological impact of India overtaking China as the world's most populous country in 2023 (International Crisis Group, 2023). Likewise, India's grievances against China are not limited to border incursions. New Delhi views Beijing's close partnership with Pakistan, its expanding naval deployment in the northern Indian Ocean, and its commercial and operational involvement in Indian Ocean ports via the Belt and Road Initiative (BRI) as direct threats to India's traditional sphere of influence. The result has been a stronger willingness to oppose China and push back against Chinese influence across the region.

Despite a shared awareness of the security threat from China, both Taiwan and India maintain deep and extensive economic relations with Beijing. Taiwan's economy is reliant on trade with China, which is the island's largest trading partner. Under President Tsai, Taipei has tried to diversify its trade relationships, with mixed results. While Taiwan had some success boosting trade with and investment in countries in Southeast Asia and the Indo-Pacific through the New Southbound Policy, the island's exports to China still accounted for 35 per cent of the total in 2023 (Ryugen, 2024). As for India's economy, China is no less significant: Beijing remains New Delhi's second biggest trading partner. From 2015 to 2022, India-China bilateral trade grew by 90 per cent, an average yearly growth of 12. One major cause of concern to India is the continuously increasing bilateral trade imbalance. India's trade deficit with China reached the historically high level of USD87 billion in 2022 (Sahoo & Bishnoi, 2023). The economic importance of China makes Taipei and New Delhi vulnerable to retaliation in the event that Beijing is displeased by their individual or joint policies. Consequently, when reaching out to Taiwan, India has little choice but to keep a careful eye on China's response. Beijing plays an oblique role in India-Taiwan relations and sets real limitations on how far New Delhi's relationship with Taipei can progress.

In order to enjoy the benefits of their relationship with China, India and Taiwan need to find creative ways in which to deepen their security ties without jeopardizing their economic interests. Instead of direct military-defense cooperation, New Delhi and Taipei could profitably explore collaboration on

non-traditional security issues. Given that both countries have long experienced the severity and negative effects of natural disasters, there are many lessons that India and Taiwan have learned in the area of HADR that can be shared with each other. The armed forces of both countries have traditionally been part of their respective governments' response mechanisms for disaster relief. They have long since acquired key skill sets required to mitigate the negative impacts of natural disasters domestically while deploying know-how to aid neighboring powers afflicted by the same catastrophes. One of the most advanced examples of HADR interaction in the region, and a potential model for HADR cooperation for New Delhi and Taipei, is the "Tiger TRIUMPH", which stands for Tri-Services India-US Amphibious Exercise. Held since 2019, the third edition was conducted in March 2024 and involved an amphibious landing on Kakinada Beach, erecting a field hospital, and setting up a displaced persons camp. The objective was to discuss and refine Standard Operating Procedures (SOPs), with participation from the Indian Navy, Army, and Air Force, as well as the US Navy, Marine Corps, and Army (Ministry of Defense 2024). The exercise not only aims to share best practices and SOPs in undertaking HADR operations, but also showcases the robust strategic partnership between the two countries. The scope and format of HADR interaction always depends on the interests of both parties.

Bilateral HADR cooperation offers several advantages. First, it is broadly supported by domestic audiences. Both Indian and Taiwanese populations have been the victims of natural disasters and would welcome joint efforts to reduce their country's vulnerability. Second, closer military engagement between India and Taiwan is expected to be received positively in Washington. In fact, promoting bilateral cooperation between American allies and partners is consistent with Washington's strategy to build a balance of influence in the Indo-Pacific region. Third, while a solid strengthening of HADR activities between New Delhi and Taipei might be seen by the PRC as a violation of the "One China" policy, it is unlikely to cross any of Beijing's red lines. This kind of seamless, restrained and low-key collaboration is by no means provocative to other parties. It will neither challenge the delicate *status quo* across the Taiwan Strait nor drag India into an unwanted war with China. There are no obvious reasons for India and Taiwan to reject putting forward potential

HADR schemes to improve their mutual disaster response capabilities and invigorate bilateral relations.

6. Conclusion

In the past several years, India-Taiwan relations have undergone massive transformations. Several agreements in the fields of economics, education, and science and technology have been inked. In the realm of security cooperation, military interactions are minimal and remain constrained by the island's unofficial diplomatic status. However, the changing dynamics in the Indo-Pacific are forcing New Delhi and Taipei to recognize their shared interests and consider deepening their security ties. Indian analysts and policymakers have a greater need to increase their understanding of China, including issues of language and culture, as well as improving their intelligence gathering on the Communist Party and the PLA. Meanwhile, in Taiwan, the experience of diplomatic isolation, coupled with the necessity for expanded interactions with countries that share similar values, has increased the recognition of India as a viable partner. Bilateral relations look highly promising but need to be handled with great prudence. Any attempt to strengthen security cooperation will have to walk a fine line between trying to boost military ties between New Delhi and Taipei, and doing so in a way that will not have disastrous consequences. Closer collaboration on non-traditional security issues, especially on disaster preparedness and relief, provides one such opportunity. In addition to sharing expertise and assistance on critical disaster risk management, the implementation of joint exercises on HADR will contribute to developing communication channels and logistical synergies between the Indian armed forces and their Taiwanese counterparts. Being non-combat in nature, HADR operations create trust between military personnel and capability building. Interoperability is not only vital to executing humanitarian missions, but it would be essential in the event of a joint defense against a future Chinese attack. India and Taiwan are important stakeholders in the Indo-Pacific. Both nations take pride in their democratic heritage and share a common interest in maintaining the international rules-based order.

