

CHINA SECURITY

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Taiwan Redux

More Carrot Than Stick
Chong-Pin Lin

The Long Road Ahead
Huang Jiashu

Wild Card: A Democratic Taiwan
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Peace or War: Taiwan at a Critical Juncture
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How China Wins a Space War
Brian Weeden

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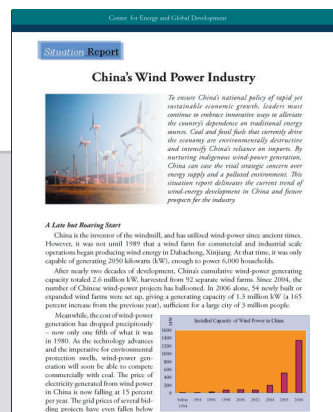
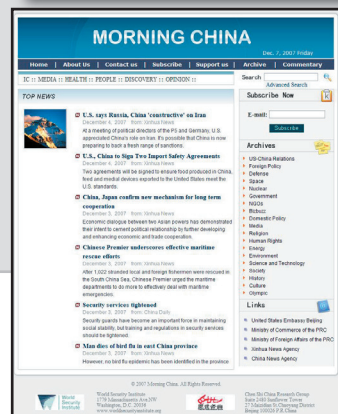
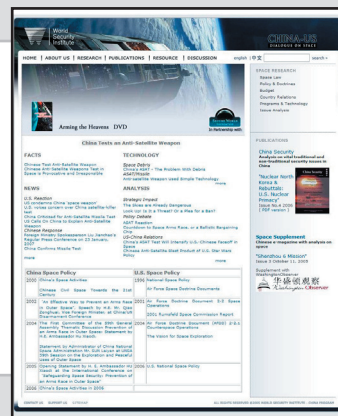
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More Carrot Than Stick: Beijing's Emerging Taiwan Policy

Chong-Pin Lin

Hu Jintao was expected to take a strident position toward Taiwan at the recent 17th Party Congress of the Chinese Communist Party, convened in Beijing on Oct. 15, 2007.¹ The reason was simple. Taiwan President Chen Shui-bian had for several months launched a campaign for his country to join the United Nations under the name of Taiwan, rather than the Republic of China (ROC), a provocative maneuver that was perceived by many as inching toward *de jure* independence. A veteran China watcher from the Kuomintang (KMT), Taiwan's opposition party, expressed with alarm that "the cross-Strait tension is now worse than in 1996 and 1999," predicting that Beijing would surely "oppose Taiwanese independence with tough statements" at the upcoming Party Congress.²

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Surprisingly, Hu's keynote speech before the Party Congress largely soft-pedaled the Taiwan issue, made no mention of Taipei's United Nations campaign, and deleted the customary mantra of "oppos[ing] Taiwanese independence, one China one Taiwan, and two Chinas."³ Moreover, he extended an olive branch to Taipei by offering to negotiate a "peace treaty."⁴ This turn of events, in fact, may have been anticipated, had two trends already in progress been taken into consideration. First, Hu Jintao has advanced a significantly different set of policies toward Taiwan than his predecessor Jiang Zemin. The second is the shift in factors that have determined Beijing's posture vis-à-vis Taiwan since the 1990s. These trends augur a far more agile and sophisticated approach in Beijing's policies toward Taipei that will likely continue through 2008.

Policy Shift: Jiang to Hu

As Hu Jintao gradually took over the levers of power from Jiang Zemin between 2002 and 2005 (Party leadership in November 2002, the military in September 2004, and the State in March 2005), Beijing's Taiwan policy began to fundamentally shift, even while it remained consistent in a number of important respects. On balance, however, the changes have outweighed the continuities and have laid the foundation for significant opportunities to open up cross-Strait relations.

A number of policies have remained constant over the Jiang-Hu transition of leadership. First, over the last decade or so, Beijing has continued to increase the number of short-ranged ballistic missiles – Dongfeng IIs and DF15s – deployed across the Taiwan Strait at the rate of some 70 per year. By January 2008, the total count had reached more than 1,000 missiles.⁵ Second, Beijing has continued, and perhaps even intensified, its effort to strangle Taiwan's pursuit of "international living space." Under Beijing's escalating diplomatic offensives, reinforced by an expanding war chest, the number of countries that recognize Taiwan has continued to dwindle. Furthermore, Taiwan's efforts to participate in international organizations, even those nonpolitical in nature, have been relentlessly blocked by China.⁶ Third, Beijing's overarching principles on Taiwan have continued to appear in official documents, including the "one China" principle, "peaceful re-

unification” and “one country, two systems” although they have become more moderate over time (see Appendix 2).⁷ Fourth, Beijing has steadily accelerated its efforts to acquire high-tech military capabilities in order to be able to “deter the United States and seize Taiwan” if the contingency arises.⁸

On the other side of the ledger, a number of consequential changes to China’s Taiwan policy have been evident. First, the timetable for cross-Strait unification, constantly discussed under Jiang’s tenure, has been shelved under Hu. A number of dates for unification, to be achieved with force if necessary, were considered at different stages including 2002, 2005, 2007, 2010 and 2020, although Jiang never publicly ruled a final decision on it.⁹

A second shift has occurred in the de-emphasis on the use and show of military force in cross-Strait relations. Military tension flared up twice under Jiang while no such incidents have occurred with Hu in charge. In addition, the much touted Dongshan Island military exercises previously held annually near the Taiwan Strait ceased in 2005, having already been scaled down in 2004. Amphibious and air-borne exercises perceived as simulated attacks on Taiwan have been held elsewhere, and they are no longer coupled with the sensational media coverage in Hong Kong’s pro-Beijing newspapers. The statement initiated by Deng Xiaoping in 1986 and reiterated endlessly during the 1990s, that “we do not renounce the use of force on Taiwan” has virtually disappeared since 2005.

Military tension across the Strait has not flared up under Hu.

Rather, Beijing has stressed the use of “extra-military” strategies in dealing with Taiwan. In December 2003, the People’s Liberation Army (PLA) announced the concept of “three wars: psychological, legal and on media.”¹⁰ Beijing has expanded its tools to influence Taiwan including economic, cultural, social as well as other extra-military means. To be sure, Hu has not given up the military option as the last resort but prefers to stress other measures. The concept “extra-military emphasis”, which transcends without excluding the pure military instrument, defines Beijing’s approach more accurately than the popular term of “soft power.” At an internal high-level meeting in August 2007, Hu pointed out

that the major task of the PLA is a war with Taiwan, but that attacking the island would bring six negative consequences: it would taint the 2008 Olympics; damage economic development along China's southeast coast; impair Beijing's foreign relations; harm foreign investment in China; cause casualties; and push back the progress of China's modernization.¹¹

The third change was the resumption of outreach to political, military and civilian elements in Taiwan. Jiang ended all contact with the Taiwanese authorities under the KMT in August 1999, after former Taiwanese President Lee Teng-hui termed the Taiwan-China relationship as one of "special state to state" status. Since the pro-independence Democratic Progressive Party (DPP) began its rule in 2001, Jiang continued with a policy of non-contact with both the DPP and even the opposition party (KMT). In contrast, Hu has actively reached out to the political parties in Taiwan in addition to opening channels across the Strait for scholars, businessmen, journalists and artists.¹² In December 2007, Beijing even initiated contact with Taiwanese military officers for cooperation in upholding "Chinese national reunification" against Taiwanese independence.¹³

The penultimate example of such outreach initiatives was the greatly trumpeted official visit to Beijing in the spring of 2005 of Taiwan's "pan-Blue" opposition party leaders of the KMT and the People's First Party. Regular dialogue forums and channels of communication have been established with them since. At the same time, even the nongovernmental DPP elites – legislators, scholars and businessmen – have received courteous invitations to visit China with growing frequency.

A fourth transformation has been for Beijing to accentuate both "carrot and stick" policies to Taiwan. That is, Hu has taken a more pronounced role in simultaneously applying a two-pronged approach that has been popularly described as "the hard becomes harder and the soft, softer" (*yingde geng ying, ruande geng ruan*).¹⁴ Such characterization was inspired by two events. The first was the proclamation of the *Anti-secession Law* (ASL), which stipulated that any future People's Republic of China (PRC) government shall apply "nonpeaceful means" against Taiwan if "Taiwanese independence forces ... should act ... to cause ... Tai-

Anatomy of the Ani-Secession Law

The ASL comprises 10 articles:

Articles 1-5 restate Beijing's fundamental principles on Taiwan, so there is little new there.

Article 6 deals with cross-Strait exchanges and article 7 with cross-Strait negotiations. Both are moderate in nature.

Articles 8 and 9 constitute the "hard" portion of ASL, but they are relatively short and are far outweighed by the "softer" elements in the document. Article 8 stipulates how the decision to execute "nonpeaceful means" should be made. A decision to do so must be reached by both the State Council, an all civilian body, and the Central Military Commission, in that order. Moreover, the decision shall be promptly reported to the Standing Committee of the National People's Congress. Article 8 strikes a remarkable departure from the past. When China took military actions beyond its peripheries, it used to require a decision made by the Central Military Commission alone, which meant simply that the directives were given by the topmost strongman such as Mao Zedong and Deng Xiaoping. Now, under the ASL, additional hurdles need to be passed before "nonpeaceful means" could be waged on Taiwan.

Article 9 provides the caveats of Article 8 by setting limits to the damage incurred by the use of nonpeaceful means (e.g. Taiwanese civilians

and foreign nationals are not to be harmed). In this sense, Article 9 is essentially a "mission impossible." With the weapons platform used in warfare, successfully striking "Taiwan independence secessionist forces" while avoiding "Taiwan civilians and foreign nationals" is not possible. However, the concept of "nonpeaceful means" used here is much broader than traditional war fighting. On an imaginary scale of 0-100, with traditional war being 100 and absolute peace being zero, "nonpeaceful means" could extend from 10 to 100, giving China's future civilian leaders plenty of elbow room to comply with the ASL, while still avoiding a bloody military conflict across the Taiwan Strait. In light of the soft-offensives (Appendix 3) launched at Taiwan after the passage of the Law, it would appear that: (1) the ASL was meant to be, instead of a legal preparation for war against Taiwan, a legal preparation for Beijing's efforts to win over the hearts and minds of Taiwanese; and (2) rather than intimidate the Taiwanese, the ASL was meant more to unshackle the hands of Beijing's Taiwan Affairs officials to promote cross-Strait engagement from internal hawkish opposition – although Taiwan was further antagonized and alienated as a result.¹⁶

Article 10 simply declares the ASL come into effect when promulgated.

wan's secession from China." It was widely perceived to be a bolder act toward Taiwan than any undertaken by Jiang, however, the ASL is a more sophisticated ploy than most have realized. The second event, which followed soon after the promulgation of the ASL, was the launching of a series of measures to "win the hearts and minds of the Taiwanese compatriots." By late April 2007, the features of such charm offensives were numerous and ubiquitous (see Appendix 3). These acts on Taiwan showed a softer and more fulsome approach than anything

Jiang had ever attempted.

The final change was the strategy to constrain Taipei through Washington. Under Jiang, Beijing reacted vigorously and directly toward Taiwan whenever Taipei exhibited inclinations toward independence. Hu, instead, has chosen to pressure Washington as a primary method of reigning in behavior that Beijing considered destabilizing. China's reaction to Taiwan's raucous presidential campaigns is a good barometer of this trend. Taiwanese politicians inspire voter turnout with nationalistic rhetoric and acts that rile Beijing's sensitivity on Taiwan's "splittism."

Prior to the March 1996 presidential election, Beijing launched missile tests in the Taiwan Strait. And three days before the Mar. 18, 2000 presidential elec-

China's "stick" has remained firm, but the "carrot" has sweetened.

tions, the then PRC Premier Zhu Rongji waved his fists on TV warning Taiwanese voters not to support the DPP candidate or the consequences could be disastrous. Conversely, China neither resorted to military intimidation nor verbal attacks during the

March 2004 presidential election. Even more surprisingly, Beijing effectively internationalized the Taiwan issue – hitherto considered strictly a domestic affair – for the first time by sending a dispassionate communiqué to all foreign embassies asserting Beijing's position. In the past few months, as President Chen has on several occasions flirted with the idea of independence, particularly with regard to the U.N. referendum issue, Washington has promptly admonished him – on no less than nine occasions – while Beijing has remained largely silent (see Appendix 4).

In fact, Beijing has shifted its strategy vis-à-vis Taiwan from acting directly across the Strait to indirect pressure through Washington and elsewhere. Since July 2003, China's Taiwanese Affairs Office Director Chen Yunlin, and his deputies, Sun Yafu and Ye Kedong, have paid visits to the United States urging American officials and scholars that they must contain Taipei's "independence adventurism," or Beijing would step in to handle the matter with whatever means available.¹⁵ Furthermore, if Washington would not act, it was essentially forfeit-

ing its right to intervene.¹⁶ Likewise, Chen made trips with similar messages to Brussels between 2005 and 2007.¹⁷ Furthermore, with the China-Japan détente unfolding, Chen's deputy Ye Kedong extended his U.S. trip with a visit in Tokyo, apparently to apply indirect pressure on Taiwan.¹⁸

In retrospect, under Hu's leadership, Beijing's approach to Taiwan has become decidedly more patient, less inclined to saber-rattling, more self-restrained in response to Taiwan's independence rhetoric, more proactive in engaging Taiwan's society, and more indirect in constraining Taipei behavior inimical to Beijing's interests by going through Washington and other foreign capitals. The promulgation of the ASL marked a turning point in Beijing's approach to Taiwan. China's "stick" remained firm, but did not harden further, while the "carrot" has continued to sweeten.

Determinants of Beijing's Taiwan Policy

The shift in Beijing's policy toward Taiwan from the 1990s to the present (Jiang to Hu) is, in many respects, both substantive and striking. What are the predominant factors that have shaped China's approach to cross-Strait issues that continue to dominate its military posture and its strategic relations with the United States? A recurring pattern has emerged that shows three factors influencing China's policies toward Taiwan: China's domestic conditions; the state of Sino-U.S. relations; and the cross-Strait dynamic.

When China's domestic conditions – political, economic and social – are favorable, when U.S.-China relations are relatively stable, and when Taipei shows goodwill to engage with Beijing, China is inclined to take a more flexible stance toward Taiwan. This is usually characterized by calmer rhetoric, prudent behavior, and a more sophisticated exchange. Conversely, when China's domestic conditions are unfavorable, Sino-U.S. relations unstable, and Taipei tampers with notions of independence, Beijing is more likely to take a contentious approach, which lacks finesse, uses harsher words, blunt gestures and coercive moves.

Most observers see either actions within Taiwan or U.S. meddling in Taiwanese affairs as the biggest factor affecting Beijing's behavior toward the island.

While these are important, the principal determinant of Beijing's Taiwan policy is China's internal situation. Domestic factors are physically closest to the Beijing leaders. If mismanaged, an unfavorable situation could threaten their authority and legitimacy. A favorable domestic situation, on the other hand, allows greater elbow-room for Beijing leaders to deal with external affairs. Therefore, leaders in Zhongnanhai, while formulating their Taiwan policy, must place the highest priority on domestic issues rather than on issues outside of China. The dynamics across the Strait may require Beijing to adjust its policies, but these often lead to a shift in tactics rather than strategy. The United States, on the other hand, as a much more formidable power than Taiwan, impacts China's larger planning.

Each of these factors and their degree of influence can be seen in the major events that marked cross-Strait interactions during the 1990s. This period saw both accommodation and contention, each highlighted by positive and negative milestone events respectively. Some led to breakthroughs in cross-Strait relations, including the meetings between high-level representatives on each side (Appendix 5, case studies 1 and 2). Beijing managed these talks with finesse, prudence and flexibility. In the two events that led to crisis (Appendix 5, case studies 3 and 4) Beijing exhibited inflexibility, and blunt, harsh challenges to Taiwan. Examining the context in which the PRC leaders made their decisions is instructive because China's domestic conditions, its relations with the United States and the cross-Strait dynamic all played a role. Such an examination also provides a useful framework to understand the future of cross-Strait relations.

Current Domestic Conditions

Economically, China's double-digit GDP growth since 2005 has continued through to 2007 at 11.4 percent, although it is now accompanied by a worrisome 4.8 percent inflation rate.¹⁹ This has alarmed the government, which has taken a number of measures to curb the excess liquidity by raising interest rates (ten times by the end of 2007) and bank reserve requirements (eight times to the highest level in 20 years).²⁰ Under the government's heightened awareness, Beijing's economic problems are unlikely to get out of control.

Social problems such as rampant corruption, a growing income gap and seri-

ous pollution have worsened. Demonstrations, protests and riots have also become more frequent in China, increasing to 87,000 in 2005.²¹ However, so far, there are few signs that these challenges pose any serious threat to Beijing's rule because unrest has been quickly nipped in the bud using either monetary solutions or force.²² The organization of anti-government movements beyond the local level remains nearly non-existent. The fact that the Beijing government publicized the statistics of social disquiet may indicate their confidence in keeping this under control.

Several recent incidents have cast doubt on Hu Jintao's command over the PLA. In January 2007, China's anti-satellite test caused a significant increase in debris in outer space. With Beijing's Foreign Ministry seemingly caught off guard, many have wondered about Hu's control over the military. In November, Beijing refused, without full explanation, the U.S. aircraft carrier Kitty Hawk to port in Hong Kong for the Thanksgiving holiday, again baffling many as to the intention of such action. Observers have opined that the PLA leadership, traditionally associated with the Long March generation, resist Hu Jintao – who has no military background – and his policies of engagement with U.S. armed forces.²³

On the other hand, Hu has a number of impressive political accomplishments, including incorporating his political theory, “the scientific outlook of development” into the Party Constitution at the 17th Party Congress. He has been able to achieve this a full five years before he steps down, while his predecessor Jiang Zemin only achieved a similar feat with “the three represents” when he formally stepped down as president in 2002. In fact, Hu began his power consolidation belatedly but has accelerated his progress. He began promoting generals in 2006, only two years after taking the chairmanship of the Central Military Commission, and appointing provincial leaders and ministers in 2005, two years after becoming president.²⁴ Hu's steady ascent to power has repeatedly outpaced expectations. His progress in consolidating power points to a post-17th Party Congress political condition in China much

Zhongnanhai must place the highest priority on domestic issues when formulating its Taiwan policy.

more favorable than before.

China's overall domestic conditions at the end of 2007 were marked by power consolidation at the political center, high economic growth (accompanied by overheating, though tightly monitored and proactively controlled) and social unrest that is growing in frequency but not yet coalescing. By and large, the 2008 outlook – the year of the Olympics – to the top leadership is much more about growing confidence and rising aspirations than threatening instability.²⁵

Washington-Beijing Relations

In recent years, while incidents of Sino-American frictions have never ceased to surface, official exchanges between the two governments have expanded remarkably. Official contact and visits between governmental counterparts have not only been on the rise but have become systematized, even institutionalized in written agreements. The PRC foreign minister and U.S. secretary of state, for example, have met annually several times and often communicated by phone.²⁶ In addition, the levels of official exchanges have been extended from symbolic summits between presidents to the working consultations between deputy assistant secretaries. Lastly, the variety of officials meeting between counterparts has expanded from diplomacy, commerce and trade, to the armed forces, and even space agencies.²⁷ While distrust remains between the two governments, their official communications have reached an unprecedented magnitude.²⁸

The implications are twofold. First, despite recurrent discord between China and the United States, an uncontrollable eruption of Sino-American military conflict is unlikely. Second, Beijing can more easily go through Washington to restrain Taipei's pro-independence attempts. For instance, on Dec. 6, 2007, Hu took the initiative for the first time to talk to U.S. President George Bush using the hotline. That apparently smoothed over the Kitty Hawk porting dispute in late November, and allowed them to exchange views again on Taipei's U.N. referendum.²⁹ In January 2008, U.S. Deputy Secretary of State John Negroponte, while visiting Beijing, issued another warning to Taipei on the referendum, followed by China's granting of the U.S. battleship Blue Ridge to port in Hong Kong.³⁰

The Taiwan Dynamic

Taipei's U.N. campaign before the March 2008 presidential election has exceeded the intensity of all nationalistic activities surrounding past presidential elections. While the majority of Taiwanese support efforts to increase Taiwan's "international space", not all prefer a declaration of *de jure* independence, a move which may jeopardize Taiwan's very survival. Over the past decade, a majority of Taiwanese have preferred the "status quo" to independence or reunification. These trends in public opinion reflect a rational choice, one made with the *mind*.³¹ On the other hand, the number of people in Taiwan who identify themselves as "Taiwanese" has risen from 17 percent in 1992 to around 45 percent in 2006, dramatically overtaking the group that self-identifies as "Chinese" which has declined from 26 percent in 1992 to less than 6 percent in 2007.³² This trend reflects a sentimental choice, one made by the *heart*. The two seemingly contradictory trends coexist and when a presidential election approaches, pro-independence politicians ratchet up the ethnic-identity conflict in order to raise voting participation of their base supporters (which amounts to one-third of the total voters). This phenomenon has been particularly acute in 2007.

However, forces countering the escalation of pro-independence fervor in Taiwanese society have also strengthened. For example, Robert Tsao, a former Taiwan chip tycoon of the United Microelectronic Corporation, and one-time advisor to President Chen, has launched a highly visible crusade to promote a pro-reunification referendum since November 2007.³³

Outlook for 2008

As the March 2008 Taiwan presidential election nears, the turbulence of cross-strait relations has begun to settle down. Increasingly, the stabilizing determinants are prevailing over destabilizing factors. First, China's domestic conditions, though faced with a variety of socio-economic challenges, pose no serious threat to the confident PRC political leadership. Second, Sino-U.S. relations are periodically tested but have also remained under control due to expanded official communication channels. The U.N. referendum campaign in Taiwan constitutes

the only deeply unsettling issue to Beijing, but should be seen as not outweighing the previous two determinants. Based on the patterns and trends seen in the 1990s, the overall assessment of January 2008 suggests Beijing's handling of Taiwan will be characterized more by finesse than force.

