



CENTER FOR ASIAN DEMOCRATIC RESILIENCE (CADR)

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Strengthening Democratic Resilience Across Asia

Website: www.beaconasia.org | Email: info@beaconasia.org

Trump, Xi, and the New Uncertainty for Taiwan

Although scarcely reported in the Japanese press, an extraordinary remark by U.S. President Donald Trump on August 15th made front-page news in Taiwan: “*Xi Jinping told me he will not invade Taiwan during my term,*” Trump declared—meaning until January 2029.

Since returning to office in January, Trump is believed to have spoken twice with Xi. The June conversation was publicized, but Trump’s team insists there was also a private exchange in April—one that Beijing has conspicuously declined to confirm. It was likely during the June call that Xi made the pledge not to invade. For Taiwan, this was a momentary sigh of relief, though the island has found itself increasingly at the mercy of Trump’s unpredictable Taiwan policy.

Taiwan Caught Between Friendship and Friction

Long a steadfast U.S. ally, Taiwan now finds Washington's stance unexpectedly harsh. The flashpoint: the new "Trump tariffs."

Japan's Minister of Economic Revitalization, Akimasa Akazawa, after much domestic criticism, managed to negotiate an additional tariff of 15%. Taiwan—closer to Washington and compliant with every American demand—expected a more lenient rate. Instead, its new tariff was set at **20%**, a crushing blow to Taiwanese industry.

Taiwan's economy relies heavily on exports of high-tech goods such as semiconductors, competing with Japan, South Korea, and the European Union—all of which face only a 15% tariff. The extra five points have tilted the playing field, undercutting Taiwan's competitiveness.

Trump's rhetoric has only deepened the unease. He once accused Taiwan of "stealing America's semiconductor business" and has since pressed TSMC to expand U.S. investments—and even to funnel capital toward Intel.

Diplomatic Chill: The Lai Ching-te Episode

Taiwanese President Lai Ching-te planned an August visit to Paraguay, with a stopover in New York to meet key American figures. But following the failed July 26th recall of 24 Kuomintang legislators, Washington's tone suddenly hardened.

According to the *Financial Times*, the Trump administration denied Lai permission to transit through New York—though Taipei denied that such a visit had ever been formally announced. Yet Paraguayan President Peña had already publicized it in July, leaving observers to read between the lines.

Why the cold shoulder? Trump, who admires strongmen, may see little value in meeting a leader without a parliamentary majority. Alternatively, the U.S. may be offering China a quiet concession amid tense rare-earth negotiations. Either way, Taiwan once again appears to be a bargaining chip—a prospect that strikes at the very core of its anxieties.

Is this still the America Taiwan trusted?

America First, Values Last

Since Tsai Ing-wen’s presidency began in 2016, Taiwan has wielded its alliance with liberal democracies—rooted in freedom, democracy, and human rights—as a “moral shield” against Beijing. But Trump rarely speaks of such values. For him, *America First* eclipses all else.

Deprived of moral leverage, Taiwan now finds itself diplomatically stranded. Its appeals to shared ideals fall flat in a Washington that measures every relationship by its transactional yield.

Vice Premier Cheng’s tireless negotiations in Washington over the tariffs ended in futility. The result: a looming economic winter for Taiwan.

Security: Trump’s Ambiguous Commitment

On defense, however, Trump has signaled a willingness to stand firm.

His predecessor, Joe Biden—whether genuinely confused or performing calculated ambiguity—often vowed to defend Taiwan with U.S. troops, only to be contradicted moments later by officials reaffirming the traditional “One China” policy. Trump, by contrast, has restored *strategic ambiguity*: he refuses to say whether America would intervene militarily.

While this silence unnerves Taipei, Trump’s team has spoken clearly. Defense Secretary Pete Hegseth has warned that any Chinese attempt at unification by force would bring “devastating consequences for the Indo-Pacific and the world.” Under Secretary of Defense Elbridge Colby has urged Japan and Australia to define their roles in such a contingency—and to raise their defense spending accordingly.

At the Shangri-La Dialogue in Singapore in May, Hegseth reiterated Trump’s claim that “China will not invade Taiwan during my term.” Trump himself repeated this on August 15th. His aides, it seems, are quietly building the deterrence architecture behind his bravado.

Thus, in matters of **security**, the Trump administration’s stance appears resolute. But economically, it remains relentlessly self-interested. Taiwan’s high-tech strength—semiconductors and AI—makes it both a partner and a rival. Washington’s pressure on TSMC is less about alliance than about absorption.

Two Americas: Protector and Predator

Taipei now faces two Americas:
One that pledges to defend it from China’s missiles, and another that bleeds it dry in trade.

Its government still clings to the Biden-era vocabulary of “freedom and democracy,” unaware that such words have lost currency in Trump’s Washington. Appeals framed around shared values will fall on deaf ears; the only language now understood is leverage.

The Coming Test: 2027

The year 2027 looms large. It will mark the Chinese Communist Party’s next Congress, where Xi Jinping’s grip on power will again be tested. Historically, leaders served two terms—ten years—but Xi broke precedent, seizing a third, and now eyes a fourth. To justify this longevity, he needs a triumph—perhaps the “liberation” of Taiwan.

That same year also marks the **100th anniversary of the People’s Liberation Army**—an awkward milestone if “liberation” remains unfinished. For years, analysts warned that 2027 might be the chosen invasion date. Trump’s assertion that Xi promised restraint “during my term” may have quietly defused that timeline—a statement of enormous consequence that Taiwan’s media rightly splashed across their front pages.

Meanwhile, Western export controls have effectively ring-fenced China’s tech ambitions. If these restrictions hold for another three and a half years, the gap between China and the West will widen to a point of no return. For Taiwan, surviving this interval intact is crucial.

The Shadow of Force

In June, U.S. bombers struck Iran's underground nuclear complex—launched from the American mainland and undetected until impact. It was a show of reach and ruthlessness: a message to Tehran, Pyongyang, and Beijing alike. Trump reassured his brand as *the unpredictable man*. Under such conditions, Xi's assurance that “Taiwan will not be invaded during Trump’s term” seems entirely credible.

But what of 2029 and beyond? Xi has no heir apparent. Every potential successor—from Vice Premier Ding Xuexiang to Shanghai Party Chief Chen Jining—has been sidelined or purged. Xi appears determined to rule indefinitely, even as China’s economy falters and its options narrow.

If he cannot conquer Taiwan, might he turn his gaze elsewhere? The Philippines, perhaps? Yet Manila now has Washington firmly at its back. Japan’s Senkaku Islands, then, may present a softer target—testing both Tokyo’s resolve and Trump’s patience.

For now, vigilance remains Japan’s only shield.