

Analysis of today Assessment of tomorrow



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# Is the Trump administration sacrificing Taiwan for negotiations with China?



The decision by the Trump administration to ban Taiwanese President Lai Ching-te from travelling through New York on 28 July has sparked sharp reactions in diplomatic and security circles in the United States, as well as among allies in the Indo-Pacific region and Europe.

Lai had planned to make a standard transit stop in New York during his trips to Paraguay, Guatemala, and Belize—the three countries that still recognise Taiwan—which was standard US and Taiwanese diplomatic practice.

This time, however, according to reliable sources, US officials, under direct pressure from Beijing, informed President Lai Chingte's cabinet that transit through New York would not be authorised.

While an official statement from Taipei stated that the trip had been postponed due to commitments related to the aftermath of the typhoon that struck the island, diplomatic and security sources confirmed that it was due to a political decision by the US administration and not due to technical or weather-related reasons.

## A shift in US-Taiwan policy

The symbolism of this decision goes beyond protocol. The transit of high-ranking Taiwanese officials through the US, even if it was not an official visit, has had a clear strategic meaning over the past twenty years: a demonstration of US support for Taiwan without directly violating the "One China" policy.

In this case, for the first time since the beginning of Trump's second term, Washington has given in to Chinese pressure at a time when trade negotiations are being conducted at the highest level.

Just a few hours before the decision to block transit, talks began in Stockholm between American and Chinese officials about extending the tariff freeze, which expires on 12 August.

Important topics were discussed: the export of high-tech components, the supply chain for rare minerals, digital security, and preparations for the summit between Trump and Xi, which is expected to take place in autumn. In this context, the diplomatic gesture towards Taiwan became a bargaining chip.

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This move is not just a technical correction to diplomatic protocol. According to numerous analysts, it is a key signal that the US policy of deterrence towards China is in the destabilisation phase.

Bonnie Glaser of the German Marshall Fund estimates that such a decision encourages a sense of unease among Taiwan's partners and opens up space for further Chinese pressure—both on Taipei and on other countries balancing between Beijing and Washington.

Rush Doshi, the former director for China and Taiwan on the National Security Council, pointed out that this is the first concrete step backwards in US policy towards Taiwan in a decade.

According to him, the Trump administration is trying to avoid direct points of conflict with Beijing to secure maximum trade concessions, but this pragmatism sends a message of strategic weakness.

It is particularly worrying that this decision was made after Taiwan's previous president, Tsai Ing-wen, travelled smoothly through the United States on her way to visit allies in Central America in 2023.

This very practice was an indicator of the stable, albeit informal, American support for

democratic Taiwan. The decision to deny President Lai this right, despite previous precedent, speaks to a change in priorities, not a technical deviation.

# Destabilisation at home, uncertainty abroad

The domestic political repercussions of this decision in Taiwan could be severe. Lai is already under pressure from the opposition.

The Taiwan Nationalist Party (KMT), which holds the majority in parliament, is **blocking** the president's key security and budget decisions, and the incident could further weaken his international standing.

The loss of American support signals a potential destabilisation of Taiwan's internal political processes, especially as China increasingly uses Taiwan's diplomatic isolation as leverage.

In Washington, Congress is already announcing initiatives that could mitigate the damage. In the next session, Congress will **prioritise** a bill to limit the export of sensitive technologies to China and initiatives for additional military aid to Taiwan.

#### The UK has the opportunity to use the vacuum and provide diplomatic support to Taiwan

But the problem lies not in the legislative response but in the political signal that has already been sent.

For European partners, including the UK, this moment is an important test. In the absence of clear and consistent American leadership, the question is who can uphold the political and moral principles of the international order in terms of democracy and the right of peoples to self-determination.

The UK, which is positioning itself as an independent actor in the Indo-Pacific region

with its "Global Britain" strategy, has the opportunity to use the vacuum and provide diplomatic support to Taiwan in the form of bilateral visits, investment, and political visibility.

## A profound shift in priorities

The New York event shows that American strategy is slipping from the realm of "strategic ambiguity" to "strategic opportunism."

Instead of a policy of deterring Chinese aggression with clear but flexible signals, the United States has shown its willingness to subordinate one of its most important regional relationships to tactical silence in favour of an economic deal.

If this pattern continues, Beijing will likely seek to institutionalise such concessions and test the limits of American tolerance elsewhere in the coming months—through a diplomatic offensive in Latin America, pressure on Pacific island states cooperating with Taiwan, or security incidents in the Taiwan Strait.



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At the same time, the encouragement China receives from such cases may have consequences for other parts of the world, particularly Eastern Europe, where Russia is closely monitoring US behaviour towards weaker partners.

If tolerance towards China is confirmed by the

withdrawal of public support for Taiwan, this could further encourage Moscow's efforts to strengthen its position in the post-Soviet space.

In this context, British and European diplomacy must take a more active role. It is not about taking sides between the US and China, but about preserving a fundamental international principle: partners who share democratic values must not be left behind when they come under pressure.

The UK, itself balancing between transatlantic loyalties and its own global ambitions, has the opportunity to position itself as Taiwan's political ally by taking clear positions, being present in regional formats, and supporting civil and technological initiatives from Taipei. Failure to respond in this way would not only be a strategic failure but also a moral defeat.

The Trump administration's role in this case cannot be explained solely through the prism of pragmatism. The decision to deny the Taiwanese president transit through New York at the same time as trade talks are being held with China is evidence of a profound shift in priorities in US foreign policy.

It is a message to all US partners—that their security, visibility, and status are no longer guaranteed, even in symbolic form.

28 July will be remembered not as a mere administrative formality but as a moment when American diplomacy, for the first time in years, yielded to the demands of the authoritarian regime without compensation for those who trusted it for decades.