So far, Beijing has taken a two-pronged approach with agility and sophistication. On the one hand, it has relied primarily on indirect pressure through foreign

A Softer Military Stance

PLA soldiers stationed on the Dongshan Islands near the Taiwan Strait have reportedly received "political education" since the fall of 2007 to refrain from firing the first shot at Taiwan forces under any circumstances.³⁴

In September, Taiwan naval officers aboard one *Kid-class* destroyer indicated that PLA naval ships and PRC hydrographical surveying ships had not been sighted for some time.³⁵

In January 2008, the PLA dropped its guideline on "preparation for military struggles" meant to deter Taiwan independence, which hitherto had frequently been stressed when Chen Shui-bian escalated the pro-independence drive.³⁶

governments and the mobilization of international opinion to constrain Taiwan independence and the U.N. referendum. These efforts have largely produced favorable results for China. It is clear that whatever the results of the forthcoming U.N. referendum, they shall produce no material effects outside the island. As previously mentioned, U.S. officials have reiterated objections to Taiwan's U.N. referendum with an unprecedented intensity and frequency. Reliable opinion polls conducted by Taiwan's Mainland Affairs Council indicate a precipitous decline of the pro-independence population in Taiwan from 26.8 percent in August to

19.1 percent in December and a corresponding rise of the pro-status quo population in the same period (see Appendix 6). The dramatic victory of the KMT in the Legislative election on Jan. 12 partially confirms voter sentiment that Chen Shui-bian's pro-independence policy was too risky.³⁷ Similar indirect pressure from the European Union seems to have brought concrete results as well.³⁸

On the other hand, Beijing has displayed restraint when facing the Taiwanese population directly. It has measured its rhetoric, even when issuing verbal admonitions against *de jure* independence. It also has lowered its military profile

vis-à-vis Taiwan without abandoning the ongoing PLA preparations to deter the intervening U.S. forces and to seize the island in the future if necessary. Furthermore, Beijing has promoted a comprehensive campaign to woo the Taiwan population through economic benefit, social engagement, cultural attraction, psychological pressure, legal maneuvering and media campaigning. Dropping a timetable for reunification has made all of this more palatable to Taiwan.

In this atmosphere, Beijing looks set to break new ground by showing a willingness to engage with the Taiwanese government for the first time since 1998, regardless of whether Ma Ying-jeou of the KMT or Frank Hsieh of the DPP wins. China will likely continue sweetening the “carrot” while maintaining the “stick” at a low but firm position in the coming years.

Still, this is just the beginning of what will surely prove to be a difficult process. The outcome remains highly uncertain and in order to promote regional stability and prosperity for the ultimate interests of the people in China, Taiwan and their neighbors, a number of long term steps should be set into motion. First, Washington must undertake to better understand China’s complex and overriding domestic factors that determine its mood and approach to Taiwan. An overemphasis on bilateral and cross-Strait relations (complex and multifarious in their own right), much less the often “hot” rhetoric emanating from Taiwan, could skew perceptions of what is really at stake. China’s own stability and the leadership maintaining control and power is paramount in its calculus across the Strait.

Second, the United States should maintain and even strengthen its official exchanges with Beijing, in particular, the promotion of educational exchanges between PLA cadets/officers and their U.S. counterparts. Sino-U.S. relations in economic, social and cultural spheres are relatively stable for a variety of reasons. Yet, strategic and military relations lag behind, a situation that needs to be aggressively addressed for real movement on stabilizing relations. At the same time, the United States must also explore and expand channels for substantive rather than merely formal communication with Taipei.

Third, Beijing needs to think creatively about how to gradually allow Taiwan international space. This is a crucial subject and necessary to win the hearts and

minds of Taiwanese people. This can begin in the nonpolitical organizations, with monitoring to gauge how this favorably affects Taiwanese perceptions of China. Beijing's policy toward Taiwan remains somewhat contradictory in this regard. A more sophisticated and comprehensive policy toward Taiwan will require coordination among Beijing's disparate organs that deal with Taiwan including especially the Ministry of Foreign Affairs, the Ministry of State Security and the Taiwanese Affairs Office.

Lastly, greater mutual understanding between Taiwan and China is necessary. China needs to consider policies that take into account the fact that opinion in Taiwanese society is formed primarily from the bottom-up rather than top-down. Taiwan, for its part, needs a deeper understanding of the changes taking place on the Mainland. Differentiating between the leadership and the CCP from historical/cultural China, and being open to respect the latter while perhaps disagreeing with the former is incumbent on Taiwanese society and its polity. In essence, Taiwan must also win over the hearts of the bulk of the Chinese population, more than 95 percent of whom are not Communist Party members, and share the same interests of the Taiwanese people: education for the young, mortgage for the middle-aged and medicare for the old. ☹

Appendix I: Taiwan's Broken Relations (1998 - 2008)

No.	Date	Country
1	1998	Jan. 29 Central African Republic
2		Apr. 24 Republic of Guinea-Bissau
3		Oct. 31 Kingdom of Tonga
4	2001	June 18 Republic of Macedonia
5	2002	July 23 Republic of Nauru (resumed relations on May 14, 2005)
6	2003	Oct. 12 Republic of Liberia
7	2004	Mar. 30 Commonwealth of Dominica
8	2005	Jan. 27 Grenada
9		Oct. 25 Republic of Senegal
10	2006	Aug. 5 Republic of Chad
11	2007	June 7 Republic of Costa Rica
12	2008	Jan. 14 Republic of Malawi

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Appendix 2: Beijing's Evolving "one China" Principle

Dates	Occasion of Announcement	I	II	III	IV
Dec. 5, 1954	"The Chinese People Will Not Quit before Liberating Taiwan" <i>Remin Ribao</i>	There is only one China in the world	Taiwan is an inseparable part of one China	The PRC is the only legitimate government of one China	not mentioned
Aug. 31, 1993	White Paper on the Taiwan Question and the Unification of China		Both the mainland and Taiwan belong to one China	The integrity of China's sovereignty and territory cannot be violated	
Jan. 30, 1995	CCP Party Secretary Jiang Zemin's Eight Point Proposal	dropped			
May 11, 1996	"Insisting 'one China' Principle Requires Concrete Action" <i>Xinhua</i>				
Feb. 21, 2000	Beijing's "White Paper on One China Principle and the Taiwan Question"	dropped			
Aug. 24, 2000	Deputy Premier Qian Qichen indicates to journalists.				
Mar. 3, 2002	Premier Zhu Rongji's Government Work Report at the 5 th Plenum of the 9 th National People's Congress	There is only one China in the world			
Jan. 28, 2005	National Political Consultative Conference Chairman Jia Qinglin Speaks at the 10 th Anniversary of Jiang Zemin's Eight Point Proposal				
Dec. 16, 2007	Taiwanese Affairs Office Director Chen Yunlin states in journal "Truth Search"				Both sides across the Strait have not been unified
					dropped

Created by Chong-Pin Lin with Hwei-Wen Chen, Sifu Ou and Inga Kuo

Various notions of "one China" have been announced from 1954 to the present. They represent on the one hand, an attempt to plug the semantic loopholes in the "one China" principle and thereby reduce the wiggle room for Taiwan nationalists. On the other hand, they show an evolution toward a more moderate, inclusive, and less confrontational tone toward the "Taiwanese compatriots" (top to bottom in each column).

The Four Components of the "one China" Rhetoric

- I. Negates the notion that there can be two Chinas. This goes back to the time of Chiang Kaishek and his position that there was a "communist China" and a "free China."
- II. Negates the notion as stated in Taiwan, that it does not belong to the "one China" ruled by the Chinese Communists.
- III. Negates the notion that the Republic of China is the legitimate government of China while the PRC or the Chinese Communist Party usurped ROC's rule of China, as claimed by Chiang Kaishek.
- IV. A recently introduced and short-lived recognition of the reality across the Taiwan Strait. The motivation for Beijing to state IV is unknown. It can be surmised that Beijing has realized that forcing the claim that "ROC ceased to exist since 1949" provided Taiwan nationalists fuel and rationale to pursue independence.

Appendix 3: Beijing's Post-ASL Cross-Strait Soft Offensives

Date	Beijing's Soft Offensives	Source
May 3, 2005	Beijing offers former KMT Chairman Lien Chan three gifts: pandas, mainland markets for Taiwan fruits and mainland tourists to Taiwan	<i>China Times</i> , May 4, 2005 A1
May 12, 2005	Beijing royally receives Taiwan PFP Chairman James Soong	<i>Apple Daily</i> May 13, 2005 A15
Aug. 24, 2005	Beijing announces that Taiwan students will pay the same tuition as mainland counterparts	<i>United Daily</i> , Aug. 24, 2005 A13
Aug. 28, 2005	Beijing offers scholarships to Taiwanese students in addition to lowered tuition	<i>United Daily</i> , Aug. 28, 2005 A13
Sept. 7, 2005	Beijing will relax loan restrictions for Taiwan businessmen	<i>United Daily</i> , Aug. 24, 2005 A13
Sept. 8, 2005	Beijing provides loans of 30 billion renminbi for Taiwan businessmen	<i>China Times</i> , Sept. 8, 2005 A13
Sept. 28, 2005	Beijing extends staying period for Taiwanese journalists on duty in China	<i>United Daily</i> , Sept. 29, 2005 A13
Oct. 16, 2005	Beijing relaxes restrictions on Taiwanese working in China	<i>Liberty Times</i> , Oct. 17, 2005 A2
Nov. 30, 2005	Beijing proposes that Taiwan administer three 2008 Olympic Game items	<i>Apple Daily</i> , Nov. 30, 2005 A5
Dec. 10, 2005	Beijing announces plans to issue ID card to "Taiwanese compatriots"	<i>ChinaTimes</i> , Dec. 10, 2005 A13
Dec. 19, 2005	Beijing relaxes requirements on the 30 billion renminbi loans for Taiwanese businessmen	<i>United Daily</i> , Dec.19, 2005 A13
Feb. 9, 2006	Beijing resumes export of fishing labor to Taiwan	<i>United Daily</i> , Feb. 9, 2006 A13
Feb. 23, 2006	Beijing is willing to negotiate with Taiwan's ruling party, the DPP, on chartered flights for Chinese tourists	<i>China Times</i> , Feb. 23, 2006 A13
	Beijing will soon announce tourism rules for Mainlanders visiting Taiwan	<i>United Daily</i> , Feb. 23, 2006 A13
Mar. 6, 2006	Beijing announces that Taiwanese may participate in politics in Fujian Province, deemed a Special Region of Taiwanese Affairs	<i>China Times</i> , Mar. 6, 2005 A13
	PRC Chairman of the Political Consultative Conference Jia Qinglin proposes to contact "the pan-Green diehards" (Taiwanese independence advocates)	<i>China Times</i> , Mar. 6, 2005 A13
Mar. 11, 2006	Beijing's six ministries give instructions to look after Taiwan immigrants in distress	<i>United Daily</i> , Mar. 11, 2006 A13
Apr. 2, 2006	Beijing grants more Taiwanese agricultural products zero-tariff treatment	<i>China Times</i> , Apr. 2, 2006 A1

Beijing's Post-ASL Cross-Strait Soft Offensives (cont.)

Apr. 16, 2006	Beijing announces at the KMT-CCP Forum 15 preferential treatment for Taiwanese	<i>Apple Daily</i> , Apr. 16, 2006 A1
Apr. 22, 2006	Beijing will increase fruit and vegetable imports from Taiwan	<i>China Times</i> , Apr. 22, 2006 A17
Apr. 26, 2006	Beijing sets up business zones in coastal provinces for Taiwanese farmers	<i>United Daily</i> , Apr. 26, 2006 A13
April 2006	Beijing allows Taiwanese to serve as customs brokers in China	<i>United Daily</i> , May 18, 2006 .A13
May 9, 2006	Beijing offers an additional 30 billion renminbi loans for Taiwan businessmen and new measures to facilitate import of Taiwan fruit	<i>United Daily</i> , May 9, 2006 A13
	Beijing streamlines custom formalities for aquatic products from Taiwan	<i>United Daily</i> , May 9, 2006 A13
June 1, 2006	The second KMT-CCP Forum discusses the protection of the rights and interests of Taiwanese businessmen in China	<i>United Daily</i> , June 1, 2006 A13
	Beijing opens up Guanzhou as part of its efforts to expand Small Direct Links	<i>United Daily</i> , June 1, 2006 A13
	Beijing grants Taiwanese agricultural products preferential transport treatment	<i>United Daily</i> , June 1, 2006 A13
June 10, 2006	Taiwanese no longer needs a Hong Kong Visa when traveling with a Taiwan compatriot travel document	<i>United Daily</i> , June 1, 2006 A13
July 8, 2006	Beijing offers again loans to Taiwanese businessmen in China	<i>China Times</i> , July 8, 2006 A15
July 20, 2006	Beijing helps Taiwanese or Taiwan-funded banks to solve financial problems for Taiwanese businessmen in China	<i>China Times</i> , July 20, 2006 A15
July 27, 2007	Beijing expands authorization power to nine Fujian cities that may issue five-year Taiwan compatriot travel documents	<i>United Daily</i> , July 27, 2006 A13
	Beijing's Supreme People's Court and the Supreme People's Prosecutorate plan to set up Taiwan affairs desks	<i>United Daily</i> , July 27, 2006 A13
Oct. 18, 2006	Beijing releases 80 billion renminbi loans to China-based Taiwanese farmers	<i>Apple Daily</i> , Oct. 18, 2006 A20
Nov. 9, 2006	Beijing offers Taiwan students scholarships up to 24,000 Reminbi	<i>United Daily</i> , Nov. 9, 2006 A14
Dec. 8, 2006	Beijing will allow Taiwanese architects to take professional license exam in 2007	<i>China Times</i> , Dec. 8, 2006 A13
Mar. 13, 2007	Beijing will allow Chinese students to enter colleges in Taiwan	<i>United Daily</i> , Mar. 14, 2007 A1
Apr. 5, 2007	Beijing will allow Taiwanese medical doctors to take professional license exams in China	<i>United Daily</i> , Apr. 6, 2007 A15
Apr. 29, 2007	Beijing announces at the KMT-CCP Forum to open up 15 professional license exams for Taiwanese	<i>China Times</i> , Apr. 30, 2007 A3

Appendix 4: U.S. Officials Warn Taiwan

Date	Name	Warnings
Dec. 9, 2003	George Bush	U.S. president "We oppose any unilateral decision by either China or Taiwan to change the status quo. And the comments and actions made by the leader of Taiwan indicate that he may be willing to make decisions unilaterally to change the status quo, which we oppose."
Oct. 24, 2004	Colin Powell	U.S. secretary of State "Taiwan is not independent (and) does not enjoy sovereignty as a nation."
Dec. 10, 2004	Richard Armitage	U.S. deputy secretary of State PBS: "Where is the landmines in terms of China's rise and the United States?" Amitage: "I would say Taiwan. Taiwan is one. It's probably the biggest."
June 25, 2007	Sean McCormack	U.S. State department spokesman "Consistent with our one China policy, we do not support Taiwan's membership in international organizations that require statehood, including the United Nations."
Aug. 27, 2007	John Negroponte	U.S. deputy secretary of State "We oppose the notion of that kind of a referendum because we see that as a step towards the declaration – towards a declaration of independence of Taiwan, towards an alteration of the status quo."
Aug. 30, 2007	Dennis Wilder	National Security Council senior director for asian affairs "Taiwan, or the Republic of China, is not at this point a state in the international community. The position of the United States government is that the ROC – Republic of China – is an issue undecided, and it has been left undecided."
Sept. 11, 2007	Thomas Christensen	U.S. deputy assistant secretary for east asian and pacific affairs "We do not recognize Taiwan as an independent state."

U.S. Officials Warn Taiwan (cont.)

Nov. 9, 2007	Stephen Young	AIT director in Taipei	"We believe this referendum poses a threat to cross-Strait stability and appears inconsistent, at the very least, with the spirit of President Chen's public commitments. As I have summarized our position, the referendum is neither necessary nor helpful."
Dec. 3, 2007	Stephen Young	AIT director in Taipei	"We believe this particular referendum poses a threat to cross-Strait stability and appears inconsistent, at the very least, with the spirit of President Chen's public commitments to maintain the status quo."
Dec. 7, 2007	Thomas Christensen	U.S. deputy assistant secretary for east asian and pacific affairs	"The referendum is a force for tension and instability."
Dec. 11, 2007	Raymond Burghardt	AIT chairman	"We're concerned that the proposed referendum on U.N. membership under the name "Taiwan" unnecessarily threatens stability in the Taiwan Strait and thus your security."
Dec. 21, 2007	Condoleezza Rice	U.S. secretary of State	"We think that Taiwan's referendum to apply to the United Nations under the name 'Taiwan' is a provocative policy. It unnecessarily raises tensions in the Taiwan Strait and it promises no real benefits for the people of Taiwan on the international stage. That is why we oppose this referendum."

Appendix 5: Four Case Studies on China's Taiwan Policy

Case I: 1993 Koo-Wang Meeting

This was the first meeting between Dr. Koo Cheng-fu and his counterpart Mr. Wang Dao-han, each authorized by their respective leaders, Lee Teng-hui and Jiang Zemin, to negotiate cross-Strait relations.

Domestic Environment. The meeting took place 14 months after Deng Xiaoping's now legendary southern tour, which lifted China out of the post-Tiananmen economic slump to a record GDP growth of over 14 percent in 1992 from 4 percent in 1990. This trip effectively re-established Deng's authority as the paramount leader – once weakened by the Tiananmen tragedy – and brought stability to China's domestic political environment. The reconsolidation of his leadership was manifested in the surprise removal of the powerful Yang brothers in the 1992 14th Party Congress. Social unrest was quieted with the once restive Chinese youth now devoting their energy to study abroad and make money rather than political reform.

Sino-U.S. Relations. Although marred by the June 4th crackdown, Beijing's relationship with Washington actually recovered sooner than expected. At several times soon after the Tiananmen Square incident, special envoys of President George Bush, National Security Advisor Brent Scowcroft and Deputy Secretary of State Lawrence Eagleburger traveled to Beijing on a secret mission.¹ Despite lingering misgivings in U.S. Congress toward Beijing, by 1992 relations between the two capitals had returned to normal. In October that year, the two signed a

memorandum on market access, in which the United States pledged to promote China's participation in the General Agreement on Tariffs and Trade, the predecessor to the World Trade Organization.²

Cross-Strait Dynamic. In October 1990, President Lee Teng-hui established the National Unification Council, followed by the promulgation of the National Unification Guidelines in March 1991.³ In January 1991, a ministerial-ranking Mainland Affairs Council (MAC) was formally established, which was charged with mainland policy research and planning, coordination, assessment and partial implementation.⁴ In February 1991, MAC approved the establishment of its semi-governmental arm, the Straits Exchange Foundation (SEF), to directly deal with the mainland authorities.⁵ These forward-looking policies, in response to the growing socio-economic interactions across the Taiwan Strait, sent a positive signal to Beijing of Taipei's willingness to engage.

As the three determinants for Beijing's Taiwan policy became favorable, Beijing adopted a more flexible approach managing cross-Strait affairs, exemplified by establishing the Association for Relations Across the Taiwan Strait (ARATS), the counterpart of SEF, in December 1991.⁶ Communications between SEF and ARATS began in January 1992, and continued to grow and eventually led to the "1992 consensus" and this historic meeting in 1993.

Notes

¹ James Mann, *About Face: A History of America's Curious Relationship with China, from Nixon to Clinton* (New York: Alfred Knopf, Inc. 1999), p. 206.

² Elizabeth Perry, "China in 1992: An Experiment in Neo-Authoritarianism," *Asian Survey*, January 1993, p. 19.

³ "Major Events Across the Taiwan Straits (January 1912 to April 1998)," Mainland Affairs Council, September 1998, pp. 3-4.

⁴ *Ibid.*

⁵ *Ibid.*

⁶ *Ibid.*

Case 2: 1998 Koo-Wang Meeting¹

The second meeting between Koo and Wang significantly thawed the “ice” across the Strait and led to further relaxation of the cross-Strait atmosphere, as well as agreements for both side to expand SEF-ARATS exchanges, to hold talks on functional issues (such as repatriation of illegal immigrants, joint efforts against crime, fishing disputes, etc), and to prepare for Wang Daohan’s visit to Taiwan in 1999.

Domestic Environment. This meeting occurred in the aftermath of an overheated economy in mid 1990s, which Premier Zhu Rongji had successfully brought under control by January 1997.² Moreover, President Jiang Zemin smoothly concluded the crucial 15th Party Congress with his arch rival, Qiao Shi, quietly departing from the political stage. Thus, Jiang succeeded in overcoming these dual economic and political obstacles.³ Meanwhile, social unrest, which was to dramatically rise in subsequent years, was still level.⁴

Sino-U.S. Relations. Jiang’s celebrated visit to the United States in October 1997 was highly significant.⁵ It not only further boosted his political status at home, but was also important to improve bilateral relations following the March 1996 Taiwan Strait crisis.

Cross-Strait Dynamic. Taipei appealed to Beijing to resume cross-Strait talks after the 1995-1996 cross-Strait tension – but to no avail at first. However, in September 1997, Beijing leadership finally responded. Jiang Zemin, in his 15th Party Congress report said that under the precondition that Taipei accept the “one China” principle, the two sides should open political talks on issues including “ending the cross-Strait state of hostility.”⁶ Taipei stood its ground by maintaining that resumption of cross-Strait talks should require no precondition.

The 1997 elections for mayors and county magistrates in Taiwan produced the unexpected result of the opposition party DPP gaining over the ruling KMT party.⁷ This apparently shocked Jiang Zemin into proposing the resumption of cross-Strait talks lest “the hearts and minds of people in Taiwan would drift further and further away from the mainland.”⁸ Foreign minister Qian Qichen, reiterated Beijing’s more relaxed “one China principle.”⁹ This flexibility was reciprocated obliquely, as Taiwan’s Premier Vincent Siew publicly favored a “democratic unification”, though without embracing Beijing’s “one China” principle.¹⁰

Notes

¹ Instrumental in successfully executing this historic event was the fact that the letter sent to Taipei left out Beijing’s staple precondition of the “one China” principle before resuming cross-Strait talks, an important tactical move by the PRC.

² China’s CPI grew at 25.02 percent, 16.80 percent, and 8.80 percent respectively in 1994, 1995 and 1996.

³ See David Bachman, “China in 1993: Dissolution, frenzy, and/or breakthrough?” *Asian Survey*, January 1994, p. 31.

