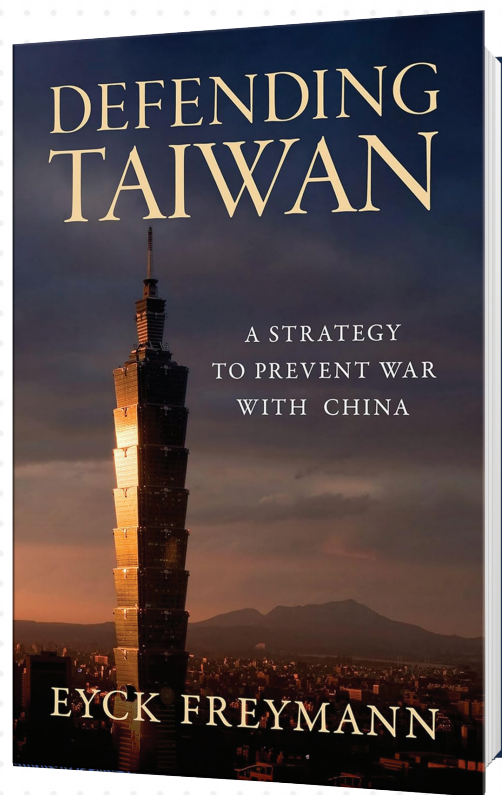




# **DEFENDING TAIWAN:** A Strategy to Prevent War with China

By Eyck Freymann

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## OVERVIEW

### THE PROBLEM

The peace between the United States and China over Taiwan will be tested. Beijing believes "reunification" is inevitable. American military advantages are eroding. Beijing is working to squeeze, isolate, and coerce Taiwan into submission without firing a shot. If deterrence fails, the consequences would be catastrophic for the global economy, U.S. alliances, and the balance of power. Yet the United States lacks an integrated strategy.

### THE RESEARCH

In *Defending Taiwan*, Eyck Freymann presents the first integrated strategy to deter war with China over Taiwan while preserving an honorable peace. The book argues that military deterrence alone will not prevent war. Deterrence requires four pillars working together: political, conventional military, strategic, and economic.

Key insights include:

- **The most dangerous scenario is a crisis in the gray zone—not an invasion.** A quarantine or coercive mobilization would aim to force Taiwan's capitulation without firing a shot. It would dare the U.S. to choose: let Taiwan slip away (with the chip fabs intact) or accept a massive economic shock and the risk of escalation to general war.
- **America must deter the crisis, not just the war.**
- **The United States needs an affirmative economic plan,** not just threats of mutual destruction.
- **Allied coordination is the connective tissue.** The United States needs institutional mechanisms—not ad hoc diplomacy—to mobilize its coalition and sustain it over time.

### THE SOLUTIONS

1. **Build a four-pillar deterrence system** integrating political engagement, military preparation and DIB reform, technological leadership in space and cyber, and economic contingency planning.
2. **Prepare for the gray zone, not just invasion.** Develop contingency plans for quarantine and coercive mobilization scenarios.
3. **Develop an economic contingency plan** based on "avalanche decoupling"—a graduated mechanism for unwinding dependencies on China over time, rather than breaking supply chains on Day One.
4. **Institutionalize the Core coalition** of the U.S., Japan, Australia, the UK, and Canada through standing coordination mechanisms.



## CHAPTER 1: The Cross-Strait Dispute

### THE PROBLEM

China sees Taiwan as a litmus test for U.S. resolve, a hub for the world's most critical semiconductor production, and a gateway to regional dominance and national rejuvenation. Xi Jinping's desired endgame is "peaceful reunification"—in which Taiwan submits to a Hong Kong-style arrangement under duress. But he is preparing for all contingencies and is systematically building the military, industrial, and financial capacity to wage war with the United States. The U.S. has several vital interests at stake, including upholding a free and open Indo-Pacific and preventing China from dominating AI.

### THE RESEARCH

In chapter 1, Freymann analyzes the cross-Strait dispute from both sides, drawing on Chinese-language primary sources to decode Xi's strategic intent.

Key insights include:

- **Xi is probably deterrable.** He has not pledged to personally achieve "reunification" on a fixed timeline. Taiwan is just part of his broader goal of "national rejuvenation."
- **But Xi could miscalculate.** No one knows his decision function or tolerance for risk. U.S. deterrence strategy must therefore show resolve *and* restraint—and build capabilities to threaten everything Xi might care about.
- **The U.S. interest in Taiwan goes far beyond semiconductors.** A successful Chinese takeover would shatter alliance credibility across the Indo-Pacific.

