Broken Nest: Deterring China from Invading Taiwan

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Broken Nest: Deterring China from Invading Taiwan

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ABSTRACT: Deterring a Chinese invasion of Taiwan without recklessly threatening a great-power war is both possible and necessary through a tailored deterrence package that goes beyond either fighting over Taiwan or abandoning it. This article joins cutting-edge understandings of deterrence with empirical evidence of Chinese strategic thinking and culture to build such a strategy.

Introduction

Would the People’s Republic of China (PRC) invade Taiwan if it meant risking war with the United States and its allies? In the past, it was clear Beijing had no appetite for starting a war over Taiwan its military could not win. Today, however, a growing number of US-based analysts are skeptical China can be deterred from attempting unification with Taiwan by force. They claim Chinese leaders no longer tremble at the prospect of the United States coming to the defense of Taipei because Beijing’s top brass increasingly believes it would prevail in a war over the island.¹

Some of Taiwan’s staunchest supporters argue for a strengthening of US commitments in response to China’s growing confidence and assertiveness. One familiar recommendation is for Washington to trade its long-standing policy of “strategic ambiguity” (meant to leave both China and Taiwan guessing as to how the United States would respond in the event of war) for “strategic clarity” in favor of Taipei.² This view claims the threat of a Chinese invasion has grown only because the United States has failed to keep pace with China’s rising power. If Beijing were convinced any move against Taiwan would be met with the full force of the US military, then the risk of war would drop precipitously.

While the United States no doubt has a strong interest in deterring a Chinese takeover of Taiwan, relying on the latent threat of a great-power war is the wrong approach. Not only is such a strategy becoming less credible as the regional military balance shifts in China’s favor, but it also requires both

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the United States and Taiwan to accept unnecessarily high risks as the price of maintaining a fragile peace. Instead, leaders in Washington and Taipei should develop a joint strategy of deterrence by punishment to convince their counterparts in China that, although Taiwan might be conquerable in the short term, its capture would trigger the imposition of unacceptable economic, political, and strategic costs upon Beijing. If done correctly, such a strategy could discourage a Chinese invasion of Taiwan while simultaneously lessening the chances of an unwanted great-power conflict, especially if combined with good-faith efforts by the United States to make the status quo more tolerable for both China and Taiwan.

The Threat of War

The US interest in preventing a PRC invasion of Taiwan is straightforward and compelling. If Taiwan fell to China, a successful democracy would be extinguished, and Beijing’s geopolitical position in East Asia would be enhanced at the expense of the United States and its allies. Even analysts who caution against inflating the strategic importance of Taiwan accept the fact that . . . all things being equal, there are substantial costs and risks attached to abandoning Taipei to China. Yet, the United States obviously has a countervailing interest in avoiding war with Beijing. Such a conflict would be ruinous even if the United States won—a misleading term, perhaps, given even a military action that successfully averted a Chinese takeover of Taiwan would still leave the United States in the unenviable position of “becoming the permanent defense force for Taiwan.” Needless to say, with the changing military balance in East Asia, it is entirely possible the United States would lose. Of course, if a US-China war “went nuclear,” then the outcome could be nothing short of cataclysmic for people in the United States, Taiwan, China, and elsewhere.

No matter how much the United States wishes to preserve Taiwan’s de facto independence, the costs of war mean US responses suffer from serious

credibility problems. Relying on an explicit or implicit threat of war to deter China might even be counterproductive if it leads Beijing to assess that the military balance across the Taiwan Strait permits an invasion. For example, it might be rational for Chinese leaders to order an assault if they had intelligence suggesting the United States would not fight—or would fight and lose.

In previous decades, the United States enjoyed clear military supremacy over China, and thus, American deterrence capabilities were more credible. For example, in June 1950, President Harry Truman interposed the Seventh Fleet between mainland China and Taiwan “to ‘neutralize’ the Taiwan Strait” and to discourage Chinese forces from attempting an amphibious attack. More than 40 years later, President Bill Clinton impressed America’s military superiority upon Chinese leaders with the dispatch of two carrier strike groups to the region—a show of force that, while successful in the short term, had the long-term effect of convincing China’s leaders to pursue massive investments in anti-ship ballistic missiles.