⁴ “In 1999, the last year for which Beijing issued labor-dispute statistics, the government recorded more than 120,000 ‘incidents’, a 29 percent increase over the previous year. Statistics show a jump from 8,150 labor disputes in 1992 to 120,000 in 1999.” Matthew Forney and Neil Gough, “Working Man Blues,” *Time*, Apr. 1, 2002, p.27.

⁵ Jiang’s trip was the first state visit by a PRC leader in more than a decade and is considered China’s most important such

trip since Deng Xiaoping’s tour in 1979.

⁶ He Mingguo, “Chronology on Cross-Strait Interactions in the Past Ten Years,” *Lienhebao*, Oct. 30, 1997, p.4.

⁷ The DPP won 12 seats while the ruling party Kuomintang (KMT) retained only eight.

⁸ Internal document, Mainland Affairs Council.

⁹ Qian stated, “There is only one China in the world; Taiwan is an inseparable part of one China; and Beijing is its only legitimate representation.” In other words, Qian was the first high-level official to replace the second part by saying that “the integrity of China’s sovereignty and territory cannot be violated.”

¹⁰ See “Premier Vincent Siew’s Policy Report to the Fifth Session of the Third Term of the Legislative Yuan,” *Reference Materials for Work on Mainland Affairs*, Mainland Affairs Council, 1998, p. 74.

Case3: Taiwan Strait Crisis (1995-1996)

A series of threatening military exercises launched by Beijing in the Taiwan Strait occurred from late July 1995 to early March 1996, which were the result of a period of volatility in three ways – China’s domestic conditions, U.S.-PRC relations, and Taiwan dynamics. In short, two opposing political trends focusing on Jiang came to a head in Zhongnanhai. An abrupt reversal of Washington’s entire China policy exacerbated Beijing’s internal uncertainties. And Taipei’s pursuit of sovereignty status suddenly gained international exposure.

Domestic Environment. In September 1994, Deng Xiaoping gave way to let Jiang Zeming take the mantle of real power in China.¹ Jiang quickly took a number of daring actions including the imprisonment of the powerful Beijing mayor, Chen Xitong, putting his imprimatur on the “eight point proposal” to Taiwan, and recruiting *en masse* his “Shanghai clique” to Beijing. These

aggressive moves triggered countermoves from conservative elders, particularly contender Qiao Shi, and some PLA generals who were reluctant to take orders from the first civilian chairman of the Central Military Commission. To the fully decorated soldiers, Jiang paled disappointingly before his predecessors Mao and Deng, both had proven their mettle through the crucibles of war.

Sino-U.S. Relations. Since U.S. President Bill Clinton had issued a visa to Lee, Beijing called back its ambassador in Washington to express its grave displeasure.²

Cross-Strait Dynamic. The top brass challenged Jiang when Lee Teng-hui mentioned the “Republic of China” 17 times in his Cornell speech.³ This occurred while Jiang was still planning for the cross-Strait entente by sending ARATS official Tang Shubei to Taiwan for May, 1995 to prepare for another Koo-Wang meeting in July.⁴

Notes

¹ This turning-point was revealed in the communiqué issued by the Party’s Fourth Plenum of the 14th Central Committee, which stated: “The new great task of constructing socialism with Chinese characteristics – reforms, opening, and modernization of China ... was initiated by our second-generation leaders with Deng Xiaoping at the core, and is now continuing to march forward under the third-generation leaders with Jiang Zemin at the core.” Yang Zhongmei and Jiang Zemin zhuan, *Biography of Jiang Zemin*, (Taipei: China Times Publishing Company, 1996), p. 9.

² Overruling his Secretary of State Warren Christopher who had promised his Chinese counterpart Qian Qichen that Lee would not come to the States.

³ Wang Yu, “Where Do You Find ‘Strangulation’: Also Discussion on the ‘International Living Space’ of the Taiwan Authority,” *Outlook*, Aug. 14, 1995, p.17.

⁴ Wang Mingyi and Liangan Hetan, *Cross-Strait Peace Talks*, (Taipei: Wealth Network Corp. Publisher, 1997), p.83.

Case 4: Taiwan Strait Crisis (1999)

Beijing's August 1999 saber-rattling in the Taiwan Straits has been often attributed to Taipei's provocation, in particular, President Lee Teng-hui expounding his theory of the China-Taiwan status being a "special state to state" relationship. In fact, Beijing was already suffering from a number of domestic problems, and its relations with Washington had deteriorated. Lee's comments, perceived as a push for Taiwanese independence, were likely more a trigger than a major cause of the crisis.

Domestic Environment. Economically, China's GDP growth in 1999 had fallen to 7.1 percent, the lowest point in a continuous slide since 1992.¹ The consumer price index had also dropped to a low of -1.29 percent in 1999.² That was the worst period of deflation in PRC history since 1967.³ Economic slowdown aggravated social instability by increasing the ranks of the unemployed. Unauthorized demonstrations almost doubled in number, from 60,000 in 1998 to 110,000 in 1999.⁴ The variety of participants expanded to include the laid-off workers from the state-owned enterprises, disgruntled farmers, teachers, cadres and religious activists.

In April of the same year, Zhongnanhai was surrounded by 21,000 members of the Falungong, who mobilized without the knowledge of the leadership.⁵ Particularly appalling to Jiang

Zemin was the fact that their membership penetrated the PLA, the Party and the Public Security forces. This was the largest protest movement in the capital since the 1989 Tiananmen incident and the decision was made to crush this "evil" organization. Meanwhile, tension simmered within Beijing's top leadership as Jiang and other leaders were distancing themselves from Premier Zhu Rongji, who was being blamed for failing to reach GDP growth of 8 percent in 1998 as he had promised earlier when taking the position of the premiership.⁶

Sino-U.S. Relations. He was also criticized for making undue concessions to Washington during the April 1999 negotiations over the World Trade Organization (WTO).⁷ His alleged weak posture at this critical meeting was even cited as the basis for emboldening the Americans, daring to humiliate China further by bombing the PRC embassy in Belgrade in May.

Cross-Strait Dynamic. Lee's controversial comments triggered an intense reaction from Beijing, even beyond the crisis in March 1996.⁸ PLA fighters flew unprecedented numbers of sorties skirting and invading Taiwan's aerial territories. Beijing turned on its propaganda machine in full-blast to lambaste Lee and his government.

Notes

¹ Some argued that the actual 1999 GDP growth in China was much lower than the official figure. According to Thomas Rawski, "China's economy may actually have shrunk - minus 2.2 and minus 2.5 percent, respectively - in 1998 and 1999." Melinda Liu, "Why China Cooks the Books," *Newsweek*, Apr. 1, 2002.

² Retail price index growth sank from -2.60 percent to -2.99 percent. National Bureau of Statistics of China, <http://www.stats.gov.cn/sjjw/ndsj/zgnj/mulu.html>.

³ 2001 World Development Indicators, CD-ROM Win*STARS Version 4.2,32 bit (Washington DC: The World Bank, April 2001).

⁴ Internal Report, National Security Bureau, Dec. 21, 2001.

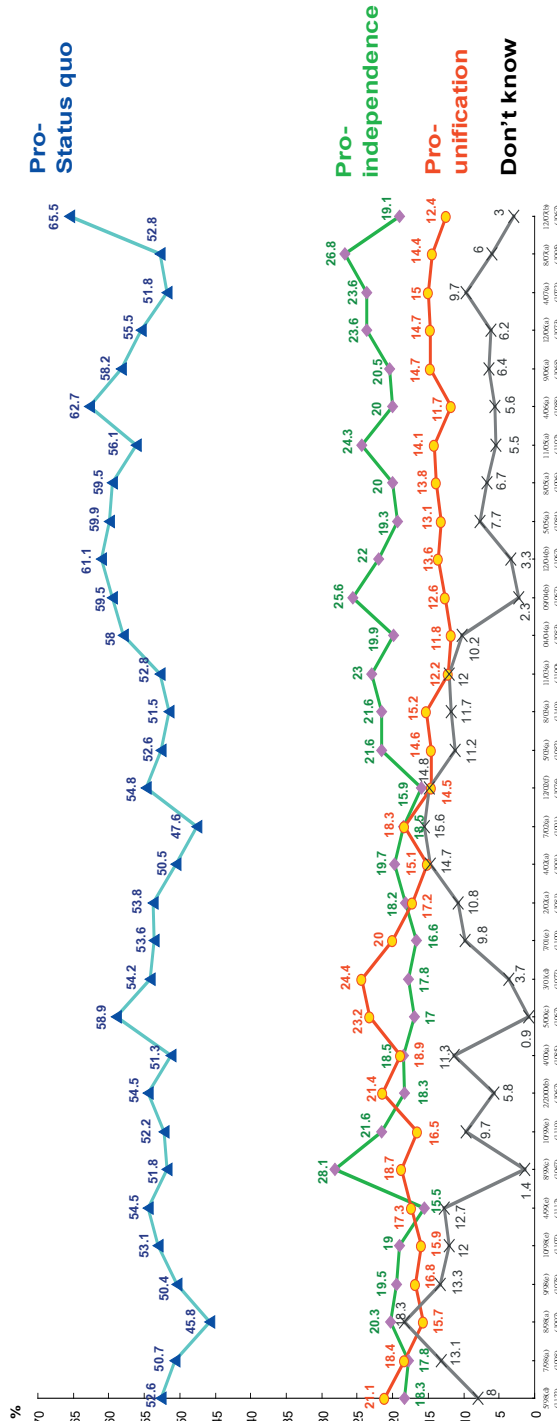
⁵ Zong Hairen, *Zhu Rongji zai 1999*, (Carle Place, New York: Mirror Books, 2001), p. 47.

⁶ There were rumors that Zhu requested to resign. *Ibid.*

⁷ *Ibid.* p. 96.

⁸ Some of the author's colleagues, seasoned China watchers, at Taiwan's high level national security meetings in early August 1999 expressed the view that a crisis more serious than that in March 1996 was coming.

Appendix 6: Unification or Independence?



Respondents are Taiwanese adults aged 20-69 accessible by telephone. The surveys have been commissioned by Taiwan's Mainland Affairs Council since 1992. On the issue of independence or unification, seven options are provided by the polling services:

- (i) status quo forever;
- (ii) status quo now and decision later;
- (iii) status quo now and independence later;
- (iv) independence now;
- (v) status quo now and unification later;
- (vi) unification now; and
- (vii) don't know.

Here, i. and ii. into "Pro-status quo," iii. and iv. into "Pro-independence," and v. and vi. into "Pro-unification."

Created by Chong-Pin Lin with Inga Kuo, Jan. 30, 2008. Mainland Affairs Council, Executive Yuan, China, see www.mac.gov.tw. Survey conducted by: (a) Election Study Center, National Chengchi University, Taipei; (b) Burke Marketing Research, Ltd., Taipei; (c) China Credit Information Service, Ltd., Taipei; (d) Center for Public Opinion and Election Studies, National Sun Yat-Sen University, Kaohsiung; (e) Survey and Opinion Research Group, Dept. of Political Science, National Chung-cheng University, Chiayi; and (f) e-Society Research Group, Taipei.

Notes

¹ Joseph Kahn, "China's Rulers Deadlocked on Succession," *International Herald Tribune*, Oct. 6, 2007.

² Years in which the People's Liberation Army lobbed missiles into the Strait and flew fighters that invaded Taiwan's air space respectively. "High official of KMT: Cross-Strait confrontation worse than the time of 'two-state theory' and 17th Party Congress must strongly oppose Taiwanese independence," *Mingbao*, Oct. 1, 2007.

³ In stark contrast from the corresponding section in the 16th Party Congress speech in 2002.

⁴ Hu Jintao, "The 17th Party Congress Political Report," *Xinhua*, Oct. 24, 2007, http://www.china.com.cn/17da/2007-10/24/content_9119449.htm.

⁵ Betty Lin, "The U.S. Confirmed That China Aimed One Thousand Plus Missiles at Taiwan" *United Daily News*, Jan. 6, 2008, p. A14.

⁶ For instance, Beijing has tried to downgrade the status of Taiwan's membership in the World Trade Organization. Taiwan's efforts to enter World Health Organization have also been impeded by Beijing, who only conceded to let Taiwan's medical professionals to participate as observers.

⁷ These principles comprise Beijing's persistent, long-term strategy toward Taiwan. The "one China" principle was first defined in 1954, "peaceful unification," first conceptually declared in January 1979 and then verbally enunciated in October 1981, and "one country, two systems," first officially appeared in June 1983 but did not receive wide public attention until February 1984. "National People's Congress Standing Committee Appeals to Taiwan Compatriots," *People's Daily*, Jan. 1, 1979; "Ye Jianying's Statement to *Xinhua* Journalists," *People's Daily*, Oct. 1, 1981; Deng Xiaoping, *Deng Xiaoping: Selected Works*, Vol. 3, pp. 30-31; Leng Rong, "The Origin and Development of How Deng Xiaoping Proposes the Concept of 'One Country Two Systems,'" *Liaowang* (overseas edition), July 20, 1992, p.4; Hui-Ling Chang, "Observation on the contradiction and dilemma encountered by the application of 'one country two systems' to Hong Kong," *Studies on Communism*, Mar. 15, 2002 pp. 14-24.

⁸ This would be a war of paralysis rather than annihilation. These words were coined by the author before "access denial" became popular. Chong-Pin Lin, "Beijing's New Grand Strategy: Dominating the Region without Fighting," keynote speech at United States-Taiwan Defense Industry Conference 2004, U.S.-Taiwan Business Council at Hilton Scottsdale Resort and Villas, Scottsdale, Arizona on Oct. 4, 2004, in Chong-Pin Lin, *Win With Wisdom*, (Taipei: Defense International Publisher, 2005), pp. v-xv.

⁹ These dates were never officially reported by Beijing's *Xinhua* or *People's Daily*, but rather by Hong Kong media such as *Zhengming*, *Wenhui Bao*, and *Dagong Bao*. "Zhengming Reported that PRC official Wang Zhaoguo and others spoke toughly on Taiwan: Unification across the Strait Must be accomplished by 2010," *World Journal*, Nov. 2, 1994, p. A1. According to *Wenhui Bao*, July 15, 2004, PLA Central Military Commission Chairman Jiang Zemin considered that around 2020 would be a good time to resolve the "Taiwan problem." "Scholar: Not Surprised by the Timetable," *Apple Daily*, July 16, 2004 p. A19. On Sept. 24, 2004, five days after Hu took over the chairmanship of the Chinese Communist Party's Central Military Commission, he reportedly approved at an internal meeting a new guideline on Taiwan policy which reflected his patience: "strive for negotiation, prepare for war, and fear not Taiwan's procrastination" (*zhengqu tan, zhunbeida, bupaduo*).

¹⁰ This was stated in its “decree of political work.” This has become a highly controversial issue. Some media establishments in Taiwan have attempted to enter the Mainland market, causing the former in turn to be reluctant to print opeds and commentaries critical of the PRC. ‘Pale-green’ scholars have also complained that their opeds have been turned down repeatedly by certain newspapers in Taiwan. Journalists have been admonished by their superiors about reports Beijing might find offensive. With the cutthroat competition among Taiwan’s vibrant media increasingly intense, the pressure is seek larger markets and audiences, including on the Mainland. In addition, it has been circulated that some media outlets in Taiwan have received financial support indirectly from China via Hong Kong (or via Taiwanese businessmen).

¹¹ Wang Yuyan, “Hu Jintao said that the only task of the PLA is the War on Taiwan,” *Lianhe Bao*, Aug. 27, 2007, p. A14.

¹² His approach was typified by his instruction to China’s Central People’s Broadcasting Station in Aug. 2004 that its work toward Taiwan “should enter the island, the household of Taiwanese people, and their minds.” Di Jun, “The 50th Anniversary Commemorating Central People’s Broadcasting Station’s Work on Taiwan Is held in Beijing,” *China News Service*, Aug. 12, 2004, see www.gwytb.gov.cn.

¹³ Wang Weixin, “The Duty Shared by Soldiers across the Taiwan Strait,” *Outlook*, Dec. 10, 2007, pp. 52-53. Senior Colonel Wang Weixin is director of the Center of Taiwan Strait Military Research at the PLA Academy of Military Science.

¹⁴ This was later anglicized into “sweeter carrot and harder stick,” Zeng Chunliang, “Communist China Applies Both Soft and Hard Approaches on Taiwan with the Intention to Seize the Initiatives,” *The Central News Agency*, May 9, 2005.

¹⁵ Sun Yafu, “Solving the Taiwan Problem Depends on Economic Development,” *Lianhe Bao*, Jan. 19, 2007, p. A4.

¹⁶ Washington does not necessarily accept this forfeiture but takes seriously the prospect of renewed cross-Strait crisis and so has taken serious Chen’s warnings and acting in its own interest. Vincent Chang, “Chen Yunlin Concerned with Taiwan’s U.N. Campaign Will Visit Washington Again,” *Lianhe Bao*, Dec. 1, 2007, p. A4.

¹⁷ Personal communication with Dr. J, a European Community official visiting Taipei, on Jan. 29, 2008.

¹⁸ Peng Zhiping, “Before Taiwan’s Presidential election, Ye Kedong Visited Japan for Communication,” *China Times*, Nov. 24, 2007, p.A13.

¹⁹ The highest since 1996 when inflation registered 8.3 percent. See, Bai Dehua, “Mainland Economic Growth and Inflation Both Reached New Heights,” *China Times*, Jan. 25, 2008, p. A17.

²⁰ “Overheating and Inflation Fears Shift Chinese Money Policy,” *International Herald Tribune*, Dec. 6, 2007, p.12; “Banks’ Reserve Rate Raised to 14.5 percent,” *Lianhe Bao*, Dec. 9, 2007, p. A14.

²¹ According to China’s Public Security Ministry, protests involving more than 100 people numbered 58,000 in 2003, 74,000 in 2004 and 87,000 in 2005 while only 10,000 in 1994. “Qunian Dalu meiri 240 qi kangzheng” *China Times*, Jan. 22, 2006, p. A13.

²² Esther Pan, “China’s Angry Peasants,” *Council of Foreign Relations*, Dec. 15, 2005.

²³ Bill Gertz, “China in Afghanistan,” *Washington Times*, Nov. 30, 2007.

²⁴ By the fall of 2007, three commanders of the seven military regions were promoted two ranks above their original positions – a sign of Hu’s growing authority, and one-third of the

sixty some provincial leaders were from the Communist Youth League, Hu's major power base. Hu served as the Secretary General of the Chinese Communist Youth League in the early 1980s after graduation from the Tsinghua University.

²⁵ The tone of China's governmental mouthpiece *People's Daily* heralding the arrival of 2008 was seen as unprecedentedly euphoric. Peng Zhiping, "People's Daily Celebrates the New Year with Unprecedented Ecstasy," *China Times*, Jan. 1, 2008, p. A13.

²⁶ "Powell, China's Li Zhaoxing Discuss North Korea, Taiwan," U.S. Department of State, Office of the Spokesman, Sept. 30, 2004. And Li went on to say, "If there is a sport item in the world which is called 'the phone calls between foreign ministers', then perhaps we will get the gold medal."

²⁷ Since U.S. Secretary of Defense Donald Rumsfeld visited Beijing in Oct. 2005, the Pentagon and the PLA have begun regular exchanges. In Sept. 2006, NASA Administrator Michael Griffin's visit to China initiated the exchanges of space agency between the two countries.

²⁸ Even counting since the United States and China first came into contact during the Qing (Manchu) Dynasty in the 18th century, the official interactions between the two countries has never been so extensive. The word "unprecedented" in reference to Sino-U.S. relations was also used by U.S. Assistant Secretary of State Christopher Hill in his keynote speech at the Washington D.C. Press Club on Oct. 13, 2006.

²⁹ Vincent Lin and Betty Li, "Bush-Hu Hotline Phone Conversation: To Handle the Taiwan Issue Appropriately," *Lianhe Bao*, Dec. 7, 2007, p. A1.

³⁰ "U.S. Opposes Taiwan U.N. Referendum: Negroponte," *Reuters*, Jan. 18, 2008; David Lague, "China Lets U.S. Ship Visit Hong Kong," *International Herald Tribune*, Jan. 29, 2008.

³¹ Please refer to the ongoing public opinion surveys conducted since Sept. 1992 by academic and commercial institutions commissioned by Taiwan's Mainland Affairs Council, see www.mac.gov.tw.

³² The in-between group self-identified as "both Taiwanese and Chinese" has shrunk slightly from 49 percent in 1992 to around 45 percent since 2006. Please refer to the surveys conducted by the Election Study Center, National Chengchi University in Taipei, blog.roodo.com/taiuan/archives/3871243.html.

³³ Robert Tsao's blog, <http://blog.yam.com/straitpeace>, advertised in *Liberty Times*, Dec. 26, 2007, p. 1.

³⁴ Personal communication with a Mainland source, Nov. 30, 2007.

³⁵ Personal communication with *China Times* journalist Wu Mingchieh on Dec. 10, 2007.

³⁶ "PLA dropped in training guideline 'preparation for military struggles'," *Lianhe Bao*, Jan. 22, 2008, p. A14.

³⁷ Other factors for the KMT landslide of 81 seats over DPP's 27 ones included voters' dissatisfaction on the ruling party's economic performance and the numerous corruption charges on its officials. See "Opposition Wins Vote in Taiwan," *Associated Press*, Jan. 12, 2007, <http://lifeinmoseslake.blogspot.com/2008/01/it-is-victory-of-democracy-in-taiwan.html>.

³⁸ Beijing since 2005 has escalated its efforts in the European Union to contain Taiwan. Personal communication with a European Union official at a luncheon hosted by Director Jean-Claude Poinboeuf of the French Institute in Taipei on Nov. 30, 2007. PRC officials have been telling German journalists that the potential security hazards posed by Taiwan's pro-independence forces are extremely grave, according to personal communication with Matthias Nass of *Die Zeit*, visiting Taipei on Dec. 6, 2007.

