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China has sharply escalated its pressure campaign targeting Taiwan in recent years, particularly by leveraging military and security operations in the “gray zone” between peace and war.

Beijing employs various military assets and tactics for this purpose, including an array of People’s Liberation Army (PLA) aircraft and ships as well as non-military capabilities that can be used to undermine Taiwan’s security.

China uses gray zone military pressure to advance several objectives simultaneously. These include asserting Beijing’s claim to Taiwan, intimidating Taipei and its partners, improving the PLA’s combat capabilities, wearing down Taiwan’s military, and creating a cross-Strait “new normal.”

Policymakers in Washington and Taipei should respond to such gray zone pressure tactics by gauging their effectiveness, improving tracking and information-sharing, bolstering resilience, strengthening response capabilities, clarifying and consulting on response thresholds, and shaping the narrative.
Introduction

The People’s Republic of China (PRC or China) has sharply escalated its pressure campaign targeting the Republic of China (ROC or Taiwan) in recent years. Beijing appears likely to use Taiwan’s upcoming presidential election in January 2024 as a pretext to apply more pressure on the self-governing island, particularly in the “gray zone” using China’s military, the People’s Liberation Army (PLA), along with other tools of state power. There is no precise and commonly agreed upon definition of what gray zone activities are and are not. In general, though, the concept refers to actions that fall into the space between, on one side, peace and, on the other, full-scale kinetic war. Gray zone activities are coercive and aggressive but designed to stay below the threshold of triggering major conflict.

China uses gray zone operations as part of a comprehensive strategy to pressure Taiwan that spans the areas of diplomacy, information, economics, and security. This policy brief examines one major component of that campaign: gray zone military and security operations. It starts by detailing the capabilities and tactics China uses to put security pressure on Taiwan. Then, it explains what Beijing seeks to achieve with those actions. The paper concludes with recommendations for how U.S. and Taiwan policymakers can resist and counter China’s gray zone operations.

PRC Gray Zone Military Pressure Targeting Taiwan

China uses a variety of PLA capabilities to exert gray zone pressure on Taiwan. These include crewed air patrols into Taiwan’s air defense identification zone (ADIZ). Frequent sorties started in 2020 and spiked in August 2022 after the visit of then-U.S. House Speaker Nancy Pelosi to Taiwan. Taiwan’s Ministry of National Defense said that in September 2023, PLA flights in Taiwan’s vicinity hit a new record of 103 sorties in a single day, 40 of which entered Taiwan’s ADIZ or crossed the median line in the middle of the Taiwan Strait.

Incursions now feature a wider variety of aircraft flying different routes, including more circumnavigations completely around Taiwan and crossings of the median line. The latter practice has obliterated an operational norm that helped maintain cross-Strait peace and stability for decades. Moreover, until August 2022, most PLA sorties flew through the southwest corner of Taiwan’s ADIZ closer to Dongsha (Pratas) Island in the South China Sea rather than the more provocative routes near Taiwan’s main island that the PLA often flies now.

Beijing has also upped military pressure using uncrewed aerial vehicles (UAVs). In September 2022, the PLA flew a UAV across the median line for the first time.

The J-10 is one of the various types of aircraft that China flies into Taiwan’s air defense identification zone as part of Beijing’s military gray zone pressure campaign. (Getty)
The same month, Taiwan’s troops shot down a civilian PRC drone that was flying over Kinmen Island, which is controlled by Taiwan but sits right off China’s coastline. In April, a PLA combat drone made the first publicly reported flight completely around Taiwan within its ADIZ. China has also flown surveillance balloons near Taiwan that are similar to the one that flew over the United States in February 2023.

At sea, PLA Navy (PLAN) vessels spend more time closer to Taiwan compared with previous years. PLAN forces contest U.S. support for Taiwan and assert Beijing’s claim that “China has sovereignty, sovereign rights, and jurisdiction over the Taiwan Strait” through deliberately unsafe and unprofessional operations near American and allied military assets. In June, a PLAN warship cut across the bow and came within 150 yards of the U.S. guided missile destroyer USS Chung-Hoon (DDG 93) while the latter transited the Taiwan Strait along with the Canadian frigate HMCS Montreal. Beijing further employs marine survey vessels and hydrographic survey ships to operate near Taiwan.

Incursions now feature a wider variety of aircraft flying different routes, including more circumnavigations completely around Taiwan and crossings of the median line.