Today, the United States has more difficulty engaging in such exercises of “deterrence by denial.” The People’s Liberation Army (PLA) is now powerful enough it probably could overrun Taiwan even if the United States intervened to defend Taipei. Both sides know this—or at least strongly suspect it. A Chinese analyst with connections in the PLA Navy told us the PLA’s goal for a successful invasion was 14 hours, while it projects the United States and Japan would require 24 hours to respond. If this scenario is close to being accurate, China’s government might well be inclined to attempt a fait accompli as soon as it is confident in its relative capabilities. This perspective is consistent with thinking expressed in the PLA’s 2013 Science of Military Strategy, which exhorts the nation “to strive to catch the enemy unexpectedly and attack him when he is not prepared, to seize and control the battlefield initiative, paralyze and destroy the enemy’s operational system and shock the enemy’s will for war.”

Even if the United States intervened before China could secure a fait accompli, Chinese strategists have growing confidence the United States

would lose a war over Taiwan. If such a scenario played out, it would offer China a major victory in terms of domestic and international prestige—an enticing prospect for any leader, especially one intent on definitively reestablishing China as a great power. Chinese strategic thinking emphasizes the possibility and utility of limited wars and projects confidence in the ability of war handlers to bring such an engagement to a favorable political outcome. This strategy is precisely what the PRC attempted to execute in the Sino-Indian War in 1962, the Sino-Soviet border conflict in 1969, and the Sino-Vietnamese War in 1979. The fact that all of these operations were successful militarily but failures politically seems to go unnoticed.

China’s geographic advantages and technological advances make it difficult for the United States to restore the credibility of a deterrence-by-denial strategy. At most, bolstering the number and type of US forces in the region could help reduce China’s expectations of a quick and decisive victory. Beijing would not remain passive in the face of an expanded US military footprint around Taiwan. To maintain long-term strategic advantage, the United States must be willing to participate in an all-out arms race with Beijing—one that could not easily be won, and which would substantially reduce the chances of finding a diplomatic solution to the dispute. This possibility does not mean China is altogether undeterrable. What it does mean is deterrence must be based more on threats of penalties in response to an invasion (deterrence by punishment) rather than threats to prevent conquest from succeeding militarily (deterrence by denial). If penalties for invading Taiwan can be made severe and credible enough, Beijing could still be deterred from choosing such a course of action.12

Of course, America’s current policy toward Taiwan is already partly based on the logic of deterrence by punishment—that is, an implicit threat to wage a war against China that might not be limited to the Taiwan Strait. The “AirSea Battle” concept, for example, included extensive strikes on the Chinese mainland.13 From the US perspective, however, this military-heavy version of deterrence by punishment is grossly unattractive. Not only does China have good reasons to doubt whether the United States would follow through with escalatory attacks, but it is not clear that China would emerge as the biggest loser even if such strikes were meted out and China responded, either asymmetrically or in kind. Moreover, even winning such a war would not provide the United States and Taiwan a permanent sustainable resolution to the issue of cross-Strait relations. We agree with Andrew Scobell’s point that “for the

Taiwan issue to be resolved once and for all, the outcome must be satisfactory to Beijing."\textsuperscript{14} Below, we propose a deterrence-by-punishment strategy that does not hinge upon the credibility of a US threat to wage a great-power war against China and which, while not offering a roadmap to a permanent resolution, at least promises to lower the costs of the status quo for all concerned.

\textbf{Beijing’s Changing Calculus}

It would be better for the United States and Taiwan if a Chinese invasion could be deterred without Washington having to threaten a great-power war. Below, we argue there are other options in this regard—options worth exploring. But first, it is useful to consider why China has adopted a more assertive position toward Taiwan in recent years. Informed analysts now assess there is a nontrivial chance of a Chinese invasion within the next decade. Why?