### THE SOLUTIONS

1. **Maintain the One China Policy while strengthening engagement with Taiwan.** The framework is sound; the problem is Beijing changing facts on the ground.
2. **Invest in understanding Taiwan's domestic politics.** U.S. policy is too often driven by assumptions rather than analysis of Taiwan's internal dynamics, public opinion, and defense posture.
3. **Recognize that U.S. interests in a crisis differ from peacetime interests.** In a crisis, Washington would need to harness the initial global reaction to build a durable coalition—requiring advance planning.



## CHAPTER 2: The Gray Zone

### THE PROBLEM

China's gray-zone aggression against Taiwan is a whole-of-government pressure campaign involving the PLA, coast guard, paramilitary groups, the legal system, and the United Front Work Department. This campaign blurs the line between peace and war. The essential problem: at some point on the escalation ladder, Washington must draw lines and activate crisis plans. But mobilizing a decisive response to gray-zone aggression is far harder than responding to invasion.

### THE RESEARCH

In chapter 2, Freymann argues that gray-zone coercion—not invasion—is the most likely and most dangerous pathway to a Taiwan crisis.

Key insights include:

- A “quarantine”—in which China seizes indirect control of Taiwan's trade under the guise of customs enforcement—would be far harder to counter than a blockade. Private companies would likely comply with PRC mandates voluntarily.
- Coercive mobilization for invasion could be used as brinkmanship, forcing the U.S. and Taiwan into costly decisions while giving Beijing the option to stand down or strike. Economic and financial disruptions might begin before any shots were fired, pressuring POTUS to give in rather than respond decisively.

### THE SOLUTIONS

1. **Develop quarantine-specific contingency plans** across the interagency. Current planning is overwhelmingly focused on the invasion scenario.
2. **Prepare to resupply Taiwan under contested conditions**, including government-backed shipping insurance and Merchant Marine activation authorities.
3. **Use selective intelligence disclosure** to disrupt gray-zone brinkmanship, following the Ukraine model.
4. **Develop a concept for when and how to evacuate U.S. and allied citizens on Taiwan.**



## CHAPTER 3: Amphibious Invasion and Blockade

### THE PROBLEM

An amphibious invasion of Taiwan would be the most complex military operation in history. China is building the required capabilities: amphibious transport, long-range precision strike, air superiority assets, and a logistics system for sustained operations under fire. A blockade could accompany or substitute for invasion. The economic and political implications of any of these scenarios would be global in scale.

### THE RESEARCH

In chapter 3, Freymann examines what full-scale conflict would actually look like—operationally, economically, and politically. Deterrence must be credible across the full spectrum of conflict, not just optimized for the most dramatic scenario.

Key insights include:

- **China could not achieve full readiness for invasion through secret preparations.** The crisis would unfold over weeks of escalating brinkmanship.
- **Xi can't be allowed to calculate that blockade = checkmate.** A protracted blockade might strain China's own economy and risk escalation it cannot control. But we must ensure Xi is not tempted by this "Plan B."
- **The political response in the opening days would shape everything.** Taiwan's willingness to resist, allied cohesion, and market reactions could be determined in the first hours. This is why contingency planning matters.

### THE SOLUTIONS

1. **Shore up deterrence across the full conflict spectrum.** The "porcupine" strategy is necessary but insufficient. The U.S. must demonstrate capacity to sustain a protracted fight.
2. **Coordinate with allies on crisis-response plans now,** not during the crisis. Japan and Australia would face agonizing decisions in the first days.
3. **Recognize that economic and political considerations will dominate military ones** once a crisis begins. Military planners cannot treat these dimensions as secondary.



## CHAPTER 4: Political Deterrence

### THE PROBLEM

Washington lacks a framework for engaging Taiwan, managing China's perceptions, or building the coalition it would need in a crisis. Beijing's pressure campaign is designed to drive a wedge between Taipei and Washington while redefining the status quo. The United States cannot wait for a crisis to figure out who its partners are and what they are willing to do.

### THE RESEARCH

In chapter 4, Freymann argues that political deterrence has three components: engaging Taiwan, managing China, and establishing the Core coalition. The chapter introduces "structured ambiguity" as a new communication framework.

Key insights include:

- Structured ambiguity signals that Washington remains committed to the One China Policy, but that if China tries to change the status quo through coercion, the U.S. will respond proportionately to create a new situation that restores regional stability. This deters gray-zone escalation without abandoning flexibility.
- Taiwan's public opinion is highly volatile. The U.S. must show it can work with both parties. Private pressure, public reassurances.
- The Core coalition—the U.S., Japan, Australia, the UK, and Canada—represents over one-third of global GDP and nearly half of global defense spending.
- Neutral countries matter. Effective deterrence requires engaging third countries on shared interests, not pressuring them to choose sides.