Peace Agreement: The Long Road Ahead

Huang Jiashu

Low Level of Peace

The first half of 2008 will be a critical time for the both sides of the Taiwan Strait. Two elections will reorient the political landscape in Taiwan and will also exert a significant influence on the development of cross-Strait relations. Despite the Kuomintang's (KMT) major victory in the legislative elections, the results of Taiwan's "presidential election" and "referendum on U.N. membership" are difficult to predict. Will the elections and referendum alter cross-Strait relations for better or worse? That is, will they lead to a deterioration in relations resulting in war or an improvement, raising the current situation of "low level of peace" to a "medium level of peace," institutionalized and guaranteed by agreement? The fate of cross-Strait relations is in the hands of the people in both the Mainland and Taiwan and will depend on breakthroughs in policies and interactions on both sides of the Strait.

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Since the mid-1960s, relations between the Mainland and Taiwan have been characterized by the “Four No’s”: no unification; no independence; no war; and no peace. While this state of affairs across the Strait has essentially ended active hostilities, it has also precluded the possibility of a peace agreement. The balance of the “Four No’s” has deeply depended on the influence of China, the United States and Taiwan. Since the 1990s, with Taiwan split into “Blue” and “Green” camps, one can say the number of forces affecting cross-Strait relations has grown to four.¹

A low level of peace across the Strait has been reached through mutual deterrence among the four parties. The Mainland’s military might constrains any move toward independence by Taipei, while Taiwan – with support from the United States – has also developed a defense posture that the Mainland must carefully consider in crafting its approach to reunification. Despite aiding Taiwan in resisting reunification by force by the Mainland, the United States has also gradually stepped up its efforts to oppose Taiwan’s movement toward independence in recent years. Both Beijing and Taipei have a love-hate relationship with the two-pronged policies of the United States. Beijing opposes the U.S. military support for Taiwan but, on the other hand “encourages” Washington to curtail Taiwan independence, hoping that the United States can act as a ultimate check against any hasty move by Taiwan in that direction. The Democratic Progressive Party (DPP), the core of the Green camp, hopes the United States will not only back Taiwan’s resistance to reunification but will ultimately support its goal of independence. The KMT (the core of the Blue camp) believes its steady policies vis-à-vis the Mainland will earn U.S. support, helping it regain power following the elections. Yet, the Blue camp also fears getting too close to the Mainland, thereby inviting suspicion from the United States and raising sympathy for the Green camp.

Despite the complex interests in the Strait, there is one “tacit understanding,” a kind of consensus between the four sides: all want peace. President Hu Jintao has stated China’s position clearly in this regard: “China hopes, more than any other side involved, to solve the Taiwan question in a peaceful way” and that “as

long as there is still a thread of hope for peaceful reunification, we will double our efforts to achieve that goal.”² Dating back to its involvement in the Taiwan issue in the early 1950s, the United States has made a “peaceful solution” its most fun-

While no actual war has occurred, a “war at heart” has always existed.

damental policy pursuit in the Strait.³ Of course, Taiwan has the greatest stake in peace, with both Blue and Green factions recognizing that Taiwan would bear the brunt of any conflict and would suffer the most harm. Yet, despite the building of mutual deterrence on both sides of the Strait through active preparation for war, “peace” has actually been the biggest common denominator between all sides. Each is essentially facing an imaginary enemy. This uneasy equilibrium has prevailed for almost 50 years.

But peace through a balance of deterrent force is neither stable nor reliable. While no actual war has occurred, a “war at heart” has always existed. Consequently, the Taiwan Strait has long been regarded as one of the few regions at high risk of conflict in the world. Throughout the past forty years, there has been sharp political, diplomatic and military antagonism between the two sides, along with substantive differences in ideology. Since the latter part of Lee Teng-hui’s presidency to Chen Shui-bian’s administration, new contradictions and conflicts have emerged over the concepts of national, historical and cultural identities. The potential for military confrontation between the two sides, which had abated for short time before that, intensified again.

The half-century of “hostility” across the Taiwan Strait has not only plagued relationships between the governing authorities on each side, but has also aggravated tensions among all parties on both sides, and has pitted the two sides’ populations against one another. When further aggravated by international politics, this environment of antagonism is susceptible to escalation. If this cycle persists, the two sides will eventually go to war.

In these 2008 elections, the DPP is using cross-Strait opposition, as an election “weapon,” particularly by pushing forward the referendum on U.N. membership using the name of Taiwan. Such a move threatens to undermine the “low level of peace,” and holds considerable risk in bringing the two sides closer to war.

Maintaining the Bottom Line

Of the Four Nos, “no independence” is the basic condition to guarantee the low level of peace. In his report to the 17th Party Congress, Hu Jintao once again stressed the bottom line of the Mainland: “We are willing to try our best, with all sincerity, to realize the peaceful reunification of our Motherland, but we will never allow anyone to separate Taiwan from China under any name or in any form.”⁴ If Taiwan alters the status quo and rushes to independence, the Mainland will have no other choice than to use the People’s Liberation Army to safeguard China’s national sovereignty and territorial integrity. Under such a situation, peace between the two sides of the Strait will disappear altogether. Though the Mainland has clearly shown its bottomline policy, Chen Shui-bian has attempted to combine the referendum on joining the United Nations under the name of Taiwan and the presidential elections. Seen from the perspective of the Mainland, this is an important step towards de jure Taiwan independence.⁵ Like walking towards an oil depot with a lit match, with every step the danger of explosion increases.

The United Nations is an international organization, which only sovereign states can join. Taiwan has never been an independent sovereign state but the referendum orchestrated by Chen Shui-bian would propel Taiwan to join United Nations under a new name. If the referendum passes, it will provide a legal basis for Taiwan to subsequently change its name, because the result of the referendum carries legal force. This would be equivalent to legally announcing that Taiwan is an independent sovereign country in a disguised form, and a significant step towards de jure Taiwan independence. The Mainland cannot tolerate this action. Although Chen Shui-bian claims that the referendum merely represents the collective will of 23 million Taiwanese, as President Hu Jintao has pointed out, “any matter that involves China’s territorial and sovereign integrity must be jointly decided by all the Chinese people including compatriots on both sides of the Strait.”⁶ This was a warning to separatist forces in Taiwan that China’s sovereign and territorial integrity cannot be decided unilaterally. All democracies have their bounds and Taiwan’s referendum cannot tread on the interests of the 1.3 billion people on the Chinese mainland. The Mainland will not oppose

Taiwan's referendums on anti-corruption, for instance, or other issues that do not involve China's sovereignty and territorial integrity. The policy of the Chinese mainland is to oppose secession, not democracy. On the other hand, Beijing certainly does not wish to see U.N. referendum turn into a fuse to war and has therefore mobilized a concerted effort, including urging the United States to put a stop to the referendum and prevent Taiwan's drift toward independence. On this issue of the U.N. referendum, the United States has exerted a degree of pressure on Taiwan.

During his visit, U.S. Pacific Fleet commander Adm. Timothy Keating clearly stated that "Taiwan is part of China." From U.S. statements and actions, it can be judged that the United States has no intention of taking advantage of the referendum to harm Sino-U.S. relations. The United States and China clearly have a common interest in maintaining a low level of peace across the Taiwan Strait, but does this mean the referendum be completely stopped before March 22? Or, will there still be changes in its contents and name? This will depend on the political situation that develops in Taiwan and on how the Blue and Green camps judge the intentions of the Chinese mainland and the United States.

Compared with the provocative U.N. referendum, Taiwan's "presidential elections" pose a lesser threat to peace. Because the Blue camp accepts the "1992 consensus," if Ma Ying-Jeou wins the election, the possibility that the two sides will restart negotiations is hopeful. Even if the Green camp wins, the "low level of peace" across the Strait may not immediately be adversely affected. However, because Frank Hsieh's supporters inside the DPP are "deep Green" forces, he will have political, economic or cultural constraints, and will have to rely on the referendum and the provocative rhetoric of "love Taiwan, oppose the Mainland." His campaign will draw upon the forces of Taiwan independence, and this will restrict his policies if elected. He will not give up the proposition of "gradual Taiwan independence," which will inevitably spoil any opportunity to reach consensus with the Mainland on the "one China" principle.

Despite the fact that the election outcome is very difficult to predict, the Mainland has never given up its effort to realize peace across the Strait. At the 17th Party Congress, Hu Jintao declared, "[w]e are willing to engage in exchange,

dialogue, consultation and talks on any issue with any political party in Taiwan as long as it accepts that both sides of the Taiwan Strait belong to one and the same China.”⁷ Perhaps more telling is that Hu did not mention the “1992 consensus” in his report.⁸ This was not an oversight or omission. Rather, it strongly suggests careful thinking because the “1992 consensus” was hammered out between the Mainland and KMT. The ruling in the DPP and the Green camp have long denied its validity. Thus, by avoiding mention of the “1992 consensus” by Hu at the Party Congress, along with an expanded definition of the “one China” principle, China has effectively given the Green camp an opportunity to work around previous rejections to these issues and forge its own interpretation of the “one China” principle. As such, the Mainland has shown its sincerity to maintaining painstaking efforts to bring peace.

Agreement, Later

A peace agreement is a direction for the future. Regardless of who becomes the next president of Taiwan, the negotiation process will surely be long and drawn out. To improve cross-Strait relations in the short term, the two sides need to first focus on simpler issues, leaving the more substantive issues for longer, more extensive negotiations. For instance, fairly rapid progress can be made in “three direct links”, especially tourism and financial cooperation between the two sides.⁹ Yet, even in these areas, how to deal with judicial jurisdiction over tourism related crimes or financial fraud is not clear. Cooperation even in these more straightforward issues invariably goes to the core issue of “how both sides mutually acknowledge the other’s political and legal system.”

The key to reaching a peace agreement lies in solving the issue of mutual recognition and cooperation of the public authorities on both sides of the Taiwan Strait. Currently, the Mainland has not yet clearly raised the theme of official cooperation between the two sides; though it has expressed willingness to talk about the problem of military mutual trust mechanisms as well as establishing economic cooperation mechanisms, and even a common market between the two sides.¹⁰ Once talks are held on these latter issues, customs procedures, taxation, financial regulation, credit checking, anti-smuggling and crackdown on crimes

will inevitably become part of the discussions. Military mutual trust is a matter which civilian organizations “can talk about on a proxy basis.” Eventually, all these questions can only be resolved through the consultation of public authorities. In other words, to upgrade cross-Strait relations to a “medium peace realm” safeguarded by a peace agreement, the mutual admission and mutual exchange between public authorities of both sides of the Straits cannot be circumvented

Prerequisite to reaching the peace agreement, both sides must come to acknowledge that on the one hand, China’s sovereignty and territory are indivisible, yet on the other hand, neither side’s political and legal system belongs to or has jurisdiction over the other. There must be compromise on both these issues by both sides. As for the latter issue, even though the people of Taiwan are part of the Chinese race, the Mainland must also respect the will of the people and cannot continue to turn a blind eye to the elected institutions of power in Taiwan. However, the Taiwan side should also understand that it is impossible for Beijing to recognize Taiwan as “a sovereign state.” It is also difficult for the Mainland to formally accept the name “Republic of China” (ROC) and, likewise, it is not happy to see Taiwan use the “People’s Republic of China” (PRC) when referring to the Mainland (since it implies a separate sovereign entity). Therefore, if Taiwan insists that it can only develop cross-Strait relations on a “country to country” basis, then the two sides will have reached a cul-de-sac. Thus, the critical question is how the two sides can break the impasse over definitions of their mutual identities? This will require a return to a common understanding of the “one China” principle.

Rise of “People Principle”

No matter how extensive the cross-Strait dialogue or how well conceived, a lasting peace will remain a pipe dream until the fundamental issue of the “one China” principle is resolved. Although the Mainland is unlikely to alter its insistence on the “one China” principle as the foundation for a peace agreement, it has shown flexibility on the exact interpretation of that concept. The “one China” principle has evolved from being defined and characterized by *government affiliation to territoriality* and is now based on *people*. The first definition stresses the link

between sovereignty and government, in that “the government of the People’s Republic of China is the sole legitimate government of China.” The second emphasizes the link between territory and sovereignty, meaning, “Taiwan is part of China” and “Taiwan and the mainland belong to one and the same China.”

The concepts underpinning a new *people principle* in defining “one China” were put forth in the Communist Party’s report to its 17th Congress, and are based on the notion of the “Three Commons.” First, the report states that the “1.3 billion compatriots on the Mainland share a common bloodline and destiny with the 23 million compatriots in Taiwan.” Second, “China is the shared homeland for all compatriots on both sides of the Straits, who have every reason to join hands to safeguard and construct this common homeland.” Third, it states that “China’s sovereignty and territorial integrity are indivisible, and any matter in this regard must be decided by the entire Chinese people including our Taiwan compatriots.” This clearly connotes that the

The concept of “one China” is based on a people principle.

concept of “one China” is based on a *people principle*. On the one hand, this makes clear that China’s sovereignty belongs to all Chinese people, and all on both sides of the Strait are of the same family and share in China’s sovereignty. On the other hand, the “Three Commons” also sets the restriction that if Taiwan wants to become independent, it needs the consent of the people on the Mainland. Similarly, the reunification of the two sides requires consent of the people of Taiwan.

Therefore, applying the *people principle* to the “one China” policy can overcome the impasse to cross-Strait relations. That is, the understanding that “China’s sovereignty belongs to all Chinese people on both sides of the Strait” maintains the status quo that there is no division of sovereignty or territory between the two sides. It also allows for “respective interpretations” of nationality, and thereby recognizes the reality that there are two different political and legal systems on either side of the Strait. Beijing can interpret “Chinese” as all those people holding the nationality of the PRC plus all those holding a permanent residence registration in Taiwan who are recognized by Taiwanese institutions of authority. Taipei can describe “Chinese” as all those holding the nationality of the ROC plus those with permanent residence registration on the Mainland who are rec-

ognized by institutions of authority on the mainland. Reaching a consensus view that the identity of “both sides are people of China” (in the form of a legal document) will imply that before national political unification can be achieved, the unification of the Chinese nation must be realized first.¹¹ If the framework for interaction between the two sides of the Strait can be established on such a foundation, long-term peace and stability can be guaranteed, because, as stated in Jiang Zemin’s 1995 Eight Point Formula, “the Chinese do not fight against Chinese.”¹²

In essence, the *people principle* may be interpreted as being closer to the democratic ideal that people are the masters of the country and jointly own national sovereignty. It transcends the dispute between the two sides of the Strait over the issue of government representation and territorial sovereignty, thus offering more flexibility to resolve the “one China” question. The notion of sharing a common destiny and homeland stresses the human caring and emotional bond shared by both sides. From a historical perspective, it reminds the Chinese people of the common bloodline and cultural heritage of the compatriots on both sides of the Strait. In a modern context, it reflects the interests of the one million Taiwanese businessmen in the mainland today. And for the future, it paints a vision of where both sides of the Strait seek peace, development and prosperity together. Operating under the *people principle*, it also is easier to gain understanding and support from the international community.¹³

What is on Offer?

The most important question is whether the current unstable “low level of peace without war” will continue after the elections are concluded or, can relations be elevated to a “medium level of peace?”

As early as in 2005, when meeting with political party leaders from Taiwan (Lien Chan, James Soong and others), Hu Jintao and Lien Chan jointly put forward a clear proposition for “establishing a framework for peaceful and stable development across the Taiwan Strait.” Some specific content was conceived, particularly in the areas of economic cooperation (perhaps even a free trade zone

or common market) and arrangements for consultation and exchange between political and administrative officials.

At the 17th Party Congress last October 2007, the Mainland formally put forward a proposition for a peace agreement. On this occasion, General-Secretary Hu Jintao solemnly called upon all political parties in Taiwan to reach a peace agreement by formally putting an end to the state of hostilities and establishing a framework for the development of cross-Strait relations on the basis of the “one China” principle.¹⁴ As for Taiwan’s “international space,” the Mainland is now considering differentiating between “the space for external activities” which the people of Taiwan should be allowed to “expand,” as opposed to the “the diplomatic breakthrough” that Taiwan authorities are manipulating for the goal of “Taiwan independence.” The bottomline for the Mainland is that Taiwan is free to join international organizations on the basis of “one China.” As for international cultural and eco-

The peace agreement will be the equivalent of a promise not to use force.

economic organizations such as the International Olympic Committee, the World Trade Organization and the Asia-Pacific Economic Cooperation, the Mainland has already accepted that Taiwan join them as a cultural and/or economic entity. Other opportunities can also be arranged, such as membership in the World Health Organization (WHO), provided Taiwan acknowledges that they are Chinese.

Coming to an agreement on the crucial issue of ending a state of hostility between the two sides with the establishment of “mutual military trust mechanism” – also discussed – will be key and the equivalent of entering “a medium level of peace.” The Mainland has put forward the idea of establishing military trust mechanisms across the Strait. This mechanism would likely include a platform for front-line commanders to meet and a system of notification of military exercises. Such an agreement will be equivalent to a promise not to use force. However, the realization of this cooperation will require extensive and direct participation by both militaries, again, inevitably requiring each side to recognize the other side’s political and legal systems.

Regardless of who becomes the next “president” of Taiwan, the negotiation process will be very long. The offer for such a peace agreement implies that the Chinese mainland is in no hurry to complete political reunification and is merely focused on preventing Taiwan’s independence in the short term.¹⁵ The peace agreement is in essence designed to maintain the status quo while allowing progress within the peace agreement framework and a considerably long transitional period to reunification. As long as no political party in Taiwan challenges the most fundamental part of that status quo, that both sides of the Taiwan Strait belong to “one China,” peace can be guaranteed. ☺

Notes

¹ The Green camp includes President Chen Shui-bian’s Democratic Progressive Party (DPP) and its allies, primarily the Taiwan Solidarity Union (TSU) assembled by former president, Lee Teng-hui. On the conservative side of the political spectrum lies the Blue team, including the island’s long-time ruling party, the Kuomintang (KMT), along with two KMT spin-offs, James Soong’s People First Party (PFP) and the New Party (NP).

² Hu Jintao, “Four Opinions to Develop Relations between two sides in Straits in the new Phase,” *Xinhua*, Mar. 4, 2005.

³ James C. P. Chang, “U.S. Policy toward Taiwan,” Weatherhead Center for International Affairs at Harvard University, June 2001.

⁴ Hu Jintao, “The 17th Party Congress Political Report,” *Xinhua*, Oct. 24, 2007, http://www.china.com.cn/17da/2007-10/24/content_9119449.htm.

⁵ “Beijing Answers Taiwan Authority’s Decision of Referendum on U.N. Membership,” *Xinhua*, Feb. 03, 2008.

⁶ Hu Jintao, “The 17th Party Congress Political Report,” *Xinhua*, Oct. 24, 2007, http://www.china.com.cn/17da/2007-10/24/content_9119449.htm.

⁷ *Ibid.*

⁸ The “1992 consensus,” on the “one China” principle and its respective verbal wording of both sides, was reached in a meeting in November 1992 held in Hong Kong by the Association for Relations Across Taiwan Straits (ARATS) of the Mainland, headed by Wang Daohan, and the Straits Exchange Foundation (SEF) of Taiwan, led by Koo Chen-fu. The consensus is that “both sides of the (Taiwan) Straits adhere to the ‘one China’ principle” and orally explain the principle respectively. See “Backgrounder: 1992 Consensus on one-China principle,” *Xinhua*, Oct. 13, 2004.

⁹ “Three direct links” means direct links in mail, transport and trade between the two sides of the Taiwan Strait. See Taiwan Affairs Office of the State Council, “Actively and Realistically Promote ‘Three Direct Links’ Across the Taiwan Straits by Reliance on the People and in the

Interests of the People,” Dec. 17, 2003.

¹⁰ When Hu Jintao met with Lien Chan, James Soong and other political party leaders from Taiwan in 2005, he and Lien Chan jointly put forward a clear proposition for “establishing a framework for peaceful and stable development across the Taiwan Strait.” Some “specific contents” of this framework have also been conceived, such as establishing military mutual trust mechanisms, economic cooperation mechanisms and even a free trade zone or a common market, polity party exchange mechanisms, and leader meeting and consultation mechanisms across the Taiwan Strait.

¹¹ This term is a difficult one to translate into English. It connotes more than the term of being Chinese, in terms of a purely ethnic quality, but less than any direct affiliation with a specific political or government system. “People of China” would not include for instance overseas Chinese. Nor would it necessarily entail either the government of ROC or PRC, but would require some common political entity.

¹² Jiang Zemin, “Strive for the Reunification of Motherland,” *Xinhua*, Jan. 30, 1995.

¹³ Gordon Johndroe, Spokesman for the White House immediately said that “We believe that President Hu’s remarks were a step in the right direction on seeking to reinvigorate a cross-Straits dialogue,” “As to President Hu’s specific proposals, it is up to the people on both sides of the Strait to decide the terms and conditions under which exchanges, dialogue and consultations occur.” “U.S. Welcomes Chinese Leader’s call for Cross-Straits Peace Deal,” *People’s Daily*, Oct. 16, 2007.

¹⁴ Hu Jintao, “The 17th Party Congress Political Report,” *Xinhua*, Oct. 24, 2007, http://www.china.com.cn/17da/2007-10/24/content_9119449.htm.

¹⁵ Bai Dehua, “Hu Jintao Calls for Signing of Cross-Strait Peace Agreement for the First Time,” *China Times*, Oct. 16, 2007.

Wild Card: A Democratic Taiwan

Ted Galen Carpenter

The conventional wisdom in American foreign policy and media circles is that the smashing victory by the Kuomintang Party (KMT) in the January 2008 elections for Taiwan's national legislature will mean a dramatic easing of tensions between Taiwan and the People's Republic of China (PRC).¹ As is often the case, the conventional wisdom is, at best, only partially correct. True, the KMT's rout of President Chen Shui-bian's Democratic Progressive Party (DPP) was an emphatic repudiation of Chen's performance in office. But whether the voting result was a rejection of his assertive policies toward Beijing is less certain. Taiwan's subpar economic performance during Chen's eight years as president, combined with a cascade of ethical and financial scandals that implicated even the president's immediate family, seemed to antagonize voters more than did his cross-Strait policies. That is not surprising. In most countries, legislative

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elections tend to turn on economic and character issues more than diplomatic or even national security issues.

Elections for the executive branch are another matter. There, security concerns typically play a larger role. In Taiwan's case, it remains to be seen whether the KMT's legislative landslide (winning more than two-thirds of the seats) will translate into victory in the March presidential election. KMT nominee Ma Ying-jeou is well ahead in the polls and probably will defeat DPP nominee Frank Hsieh, but an upset is possible.