China also conducts large-scale military exercises in Taiwan’s vicinity, including more drills east of Taiwan in recent years. Many of those exercises take place in international waters and do not, in isolation, necessarily contravene international laws and norms any more than U.S. and allied exercises in equivalent locations. Taken in context, however, they contribute to a comprehensive pressure campaign to intimidate Taiwan. Official sources said China's first domestically built aircraft carrier, Shandong, practiced operating in the Western Pacific in April and September to surround Taiwan, “cutting down potential escape routes of ‘Taiwan independence’ secessionist forces and keeping external interference forces at bay.”

During the September cruise, the group led by the Shandong sailed south of Taiwan and then met up with another PLAN flotilla that had sailed around Taiwan’s north. Together, they conducted China’s largest-ever aircraft carrier exercises in the Western Pacific.

Such PLA exercises often include China declaring no-sail and no-fly zones in their areas of operations that can force commercial traffic to reroute. Missile launches as part of those drills are especially threatening and have been a feature of major crises, most recently in August 2022 when China fired 11 ballistic missiles toward Taiwan. In a first, four of those missiles flew directly over Taiwan, albeit at a very high altitude.

Finally, in the future, China could start to use military (and paramilitary) gray zone tactics that Beijing has employed elsewhere, such as the South China Sea, but that have not yet been common features of gray zone pressure against Taiwan. These include locking targeting radar on military assets, using lasers to blind operators, and conducting dangerous maneuvers and even ramming operations against aircraft and ships while using combinations of PLAN, China Coast Guard, and paramilitary maritime militia forces.

Non-Military Gray Zone Activities that Affect Taiwan’s Security

Beyond the overtly military tactics described above, China could also pressure Taiwan using gray zone activities that are not explicitly military but still threaten Taiwan’s security. Beijing already uses a variety of means to try to block Taipei’s diplomatic and economic interactions with the world. China also leverages economic coercion and political interference, including disinformation, to try to manipulate the discussion of cross-Strait relations in Taiwan’s domestic politics by amplifying—and sometimes outright fabricating—voices that support closer ties with Beijing on the PRC’s terms.

In the future, China could use non-military gray zone operations in ways that undermine Taiwan’s security immediately rather than affecting its political, economic, or diplomatic trajectory over the medium or long term. China’s already constant barrage of cyberattacks—one study found Taiwan faced an average of 15,000 cyberattacks per second in the first half of 2023—could expand beyond penetrating Taiwan’s networks to steal information and identify vulnerabilities. Beijing could escalate to exploiting those vulnerabilities to disrupt Taiwan’s critical infrastructure. Or China could use disinformation attacks to try to create or feed uncertainty about key events or political figures during a crisis.

Further, China could use powerful legal and regulatory measures to obstruct Taiwan’s international trade. Beijing tested this approach in April after Taiwan President Tsai Ing-wen’s transit of the United States and meeting with then-U.S. House Speaker Kevin McCarthy. Right before the transit, China announced that the Maritime Safety Administration of Fujian Province would conduct a three-day special patrol that included
boarding and inspecting vessels operating in the Northern and Central Taiwan Strait, although no boardings were ultimately reported.\textsuperscript{19} Taiwan’s reliance on imported energy for 97 percent of its needs makes the island particularly vulnerable to disruptions of energy supplies.\textsuperscript{20} The effects of a quarantine or blockade, whether full or partial, would not necessarily be confined to Taiwan or energy, though. They could affect civilian shipping across nearly every sector transiting the busy seas around Taiwan.

Finally, China might tamper with or destroy the 14 undersea cables that connect Taiwan to global telecommunications networks linking to the global internet.\textsuperscript{21} A preview of such a situation came in February, when two undersea cables connecting the Matsu archipelago off the coast of China to the internet were severed, reportedly by a PRC fishing boat and a PRC cargo vessel.\textsuperscript{22}

**Why China Conducts Gray Zone Military Operations against Taiwan**

China conducts these types of gray zone operations for multiple interrelated reasons.\textsuperscript{23} The most direct one is that Beijing claims Taiwan as part of the PRC and wants to contest control over it as part of asserting sovereignty and pursuing Chinese Communist Party General Secretary Xi Jinping’s ambitions for “national rejuvenation.”\textsuperscript{24} Another purpose is to pressure Taiwan and increase the sense of vulnerability in the minds of both Taiwan’s leaders and public. It is also designed to intimidate countries, such as the United States and Japan, that might consider coming to Taipei’s aid in a contingency.