One reason is the military balance across and around the Taiwan Strait has shifted in Beijing’s favor. China’s much vaunted anti-access/area-denial capabilities mean the PLA now stands a greater chance of keeping US forces at bay than was feasible in the past, allowing the PLA to seize what it calls the “three dominances”: (1) localized command of the sea, (2) command of the air, and (3) command of information. In the event of war, China’s advanced radar systems and overwhelming missile firepower would now likely be enough to clinch victory in what Chinese strategists predict would be a “localized war under informationized conditions.”\textsuperscript{15} Chinese strategists have judged such a conflict as one of both high probability and high danger, and so for more than two decades the PLA has focused on preparing for such a scenario. From Beijing’s perspective, these preparations greatly reduce the cost of action against Taiwan. As the PLA continues to modernize and gain relative advantages over other actors in East Asia, the costs of such action will continue to decrease.

On the other side of the ledger, the cost of restraint has increased for China. The cost of restraint is a critical, but undertheorized, aspect of deterrence.\textsuperscript{16} It indicates the acceptability of the status quo—in this case, the acceptability of a prolonged irresolution to the dispute over Taiwan’s political status. For China, the cost of restraint is increasing as Taiwan moves further away from the mainland, particularly in terms of its core national identity. The assertiveness of Taiwan’s Democratic Progressive

\textsuperscript{14} Scobell, “How China Manages Taiwan,” 35.
\textsuperscript{15} Xiaosong, \textit{Science of Military Strategy}, 123.
Party and the associated decline of the Chinese Nationalist Party are concrete representations of this shift. Since the Taiwanese view developments in mainland China and Hong Kong with alarm—especially the PRC’s anti-democratic policies—it is increasingly difficult to envisage Taiwan and China “coming together and moving forward in unison,” as Xi Jinping and other PRC leaders insist must happen.\(^{17}\) It is small wonder growing numbers of Taiwanese recoil at the idea of political union with Beijing, but if China perceives Taiwan as rejecting the principle of peaceful reunification, its leaders might see no option but to pursue a military solution.

Hawks in China blame the United States for encouraging what they see as Taiwan’s shift away from the 1992 consensus of “one China with different interpretations.”\(^{18}\) To them, US policies of reassurance seem increasingly provocative. Whereas the United States once professed an interest in upholding the status quo across the Taiwan Strait, China now suspects a more aggressive policy that places Taiwan back under the US defense umbrella, as it was before 1979. This perception is fueled by talk of Taiwan once again serving as a useful outpost for the “free world.”\(^{19}\)

The factors pushing China toward an invasion are not ones the United States can easily forestall. China’s military gains can be blunted, but not reversed. Nor is it possible for Washington to alter Taiwan’s domestic politics or the fervor with which the PRC opposes the idea of indefinite Taiwanese independence. Yet there are levers US leaders could pull to make an invasion of Taiwan less desirable to China. First, the United States can raise the costs of action for China via a deterrence-by-punishment strategy that threatens Beijing, not with war, but with the frustration of its other national priorities.

Second, it can reduce the costs of restraint for China by making good-faith efforts to fulfill the spirit of the US-China rapprochement vis-à-vis Taiwan. These two goals can be pursued in tandem with a view to strengthening deterrence, enhancing the long-term stability of cross-Strait relations, and thereby furthering the national security interests of both the United States and Taiwan—and, perhaps, even the PRC. In what follows, we take each lever in turn.

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A Chinese proverb asks, “Beneath a broken nest, how (can) there be any whole eggs?” The proverb means if the United States cannot prevent China from seizing Taiwan by force, it should instead develop a strategy to convince China’s leaders an invasion would produce a peace more injurious than the status quo. As noted previously, the United States already incorporates the logic of deterrence by punishment into its overall Taiwan strategy. What distinguishes the broken nest approach from other deterrence-by-punishment proposals is that it does not rely upon America’s willingness to use military force; the strategy is unique in the sense that it has the potential to deter China from invading Taiwan while also reassuring all sides a great-power war is not being threatened by the United States.

