

Two Elections Will Challenge Chinese Foreign Policy

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What We're Watching

Two key elections — in Taiwan and in the United States — will test Xi Jinping's foreign policy strategy, pose new challenges for his "China Dream" of achieving the rejuvenation of Chinese national power, and reshape regional dynamics in the Asia-Pacific in 2024.

The January 13 election of Lai Ching-te of the more independence-minded Democratic Progressive Party (DPP) as president of Taiwan presents an early political and policy challenge for Xi. Similarly, the U.S. presidential election looming later in the year on November 5 will substantially determine the trajectory of U.S.-China relations for the next four years and beyond. The two drastically different styles of governance of the two likely candidates — incumbent President Joe Biden and former President Donald Trump — present China with substantial uncertainty about the future of U.S. domestic politics and foreign policy priorities.



The Context

Beijing regards the DPP as a secessionist party bent on permanently separating Taiwan from Mainland China. The DPP's victory challenges Xi's narrative that Taiwan is moving inexorably toward reunification with China. A third consecutive electoral triumph for the DPP — by one of the mainland's least favorite Taiwanese politicians — has therefore likely provoked a rethink in Beijing. It may even have concluded that Taiwan's public sentiment has irreversibly shifted in favor of formal independence. If so, the prospects for much greater Chinese pressure on Taiwan — perhaps even a coercive military takeover — could increase considerably, and we may see evidence of this shift in posture over the course of 2024.

In the United States, a Trump victory would inject tremendous uncertainty into an already volatile U.S.-China relationship. Trump's capricious, unpredictable style of leadership — on top of the usual disjunction of a change in presidential administrations — presents a major wild card for Xi and a Chinese system that prefers stability and predictability. On the other hand, Beijing may not necessarily view a change in administrations as entirely unfavorable. President Biden has largely continued the Trump administration's historically hardline China policies anchored in "strategic competition." In fact, Biden has arguably upped the ante by pushing an ideological, democracy vs. autocracy framing of the China challenge, rallying a much tighter coalition of democratic allies willing to act as a balance against Beijing and ramping up the scope and intensity of U.S. technology controls

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targeting China. While Biden has a much stronger personal relationship with Xi, long-term systemic rivalry will probably triumph over personalistic politics.

What to Expect in 2024

- Xi will aim to ward off independence-leaning tendencies following the election in Taiwan by continuing a freeze on official ties and likely escalating military pressure.
- Xi will use 2024 to signal China's intent for peace, stability, and win-win relations with the United States, while making what political preparations it can to both mitigate against and capitalize on a possibly chaotic shift in U.S. political leadership.