If China invaded Taiwan it would destroy world trade, says James Cleverly

UK foreign secretary warns a war across Taiwan strait and likely destruction of semiconductor industry would have global effects

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A Chinese invasion of Taiwan would destroy world trade, and distance would offer no protection to the inevitable catastrophic blow to the global economy, the UK's foreign secretary, <u>James</u> Cleverly, warned in a set piece speech on Britain's relations with Beijing.

In remarks that differ from French president Emmanuel Macron's attempts to distance Europe from any potential US involvement in a future conflict over Taiwan, and which firmly support continued if guarded engagement with Beijing, Cleverly said "no country could shield itself from the repercussions of a war in Taiwan".

He added that he shuddered to think of the financial and human ruin that would ensue.

Urging no side to take unilateral action to change the status quo, he asserted the relevance of <u>Taiwan</u> to UK interests saying: "About half of the world's container ships pass through these vital waters [the Taiwan Strait] every year, laden with goods bound for Europe and the far corners of the world. Taiwan is a thriving democracy and a crucial link in global supply chains, particularly for advanced semi-conductors.

"A war across the <u>Strait</u> would not only be a human tragedy, it would destroy world trade worth \$2.6 trillion, according to Nikkei Asia. No country could shield itself from the repercussions.

"Distance would offer no protection from this catastrophic blow to the global economy – and to China most of all."

He added: "As we watch new bases appearing in the South China Sea and beyond, we are bound to ask ourselves: what is it all for? Why is China making this colossal investment?

"If we are left to draw our own conclusions, prudence dictates that we must assume the worst."

Overall Cleverly set himself apart from advocates of economic decoupling including some of his own backbenchers saying he wanted Britain to "engage directly with China, bilaterally and

multilaterally, to preserve and create open, constructive and stable relations, reflecting China's global importance".

Although he said the mass incarceration in Xinjiang cannot be ignored or brushed aside, he said: "We believe in a positive trade and investment relationship, whilst avoiding dependencies in critical supply chains.

"We want British companies to do business in China – just as American, ASEAN, Australian and EU companies do – and we will support their efforts to make the terms work for both sides, pushing for a level playing field and fairer competition."

China he acknowledged represented a ruthlessly authoritarian tradition utterly at odds with Britain's own. "But we have an obligation to future generations to engage because otherwise we would be failing in our duty to sustain – and shape – the international order. Shirking that challenge would be a sign not of strength but of weakness."



nvasion of Taiwan would be a 'horror scenario', says German foreign minister – video

At the same time he balanced this by saying: "The UK had a right to protect core interests too, and one of them is to promote the kind of world that we want to live in, where people everywhere have a universal human right to be treated with dignity, free from torture, slavery or arbitrary detention."

He insisted, without going into details: "We are not going to be silent about interference in our political system, or technology theft, or industrial espionage. We will do more to safeguard academic freedom and research." He did not repeat the promise by Rishi Sunak, the prime minister, to close Chinese-controlled Confucius Institutes at British universities.

He also urged China in its relations with Russia over Ukraine not to allow Vladimir Putin to trample upon China's own stated principles of non-interference and respect for sovereignty.

He told China: "A powerful and responsible nation cannot simply abstain when this happens, or draw closer to the aggressor, or aid and abet the aggression. The rights of a sovereign nation like Ukraine cannot be eradicated just because the eradicator enjoys a 'strategic partnership' with China."

Beijing's response to the speech was muted. Mao Ning, a spokesperson for the foreign affairs ministry, focused on Cleverly's call for China to be transparent about "the doctrine and intent behind its military expansion".

Mao accused Cleverly of making a "groundless" accusation, and said China's defence building was aimed at safeguarding its own security.

"We advance modernisation in a peaceful way and have never invaded any country," she said at a regular press conference. "China has always pursued a national defence policy that is defensive in nature."

In an editorial, nationalistic tabloid the Global Times, said still the speech was "full of cold war cliches" but also broadly a "correction of the UK's aggressive line towards China".

"We welcome Cleverly's positive remarks, at least it can be seen a little possibility of a turnaround in China-UK relations, but we remain cautious about how much it will be implemented in the UK's China policy," it said, warning the UK not to "interfere in the Taiwan question".