Short of military reprisals, the United States could levy a number of penalties on Beijing. The most obvious first step is to make Taiwan more resilient to an invasion, such as through the purchase of the right kind of defensive weapons from the United States (for example, truck-mounted harpoons, mobile rocket systems, and surf-zone sea mines). Progress has been made recently in this regard. The more Taiwan can credibly threaten to wage a war of necessity to defend itself, the less the United States will have to threaten to wage its own war of choice. Leaders in Taipei must also convince Beijing it would face a long and costly struggle to repress Taiwan’s 23.5 million citizens. At minimum, Beijing must anticipate widespread civil disobedience. More seriously, China could be made to expect guerrilla warfare in Taiwan and perhaps even the prospect of violence being exported to the mainland. At present, Taiwanese vary by how far they support fighting a “war of necessity” to defend their island. For deterrence to work, it will be important for leaders in Taipei to

consolidate domestic support for resisting Chinese aggression and to build resistance capabilities.\textsuperscript{25}

On its own, however, the expectation of facing a robust but eventually unsuccessful defense is unlikely to deter a Chinese invasion. Beijing must also be made to believe conquering Taiwan, while satisfying one core goal of the Chinese state, cannot be done without jeopardizing other core interests. In practice, this strategy means assuring China an invasion of Taiwan would produce a major economic crisis on the mainland, not the technological boon some have suggested would occur as a result of the PRC absorbing Taiwan’s robust tech industry.\textsuperscript{26}

To start, the United States and Taiwan should lay plans for a targeted scorched-earth strategy that would render Taiwan not just unattractive if ever seized by force, but positively costly to maintain. This could be done most effectively by threatening to destroy facilities belonging to the Taiwan Semiconductor Manufacturing Company, the most important chipmaker in the world and China’s most important supplier. Samsung based in South Korea (a US ally) is the only alternative for cutting-edge designs. Despite a huge Chinese effort for a “Made in China” chip industry, only 6 percent of semiconductors used in China were produced domestically in 2020.\textsuperscript{27} If Taiwan Semiconductor Manufacturing Company’s facilities went offline, companies around the globe would find it difficult to continue operations.\textsuperscript{28} This development would mean China’s high-tech industries would be immobilized at precisely the same time the nation was embroiled in a massive war effort. Even when the formal war ended, the economic costs would persist for years. This problem would be a dangerous cocktail from the perspective of the Chinese Communist Party, the legitimacy of which is predicated on promises of domestic tranquility, national resilience, and sustained economic growth.

The challenge, of course, is to make such a threat credible to Chinese decisionmakers. They must absolutely believe Taiwan’s semiconductor industry would be destroyed in the event of an invasion. If China suspects Taipei would not follow through on such a threat, then

deterrence will fail. An automatic mechanism might be designed, which would be triggered once an invasion was confirmed. In addition, Taiwan’s leaders could make it known now they will not allow these industries to fall into the hands of an adversary. The United States and its allies could support this endeavor by announcing plans to give refuge to highly skilled Taiwanese working in this sector, creating contingency plans with Taipei for the rapid evacuation and processing of the human capital that operates the physical semiconductor foundries.

Such a “broken nest” approach is not without precedent. Sweden made an analogous threat of selective scorched earth during World War II with reference to its iron ore mines—a key source for industrial war materials—as part of its overall strategy of anti-Nazi deterrence. Taiwan’s threat would become even more potent than Sweden’s if Taipei made and publicized plans to target the mainland’s chip-fabrication lines using cruise and ballistic missiles, including the Semiconductor Manufacturing International Corporation facility in Shanghai. A preplanned sanctions campaign against any chip exports to China, led by the United States but supported by South Korea and other allies, would enhance this approach.

No doubt the Taiwanese will have grave concerns about threatening China with a defensive war that likely cannot be won. The prospects of implementing scorched-earth and guerilla-warfare tactics will be similarly unappealing. It will therefore be a major challenge to make these threats credible to China, though perhaps not as difficult as convincing Beijing that Taiwan and the United States are willing to risk a great-power war over Taiwan’s political status. Paradoxically, however, it is only by making these threats credible that they will never have to be carried out. In any case, the threats outlined above—even if carried out to the maximum extent—will be far less devastating to the people of Taiwan than the US threat of great-power war, which would see massive and prolonged fighting in, above, and beside Taiwan.