If Ma wins the presidency, there will indeed be a serious effort on his part to dampen tensions with Beijing. In particular, Ma is almost certain to avoid the abrasive policies that became a staple of Chen's administration. We are not likely to see a continuation of the campaign to apply for membership in the United Nations under the name Taiwan rather than the Republic of China. One can anticipate Taipei's endorsement of direct air and sea links between Taiwan and the Mainland. A Ma administration may even reverse Chen's action in changing the names of state-owned corporations from "China" to "Taiwan." And there will be an end to the campaign to purge Taiwan's educational system of its Chinese heritage. Perhaps most important, the strident rhetoric about Taiwan's ultimate goal being permanent political separation from the Mainland will come to an end. All of those policy changes should bring a sense of relief in Beijing – and in Washington.

In the long run, though, even a KMT-dominated government is not likely to mean a decisive difference in resolving the island's ambiguous political status and the international tensions that it causes. Indeed, both Beijing and Washington must learn to deal with a vibrant, democratic Taiwan that has a growing sense of a separate national identity. Officials in both capitals have been slow to grasp the implications of the democratic transition that has taken place in Taiwan since the early 1990s. The underlying reality is that a KMT victory may postpone a crisis over Taiwan's status, but even an era of prolonged KMT political dominance probably will not avert it.

High Expectations

Both Beijing and Washington tend to misread – and underestimate – the significance of having to deal with a democratic Taiwan. Beijing is especially likely to experience frustration and disappointment in the coming years. Ever since Chen was elected president of Taiwan in 2000, the PRC's strategy has been to wait for a more moderate successor. China's leaders hoped that Chen would be defeated for re-election in 2004, but when that did not happen, they still maintained their strategy. The prevailing assumption in Beijing seems to be that its troubles with Taiwan are entirely the result of separatist agitation by Chen and his followers. Under a KMT administration, so the logic goes, independence sentiment in Taiwan will fade and prospects for the island's reunification with the Mainland will improve.

That assumption strengthened in the spring of 2005 when then-KMT leader Lien Chan visited the Mainland and made a variety of conciliatory statements. Chinese leaders feted Lien as a reward for comments that affirmed that the goal of the KMT was eventual reunification. Lien's successor, Ma, subsequently made similar pro-reunification comments.

If they examine Ma's position carefully, however, Chinese leaders may be in for profound disillusionment. Although Ma does endorse eventual reunification, he also emphasizes that the KMT is committed to preserving the status quo (i.e. de facto independence) "for the foreseeable future."² There are also three very important caveats attached to the goal of reunification. First, Ma has made it clear that reunification can take place only if mainland China evolves into a prosperous, liberal democracy. As he put it in a February 2006 speech, reunification becomes possible once "developments in mainland China reach a stage when its political democracy, economic prosperity, and social well-being become *congruent* with those of Taiwan."³ Ma – and most KMT members – have no interest in having Taiwan unify with China in its current, authoritarian incarnation. Second, reunification could only take place with the explicit endorsement of the Taiwanese people. In other words, Taiwan would have a veto. Again, Ma is categorical on that point: "Since Taiwan has become a full-fledged democracy,

reunification with mainland China cannot proceed without the consent of the Taiwanese people.”⁴ Finally, the KMT has reluctantly conceded that all options – even independence – must be available to Taiwanese voters when it comes time to make a decision.

Those caveats are anathema to Beijing. The PRC’s political elite have no intention of giving up the Communist Party’s monopoly of power and transforming China into a Western-style democracy. Chinese leaders have also emphasized repeatedly that Taiwanese voters cannot have a veto over whether reunification takes place. And Taiwanese independence is an option that Beijing considers utterly illegitimate, even if that is what the island’s population might desire.

The reality is that there is less of a substantive difference between Ma’s positions and the policies that Chen’s government has pursued than it might appear on the surface. The KMT is just more subtle and conciliatory in its language, and would be more cautious about actions that might provoke Beijing. In the short run, the latter is quite important. Whereas Chen and the DPP have repeatedly pushed the envelope on asserting Taiwan’s sovereignty, and thereby threatened to disrupt the fragile status quo in the Taiwan Strait (much to Washington’s dismay), a KMT presidency is committed to preserving the status quo. In the long run, though, reunification would not be significantly more likely under a KMT administration than a DPP one. And it remains to be seen how long Beijing will be content with a status quo that maintains Taiwan’s existence as a *de facto* independent state.

The KMT’s equivocation about reunification is not surprising given the attitude of the Taiwanese people. A March 2007 survey by a major research institute in Taiwan showed that a majority of respondents rejected the notion that the island must eventually reunify with China, and an overwhelming majority believed that Taiwan’s political future should be determined solely by the Taiwanese people.⁵ Since the KMT wants to prosper politically, it cannot ignore those sentiments. If the party ever agreed to Beijing’s formula of “one country, two systems” (essentially an enhanced version of the Hong Kong model), it risks being soundly repudiated by the Taiwanese public.

At the very least, there is widespread insistence that Taiwan be treated as a sovereign, equal party in negotiations with Beijing. For a KMT government to enter into substantive talks regarding even long-term reunification, the PRC would have to offer greater autonomy than it has with the “one country, two systems” proposal. It remains to be seen whether Chinese leaders are willing to do that in response to a KMT government, both to reduce cross-Strait tensions and to minimize the likelihood of a DPP comeback.

But serious negotiations for ultimate reunification on the basis of the one country, two systems model are what Beijing expects from a KMT administration. One wonders what will happen if those hopes fail to materialize. Until now, Beijing has insisted that the “Taiwan problem” is because of Chen and the DPP, and that most Taiwanese do not support the “splittists”. But the PRC’s hostility to manifestations of democracy in Taiwan suggests that Chinese leaders suspect differently. Chen’s strategy of holding referenda on diplomatic and security is-

Taiwanese attitudes limit the leverage Washington can hope to exercise over Taipei’s behavior.

issues (most recently on seeking membership in the United Nations under the name Taiwan) especially infuriates the Mainland. Not only does Chen’s approach highlight Taiwan’s increasingly democratic political

features (which an authoritarian regime trying to keep a restless population on the Mainland in line and deal with rambunctious democrats in Hong Kong regards as inherently threatening), but Chinese leaders believe that such referenda may set precedents for even more assertive referenda topics in the coming years.

At some point, the PRC regime will have to acknowledge that it has a problem with the views of a majority of the Taiwanese people, not just a small band of pro-independence agitators. Ironically, a period of KMT political preeminence might ultimately deepen tensions in the Taiwan Strait by making that reality undeniable.

Sentiment in Taiwan regarding the U.N. referendum issue illustrates the degree of support for Taiwanese sovereignty. A public opinion survey commissioned by the Mainland Affairs Council in September 2006, revealed that 75.8

percent of respondents favored continuing to seek a seat in the United Nations. Perhaps even more significant, 70.5 percent favored seeking that seat under the name Taiwan.⁶ A similar survey conducted in September 2007 found that 73.4 percent advocated applying for the U.N. seat under the name Taiwan.⁷

The 2007 poll again underscored the lack of support for reunification with the Mainland. Only a paltry 2.8 percent favored “unification as soon as possible,” and a mere 12.2 percent advocated “maintaining the status quo with unification later.” Conversely, 10.3 percent favored “independence as soon as possible,” and 16.5 percent “maintaining the status quo with independence later.” The largest faction, 34.9 percent, advocated “maintaining the status quo and deciding on independence or unification later,” and another 17.9 percent supported “maintaining the status quo indefinitely.” Since the status quo means continued *de facto* independence for Taiwan, those results can hardly be a comfort to PRC leaders. Finally, 67.8 percent explicitly rejected Beijing’s formula of “one country, two systems,” while only 14.8 percent endorsed it.⁸

The Bush Administration Confronts Taiwan

The evolution of a vibrant democratic system has posed challenges and frustrations for U.S. as well as Chinese officials. That is reflected in the mounting tensions between Taipei and Washington in recent years. The administration of George W. Bush initially adopted a policy of strong support for Taiwan, but that gradually waned as Chen’s government frequently blind-sided the United States with measures that antagonized Beijing – and produced pressure from Beijing on Washington to leash its obstreperous Taiwanese client. Since Washington needs China’s assistance on a variety of crucial international issues, most notably the North Korean and Iranian nuclear crises, U.S. leaders grew increasingly miffed at Taiwan for stirring up tensions.⁹ By 2007, Bush administration officials were directing increasingly pointed criticisms at Taipei.¹⁰ Chen’s effort to hold a national referendum endorsing the campaign to join the United Nations under the name Taiwan has especially stoked the administration’s annoyance. U.S. irritation on that issue culminated in an unusually blunt statement by Secretary of

State Condoleezza Rice in December 2007 that the proposed referendum was “a provocative policy” that “unnecessarily” raised tensions in the Taiwan Strait.¹¹

When Taiwan was governed by the authoritarian regimes of Chiang Kai-shek and his son Chiang Ching-kuo, Washington could usually count on a cooperative attitude from Taipei whenever U.S. officials made the American position clear and emphatic. The Bush administration discovered that with a democratic Taiwan, that assumption was no longer valid. As the United States has criticized Taiwanese policies that it regards as excessively disruptive of the status quo, it is often met with defiance and denunciation.¹² When U.S. officials openly opposed the proposed referendum on U.N. membership, Chen Shui-bian retorted that holding such a referendum was “basic democracy” in action, and that it would go forward as scheduled.¹³ The DPP chairman stated bluntly: “No matter what international pressure it faces, the DPP will stand by the Taiwanese people. We will carry out the referendum on entering the U.N.”¹⁴ Hsieh argued that the government should not be swayed on the issue, even if President Bush himself spoke out against Taipei’s course.¹⁵

As the U.S. pressure continued, Chen accused Washington of constantly “changing the rules,” and tightening its definition of acceptable Taiwanese conduct in an effort to placate Beijing. He also expressed bafflement and disappointment that the U.S. government supported independence for such upstart entities as Kosovo while berating Taiwan for exercising the prerogatives of sovereignty and democracy.¹⁶ On another occasion, he mused that some of the restrictions U.S. officials wanted to place on Taipei’s conduct could lead the Taiwanese to “think this is tantamount to locking up democracy in a bird cage.” That, he made clear, was simply unacceptable.¹⁷

Chen’s reaction to U.S. pressure and criticism was mild, however, compared to the response of more strident advocates of independence. The pro-DPP *Taipei Times* published a blistering editorial with the title “No Friend of Democracy in the U.S.” It was “deplorable”, the *Times* editorial stated, that the United States would “turn to humiliating practices to force Taiwanese officials into a direction that is not in the best interest of the people they were elected to represent.”¹⁸

When Raymond Burghardt, chairman of the American Institute in Taiwan (Washington's de facto embassy in Taipei) complained that the U.N. referendum might "harm the new president's ability to get off on the right foot" regarding cross-Strait relations, the *Times* responded harshly, asserting that Burghardt did not have "license to lecture Chen on what he should and should not do, nor draw red lines for the next president on how he should proceed on cross-Strait policy."¹⁹

The Taiwanese people likewise seem to resent U.S. pressure – or at least have not been willing to alter their views because of it. Another Mainland Affairs Council poll taken in December 2007 explicitly asked respondents whether they "disapproved of the proposed referendum because the U.S. is against it?" A decisive majority, 77.8 percent responded "no," while only 14.2 percent indicated that U.S. opposition influenced their views.²⁰ Chen's administration was a little more responsive, understanding that it was unwise for Taiwan to unduly antagonize its military protector. Nevertheless, while his government occasionally sought to soothe Washington – for example by reassuring U.S. officials that the U.N. referendum was not intended to set the stage for even more provocative measures – it was not willing to bend to U.S. pressure on the issue of the referendum itself.²¹

Yet even as Taiwanese officials and opinion leaders reject U.S. pressure, many of them exude confidence that Washington would still come to the island's rescue in the event of a crisis. There do appear to be some modest differences in perspective between DPP and KMT-oriented individuals on that point. In Taiwan in 2005, DPP partisans seemed virtually certain that the United States would intervene with military force in response to a PRC attack, even if Taipei arguably ignited a crisis by taking bold actions on independence. Their assumption was that no U.S. government could allow a fellow democracy, major trading partner, and long-time strategic ally to be conquered by a dictatorship. KMT types were somewhat more uneasy. They expressed confidence that the United States would protect Taiwan from an unprovoked PRC attack, but they worried that Taiwan might forfeit such protection if Taipei needlessly provoked a crisis. When pressed, though, most of them believed the United States would not aban-

don Taiwan, even under those circumstances.²² Such attitudes significantly limit the amount of leverage Washington can hope to exercise over Taipei's behavior.

Although Taiwanese officials are usually shrewd enough not to boast publicly about their certainty concerning America's commitment to democratic Taiwan, the sentiment does emerge from time to time. For example, a letter in the *Wall Street Journal* from the director of the press division in the Taipei Economic and Cultural Representative Office in Washington noted that the "stability and security" that Washington brings to the region by "its steadfast support for freedom sends a message to not only those in Beijing who would forcefully annex Taiwan, but to others who question America's resolve to stand up for democracy overseas."²³

U.S. Support Unwavering?

To complicate Washington's policy problems further, as Taiwan has evolved from an authoritarian system into a democracy, its emotional and ideological support in the United States has also expanded. That is especially true among conservative Republicans, but it also is present among the democracy and human rights lobby in the Democratic Party. There are now 167 members in the Taiwan Caucus – the core of pro-Taiwanese sentiment in the U.S. House of Representatives – more than one-third of the chamber's membership. The extent of such support complicates the efforts of any U.S. administration to take a strong stance against policies that Taipei might adopt.

To pro-Taiwan elements, tensions between Taiwan and the PRC involve a case of an aggressive, authoritarian regime wanting to snuff out of existence a peaceful, democratic country. Two neoconservative scholars, Dan Blumenthal of the American Enterprise Institute and Randy Scheunemann of the Project for a New American Century, express the sentiments of many opinion shapers who strongly back Taiwan. "In his historic [second] inauguration speech . . . President Bush made clear that the expansion of democracy and freedom are the central tenets of his foreign policy. On Taiwan policy, the administration should put those inspirational words into action by protecting a democracy from the aggressive

designs of a dictatorship.”²⁴

The Bush administration’s efforts to restrain the DPP government’s penchant for initiatives that Beijing regards as provocative draw intense fire from Taiwan’s friends in Congress. A typical episode came in December 2003. With PRC Premier Wen Jiabao at his side, President Bush stated that the United States opposed “any unilateral action by either China or Taiwan to change the status quo.” Making it clear that his warning was directed primarily to Taipei rather than Beijing, he added that “the comments and actions made by the leader of Taiwan indicate that he may be willing to make decisions unilaterally, to change the status quo, which we oppose.” The president went even further, standing mute as Wen characterized U.S. policy as one of “opposition to Taiwan independence.”²⁵

U.S. policy on Taiwan is based on the assumption that Taipei follows America’s policy lead.

Bush’s public undercutting of Taiwan drew immediate and sharp rebukes from the president’s political allies. Neoconservative luminaries William Kristol, Robert Kagan and Gary Schmitt immediately issued a statement criticizing the president for rewarding “Beijing’s bullying” but saying “not a word” about China’s missile buildup across the Taiwan Strait and the PRC’s repeated threats against Taiwan. They added that “appeasement of a dictatorship simply invites further attempts at intimidation.”²⁶ John Tkacik, an analyst at the Heritage Foundation’s Asian Studies Center, was even more caustic. Accusing the president of “losing his bearings” on the Taiwan issue, Tkacik did not attempt to conceal his dismay. “It just boggles the mind,” he said. “I’m just appalled. Clinton never would have gone this far.”²⁷

The president’s political allies were not the only people who believed that Bush went much too far in placating Beijing. The *Washington Post* weighed in with a scathing editorial criticizing Bush for essentially placing the United States “on the side of the dictators who promise war, rather than the democrats whose threat is a ballot box.” Such action begged the question “how malleable is his commitment to the defense of freedom as a guiding principle of U.S. policy.”²⁸

A similar reaction occurred in October 2004, when Secretary of State Colin Powell made comments during a trip to East Asia that seemed to tilt toward Beijing's position on the issue of reunification. The Bush administration's conservative supporters reacted with at least as much fury as they had to the president's December 2003 statement. Tkacik exemplified the criticism. "It is unsettling for the United States to be seen siding with an arrogant, belligerent, and aggressive Communist dictatorship against any democracy." He went even further, stating that "...Taiwan isn't just any democracy: It has been one of America's staunchest allies – despite the 1979 break in formal diplomatic relations." Yet, Tkacik charged, Secretary Powell had been persuaded "that democratic Taiwan's interests can be sacrificed to the warlike threats of Communist China."²⁹

Thomas Donnelly, an ultra-hawkish analyst at the American Enterprise Institute, was even more disgusted than Tkacik at the drift in U.S. policy on the Taiwan issue. Donnelly charged that "the plucky democrats of Taipei have been reviled by President Bush and his lieutenants as independence-obsessed trouble-makers." He was especially upset at the "weak response by the State Department" to the implied threats toward Taiwan in Beijing's anti-secession law.³⁰

More recently, when the State Department continued its campaign against Taipei's decision to hold a referendum proposing to pursue U.N. membership under the name Taiwan rather than the Republic of China, Representatives Dana Rohrabacher (R-CA) and Tom Tancredo (R-CO) sent a blistering letter to Condoleezza Rice in December 2007. Describing the repeated U.S. expressions of opposition to the referendum as "unseemly", the two congressmen criticized the State Department for interfering in Taiwan's internal politics "while parroting terminology used by the Chinese Foreign Ministry." They added: "The people of Taiwan have earned the right to conduct their elections without coercion from our government, the government of the People's Republic of China, or anyone else, and we should respect their right to do so."³¹

Former U.S. ambassador to the United Nations John Bolton has gone even further than other supporters of Taiwan. In an August speech in Taipei, he urged the Bush administration to restore diplomatic relations with Taiwan, asserting

confidently that Beijing would take no substantive actions in response.³²

The U.S. House of Representatives has weighed in on Taiwan policy with a number of pro-Taiwan resolutions. In late July 2007, the House passed by voice vote a measure urging the Bush administration to allow top Taiwanese officials to visit Washington freely. Introduced by Taiwan Caucus Co-Chairman Steve Chabot (R-OH), and signed by 46 co-sponsors, the resolution expressed the “sense of Congress” that “restrictions on visits to the U.S. by high-level elected and appointed officials of Taiwan, including the democratically elected president of Taiwan should be lifted.” The resolution also urged the onset of meetings and discussions between the two governments at the Cabinet level – something that had not occurred since Washington shifted diplomatic recognition to the PRC in 1979.³³

When the Bush administration, in part to show dissatisfaction with the conduct of Chen’s government, delayed making a decision about selling the latest generation of F-16 fighters to Taiwan, the House again expressed its disagreement with the president’s course. On Oct. 2, 2007, the House by voice vote adopted a resolution urging the administration to proceed with the US\$4 billion sale.³⁴

The following month, 18 House Republicans and one Democrat introduced a resolution explicitly supporting Taiwan’s membership in the United Nations.³⁵ That position had been endorsed earlier in a *Wall Street Journal* op-ed by former senator and Republican presidential nominee Bob Dole and in a *Washington Times* op-ed by three members of the Congressional Taiwan Caucus.³⁶ Those who supported U.N. membership for Taiwan reflected the views of a majority of Americans. A *National Journal* poll conducted in late September 2007 found that 55 percent of respondents backed a seat for Taiwan in the world body, while less than a quarter disagreed.³⁷

Although the Senate, perhaps more cognizant of the damaging effects strongly pro-Taiwan policies might have on relations with China, declined to act on any of the resolutions in the last session of Congress, the episodes are nevertheless significant. The extent of backing for such measures in the House suggests a

strong reservoir of congressional support for Taiwan. Public opinion data (albeit limited) suggest considerable public support as well. Moreover, the support appears to extend beyond merely a commitment to defend the island from outright PRC aggression. It includes backing for Taiwan's democratic prerogatives and aspirations for international recognition of its status as a sovereign state. Any future U.S. administration must take such public and congressional attitudes into account.

Implications of a Democratic Taiwan

The emergence of a democratic Taiwan has important consequences for both Washington and Beijing. U.S. officials are unaccustomed to dealing with a vibrant, fractious Taiwanese client that is inclined to respect Washington's policy preferences only up to a point. U.S. policy regarding the Taiwan issue has long been based on the assumption that Taipei would follow America's policy lead. In particular, U.S. officials expected their Taiwanese counterparts not to take actions that needlessly heightened cross-Strait tensions – especially when Washington sends signals for caution. The mere fact that Taiwan was dependent on the United States for the island's defense was deemed sufficient to ensure cooperative behavior.

That may have been true under the authoritarian regimes of Chiang Kai-shek and Chiang Ching-kuo, which did not have to respect the wishes of the Taiwanese public. (Although even the elder Chiang sometimes made statements and adopted positions that worried U.S. leaders.) Whatever the validity of Washington's assumptions about Taipei's behavior before Taiwan's democratic transformation in the 1990s, the situation has changed dramatically. In a democratic system, a government runs serious political risks if it pursues policies that run counter to public opinion. That is especially true of a DPP government that must placate the party's base, which is strongly in favor of independence. When faced with a choice between defying the sentiment of the party rank and file or ignoring Washington's wishes, U.S. leaders should not be surprised when DPP officials opt for the latter. That was a frequent pattern in Chen Shui-bian's ad-

ministration.

But even a KMT government would likely find its options constrained by Taiwanese public opinion. True, most Taiwanese (outside the camp of pro-independence DPP hardliners) are wary of going too far in provoking China. At the same time, support for asserting a distinct Taiwanese identity and gaining international recognition for Taiwan's status as a sovereign state has been steadily gaining traction.