This article has highlighted that India and Taiwan have both suffered greatly and continue to suffer from repeated natural disasters. The examination of military cooperation in HADR activities positively answered the

research question brought up in the introduction; such HADR activities represent an effective and pragmatic means of promoting bilateral security engagement. Faced with ever-growing pressure emanating from China, New Delhi and Taipei have every incentive to expand their strategic partnership, as well as share valuable experience on HADR. As the 30th anniversary of the establishment of representative offices in India and Taiwan approaches in 2025, it is imperative to bear in mind that the two countries share a significant convergence on regional challenges and global issues. It is time for New Delhi and Taipei to take their promising relationship to the next level and enable it to reach its full potential.

Notes

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1. EM-DAT comprises information detailing the occurrence and effects of more than 26,000 mass disasters globally from 1900 to the present. The database is assembled from a variety of sources, including UN agencies, non-governmental organizations, reinsurance firms, research institutions, and media outlets. To qualify for inclusion in the EM-DAT, a disaster must meet at least one of the following criteria: (1) 10 or more fatalities, (2) 100 or more individuals affected, (3) the declaration of a state of emergency, and (4) a request for international aid.

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Book Review

Fang Cai., and Xiaojing Zhang, *Constructing Political Economy with Chinese Characteristics*. Springer Nature Singapore Pte Ltd, jointly published with China Social Sciences Press, 2022, 233 pp. + viii.

To understand the success of a nation's development, one must grasp the logic that emerges from within the nation itself. National success is shaped by a series of reflections and ideas, planning, experimentation, and the implementation of policies that yield profound experiences and valuable lessons for other countries. Each country possesses its own distinctive cultural characteristics and uniqueness, shaped by its specific situations and conditions. These, in turn, construct a country's self-perceptions and its outlook toward the international environment, which are then embodied in its vision, mission, and development practices. Therefore, understanding the culture and philosophy of a nation—elements that define its logic of thought and development vision—is crucial. Through this internal perspective, the success of a nation's development can be seen not only in terms of material achievements and infrastructure but also more profoundly in the cultural values, philosophical foundations, and mindset that shape its long-term national vision.

The same holds true for China. China's economic miracle was neither achieved overnight, nor did it follow a smooth path. Rather, it involved a gradual and continuous process, shaped by careful consideration and reflection that combined domestic perspectives rooted in Chinese culture and philosophy with external political ideas that influenced China's political culture—such as Marxism and even elements of capitalism, which offered lessons from both its successes and failures in economic development across different countries. These dynamics ultimately gave rise to a distinctly Chinese model of economic development, encapsulated in what is known as political economy with Chinese characteristics.

Fang Cai and Xiaojing Zhang offer an insider's explanation of the philosophy, logic of thought, and intellectual process behind China's economic development in their book *Constructing Political Economy with Chinese Characteristics*. From its very title, Cai and Zhang highlight China's developmental success through an understanding of two dimensions: political economy and Chinese characteristics. The former refers to the socialist political economy, while the latter reflects the distinctive features of Chinese thought that shape and lend uniqueness to its development model. The authors present an account of China's economic development that arises from an awareness of China's own circumstances and conditions, its tradition of political-economic thought, and the lessons learned from other countries. The result is a development model that not only bears strong national characteristics but also holds potential for adaptation by other states, particularly developing countries.

The book is organized into six chapters. The introductory chapter provides an overview of the foundations of the Socialist Political Economy with Chinese Characteristics. It begins with a discussion of the "new juncture" in China's development, the evolution of Chinese society, the idea of scientific socialism, and choices available to developing countries in pursuing modernization. This chapter also offers a detailed examination of Marxist Political Economy (MPE), as well as the history and philosophy of China's civilization, which serve as both the foundation and guiding principles for the country's development. In addition, lessons drawn from China's own reform and opening-up policies, together with insights from Western experiences of economic development, further enrich the construction of China's developmental model.