### THE SOLUTIONS

1. **Adopt structured ambiguity** as a communication strategy signaling proportionate U.S. responses to coercion.
2. **Institutionalize the Core coalition** through standing mechanisms for joint military, economic, and political contingency planning.
3. **Deepen engagement with Taiwan** in trade, technology, and energy—while pushing Taipei privately to improve defense preparedness.
4. **Develop an affirmative vision for the post-crisis regional order.** The United States must articulate not only why it seeks to deter conflict, but what sort of world order it would want if China went rogue.



## CHAPTER 5: Strengthening Conventional Deterrence

By Eyck Freymann and Harry Halem

### THE PROBLEM

The U.S. military could defeat the PLA today—but on increasingly thin margins. The problem is not losing the technological edge but losing the ability to field it at scale, at speed, and under fire. The procurement process is optimized for peacetime, not wartime adaptation. China is building industrial capacity at unprecedented scale, focusing on where the U.S. force structure is weakest.

### THE RESEARCH

In chapter 5, Freymann and Halem argue that **conventional deterrence requires urgent reform across the entire force structure**. This chapter draws on the authors' companion volume, *The Arsenal of Democracy* (Hoover, 2025).

Key insights include:

- **Deterrence is a system.** The U.S. must integrate new tech while adapting legacy platforms, scale munitions production, and integrate with allies' industrial capacity.
- **Contested logistics is currently the weakest link in our deterrence system.**
- **The submarine force is in crisis.** Fewer than 60 percent of attack submarines are operational. Without swift action, a readiness gap looms.
- **Allied defense-industrial coordination is nonnegotiable.** ITAR reform and coproduction with Japan, Australia, South Korea, and the UK are essential.

### THE SOLUTIONS

1. **Double down on asymmetric advantages** in undersea warfare, surveillance and reconnaissance, long-range strike, and electronic warfare.
2. **Revitalize the submarine industrial base and maritime logistics.** Expand yards, deepen AUKUS, build sealift capacity.
3. **Reform ITAR to enable codevelopment and coproduction** with close allies.
4. **Build surge capacity for critical munitions and drone parts** through multiyear contracts and allied coproduction.



## CHAPTER 6: Preserving Strategic Stability and U.S. Technological Leadership

### THE PROBLEM

China is engaged in the fastest nuclear buildup since the early Cold War—heading toward 1,500 warheads by 2035—without a clear doctrinal explanation. The U.S. now faces two nuclear-peer adversaries whose deepening partnership threatens aggression in two theaters simultaneously. Allies fear both abandonment and becoming targets. The U.S. nuclear arsenal and infrastructure are aging and require sustained modernization.

### THE RESEARCH

In chapter 6, Freymann argues that strategic deterrence is a rapidly evolving competition. It extends well beyond the nuclear domain to include cyber, AI, and space.

Key insights include:

- **The U.S. must maintain a flexible strategic force** with diverse delivery mechanisms and resilient command-and-control.
- **Technology policy must be aligned with strategic deterrence doctrine.** Semiconductor export controls, AI regulation, and cloud-access policies are strategic instruments.

### THE SOLUTIONS

1. **Accelerate recapitalization of U.S. nuclear forces and delivery systems.**
2. **Deploy nuclear-capable intermediate-range systems across the Indo-Pacific.**
3. **Explore nuclear-sharing arrangements with Japan and South Korea.**
4. **Build a resilient hybrid space architecture** with allied partners to ensure C4ISR survivability.
5. **For now, do everything possible to sustain the U.S. lead in AI,** including tightened export controls, talent acquisition and retention, and AI integration in military systems.
6. **Develop a strategic signaling protocol** for AI capabilities to ensure China does not miscalculate.



## CHAPTER 7: Rethinking Economic Deterrence

By Hugo Bromley and Eyck Freymann

### THE PROBLEM

The United States has no credible economic contingency plan for a Taiwan crisis. Threats of sweeping sanctions or financial exclusion may not deter China. China is growing more confident in its ability to survive sanctions. Hard decoupling would devastate allied economies while driving neutrals toward China. History supports this view: “economic mutually assured destruction” doesn’t always deter wars, and plans of extreme economic punishment are often discarded quickly once wars start. Also, U.S. allies are acutely economically vulnerable.

### THE RESEARCH

In chapter 7, Bromley and Freymann argue that we should think about economic deterrence as a political question.

Key insights include:

- **“Economic MAD” is far weaker than nuclear MAD** because it requires third-country cooperation, sustained domestic support, and tolerance of severe costs. Beijing may calculate it can outlast U.S. resolve.
- **Broad sanctions on China and a Malacca blockade would probably not work.**
- **In gray-zone scenarios, economic threats are especially problematic.** In a quarantine, China’s opening move might cause little immediate disruption. The burden would fall on Washington to trigger the economic and financial crisis.
- **There are too many large neutral countries for the U.S. to break China with coercive economic statecraft alone.** Any attempt to bifurcate the global economy would trigger organized resistance. We would need carrots, not just sticks.