Neither Beijing nor Washington seems to adequately grasp the implications of a democratic Taiwan. PRC officials frequently act as though it is 1988 instead of 2008, and that Washington can dictate to Taipei. Indeed, the PRC has been growing more insistent that Washington rein-in its Taiwanese client. "Chen Shui-bian is bold and aggressive due to backing from the United States," contended Zhou Qing, a veteran Taiwan watcher for the PRC and a person who has connections to the highest decision-making echelons. "The United States is the key. We need to work on the United States."³⁸ That same attitude was present in late 2007 and early 2008 as Chinese leaders pressed the Bush administration to prevent Taiwan from holding a referendum on the U.N. membership issue.³⁹

In part, the strategy of working through Washington reflects a realization that direct PRC pressure on Taiwan has often proved counterproductive. For example, Chinese missile tests in the Strait leading up to Taiwan's presidential election in 1996 served only to balloon the margin of victory for hard-line candidate Lee Teng-hui and weaken support for the pro-Beijing New Party. Similarly, bombastic Chinese rhetoric in the months before the 2000 presidential election may well have contributed to the victory of Chen Shui-bian. Prodding U.S. policy-makers to pressure Taipei indicates a more subtle approach. But that strategy also greatly overestimates Washington's leverage with Taipei.

A related fallacious assumption held by PRC officials is that business interests in the United States, allied with such practitioners of realpolitik as Henry

Neither Beijing nor Washington adequately grasps the implications of a democratic Taiwan.

Kissinger and Brent Scowcroft, will ensure a pro-Chinese tilt to American policy on cross-strait issues. They expect that U.S. policy will be driven by rational calculations that focus on China's crucial economic importance to America as well as the PRC's significance as a player on such strategic issues as North Korea and Iran.

That expectation is not entirely unwarranted. There is anecdotal evidence that Fortune 500 firms and even smaller entities with economic stakes in China urge U.S. officials to maintain a cooperative relationship with Beijing and to mute support for Taiwan. Major political players in both parties have likewise placed a high priority on good relations with China, and have sometimes viewed an assertive Taiwan as an irritant. It is no accident that many Taiwanese opinion leaders openly loathe Kissinger-style "realists," and they rankled at what they regarded as undue pressure from officials in the Clinton administration to appease China.⁴⁰ At least some of the Bush administration's retreat from its early enthusiastic support for Taiwan may be attributable to pressure from business interests and realist foreign policy elders lobbying for a more cautious policy.

Nevertheless, the emergence of a democratic Taiwan has boosted support for the island from other sources, and Beijing does not appear to grasp the import of that development. American policy on Taiwan and most other issues is rarely driven solely by unemotional calculations of realpolitik and economic self-interest. Moreover, the extent of congressional and public hostility to China is on the rise for reasons that have little to do with the Taiwan issue. Complaints about product safety, currency manipulation, Beijing's support for the odious governments in Sudan and Burma and meager cooperation on the Iranian nuclear crisis have all combined to create a surge of anti-PRC sentiment. That is the broader domestic context in which policy regarding Taiwan and mainland China must be viewed.

Moreover, it is important to remember that there is a strong moral component to American foreign policy on most issues. If Beijing decides at some point to adopt a coercive policy toward Taiwan (to say nothing of an outright military offensive), it would risk igniting the wrath of Americans who admire Taiwan's

vibrant democracy. There would almost certainly be intense congressional and public pressure on an administration not to let an authoritarian regime get away with committing aggression against a sister democracy. Invocations of the parallels between U.S. inaction in such a case and the British and French betrayal of democratic Czechoslovakia at Munich in 1938 would be standard fare.

Consequently, even if a U.S. military confrontation with China over a Taiwan Strait crisis made little sense from the standpoint of America's economic and diplomatic self-interest, it is highly probable that the pressure to defend democratic Taiwan would be irresistible. Beijing needs to appreciate the importance of Taiwan's democratic appeal in the United States and understand the risks the PRC would incur if it attempted to use force against the island. Given the current attitudes of Chinese officials, the danger of a miscalculation is disturbingly high.

America's relationship with a democratic Taiwan places the United States in a delicate and perilous position. Because of the growing role of public opinion in Taiwan, Washington's influence over a Taiwanese government (even a KMT one) is going to be noticeably less than it was during the island's authoritarian period. That creates a disturbing dynamic. A democratic Taiwan means more congressional and public support for re-

The implied U.S. obligation to Taiwan to intervene with forces in the event of a crisis should be rescinded.

specting Taipei's policy preferences, even when those conflict with U.S. wishes, and especially more support for defending the island in the event of a crisis. At the

same time, because Washington has decreasing influence over Taipei's actions, the danger that Taiwanese officials might adopt policies that provoke Beijing is greater than before. That creates the worst possible combination: an implicit American obligation to defend a client state over which the United States has little or no control. U.S. policy-makers need to reassess all aspects of its policy on the Taiwan issue before America stumbles into a crisis.

From the standpoint of prudence, the defense commitment to Taiwan is unwise. As China's economic leverage and military capabilities grow, it becomes

increasingly problematic and dangerous for the United States to act as Taiwan's protector. The best strategy for the United States would be to limit its risk exposure by confining its role to selling arms to Taipei. The implied obligation contained in the *Taiwan Relations Act* to intervene with U.S. forces in the event of a crisis should be rescinded. But given the widespread appeal of Taiwan's democratic system, such a policy change would be extraordinarily difficult to execute. Indeed, we may see an increase in domestic support for shielding Taiwan from PRC coercion. America thus finds itself in a troubling bind. Rational strategic calculations call for a major shift in policy, but domestic political realities in the United States probably preclude such an adjustment. That dilemma may ultimately prove to be the most significant consequence of Taiwan's emergence as a modern democracy. ☹

Notes

¹ For examples of that argument, see David Lague, "Taiwan Election May Ease Tensions With China," *New York Times*, Jan. 14, 2008; Edward Cody, "Despite Victory, Taiwanese Party Urges Caution," *Washington Post*, Jan. 14, 2008; Parris Lee Choon, Wei Yi Lim and Jason Dean, "Taiwan Vote May Boost China Ties," *Wall Street Journal*, Jan. 14, 2008; and Jonathan Adams, "Opposition Win May Bring Taiwan Closer to China," *Christian Science Monitor*, Jan. 14, 2008.

² "Bridging the Divide: A Vision for Peace in East Asia," A speech by Dr. Ma Ying-jeou, mayor of Taipei and chairman of the KMT, at the London School of Economics and Political Science, Feb. 13, 2006, text, p. 13.

³ *Ibid.* Emphasis added. Congruence is an extraordinarily high standard.

⁴ *Ibid.*

⁵ Taiwan Thinktank, "Cross-Strait Relations: Two Years after the Passage of China's Anti-Secession Law," *Public Opinion Survey*, March 9-11, 2007.

⁶ Mainland Affairs Council Press Release, no. 105, Sept. 22, 2006, <http://www.mac.gov.tw/english/news/06105.htm>.

⁷ Mainland Affairs Council Press Release no. 067, Aug. 17, 2007, <http://www.mac.gov.tw/english/english/news/07067.htm>.

⁸ *Ibid.* Such results cast doubt on the thesis of Boston College professor Robert Ross about the trend of Taiwanese public sentiment. See Robert S. Ross, "Taiwan's Fading Independence Movement," *Foreign Affairs*, 85, no. 2 (March-April 2006), pp. 141-48. It is true that most Taiwanese are wary of provoking a crisis with Beijing by pushing the issue of formal independence, but strong majorities embrace the current *de facto* independence, and a significant faction hopes for formal independence in the long term. Conversely, support for

reunification, now or in the future, seems very weak.

⁹ On the shift in the Bush administration's Taiwan policy between early 2001 and late 2003, see Ted Galen Carpenter, *America's Coming War with China: A Collision Course over Taiwan* (New York: Palgrave Macmillan, 2005), pp. 124-133. For a detailed analysis of the delicate and increasingly contentious relationship between Washington and Taipei during the Bush years, see Kerry Dumbaugh, "Taiwan-U.S. Relations: New Strains and Changes," *CRS Report to Congress*, Oct. 10, 2006.

¹⁰ For example, see Sean McCormack, State Department spokesman, comments at *Daily Press Briefing*, June 19, 2007, transcript, <http://www.state.gov/r/pa/prs/dpb/2007/jun/86611.htm>; "U.S., China Join Forces to Warn Taiwan over U.N. Bid," *Agence France Presse*, Sept. 6, 2007; Thomas Christensen, Speech to U.S.-Taiwan Business Council, Defense Industry Conference, Annapolis, MD, Sept. 11, 2007; and Shih Hsiu-chuan, "U.N. Referendum Would Hurt Trust: Young," *Taipei Times*, Nov. 10, 2007.

¹¹ "Taiwan U.N. Bid 'Provocative'—U.S.," *BBC News*, Dec. 21, 2007.

¹² Edward Cody, "Taiwan Defies U.S., Seeks U.N. Membership Under Debated Name," *Washington Post*, July 21, 2007; "Taipei Undeterred by U.S. Opposition to U.N. Referendum," *Taipei Times*, Sept. 13, 2007.

¹³ Quoted in Jason Dean and John Bussey, "Taiwan Rebuffs U.S. Criticism," *Wall Street Journal*, Sept. 13, 2007.

¹⁴ Quoted in Flora Wang and Mo Yan-chih, "DPP Sticks to Its Guns on Referendum," *Taipei Times*, Aug. 30, 2007.

¹⁵ Shih Hsiu-chuan, "Bush Criticism Will Not Sway Us: Hsieh," *Taipei Times*, Dec. 22, 2007.

¹⁶ Ko Shu-ling, "Chen Shui-bian Tells U.S. to Stop Changing the Rules," *Taipei Times*, Aug. 16, 2007.

¹⁷ Transcript of the Interview with President Chen Shui-bian, Sept. 12, 2007, *Wall Street Journal Online*, Sept. 13, 2007, p. 4.

¹⁸ "No Friend of Democracy in the U.S.," editorial, *Taipei Times*, Aug. 28, 2007.

¹⁹ "Does the U.S. Respect Democracy?" editorial, *Taipei Times*, Dec. 13, 2007.

²⁰ Shih Hsiu-chuan, "Survey Shows U.S. Pressure Does Not Sway Supporters," *Taipei Times*, Dec. 27, 2007.

²¹ Peter Enav, "Chen Attempts to Soothe Washington on Missiles, U.N. Bid," *Associated Press*, Oct. 30, 2007; and Ko Shu-ling and Shih Hsiu-chuan, "I Will Keep My Promises, Chen Tells U.S.," *Taipei Times*, Dec. 11, 2007.

²² Author's conversations with various Taiwanese officials, scholars, and journalists, Taipei, July 2005.

²³ Eddy Tsai, "Three Myths About Taiwan's Defense," letter to the editor, *Wall Street Journal*, May 2, 2007.

²⁴ Dan Blumenthal and Randy Scheunemann, "Tense Strait," *National Review Online*, Jan. 27, 2005.

²⁵ "Bush, Wen Meet at White House: Text of the Chinese and American Leaders' Comments," *WashingtonPost.com*, Dec. 9, 2003. The official formulation of U.S. policy had always been that Washington "does not support" Taiwan independence. The difference between "does not support" and "oppose" may seem subtle, but it is quite significant.

²⁶ William Kristol, Robert Kagan and Gary Schmitt, "U.S.-China-Taiwan Policy," Project for

a New American Century Memorandum, Dec. 9, 2003.

²⁷ Quoted in Dana Milbank and Glenn Kessler, "President Warns Taiwan on Independence," *Washington Post*, Dec. 10, 2003.

²⁸ Mr. Bush's Kowtow," editorial, *Washington Post*, Dec. 10, 2003.

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Peace or War: Taiwan at a Critical Juncture*

Peng Guangqian

Tide of Danger

We have entered a crucial phase in cross-Strait relations. This is primarily the function of the two elections in Taiwan in 2008. They will fundamentally change Taiwan's political landscape. The first one in the Legislative Yuan took place in January 2008 and ended in a sweeping victory for the Kuomintang (KMT). The second, to be held in March, will determine who will rule Taiwan for the next four years.

The result of the first election is of great symbolic importance because it indicates the direction of public opinion in Taiwan. Before the election of the legislative Yuan in January, Chen Shui-bian tried to drive a wedge between political factions on the island to instigate hostility and confrontation between the Mainland and Taiwan for personal political gains. Chen attempted to employ the "name rectification movement" to infuse separatism on the island.

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He pushed forward the U.N. membership referendum and sought to bring Taiwan to join the United Nations in the name of a sovereign state. However, the “radical independence” (*Ji Du*) agenda pursued by Chen to alter the status quo has deviated from Taiwan’s mainstream opinion to seek stability, peace and development across the Strait. Therefore, Taiwanese voters cast their ballots to say “No!” to Chen Shui-bian’s dangerous acts of tempting the red line.

The defeat in the Legislative Yuan election in January has put the Democratic Progressive Party (DPP) in a difficult position in the upcoming “presidential election.” To survive this vote, the DPP candidate, Frank Hsieh, must draw a line between himself and Chen Shui-bian because he will certainly lose the election if he chooses to adhere too closely to Chen. Therefore, Hsieh has been paying visits to various political heavyweights, conveying messages to the electorate that his propositions are distinct from Chen’s policies. Yet, Hsieh is clearly subject to the constraints of the fundamentalists of the DPP or the so-called “pan-Green” camp. He cannot fully negate Chen’s position, because by doing so he will intensify the internal rifts in the DPP.

The tide of danger across the Taiwan Strait appears to have receded as the “pan-Blue” camp holds an absolute majority in the Legislative Yuan and therefore has the power to control “constitutional amendments,” and the impeachment and recall of the “president.” It will be much more difficult for Hsieh (if he wins) to do anything akin to crossing the red line and pursuing Taiwan independence. In response, the Mainland will not give up its effort of pursuing peace as long as the new leader of Taiwan does not challenge the “one China” principle.

Yet, while immediate danger has diminished, it hasn’t disappeared because it is very difficult to predict what machinations Chen Shui-bian will employ to either influence the result of the presidential election itself, or once it is over, impede the smooth transition of power before he formally steps down on May 20. Numerous unexpected scenarios are possible during this period and if a crisis or chaos results, in which the “one China” principle is directly endangered, the Mainland will not sit idly by.

Taiwan's Strategic Value

The Mainland's determination to stop Taiwan independence should not be underestimated. If all possible peaceful means fail to stop it, the Mainland will be forced to take nonpeaceful measures. The Taiwan issue touches upon China's core national interests first because it is an issue of the integrity of China's national sovereignty and territory. It is also vitally important because its reunification (or separation) is a highly emotive issue for the 1.3 billion Chinese on the Mainland. Finally, Taiwan is also of great strategic value to China. If Taiwan were to separate from China, it would greatly endanger the strategic space indispensable for China's future survival and development.

In history, because China was mainly an agricultural economy that was largely "closed" to the outside world, the strategic value of the sea was not as pronounced as it is now. In an era of globalization, the links between China and the rest of the world are increasingly close. China's development not only depends on the extension of "land space" but also the sea. After the *United Nations Convention on the Law of the Sea* came into effect, sea rights and interests became strategically vital for sea-borne countries like China, with its Exclusive Economic Zone, as well as the continental shelf in the vicinity of Taiwan, which has rich oil, gas and mineral resources. These resources could be of great significance for China's future development. In addition, as China integrates with the rest of the world, maritime transportation has become more frequent. As a passageway through East Asia, Taiwan is a transportation hub in the West Pacific, which greatly influences the safety of China's shipping, energy transportation and foreign trade. Thus, as an island of great geopolitical and economic value, Taiwan will directly endanger the survival and development of the whole of China if it is occupied by hostile forces.

A Referendum about War and Peace

The result of the January election has eased the tension across the Strait. Yet, while the fate of the referendum remains unclear, Taiwan-Mainland relations

International Navigations Across the Taiwan Strait

It is stipulated in international maritime law that the territorial water of countries in the world is generally 12 nautical miles (nm). Including both sides of the Strait (12 nm each side), China territorial waters would only include a total width of 24 nm. Under these circumstances, foreign warships and planes are allowed to pass through the rest of the Strait. But according to the 200 nm standard of the Exclusive Economic Zone (EEZ), the territorial waters of the entire Taiwan Strait fall within China's EEZ. The *United Nations Convention on the Law of the Sea* states that other countries

enjoy the right of free navigation and flight in EEZs, but "innocent passage" is stressed. As military equipment, foreign warships need to comply with the principle of "innocent passage" when transiting through China's EEZs. This implies that foreign warships can only pass peacefully and cannot pose a threat to China's national security. Particularly in a sensitive area like the Taiwan Strait, foreign warships need to report their passage to the Chinese government and ensure they are "innocent" and will not engage in hostile action.

will continue to be highly volatile. In essence, the outcome of the referendum will decide in the immediate future whether there will be peace or war across the Taiwan Strait.

For the Mainland, there is little doubt that the referendum is Taiwan independence in disguise, because the United Nations is an international organization of which only sovereign states can join. Determining to use the referendum to join the United Nations in the name of Taiwan is equivalent to seeking legitimacy for Taiwan's independence. The key danger this poses is not the U.N. membership per se but the referendum. That is, if the referendum is held, it will imply that the people of Taiwan could identify with the status of Taiwan as a sovereign state through referendum. If the referendum passes, the basic legislative procedure for Taiwan independence will be completed and it will confirm for the Taiwanese people that Taiwan is a sovereign state independent of

the Mainland. This carries the legal force and is equivalent to obtaining a judicial basis for Taiwan independence. If the referendum idea is passed, the result of the “presidential election” will be less important because whoever comes to power will be able to draw upon the “opinion of 23 million Taiwanese people” and announce Taiwan independence.

Currently, it is not known whether the referendum can be held as originally planned. Both the Blue and the Green camps have been thinking anew regarding the feasibility and hazard of holding the referendum. The KMT has started internal discussions about whether it is still necessary to bundle the referendum with the general election. Hsieh of the DPP is also assessing the consequences of continuously pushing forward the U.N. membership referendum and how it will affect his prospects for the election. In this environment, it is uncertain whether the referendum will go ahead.

This act of “seizing” the people’s opinions in Taiwan to achieve independence (in a disguised form) is something which the 1.3 billion people of the Mainland absolutely cannot accept. Sovereignty over Taiwan must be decided by *all* Chinese people on both sides of the Taiwan Strait.

In his report to the 17th Congress of the Communist Party of China, Hu Jintao made it clear that China “will never allow anyone to separate Taiwan from the motherland in any name or by any means.” “Taiwan independence in any name” includes the U.N. membership referendum.

To safeguard this core interest, China has passed the *Anti-Secession Law* that states “(t)he State Council and the Central Military Commission shall decide on and execute the non-peaceful means and other necessary measures ... and shall promptly report to the Standing Committee of the National People’s Congress.” This implies that the highest power body of China has granted, in the form of law, the legal right for the Peoples Liberation Army to stop Taiwan independence by all necessary means. Beijing will not resort to war until all avenues of peace are

There is little doubt that the referendum is Taiwan independence in disguise.

exhausted. However, if the pro-Taiwan independence force crosses the red line, Beijing will then be forced to counter this attempt with war.

Without a doubt, war will come at a certain cost to the Mainland, with some regions possibly suffering the affects by war and economic damage, but these losses are bearable if weighed against national core interests. Those who suggest that the Mainland will likely tolerate the activities of pro-Taiwan independence supporters for the sake of the Olympic Games are blind to the reality that Beijing will never compromise its core national interest for anything.

Illusions and Myths

In terms of military capabilities, the Mainland and Taiwan are at different levels. From the quantity and quality of military personnel to strategic and tactical military capabilities, there is no comparison between the two. Taiwan is an island of 36,000 square kilometers, where only 14,000 square kilometers is useful for deploying troops. The rest of the territory is mountainous where military deployment is not possible. With the reality of this low level of “strategic depth” and small space to maneuver, Taiwan has no strategic strike capability and cannot afford to fight a prolonged war.

Taiwan has indeed invested an enormous amount of money in weapons purchases. However, the arms that Taiwan possesses are of a great variety and from various origins of production. This has complicated the coordination among the different services of the military and even among different components within the same military service. Therefore, a complete combat system has yet to be formed in Taiwan. Wars today are about the contest between combat systems rather than hardware. Several advanced weapons collectively do not lead to effective combat capability.

More important, to what degree will the Taiwanese public support war if it results from provocation from the pro-Taiwan independence movement? For years, the Taiwanese military has been receiving “anti-independence” education (largely under control of KMT forces). Would they be willing to die for pro-Taiwan independence efforts? There is a big question mark here.

The target of the Mainland's military strike would not be Taiwanese civilians, but the small group of pro-Taiwan independence supporters. The contrast of strength of the warring parties is not between the whole of Taiwan and the Mainland but between a small number of pro-Taiwan independence supporters against the Mainland as well as all Taiwanese opposing such a war. Under such a sharp contrast of strength, the probability that pro-Taiwan independence agitators can succeed in their agenda is close to nil.

The usual mistake among pro-Taiwan independence elements is the idea that outside forces, particularly the United States, will come to rescue them if war breaks out. When interviewed by the *BBC* in 2007, Chen Shui-bian claimed that “[i]f something [war] happens across the Taiwan Strait, the United States and Japan will pay special attention to it. In particular, the United States will surely assist from the sideline and protect Taiwan in accordance with the *Taiwan Relations Act*.” First, the *Taiwan Relations Act* is a domestic law in the United States and one that cannot transcend the principles of international law and the three Joint Communiqués the United States signed with China. Nor can it become the legal basis for Americans to intervene China's domestic affairs. Second, in the *Taiwan Relations Act*, the United States stresses above all “serious concerns” about “nonpeaceful means” and the requirement to maintain “a capability” to defend against acts of force. The *Act* does not mention whether such a “capability” will be used and under what situations and how such capability will be applied in a time of conflict. The United States has never

lacked “serious concerns” about numerous security issues across the globe, and as the only superpower in the world, it has the military capability to readily intervene in other

The idea that the United States will come to rescue Taiwan if war breaks out is mistaken.

countries. But having the “capability” is different from the willingness to use it. Whether or not the United States will use such a “capability” and how it will use it depends on the judgment of U.S. core interests at stake as well as the risks and costs the United States will face if it employs this capability.