Next, China uses gray zone operations to improve the PLA and degrade Taiwan’s military. Gray zone operations provide the PLA opportunities to practice conducting the types of operational activities—such as flying at night and effectively coordinating across all the military services—they would need to prevail in a conflict with Taiwan. This helps accomplish the objective that Xi has set for the PLA to “intensify military training under combat conditions, laying emphasis on joint training, force-on-force training, and high-tech training.”\textsuperscript{25}

China’s military also watches and learns how Taiwan responds, thereby improving the PLAs understanding of how Taiwan implements its military doctrine—in other words, how Taipei plans to fight. In addition, decades of double-digit budget growth have given the PLA a major size advantage over Taiwan’s military.

Conducting recurring patrols and exercises in Taiwan’s vicinity therefore allows China to wear down Taiwan’s smaller numbers of military platforms and personnel as the latter respond.

Frequent PRC gray zone operations also factor into Taiwan’s decisions about the composition of its military forces. Officials and analysts in both Taiwan and the United States have called for Taipei to adopt an asymmetric defense strategy, or what is often described as a “porcupine” strategy, that would make Taiwan hard for China to “swallow,” that is, to invade and occupy. One factor that makes Taiwan reluctant to fully commit to such a strategy is that it would mean fielding fewer of the crewed aircraft and large surface ships that Taipei uses to counter PRC gray zone military pressure.\textsuperscript{26}

Lastly, China seeks to use its military to gradually encroach on Taiwan, making each intensification of military pressure the “new normal.” The result is near-constant PLA operations in the vicinity of Taiwan, accompanied by the occasional spike in activity at Beijing’s discretion. In this way, China intentionally makes it difficult to determine if a particular set of activities will persist as gray zone pressure or escalate to a larger contingency scenario—especially a limited one such as a blockade or China seizing one of Taiwan’s outer islands.\textsuperscript{27} Some commentators refer to these types of actions as the “dark gray” or “charcoal” zone, that is, gray zone activity that comes much closer to the threshold of war than peace.

To be sure, China’s gray zone operations targeting Taiwan are not cost-free for Beijing. On the contrary, stoking geopolitical risks has significant economic implications that affect China along with Taiwan.\textsuperscript{28} Those dangers contribute to a host of political risk factors causing many officials and business executives, including U.S. Commerce Secretary Gina Raimondo, to openly question whether China has become “uninvestable” and to pursue de-risking.\textsuperscript{29} Moreover, Beijing’s belligerence is contributing to deteriorating relationships with many of China’s neighbors in addition to Taiwan itself.\textsuperscript{30}
Recommendations for Policymakers

**W**hilst standing China’s gray zone military pressure against Taiwan will require taking actions across a range of areas, Policymakers in the United States, Taiwan, and like-minded countries should:

*Gauge effectiveness of PRC gray zone military operations.*

U.S. and Taiwan civilian and military leaders should conduct detailed assessments of the specific effects of China’s gray zone military pressure. They should examine what tactics are effective, to what degree, and what effectiveness means in concrete terms. Given its imbalance of power with China, Taiwan cannot respond directly and proportionally to every PRC action. Instead, Taiwan should directly counter only China’s most high-impact gray zone military activities. For medium-impact behaviors, Taipei should seek out novel asymmetric responses. And for low-impact activities, it should avoid the temptation to devote significant resources in response.

*Improve tracking and information-sharing of China’s operations targeting Taiwan.*

Acquiring a more accurate and complete real-time picture of what is happening in Taiwan’s vicinity can help both Washington and Taipei. The United States and other partners should help Taipei monitor PRC operations in real time. Taiwan’s purchase of MQ-9B SeaGuardian UAVs to be delivered in 2025 will help in this regard. Media outlets have reported that the United States will provide the Link 22 tactical communication system to help operate the drones, and potentially even link them with U.S. and Japanese systems for a more holistic picture. But officials have yet to confirm those reports.