Importantly, this first chapter introduces Xi Jinping's concept of Socialism with Chinese Characteristics for a New Era, which represents a theoretical innovation building on and extending Marxism-Leninism, Mao Zedong, Deng Xiaoping Theory, the Three Represents, and the Scientific Outlook on Development. This vision is articulated in fourteen points presented in the report to the 19th CPC National Congress, which functions both as a "road map" and a "methodology" for realizing the "two centenary goals" and achieving the Chinese Dream of national rejuvenation.

The second chapter focuses specifically on the epistemology and methodology of Xi Jinping's thought on the Socialist Economy with Chinese Characteristics for a New Era. Cai and Zhang explain that Xi's ideas are articulated through a series of statements that illustrate his outlook. These include learning from and mastering Marxist philosophy, biding time while maintaining strategic focus, adhering to the general principle of pursuing progress while

ensuring stability, fostering innovative thinking, preparing for worst-case scenarios, combining problem-oriented and goal-oriented approaches, and employing pilot projects as a crucial method of reform.

The third chapter examines the concept of the “new normal” in China’s economic development, understood as a distinct stage in the country’s long-term development and a critical milestone in the broader process of the great rejuvenation of the Chinese nation. In managing this situation, Xi Jinping’s thought emphasizes a comprehensive understanding of the new normal, the capacity to adapt to new circumstances, and reforms grounded in a thorough exploration of the key factors shaping this stage. This approach is presented as a significant milestone in the enrichment and further development of the Socialist Political Economy with Chinese Characteristics.

The fourth chapter discusses the new development philosophy in relation to the new normal. The 13th Five-Year Plan for Economic and Social Development of the People’s Republic of China (2016-2020) sets out the long-term objectives, tasks, and measures for socioeconomic development, with a central focus on achieving innovative, coordinated, green, open, and shared growth. A series of speeches by Xi Jinping articulate this new philosophy of development, grounded in the CPC’s fundamental principle of “serving the people wholeheartedly” and its people-centered orientation. Xi argues that in order to ensure development has a comprehensive impact, China must prioritize innovation, coordination, sustainability, openness, and inclusiveness. This vision is structured in two states: from 2020 to 2035, with the goal of building a “moderately prosperous society in all respects,” and beyond 2035, with the aim of transforming China into a “great modern socialist country that is prosperous, strong, democratic, culturally advanced, harmonious, and beautiful.”

The fifth chapter addresses the challenge of developing a modernized Chinese economy. China has achieved remarkable progress, with an average growth rate around 10 percent, making it the world’s second-largest economy. At the same time, however, China faces problems of imbalance, lack of coordination, and unsustainability, as well as exposure to vulnerability in the global financial system. These challenges have prompted China to focus on building a modern economic system that emphasizes competitive advantages in science, technology, and industry upgrading to improve its position in the international division of labor, compete globally, and expand its influence in the world economy.

In this context, at the 16th CPC National Congress, Xi Jinping proposed “putting quality first and giving priority to performance,” identifying supply-side structural reform as the central task, and striving for better quality, higher efficiency, and stronger drivers of growth through reform. In practice, this vision has been translated into several key policies: advancing supply-side structural reforms, making China a country of innovators, revitalizing rural areas, pursuing a strategy of coordinated regional development, strengthening the socialist market economy, and creating new opportunities across diverse sectors.

While the first five chapters focus on China's internal dynamics, the sixth chapter examines the significance and global impact of China's economic development. According to Xi Jinping, China has now entered a new era that marks a historic achievement in its transformation into a modern socialist country. This milestone positions China as an influential global actor—one that contributes meaningfully to humanity, provides aids developing countries, and serves as a development model for them.

At the same time, Xi emphasizes that China does not aspire to become a hegemonic power, which is often associated with the use of military force to exert influence. Instead, his vision of Socialism with Chinese Characteristics for a New Era is framed as a collaborative effort to build a “community of shared future for humankind.” In contrast to Cold War mentalities, hegemonism, and great-power competition—illustrated in Graham T. Allison's notion of the Thucydides Trap and Joseph Nye's Kindleberger Trap—China presents itself as committed to common interests, dialogue, and consultation in international relations, on the premise that all nations are inherently interdependent.

It is within this context that the Belt and Road Initiative is introduced as a framework for fostering connectivity and harmonious, mutually beneficial relations among states. The initiative is presented not only as a means of addressing global challenges such as hunger but also as a way of offering an alternative model of development that is more inclusive, equitable, and complementary to the development path of other nations.

Cai and Zhang's book is a valuable contribution for gaining deeper insight into both China's domestic economic development and its international vision, both of which are directed toward constructing a political economy model with distinctly Chinese characteristics. While much of the book presents a perspective that may appear subjective from a Chinese standpoint, this is precisely what makes it significant: it allows readers to understand why and how China's economic development has been conceived and implemented. By engaging with China's own perspective and logic, readers can grasp the intellectual

foundation of its development strategies as well as the broader international vision that accompanies them. For this reason, the book is highly recommended for students, scholars, and readers interested in international, development studies, and even cultural studies.

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