Nevertheless, it would be prudent to develop a deterrence-by-punishment strategy that does not entirely rely upon threats made by the Taiwanese. Other aspects of this type of strategy might include economic sanctions and threats in coordination with America’s regional allies, especially Japan (the actor in East Asia with the greatest disparity between latent and actualized

power), to worsen China’s long-term regional security environment. At minimum, the US government should take the lead in developing credible threats of economic sanctions and political isolation, focusing especially on the semiconductor sector—where many necessary high-tech inputs originate from a handful of American companies—leaving leaders in Beijing under no illusions about the punishments that would flow from an invasion of Taiwan. More severely, the United States might signal an attack on Taiwan would lead to a green light for allies such as Japan, South Korea, and Australia to develop their own nuclear arsenals. If China can be made to believe invading Taiwan will result in one or more additional nuclear powers aligning against it, then this possibility ought to be an effective deterrent.

Such threats would have the advantage of making the Taiwan issue not just a battle of wills between the United States and China, but a fundamental question of what China wants its place in the region and wider world to be. Does China want to provoke the ire of its Asian neighbors, or would it prefer to advance its ambitions of regional leadership and peaceful cooperation? Again, the purpose here must be to convince Chinese leaders invading Taiwan will come at the cost of core national objectives: economic growth, domestic tranquility, secure borders, and perhaps even the maintenance of regime legitimacy.

On their own, none of these expected punishments would suffice to deter a Chinese invasion of Taiwan. Taken together, though, they might prove effective. If calibrated properly, a deterrence–by–punishment strategy would make an attack irrational from the Chinese perspective. This result must be the goal of a US and Taiwanese joint strategy.

Reducing the Costs of Restraint

One possible objection to our argument is, since reunification with Taiwan is a long-standing objective of the Chinese state—a goal motivated by nationalism, irredentism, and the Chinese Communist Party’s perpetual quest for domestic legitimacy—China’s leaders will not pause to calculate costs and benefits when weighing a decision to invade Taiwan. If this view is correct, the possibility of deterring a Chinese invasion of Taiwan, whether by denial or by threats of punishment, is minimal indeed.

Analysts in the United States cannot rule out the possibility China might one day embark upon an invasion of Taiwan regardless of the costs. It would

be wrong, however, for America to base its Taiwan policy upon the belief China’s leaders are irrational, or to lock itself into a strategy that would be catastrophic if China acted recklessly. In the past, China has been persuaded the status quo across the Taiwan Strait is tolerable, despite Chinese strategists describing Taiwan as a “core interest” that admits no “room to maneuver.” As noted previously, Beijing also recognizes other core interests such as national development, the pursuit of international prestige, and the maintenance of domestic stability—all of which might be jeopardized by an ill-judged conquest of Taiwan.

The Chinese Communist Party has two principal objectives with deadlines: to “basically realize” “socialist modernization” by 2035 and to become a “great modern socialist country” by 2049. Given China’s internal demographic, ecological, social, and economic challenges, these goals will be difficult for the PRC to accomplish. They will become impossible targets if a successful invasion of Taiwan is met with the punishments described above. The rest of the “China Dream” will similarly be thrown into disarray. Strategy is about balancing key interests—something Chinese leaders understand well.

In a 1975 meeting, Henry Kissinger and Mao Zedong discussed when Taiwan would return to the mainland. Mao said: “In a hundred years.” Kissinger replied: “It won’t take a hundred years. Much less.” Mao then rejoined: “It’s better for it to be in your hands. And if you were to send it back to me now, I would not want it, because it’s not wantable. There are a huge bunch of counter-revolutionaries there.” The goal of the broken nest strategy should be to make Taiwan, given the PRC’s broader interests, unwanted.

Still, Beijing must be reassured that choosing to forgo an invasion of Taiwan would not be tantamount to losing Taiwan. Raising the costs of a Chinese invasion must constitute only one part of the solution to the current strategic quandary; Taiwan and the United States must also move to ease China’s costs of restraint. Washington must restate in unambiguous terms the status of Taiwan is undetermined, that the United States has no plans to support independent statehood for Taiwan, and it will not seek to shift the status quo using gray-zone tactics that violate the spirit of Sino-American

rapprochement. Simultaneously, Washington must remain implacably opposed to a forcible resolution of the Taiwan question.