The Taiwan Relations Act clearly declares that the starting point of its Taiwan

policy is to safeguard “the political, security and economic interests of the United States” rather than the interests of the pro-Taiwan independence separatist forces. Therefore, ultimately it will be U.S. interests that will dominate American considerations for any issue concerning Taiwan. Taiwan simply doesn’t constitute the core interest of the United States. Under a normal situation, the United States will of course not easily give up Taiwan. However, to safeguard its more important interests, the United States may readily abandon the island like a pair of worn-out shoes. The telling example of this occurred more than two decades ago when the United States broke off diplomatic relations, abolished its security treaty and withdrew military personnel from Taiwan.

China is a large country of significant influence in the world. It possesses strategic retaliatory capability. If the United States rushes to intervene militarily in a conflict across the Taiwan Strait and engages in a full-scale military confrontation with China, the outcome will not be favorable for China. But the disastrous consequences to U.S. interests will likely be something the United States cannot fully control or bear. In an era of globalization, China and the United States are highly interdependent, resulting in an overlap of strategic interests. The United States clearly understands how the varying interests weigh here. It is hard to imagine that the United States will hastily risk war and blindly put in jeopardy its overall national security for the interests of the pro-Taiwan independence movement. The United States simply will not issue a blank check to the supporters of pro-Taiwan independence, spilling the blood of American soldiers.

The illusion of the pro-Taiwan independence forces of assured U.S. military intervention is very dangerous because such a misjudgment will only increase the risk of war across the Straits and ultimately harm American interests. The status quo of the Taiwan Strait, which the pro-Taiwan independence separatist activities must be stopped from tampering with, better suits U.S. interests.

Preparations for War, Requisite for Peace

In the interest of peace, one must prepare for war. The Mainland desires peace,

but peace cannot be obtained by empty rhetoric. Peace across the Taiwan Strait must rely on a military capability sufficient to contain Taiwan independence, and the demonstration of real determination to maintain national unity: the greater such a capability, the greater the possibility the peace can be maintained between the two sides. In that sense, U.S. arms sales to Taiwan has strengthened the pro-Taiwan independence forces by giving them more capital and maneuvering space. U.S. arms sales also have sent a wrong signal that the United States will likely support pro-Taiwan independence elements. U.S. policy to maintain a balance between the two sides of the Taiwan Strait by selling weapons to Taiwan has in fact undermined the real “balance” and has created instability. In response, the Mainland is pushed to further strengthen its military capacity, because it must have an overwhelming advantage over the pro-Taiwan independence forces in order to control their separatist activities.

The activities of the Taiwan independence supporters are a source of chaos and instability in East Asia. As an important hub, any war across the Taiwan Straits is bound to affect the stability and development of neighboring countries. This is particularly true in a highly globalized world where all countries' interests are interdependent and intertwined. Although the Taiwan issue is China's internal affair, if Taiwan independence leads to war, it will have a huge and direct impact on South Korea, Japan, all countries in Southeast Asia and even the United States. In that sense, China is sitting in the same boat with its neighboring countries. It is in the interests of all countries in this region to maintain peace across the Taiwan Strait. 🌐

*This article is based on interviews with Peng Guangqian.

Ensnared by Beijing: Washington Succumbs to the PRC's Diplomacy of Panic

Alan Wachman

The Sky Is Falling

Once again, the waters of the Taiwan Strait are roiled by foreboding winds of confrontation. Taiwan's political leaders are embarked on a path that the People's Republic of China (PRC) interprets as "an important step toward 'de jure independence of Taiwan'."¹ Once again, Beijing warns that if Taiwan's "authorities" do not desist from their announced plan of action, the PRC will be impelled to make a "strong response."² So, as it has on other occasions when the PRC expressed outrage about something Taiwan's leaders were about to do, the United States has acted to dissuade Taipei from taking the steps Beijing views as provocative.

Washington has become ensnared by Beijing's self-induced anxiety and has succumbed once again to the PRC's masterful diplomacy of panic.

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The pattern is unmistakable. The provocation *du jour* is a referendum sponsored by Taiwan's current ruling party, the Democratic Progressive Party (DPP), asking whether voters agree that the Republic of China (ROC) should use the name "Taiwan" when it applies for admission to the United Nations.³ Although all reasonable observers – including those in Beijing and Taipei – know that any application by Taiwan for admission to the United Nations has not even an infinitesimal chance of succeeding at Turtle Bay, the PRC has balked, so Washington has talked loudly in opposition to the referendum.

Before the referendum contretemps was aroused last spring, there were several other instances when Beijing's sense of alarm triggered efforts by Washington to tamp down prospective provocations by Taiwan. Beijing fretted about President Chen Shui-bian's decision to shutter the National Unification Council, by then a functionally irrelevant body established by Chen's predecessor Lee Teng-hui, to articulate guidelines intended to lead to the political unification of China.

Prior to that, Beijing was agitated about the possibility that a Mar. 20, 2004, referendum concerning Taiwan's response to the ever-growing number of missiles Beijing had emplaced in batteries on the PRC's side of the Taiwan Strait might be a pretext for a declaration of independence.⁴ Beijing became incensed about the possibility that a new constitution might be drafted in Taiwan to supplant the ROC Constitution of 1947 and establish an independent Republic of Taiwan, or, alternatively, that the existing constitution might be amended to accomplish the same end.⁵ Even before that, Beijing was unhinged by the prospect that a referendum law might be established to permit the voters of Taiwan to express their view about the question of independence.

In each case, the PRC scared itself into believing that the acts contemplated in Taipei were likely to cause the sky to fall – defining a fallen sky as “de jure independence for Taiwan.” And in each case, wary of allowing cross-Strait tensions to flare or spark military conflict, the United States interceded, issuing grim warnings – mainly to Taiwan.⁶

Although political leaders in Taiwan have certainly contributed their share of

fuel to the glowing embers of cross-Strait friction, it is the PRC that has flaunted a determination to use military means and hinted at other applications of force if it does not get what it wants. The Beijing bull evidently perceives the U.N. referendum advanced by Chen Shui-bian and the DPP as a red flag of provocation waved before its face. This perception reflects Beijing's particular way of framing history and thinking about Taiwan's status. While it is entitled to think of the past and of Taiwan as it wishes, if the PRC charges forward with a forceful response to the referendum, its actions – not the referendum it sees as a red flag – will disturb the peace.

Yet, Washington persists in public efforts to restrain Taiwan without addressing as publicly and fully Beijing's perceptions or challenging the logic underlying the PRC's threats to use force in response to the referendum. Beijing believes the sky will fall if Taiwan establishes "de jure independence." It has enshrined in its *Anti-Secession Law* a determination to view any act that causes "Taiwan's secession from China" as justification for the employment of "non-peaceful means and other necessary measures to protect China's sovereignty and territorial integrity."⁷ While the PRC repeatedly declaims its opposition to statements or political measures emanating from Taiwan, it is by no means clear what constitutes "de jure independence" or what would be considered "secession" from China by Taiwan. Moreover, it is not evident how the U.N. referendum is related to these unwanted outcomes.

Nothing to Fear but Fear Itself

Beijing claims Taiwan's U.N. referendum will be a step toward *de jure* independence, labeling it a "referendum on Taiwan independence' in disguise."⁸ There are two problems with this. First, the PRC does not specify how the referendum can be used to engineer the establishment of *de jure* independence. More significantly, the PRC does not explain how it would be adversely affected even if Taiwan were to establish independence, *de jure*.

Regarding the presumed link between the referendum and independence, Beijing just warns that if the "scheme" succeeds, "it would certainly cause a serious

shock to the cross-Strait relations, gravely damage the fundamental interests of the compatriots on both sides of the Strait, and jeopardize the peace in the Taiwan Strait area and in the greater Asia Pacific region.”⁹ Clearly, Beijing is intensely unnerved by the prospect that this referendum will go forward. However, it is not self-evident – other than a change of the ROC Constitution or an explicit effort to alter the territory claimed by the ROC – what would constitute *de jure* independence for Taiwan. Neither official statements from the PRC nor commentaries from the cadre of capable pundits and editorialists who routinely represent Beijing’s concerns spell out how precisely the referendum as a “means” is related to *de jure* independence as an “end.” The connection between the two is asserted, but not explained. Therefore, it is difficult to determine whether the PRC’s alarm is well-founded or the outgrowth of self-induced fear.

How the referendum as a “means” is related to de jure independence as an “end” is not clear.

How does Beijing imagine *de jure* independence will emerge in the current context of Taiwan’s politics? An amendment of the constitution or an alteration of the territory of the ROC requires that (a) a quorum of no less than three quarters of the Legislative Yuan be present (84 out of 113) and (b) of those constituting the quorum, three quarters of them must support the proposal (63 out of 84).¹⁰

The Jan. 12, 2008, elections in Taiwan for the Legislative Yuan resulted in a thorough drubbing of the DPP (winning only 27 seats), and a commanding position for the Kuomintang (KMT), which took 81 out of the 113 seats. One would have expected Beijing to be greatly relieved by the humiliation the DPP suffered (and, by extension, Chen Shui-bian) and the lopsided victory that voters gave to the KMT, a party that has hardly indicated a wish to support Taiwan’s “independence.” Yet, even *after* the legislative elections, President Hu Jintao said that the Central Military Commission continues to “consider the situation in the Taiwan Strait ‘highly risky’.”¹¹

So, the crisis persists. But, why?

One cannot deny that passage of the referendum might enhance the capacity of Taiwanese nationalists to use Taiwan identity as a mobilizational tool. To what end that tool could be used, though, is by no means clear, especially considering how conservative Taiwan's voters have tended to be with respect to "independence," routinely expressing to pollsters a preference for the "status quo" rather than either independence or unification. Even if a provocative change to the constitution or the territory of the ROC passes in the Legislative Yuan (a most improbable proposition given the current composition of the legislature), it would still have to be accepted in a national referendum in which more than one half of all registered voters must support the proposal.

Perhaps the conservatism of Taiwan's voters on the matter of "independence" and their reluctance to endorse the DPP's more strident tactics is interpreted by the PRC as evidence that its persistent threats have succeeded in checking an overt assertion of independence. However, Taipei has *already* identified the state as "Taiwan" and has dismissed the notion that it needs to "declare" independence. As recently as Jan. 1, 2008, President Chen Shui-bian stated in his New Year's address, "Taiwan is a sovereign country."¹² Passage of the U.N. referendum would not create a new "reality," it would merely affirm popular support for it. Besides, preferences expressed in Taiwan for "the status quo" rather than "independence" or "unification" should not be confused with an aversion to the notion that Taiwan is, and has long been, independent.

Beyond that, Taiwan has *already* broached the question of membership in the United Nations using the name "Taiwan" and no calamity befell the PRC.¹³ Indeed, the joke was on Chen Shui-bian, whose temerity brought only repudiation by Secretary-General Ban Ki-moon.¹⁴ It is not evident that passage of the referendum would result in any different outcome at the United Nations, it would only add the imprimatur of popular support in Taiwan to a practice that has little purchase outside of Taiwan.

If stating that Taiwan is an "independent sovereign nation" crosses one of Beijing's implicit "red lines" and if applying to the United Nations as "Taiwan" is a bridge toward *de jure* independence, both the line and the bridge have

already been crossed. The PRC would be hard-pressed to demonstrate that it suffered any ill consequence – and certainly no consequence sufficiently grave enough to find sympathy in the eyes of the international community for actions that would imperil or cost lives and jeopardize the welfare of Beijing’s “Taiwan compatriots.”

One suspects that the real affront to the PRC is probably not the referendum, *per se*, but something else.¹⁵ After all, in the rhetorical strip tease concerning the way in which Taipei refers to itself and how the people of Taiwan view their political identity, there is precious little left, if anything, for Taiwan to reveal. Popular acceptance in Taiwan for the notion that the island polity is a sovereign, independent state is clear, regardless of whether the constitution is changed or if the referendum passes. Beijing might be better off redoubling efforts to induce Taiwan’s populace to see merit in accommodating to a notion of “China” under which they are prepared to live – an accommodation that could have tangible benefits to the PRC – rather than to employ so vigorously the tools of intimidation to impede assertions of “independence” that have no adverse affect on the PRC.

It is not evident how passage of the referendum would materially affect the welfare of the PRC. Even if Taiwan were to declare “independence” and codify the declaration in some legal manner, what consequences could follow in a period when the international community generally defers to Beijing’s insistence that diplomatic recognition of the PRC requires limited, unofficial relations with Taiwan? Taiwan is hemmed in by Beijing’s capacity to deprive other states and international actors of political and economic “goods,” should they defy the PRC and recognize the ROC. It is not obvious, therefore, what it is about the referendum that Beijing fears and why it objects to it with such ferocity – eliciting from other states assertions of fealty to the “one China” principle and statements of opposition to Taiwan’s “provocation.”

Shifting Reality, Static Response

The essential problem for the PRC is not the U.N. referendum, but the admixture of Taiwanese nationalism and democracy, in which the people of

Taiwan are at liberty to speak and act out in ways that few could under the old, authoritarian KMT. Voices in Taiwan now challenge the PRC's narrative about the unity of China and the status of Taiwan.

Even if Beijing succeeds in eliciting sufficient pressure from the United States and other states to derail or discredit the referendum, Beijing cannot know what new provocation will emerge from the competition of ideas and interests in a

Beijing's narrative fails to take account of evolutionary changes in Taiwan.

democratic Taiwan. Beijing hyperventilates about the referendum perhaps because it believes something can be done to bring forth statements of support from the international community. By opposing the referendum and getting other states to support Beijing's opposition, the PRC is able to make clear how little running room Taiwan will have if it is determined to resist unification.

By contrast, there is little that Beijing can do about the deeper, structural feature – Taiwan's democracy – that it may encounter as a truer threat to long-range ambitions. Democracy liberates people in Taiwan to construct and perpetuate their own narratives of statehood and nationality, narratives that conflict with the ones Beijing proclaims. The United States is not likely to speak out in opposition to Taiwan's democracy, nor are most of the other states that Beijing manages to line up to condemn the referendum. So, Beijing has riveted international attention on the referendum. It urges other states to help lock the proverbial barn door to safeguard the PRC's anachronistic account of China's unity when, in fact, Taiwan's democratic horse has already bolted and on it rides a narrative of division with which Beijing has, to date, been insufficiently nimble to cope.

For all practical purposes, the ROC – or, Taiwan, if you will – is an independent state that exercises sovereignty over a fixed territory and population and routinely manifests a capacity to enter into international relations with other states, even though few of them are prepared to cross Beijing by sustaining formal diplomatic relations with Taipei. As Beijing has been unable to craft an acceptable means

to confront the reality of Taiwan's statehood while pursuing its grand strategic objectives, it continues to act as if the red line has yet to be crossed and, with concerted effort to rally the international community, behaves as if time can be turned back – willed back – to a moment when Taipei too strove for the unification of China.

Beijing's narrative about China's unity and Taiwan's status has certainly been consistent, but it fails to take account of evolutionary changes in political, social and generational conditions on Taiwan.

In the wake of Chen Shui-bian's letters to U.N. Secretary-General Ban, the PRC's ambassador to the United Nations, Wang Guangya, rehearsed familiar refrains about Taiwan as an "inalienable part of China's territory" since ancient times. Referring to the 1943 Cairo Declaration and the 1945 Potsdam Proclamation, Wang asserted that Taiwan's status as part of China is an established "matter of international law," and "an objective reality that nobody can change."¹⁶ Wang also stated that U.N. Resolution 2758 of 1971 by which the PRC was credentialed to represent China at the United Nations "is based on a self-evident fact that China is an integrated country and that Taiwan is a part of China."¹⁷

What is meant by the term "integrated country"? Wang himself states, "the Mainland and Taiwan are not yet reunited." If China comprises two territorial components – both the Mainland and Taiwan – and if the two components have yet to be unified, what is it that is integrated? It is certainly Beijing's aspiration that China be an integrated country. Apparently, Beijing also hopes that the international community will accept that an absence of "unity" – by which, one imagines, it means a unified governing structure – has no effect on Taiwan's status as part of China.

While the PRC understands itself as a state – *the* Chinese state – it categorizes Taiwan as only one part of that state, despite the division that has persisted since 1949 and evidence of Taiwan's autonomy as a sovereign actor in the international arena. Evidently seeing little possibility of changing the *de facto* status of Taiwan, Beijing clings to the notion that Taiwan – or, the ROC – cannot be a

state because, the PRC asserts, there is only one Chinese state. Consequently, Beijing rails against any act that appears to legitimize in law the independent status that Taiwan has had for nearly six decades. Any act that appears to assign to Taiwan a label, *de jure*, that derives from its status, *de facto*, as independent of the PRC, prompts panic in Beijing.

In the past, the government of the ROC also asserted the existence of only one Chinese state of which the Mainland and Taiwan are both parts. In that era, although Beijing reviled the KMT leadership of the ROC, the battle was simpler. Beijing had only to surmount obstacles to take physical control of an island that all agreed was part of China. That era is long past. Since democratization and the surge of Taiwanese nationalism, Beijing has not only to accomplish the simpler feat of exerting effective control over the island, it has also to deal now with the much more formidable task of converting or overcoming the will of Taiwan's population, a population that shows little sign of wishing to be citizens of the PRC, or even of a grander domain called China, if that means an erosion of the autonomy Taiwan has enjoyed.

So, Beijing has put Taiwan in a box – imposing on it a loose form of suzerainty – but one in which it is Beijing's manipulation of the international community that leads to the actual constraints Taiwan faces. Although the PRC regularly states, as Amb. Wang did, "The question of Taiwan is a purely internal affair of China ... it brooks no external interference," in fact, Beijing derives its narrative about China's unity from acts by foreign states and the United Nations itself.¹⁸ The PRC depends on the international community to do its bidding and restrain Taiwan. When it appears that Taipei is wriggling free of those suzerain bonds, Beijing calls in the international community to reaffirm its commitment to play by Beijing's rules – making clear to Taiwan that even if it is clever enough to find a way out of its shackles, it will not have the status it seeks.

One of the tools that Beijing has used with success is the diplomacy of panic. As it has with the U.N. referendum proposed for March 22, Beijing characterizes an undesirable course plotted in Taipei as one that warrants a strong response, leaving observers in Taiwan and elsewhere to imagine that the PRC means it is

prepared to use military force. Beijing is not explicit about what its response will entail, but certainly does little to dispel the impression that military measures are among the options under consideration. Consequently, a certain level of panic is aroused by the possibility that Beijing may be contemplating something dire. So, in the interest of preserving stability, states respond by announcing their support for Beijing's view, thus isolating Taiwan.

Ensnared by Beijing

Regardless of what transpires on March 22 – the date of Taiwan's presidential election when two referenda are currently scheduled to be held – and regardless of whether any referendum proposing a modality for Taiwan's application for membership in the United Nations passes, Washington should pause to consider anew its posture toward the contest for validation waged now between Beijing and Taipei. Over the past several years, the U.S. government has slid barely perceptible steps into a diplomatic trap set in Beijing.

When the PRC has objected to political actions undertaken in Taiwan that Beijing characterizes as provocations, Washington has urged Taiwan to refrain from unilateral steps that might change the ill-defined "status quo." A sequence of cross-Strait disturbances over the past several years has prompted Washington to respond in much the same fashion as it has to the current rumpus about the referendum. The director of the American Institute in Taiwan (AIT) has issued strong and publicized warnings; messages reinforced with solemn statements by officials in Washington. Envoys have been dispatched from Washington to read the latest version of the U.S. riot act to President Chen-Shui-bian and others in Taipei and senior officials have gone to Beijing to sing soothing songs of fidelity to America's "one China" policy. One can be sure that U.S. government officials saw good reasons to put their shoulder to the wheel, in efforts to diffuse crises and dampen tensions that – left unattended – might escalate, incite military conflict and leave the United States confronting the choice of how to respond, if at all.

No responsible official in the United States seeks military conflict with the PRC. Washington has been correct to take steps aimed at diminishing the possibility

that the diplomatic clash between Taipei and Beijing would become a militarized one. The United States should take seriously China's sensitivities about what it perceives to be assaults on its vital national interest and react in a concerted and energetic fashion to reduce the heat under the PRC's brewing temper. This includes seeking from Taiwan some moderation of plans that otherwise might lead Beijing to react in fury. The inclination by the U.S. government to respond to Beijing's panic about developments on Taiwan is not the problem. The problem has been *how* the U.S. government responded.

Washington seems to have slipped into a pattern of reacting to these diplomatic dilemmas by carrying water for Beijing. Although Washington denies working in collaboration or consultation with the PRC, its words and actions have the effect of conveying a sense of common purpose that has been built upon a shared view of the risks that Taipei's actions pose. Accepting at face value the assertions in Washington that there is no coordination with the PRC on policy with regard to Taiwan, one is left to conclude nonetheless that Washington allows itself to be used by Beijing to advance the PRC's objective of isolating and constraining Taiwan.

In other words, Washington has become ensnared by Beijing's diplomacy of panic and has ended up scolding Taiwan, occasionally vilifying its elected political leaders, and adopting a stance that, if not prompted by Beijing, corresponds closely with the position adopted in Beijing. At moments, it appears as if Washington frames the threat to stability in cross-Strait relations *solely* in terms of what Taiwan does or does not do.

If the PRC's machinations are calculated, one must give Beijing credit for masterfully deploying diplomacy in service to its long-term objectives.¹⁹ Even if the arousal of anxiety abroad is incidental to the PRC's aims of broadcasting its concerns, Washington should take heed.²⁰

Why Lean to One Side?

In June, 1949, Mao Zedong said that China had to lean to the side of imperialism or socialism, asserting that "[s]itting on the fence will not do, nor is there a third

road.”²¹ However, for the United States in its stance toward the status of Taiwan, there is a third road. The United States can root itself firmly in defense of its principal interest, preserving concord and preventing discord in the Western Pacific. It can also remain neutral in the semantic squabble across the Strait, giving incentives to both sides to accommodate the other, while not rewarding the escalation of tension by giving credence to unwarranted anxiety.

To be sure, the United States has by no means rolled over to play dead in the face of Beijing’s histrionics. The present U.S. administration has greatly extended the range of military services and offers of military equipment to Taiwan.²² The Clinton administration also extended itself on behalf of Taiwan, especially in the period 1995-1996, when Lee Teng-hui was permitted to visit Cornell University and when a show of force was made in reaction to the missile exercises Beijing initiated in the region surrounding Taiwan. So, it is not as if the United States has abandoned Taiwan, but it leans in more subtle, yet insidious, ways.