### THE SOLUTIONS

1. **Coordinate with allies to prepare for a rupture.** Joining strategic stockpiling, coordinated decoupling of critical supply chains (medicine, etc.). Coordinated central bank and finance ministry preparation.
2. **Prepare for China's retaliation.** Beijing has been building strategic stockpiles, alternative payment infrastructure, and an export control regime.
3. **Prepare a playbook for communicating with financial markets in a crisis short of war.** The U.S. president must be able to tolerate a temporary market panic, or the U.S. has no deterrence against China.



## CHAPTER 8: Avalanche Decoupling

By Hugo Bromley and Eyck Freymann

### THE PROBLEM

If supply chains in and out of China and Taiwan were disrupted, the global economic shock would be devastating. Full-scale decoupling from China is unrealistic. The United States needs a market-driven mechanism for phasing out critical dependencies over time—one that allies can join, neutrals can accept, and markets can price in without panic. We must be able to calibrate the mechanism based on the circumstances—faster or slower, broader or narrower, for peacetime and crisis.

### THE RESEARCH

In chapter 8, Bromley and Freymann propose “avalanche decoupling.”

Key insights include:

- **In a crisis, there would be immense political pressure not to break supply chains.** Allies would not accept full decoupling.
- **We should focus on the most critical dependencies first.** We could decouple in medium-critical and non-critical products later, if desired.
- **Use ratcheting tariffs or quotas to phase out trade on a predictable schedule.** Predictability helps markets price in future decoupling, letting companies find the most cost-effective reshoring pathways. Ideally, Congress would set the terms of the ratchet.
- **Any attempt to decouple from China would lead to large-scale transshipment** of Chinese goods and parts into the U.S. market. Addressing transshipment in a crisis would require sustained, voluntary coordination with other countries.
- **China's real vulnerability is its export manufacturing base**, which employs nearly 100 million workers. China can survive bilateral decoupling with the U.S, but it can't survive losing long-term market access to the U.S. *and its allies.*

### THE SOLUTIONS

1. **Use drones or another critical product to demonstrate a proof of concept for the avalanche mechanism now.** Legislate a total phase-out of imports of drone parts from China over a period of years.
2. **Establish a framework for an Economic Security Cooperation Board (ESCB),** a lean intergovernmental group to tackle transshipment. Use the ESCB coordinate enforcement of rules of origin for the products being decoupled.
3. **Conduct joint economic contingency planning with Core allies** so Japan, Australia, the UK, and Canada are prepared to implement on Day One.



## CONCLUSION: An Integrated Strategy

### THE PROBLEM

The United States has the pieces of a deterrence strategy but lacks the architecture to connect them. Military planners, economists, diplomats, and intelligence analysts work in silos. No one is integrating these efforts. The risk is not that America lacks the capability to deter China, but that it fails to organize that capability into a system Xi Jinping finds credible.

### THE RESEARCH

In the conclusion, Freymann argues that the four pillars must function as an integrated system, with allied coordination as the connective tissue.

Key insights include:

- **Integrated deterrence is psychological warfare directed at Xi.** Together, the four pillars must convince him that coercion would be self-defeating—militarily costly, politically isolating, and economically ruinous.
- **The connective tissue is allied coordination.** Standing institutional mechanisms—not summitry—make deterrence credible.
- **The U.S. needs an affirmative vision** for the international order after a potential rupture with China.

### THE SOLUTIONS

1. **Establish an interagency Taiwan contingency planning process** integrating military, economic, political, and intelligence planning under unified leadership.
2. **Fund the connective tissue.** The FY27 NDAA should prioritize allied coordination, key shortfalls in our force posture (logistics, subs), and the economic response architecture.
3. **Begin partial avalanche decoupling in one targeted sector** to build institutional capacity and signal resolve.
4. **Prepare the American public and Congress for the stakes.** Deterrence requires political will. The case for why Taiwan matters must be made before a crisis forces the conversation.

## About the Author

Eyck Freymann is a Hoover Fellow at Stanford University, where he directs the Allied Coordination Working Group. He is also a Non-Resident Research Fellow at Columbia University's Center on Global Energy Policy, the Institute of Geoeconomics in Tokyo, and the China Maritime Studies Institute at the U.S. Naval War College.

Dr. Freymann works on strategies to preserve peace and protect U.S. interests and values in an era of systemic competition with China. He is the author of several books, including *Defending Taiwan: A Strategy to Prevent War with China* (Oxford, 2026), *The Arsenal of Democracy: Technology, Industry, and Deterrence in an Age of Hard Choices* (Hoover, 2025), and *One Belt One Road: Chinese Power Meets the World* (Harvard, 2021).

## Order the Book

*Defending Taiwan: A Strategy to Prevent War with China* is published by Oxford University Press (April 14, 2026). Available wherever books are sold—or follow the QR code below.



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