Unlike strategies placing the threat of military reprisal at their core, a deterrence-by-punishment strategy does not rely on the United States bolstering its military forces in Northeast Asia. This approach leaves the United States some room to adopt a force posture capable of reassuring allies such as Japan and South Korea about their collective defense, while also convincing both Taiwan and China the United States is truly committed to maintaining the status quo across the Taiwan Strait. It also frees the US military to divest itself from vulnerable bases in Japan that may on balance make great-power war more, rather than less, likely—via a preemptive Chinese attack in an active-defense situation. Shifting the burden of deterrence from military reprisal to non-military punishment might also reduce the likelihood of a war caused by miscalculation, while also removing the pretext that China’s buildup is a response to US and Taiwanese provocations.

Of course, there are dangers associated with reducing the US military footprint around Taiwan. Careful research and planning must be conducted in conjunction with regional partners to ascertain what level and type of US forward deployment would be necessary to reassure allies while also lessening the chances of war. There should be no drawdown of military forces until such a time as a credible deterrence-by-punishment strategy has been put in place; otherwise Beijing might perceive a window of opportunity to wage a successful attack. Additionally, Taiwan might be less encouraged to stage an independent fight against China if it no longer believes the United States would (or could) intervene on its behalf. That said, given reports about low morale in the Taiwanese Armed Forces, as well as low defense spending (around 2 percent of GDP), a shock to the status quo might be just what the situation requires. Regardless, relying less on threats of force is not the same as ruling out the use of force altogether. Ambiguity will always exist about whether the United States would use force in the event of a Chinese invasion of Taiwan.37

Conclusion: Deterrence and Reassurance

The policy of the United States must be to discourage the use of military force to upend the status quo across the Taiwan Strait. US foreign policy, however, must also consider the reality of the situation: military deterrence is becoming less credible than in the past. Additionally, relying on military power to deter Chinese aggression requires the US and Taiwanese governments to burden their citizens with high risks. A new approach to deterrence is needed, one that relies less on the dangerous threat of military force than is presently the case.

A twofold strategy of raising the costs of breaking Taiwan’s nest while faithfully maintaining the value of an unbroken nest is the most prudent way to deter a Chinese invasion of Taiwan and, thus, avoiding a great-power war. China must be made to believe there are no overall gains to be had from a military invasion of Taiwan, whereas there are considerable advantages to maintaining the status quo. In the final analysis, a strategy based purely—or even mostly—upon military deterrence cannot achieve these goals. Unless US leaders are truly willing to fight World War III in defense of Taiwan, they would do well to consider strategies of deterrence that do not rely upon the threat of a military reprisal. We have argued it is possible to imagine such an alternative strategy of deterrence—one that relies on nonmilitary means of severe punishment rather than an expectation of being able to repel militarily a Chinese invasion.

That said, we are clear-sighted about the difficulties of orchestrating a credible strategy of deterrence by punishment. Not least of all, a broken nest strategy means accepting China can likely conquer Taiwan if it chooses to do so. It also means laying plans to destroy key Taiwanese infrastructure at great economic cost. Nonetheless, we maintain China could probably conquer Taiwan even if the United States intervened. Moreover, the social and economic costs of a great-power conflict would dwarf the targeted demolition of Taiwan’s semiconductor industry or the inevitable harms produced by an insurgency.

To conclude, the broken nest strategy hinges on the United States not taking any action that China’s leaders would interpret as an act of war. In such a situation, if Beijing did consider the United States an active belligerent, it might initiate first strikes against US forces. This possibility must be considered seriously. There are few ways to deter a Chinese invasion of Taiwan that involve zero risk of conflict. For the next decade or so, the best way to deter Chinese aggression while lowering
the chance of a great-power conflict is to follow the path outlined above:
if war, a broken nest; if peace, a tolerable status quo.

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