*Bolster resilience.*

Military pressure in the gray zone is designed to take advantage of Taiwan’s vulnerabilities as an island. Taiwan should therefore take steps to make itself more resilient in those same areas. Taipei’s plan to build a satellite internet constellation is a great example of this principle in action. Satellite internet could provide an alternative means of communication if China severs subsea cables. But additional action is needed to increase resilience in several sectors such as energy, medical supplies, and critical industrial inputs. Moreover, the United States and international partners should enhance support for Taiwan’s cyber defenses, much of which can be supplied remotely.

*Strengthen response capabilities.*

China’s military gray zone operations are intended, at least in part, to wear down Taiwan’s forces. Taipei can counter by bolstering its military capacity through increased defense spending and troop training. Taiwan’s announced plans to raise defense spending to 2.5 percent of gross domestic product demonstrate progress compared with previous years, but that figure is still the smallest percentage increase in annual spending since 2018. Similarly, Tsai’s extension of male conscription from four months to a year beginning in 2024 will have both substantive and symbolic benefits, provided that the additional training is rigorous.

For its part, the U.S. decision to use Presidential Drawdown Authority, which allows transfers from existing American inventories, to provide $345 million of defense articles and services to Taiwan can both help improve Taiwan’s response capabilities and do so without adding to the large backlog of weapons that Taipei has purchased but that have not yet been built and delivered. Setting up a Department of Defense (DoD) “Tiger Team” to work with industry to address production delays is another positive step. Going forward, Washington and Taipei should collaborate on combining new technologies, especially uncrewed systems, with innovative operational concepts to respond to gray zone pressure in ways that require fewer resources.

*Clarify and consult on response thresholds.*

In some areas, Taiwan should clarify—for itself, to partners such as the United States and Japan, and, in some cases, to China—thresholds that will prompt Taipei to respond, especially with force. Doing so would not require ruling out the use of force in other situations, just where force would be assured. Establishing general principles in public can be useful, as Tsai has done by articulating the principle that Taiwan “will not act to provoke. But we will absolutely not back down.” Declaring more specific thresholds can be useful, too. Taiwan’s defense ministry has clearly stated that it would engage and try to destroy any PRC forces that breached its 12-nautical-mile territorial waters or airspace.

In addition, Washington and Taipei should consult behind closed doors on what the next steps would be if
such an outcome occurred. Those consultations should take place amid a broader discussion about red lines, when gray zone activities might escalate into a larger contingency, and how both sides are thinking about how to de-escalate a situation without sacrificing fundamental interests.

Shape the narrative.

Both Washington and Taipei should continue to actively make the case that China’s intensifying gray zone military pressure campaign constitutes a change to the status quo and hurts cross-Strait peace and stability. Official and public diplomacy around those topics should target both regional and global audiences. The Taiwan Ministry of National Defense’s September 2020 decision to start publishing information about air and naval incursions illustrates the value of active narrative-shaping. In addition, the United States and like-minded partners should underscore to their PRC counterparts the cost that Beijing pays for upping military pressure on Taiwan.

China needs to avoid hard decoupling and continue to attract foreign investment to address mounting domestic economic challenges. Frequent, aggressive PLA activities targeting Taiwan drastically increase the perceived geopolitical risk associated with investing or locating supply chains in China. Beijing’s actions also drive democratic states to deepen ties with Taiwan to counter PRC pressure and restore balance to the cross-Strait status quo.

Conclusion

China’s gray zone military and security pressure takes many forms and serves multiple aims. Finding ways to resist and counter such pressure on Taiwan is important in the near term, given the upcoming presidential election and transition on the self-governing island. Completely stopping China’s gray zone pressure will be impossible, but it can be resisted and countered. Developing and implementing effective responses will be a cornerstone of the larger effort to uphold the status quo as well as peace and stability across the Taiwan Strait in the years ahead.

2. “Taiwan ADIZ Violations” (ROC Ministry of National Defense data as compiled by Gerald C. Brown, Ben Lewis, and Alex Kung; accessed September 2023), https://docs.google.com/spreadsheets/d/1qbfYFOvqDBJoFZN5elpZwN-TiKZ4nvCUcsSa7oYwm52g/htmlview.

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33. Kathrin Hille and Demetri Sevastopulo, “U.S. to Link Up with Taiwan and Japan Drone Fleets to Share Real-Time Data,” Financial Times, June 8, 2023, https://www.ft.com/content/bde0db76-a7f8-4ecd-b5d5-03de-0b5a8659.


37. The White House, “Memorandum on the Delegation of Authority under Section 506(a)(3) of the Foreign


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