First, Washington allows Beijing to set the parameters for discussion of Taiwan’s status and, more troubling, allows Beijing’s interpretation of Taiwan’s actions to go unchallenged. Rather than maintain a more detached posture that emphasizes what is primarily in the interest of the United States, Washington has been drawn slightly off center, leaning toward Beijing by entering a dialogue in which the logic of the PRC seems to dominate.

Statements by the U.S. government in opposition to the referendum have cascaded since June 2007, apparently in reaction to what was heard from Beijing.²³ The PRC’s Taiwan Affairs Office (TAO) issued a strong statement opposing the planned referendum. Among other points, Yang Yi, the TAO spokesman, asserted that the referendum was a step toward *de jure* independence and then said “The Mainland side has the necessary preparations to firmly deter any hazardous separatist activity.” He added, “If the situation continues, it will definitely have a strong impact on cross-Strait relations, and infringe upon the interests of Taiwan compatriots and endanger the peace and stability of the Taiwan Strait and the Asian-Pacific region.”²⁴

Nearly a week later, State Department Spokesman Sean McCormack reaffirmed

a position regarding the referendum made more quietly by an unnamed U.S. official the previous day.²⁵ McCormack said, “[t]he United States opposes any initiative that appears designed to change Taiwan’s status unilaterally. This would include a referendum on whether to apply to the United Nations under the name Taiwan. While such a referendum would have no practical impact on Taiwan’s U.N. status, it would increase tensions in the Taiwan Strait.”²⁶

McCormack’s statement did not say in what way the referendum would change Taiwan’s status and, in essence, undermined a claim that it would,

Beijing’s rhetoric traps it on absolutist limbs from which it is impossible to climb back down.

saying that the referendum would have “no practical impact” on Taiwan’s status at the United Nations. Perhaps, in stating that the United States opposes any initiative “that appears designed to change Taiwan’s

status unilaterally,” what McCormack’s statement meant is that although the referendum could not accomplish its aims of changing Taiwan’s status, it *appeared to be designed for that purpose*, which had aroused Beijing’s ire, and so Washington opposed it.

It is noteworthy that the official statement made little effort to comment on the destabilizing effect of Beijing’s veiled threats of the previous week. The unspoken message is that Taiwan’s proposed referendum threatens stability, not the PRC’s reaction. Indeed, one might say that Washington was, implicitly, conveying a sense that a reaction by the PRC was warranted, given the nature of the provocation from Taiwan.

In late July, the PRC released a statement intensifying its objection to the referendum. After outlining its reasons for opposing the effort by Chen Shui-bian and other “separatists” on Taiwan, the statement cautioned, “[i]f they ignore [our] warnings and denunciation by world opinion and obstinately cling to their course and become reckless in desperation, the Chen Shui-bian authorities must bear responsibility for all the serious consequences arising therefrom. In the end the scum of the nation who plot to divide the country will not escape the

punishment of history.”²⁷

One wonders why the United States did not issue a statement cautioning the PRC to avoid reckless aggravation of the situation or reminding the PRC that although Washington opposes the referendum proposed by Taiwan, it also opposes any disruption of peace in the Western Pacific. Would not the United States do better to find ways of quelling both the enthusiasm for the referendum on one side of the Strait and the jingoist bellicosity on the other?

After all, Beijing has a practice of talking itself into a corner by suggesting that a proscribed act is a step toward independence that would grievously harm cross-Strait relations.²⁸ The PRC becomes pugnacious and rigid in its pronouncements and contributes to the entrenchment of views with which there can be no compromise. Washington should avoid validating this approach, as its statements about the referendum apparently have.

While projecting an air of determination may play well to nationalists at home, if the PRC has any hope of working out its differences with Taiwan at a negotiating table it will need to bend, as will Taiwan. Territorial disputes can either be resolved by compromise or by conflict. Beijing claims a wish to avoid conflict, but its rhetoric traps it on absolutist limbs from which it will be difficult or impossible to climb back down. This practice has certainly manifested itself in its comments on the U.N. referendum. Washington’s stance offers little incentive to Beijing to restrain itself.

For instance, the TAO issued a formal statement, addressing itself directly to the people of Taiwan to underscore the gravity of the situation as Beijing sees it. The document encourages the “broad masses of Taiwan compatriots” to reject the “sinister motives of the Chen Shui-bian authorities” and understand that there will be “serious consequences” if the “risky carryings-on” by advocates of Taiwan independence are not curbed. Only by heeding Beijing’s warning, the TAO statements suggest, “can the prospects of peaceful development of the cross-Strait relations be safeguarded, the happiness and well-being of our compatriots in Taiwan be safeguarded, and the peace in the Taiwan Strait area and in the Asia

Pacific region be safeguarded[?]"²⁹

Thus far, the United States has not focused much public attention on the ways that the PRC has contributed to the escalation of tensions. It has, though, continued to chastise Taiwan. Although Beijing has expressed appreciation for Washington's efforts to deter Taiwan, it has apparently pocketed these measures while castigating the United States for both doing "too little, too late" and for sending "wrong signals" that it believes Taiwan interprets as encouragement, not dissuasion.³⁰ Meanwhile, the PRC has continued to hint darkly at the grave consequences that will follow if Taipei does not back down and, therefore, urges that the United States work with the PRC to suppress the schemes of those it disparages as "separatists" on Taiwan.³¹

Although Chen Shui-bian and other political figures in Taiwan certainly bear partial responsibility for the tense state of cross-Strait relations, Washington seems to devote considerably more effort – in public – to chastise Chen and caution Taiwan than it does to question the foundation of Beijing's expectations and advise a more cautious and conciliatory approach by the PRC in handling the cross-Strait dispute.

More evidence of a worrisome loss of balance emerged in late August, when Deputy Secretary of State John Negroponte spoke out during a *Phoenix TV* interview in opposition to the referendum. Acknowledging U.S. friendship toward Taiwan and a commitment to "the defense of Taiwan through the *Taiwan Relations Act*," Negroponte said Washington opposes the referendum "because we see that as a step towards the declaration – towards a declaration of independence of Taiwan, towards an alteration of the status quo ... we believe it's important to avoid any kind of provocative steps on the part of Taiwan. And we believe that pursuing a referendum of this kind could ... be interpreted as a step towards a declaration of independence."³²

Negroponte did not explain how the referendum was provocative and what validity there is in the interpretation of it as a step toward a declaration of independence. He simply stated, as Beijing has, that the referendum is provocative.

Negroponte might have said that despite U.S. objections to the referendum it also found unconstructive the intimations by PRC officials that if the referendum was held, a forceful response could be expected. Perhaps this might have been an opportune moment to question the way in which Beijing has framed the matter of Taiwan's "independence" and to restate Washington's view that both sides of the Taiwan Strait should avoid actions and statements that contribute to mutual hostility. Instead, the message was, in essence, "Beijing is right – the referendum is provocative."

Beijing certainly took satisfaction from Negroponte's message, as a comment by the PRC Foreign Ministry Spokesman Liu Jianchao made clear.³³ A few days after, Dennis Wilder, senior director for Asian Affairs for the National Security Council, underscored Washington's view. However, Wilder adopted a slightly different approach than Negroponte. Wilder was no less dismissive of the merits of the referendum. He diligently put Taiwan in its place and was explicit in stating that

One wonders why the United States lends credence to the PRC's panic.

"Taiwan, or the Republic of China, is not at this point a state in the international community. The position of the United States government is that the ROC – Republic of China – is an issue undecided, and it has been left undecided, as you know, for many, many years." For that reason, Wilder said, the United States finds the proposed U.N. referendum "a little bit perplexing ... given the fact that Taiwan is not going to be able to join the United Nations under current circumstances and that it only adds a degree of tension to cross-Straits relations that we deem unnecessary."

Wilder did urge the PRC "to lower the tensions." He pointed out that there had been "a large-scale ... Chinese military buildup opposite Taiwan, and that is worrisome. And we certainly do not want to see any situation in which Beijing would consider the use of force or the threat of force against Taiwan." Wilder added that Washington believes "Beijing could do more to reach out to the duly elected leaders in Taiwan ... to ease the tensions" in cross-Strait relations.³⁴

The difference is subtle but telling. Wilder reverted to neutral, making evident that in the cross-Strait dispute the United States sees that both sides are engaged in a dynamic process of fueling or dampening tensions. Both have responsibilities and both need to be encouraged to avoid needlessly confrontational tactics. Why, though, say that Taiwan is not a state? This seems gratuitous. The three joint communiqués point to American agnosticism on the status of Taiwan, not a determination that it is not a state.

Deputy Assistant Secretary of State for East Asian and Pacific Affairs Thomas Christensen offered the administration's most explicit and elaborate view of the problem to date. In September 2007, Christensen explained "the United States has an abiding interest in a stable and peaceful relationship across the Taiwan Strait in which Taiwan thrives. Anything that makes Taiwan stronger and safer is good for the United States, and, for obvious reasons, is also good for the people of Taiwan. Anything that places such peace and stability at risk runs directly against the interests of the United States."

Christensen did not mince words about Taiwan's predicament, saying "Everything I say here is based on a recognition of the growing PRC military threat to Taiwan posed by the fast-paced military build-up opposite Taiwan and by Beijing's refusal to rule out the use of force against Taiwan." Christensen was equally clear about the foundation of U.S. policy, a "rejection of any coercion of Taiwan." This, he said, was manifested by U.S. "defensive arms sales to Taipei and maintenance of our unilateral capability to respond to such coercion." He underscored this point, saying "Actions speak louder than words, and no one on either side of the Strait has an excuse for being ignorant of U.S. expectations and determination to protect our own interests."

Having acknowledged Beijing's threats and the U.S. posture in defense of Taiwan, Christensen said that just as the United States opposes "Beijing's threat to use force, we also take it seriously, and Taipei cannot afford to do otherwise. It is for this reason that Taiwan's security is inextricably linked to the avoidance of needlessly provocative behavior ... it means that responsible leadership in Taipei has to anticipate potential Chinese red lines and reactions and avoid unnecessary

and unproductive provocations.”

Christensen’s comprehensive and eloquent statement indicated that the United States views the particular language of the referendum as an effort to change the name of the state, an effort that is a provocation to Beijing. “Moreover,” Christensen said, “it does so in what could be interpreted by many to be a legally-binding popular vote.”

On this point, Christensen is a bit elusive. He does not state that Washington views the referendum as a *de jure* declaration of independence or even as a formal change in the national title. He says, undoubtedly with intent, that the referendum “could be interpreted by many” as legally-binding. In sum, he said that the assertions of Taiwan independence and the referendum on joining the United Nations using the name “Taiwan” are “needless provocations that are patently not in the best interests of the Taiwan people or of the United States.”³⁵

For the most part, the statement is lucid, nuanced and unobjectionable. Yet, one wonders why the United States lends credence to the PRC’s panic instead of questioning the link between the referendum and independence? Why not emphasize the point that regardless of how Taiwan presents itself to the international community, its interests cannot be accommodated without due regard to the interests of the PRC.

Beyond that, it is a pity that Washington did not deputize Christensen to express, with the same exceptional clarity and equanimity, a counterbalancing message to make evident the risks associated with anachronistic and destabilizing policies emanating from Beijing. By so directly and pointedly engaging the concerns about Taiwan expressed by Beijing without also challenging Beijing’s justifications for those concerns, Washington demonstrates how well the PRC has succeeded in setting the parameters for thought about Taiwan.

Although AIT Director Stephen Young has balanced his remarks about the referendum, this is not the tone that Secretary of State Condoleeza Rice took in her widely-publicized comments.³⁶ In December, she said in prepared remarks, “In the Taiwan Strait ... the United States remains committed to peace

and security. We oppose any threat to use force and any unilateral move by either side to change the status quo. We have a One China policy and we do not support independence for Taiwan. As we have stated in recent months, we think that Taiwan's referendum to apply to the United Nations under the name "Taiwan" is a provocative policy. It unnecessarily raises tensions in the Taiwan Strait and it promises no real benefits for the people of Taiwan on the international stage. That is why we oppose this referendum."³⁷

After the Legislative Yuan elections in January 2008, Negroponte reiterated "From the perspective of the United States, the conduct of such a referendum is a mistake. ... We think it is a provocative policy on the part of the Taiwanese authorities and we think that it certainly would have been preferable had not such a referendum been scheduled."³⁸

On their face, these statements are true. However, just as a failure to speak out publicly and consistently against the wisdom of proceeding with the referendum would be a dereliction of diplomatic duty by the United States, the failure to speak out publicly and consistently against the threatened response from the PRC is similarly derelict. It is not just Taipei's poke in the eye that should be deterred, but also Beijing's outsized reaction to the poke. It is not just Taipei's determination to be recognized as a sovereign, independent state that drives tensions, but Beijing's insistence that Taiwan is something other than a sovereign, independent state.

To promote long-term stability, Washington might encourage Beijing to broaden its view of how to accommodate the reality of Taiwan's political evolution. Speaking out on cue in opposition to Taiwan's actions and adopting Beijing's view that the referendum is provocative and may be a step toward *de jure* independence does little to discourage Beijing from persisting in unproductive approaches and may serve to further entrench ossified attitudes in the PRC that stand in the way of collaborative and peaceful solutions. Just as Taipei will need to curb its expectations of what can be had from the international community, Beijing will need to compromise its view of an acceptable outcome if military force is to be avoided as a tool in the resolution of this dispute.

State of Denial

By denying that Taiwan is a state, Beijing demands that the international community deny reality and endorse the PRC's view of what it wishes were true. It brings the world back to 1949, insisting that the establishment of the PRC means no ROC. It demands other states to ignore what they see and validate the PRC's narrative. From Beijing's frame of reference, the ROC ceased to exist in 1949. However, in spite of its precarious status at that juncture, the ROC was not extinguished. Moreover, since June 1950, the United States has had a hand in sustaining the ROC, a condition that Beijing understandably finds objectionable.

Beijing is certainly entitled to its perspective about Taiwan, but it is not entitled to impose that perspective on other states. Consequently, the contest about Chinese sovereignty – whether Taiwan should be part of China – is distinguishable from the question of whether Taiwan is presently an independent, sovereign state; one a question about China's future, one a statement about present reality. The PRC conflates these two points, seeking confirmation in the words and deeds of other states that Taiwan is as Beijing hopes it will be – something other than a state.

Ignoring the reality of Taiwan's statehood is a perilous point from which to move toward the objective that Beijing genuinely claims to want: unification. Beijing has denied Taiwan's statehood for so long that it may be unreasonable to expect its leaders to say otherwise. However, in the present climate of Taiwan's politics, no prospective or elected leader can deny Taiwan's statehood because it is self-evident to nearly everyone on the island that they live in a polity that is as much a state as is the PRC, even though they continue to argue amongst themselves about what that state should be called and how it should interact with the world. They disagree too about how their state should associate with the label "China," where it is not clear what "China" really is or whose definition of it will prevail. This is a reality with which Beijing must cope.

*If unification is Beijing's goal,
denying Taiwan's statehood
is a nonstarter.*

If unification – or even enduring, stable and non-conflictual relations – is Beijing’s goal denying Taiwan’s statehood is a nonstarter. To be sure, just as denying Taiwan’s statehood is infeasible for any political figure leading Taiwan, affirming Taiwan’s separateness as a state is impossible for any political leader governing the PRC. So, although one should not expect anyone of influence in Beijing to acknowledge that Taiwan is a state, can Beijing be cajoled into seeing the merit of paying less attention to assertions that it opposes?

In this, Washington plays a role. Stumbling into the snare that results from Beijing’s diplomacy of panic, Washington has ended up taking public stances that encourage Beijing to persist in its belligerent and unyielding approach to Taiwan. More worrying is that the U.S. government seems to pass up very ripe opportunities to nudge Beijing away from these postures and to make evident that the United States is opposed not only to the challenges to harmony that emerge from Taiwan, but to those that emanate from the PRC.

The United States errs in conflating – because Beijing does – the denial of the diplomatic recognition of Taiwan with a denial of Taiwan’s statehood. The PRC is certainly entitled to maintain the ambition of asserting China’s sovereignty over Taiwan, but no more entitled than Taiwan is to the ambition of maintaining the independence it has had since 1949. Washington ought to coax Beijing to emerge from its state of denial about Taiwan in order to enhance the likelihood of compromise that is needed for resolution, not reinforce it with gratuitous gestures of complicity. ☹

Notes

¹ “More on PRC TAO Spokesman: Taiwan U.N. Bid Referendum is Step Towards Independence,” “1st LD: Chinese Mainland Official Slams ‘Referendum’ Promoted by Taiwan Separatists,” *Xinhua*, June 13, 2007.

² Author conversations with PRC officials and political analysts, Beijing, January 2008.

³ The Kuomintang (KMT) has proposed an alternative approach to the U.N. membership question through a referendum that asks whether Taiwan should adopt a “pragmatic, flexible”

strategy of seeking to return to the United Nations and other international organizations, using whatever “designation that would help realize the bid and assure Taiwan of dignity.” “KMT’s U.N. Referendum to Move to 2nd Phase,” *Taiwan News*, Aug. 29, 2007. For a comprehensive chronicle of the referendum issue and analysis of its implications, see Alan D. Romberg, “Applying to the U.N. ‘in the name of ‘Taiwan,’” *China Leadership Monitor*, No. 22.

⁴ Zhang Lihong, “Taiwan Referendum Plays with Fire,” *People’s Daily*, July 11, 2003.

⁵ On Sept. 28, 2003 (the 17th anniversary of the founding of the DPP), President Chen Shui-bian announced a plan to rewrite the R.O.C. Constitution. Laurence Eyton, “Taiwan: Chen’s Mysterious Constitution Ploy,” *Asia Times*, Oct. 9, 2003; Joseph Wu, “New Constitution for a New Nation,” *Taipei Times*, Oct. 1, 2003; Chen’s New Tricks, But Same Old Story,” *China Daily*, Oct. 28, 2003.

⁶ “US Reminds Taiwanese Leader Not to Break Commitments,” *Agence France Presse*, Sept. 26, 2006.

⁷ *Anti-Secession Law*, People’s Republic of China, Mar. 14, 2005, see http://english.peopledaily.com.cn/200503/14/eng20050314_176746.html.

⁸ “Text of TAO Statement in Response to Taiwan’s Decision to Hold ‘U.N. Referendum,’” *Xinhua*, Feb. 2, 2008.

⁹ *Ibid.*

¹⁰ According to the website of the Legislative Yuan, “Amendments to the Constitution shall be made upon the proposal of no less than one-fourth of the total members of the Legislative Yuan and by resolution of no less than three-fourths [sic] of the members present at a meeting, with a quorum of no less than three-fourths [sic] of the entire Legislative Yuan members. Six months after the announcement of the proposed amendment, it shall be referred to the referendum by the Republic of China’s electorate in the free area and passed by valid ballots of over half of the total number of voters. The alteration of the Republic of China’s territory, defined by its existing national boundaries, shall be made upon the proposal of no less than one-fourth of all members of the Legislative Yuan and passes by no less than three-fourths of its members present at a meeting with a quorum of no less than three-fourths of the entire Legislative Yuan members. Six months after the announcement of the proposed amendment, it shall be referred to the referendum by the Republic of China’s electorate in the free area and passed by valid ballots of more than half of the total number of voters.” In fact, three-quarters of 113 is 84.75 and three-quarters of that is 63.56, but the text does not indicate whether the practice will be to establish what constitutes three-quarters by rounding up or down. See, http://www.ly.gov.tw/ly/en/01_introduce/01_introduce_09.jsp?ItemNO=EN070000.

¹¹ Ni Eryan, “High-Ranking Officials of Central Military Commission Conduct Internal Supervision and Visit Foreign Countries To Cope With ‘High Risk Period’ in Taiwan Strait,” *Wen Wei Po*, Jan. 24, 2008. This message was reinforced on Feb. 2, the day after Taiwan’s newly-elected Legislature was sworn in, with a chilling statement by the TAO affirming the PRC’s view: the referendum would jeopardize the happiness, peace and welfare of those Beijing refers to as its “Taiwan compatriots.”

¹² “President Chen Shui-bian’s 2008 New Year’s Day Address,” <http://www.president.gov.tw/en/>.

¹³ In a letter to U.N. Secretary-General Ban Ki-moon on July 19, 2007, Chen wrote, “As the popularly elected President of Taiwan, it is my duty to express to the world the earnest will of the 23 million people of Taiwan to join the United Nations. I hereby formally submit Taiwan’s application for membership and request that it be placed before the Security

Council and the General Assembly for consideration.” President Chen Shui-bian’s Letter to U.N. Secretary-General Ban Ki-moon, Office of the President, July 19, <http://www.mofa.gov.tw/webapp/ct.asp?xItem=26681&ctNode=1028&mp=6>.

¹⁴ The letter, signed “Chen Shui-bian, President, Taiwan,” was returned unopened. This prompted Chen to write again to the secretary-general, stating rather baldly, “My country, Taiwan, is an independent sovereign nation and our people have the right, as stipulated in the U.N. Charter, to participate in the United Nations.” President Chen Shui-bian’s Letters to Ban Ki-moon and U.N. Security Council President Wang Guangya, Office of the President, July 31, 2007, <http://www.mofa.gov.tw/webapp/ct.asp?xItem=26682&ctNode=1028&mp=6>; Alan D. Romberg, “Applying to the U.N. ‘in the name of ‘Taiwan’,” *China Leadership Monitor*, No. 22, pp. 5–7.

¹⁵ For an interpretation of Beijing’s calculus, see *ibid.*, pp. 14–19.

¹⁶ “H.E. Ambassador Wang Guangya’s Letter to U.N. Secretary General H.E. Mr. Ban Ki-moon,” Aug. 16, 2007, <http://www.china-un.org/eng/smhwj/2007/t357129.htm>.

¹⁷ *Ibid.*

¹⁸ The narrative Wang presents cites the Cairo Convention, the Potsdam Proclamation, U.N. Resolution 2758, and the diplomatic recognition extended to the PRC by more than 160 states as evidence in support of Beijing’s view that Taiwan is part of China and the PRC government the sole, legal government of China. *Ibid.*

¹⁹ The PRC’s diplomacy of panic seems one variant of the oft-noted inclination by the PRC to frame a bilateral dispute as one created entirely by Beijing’s adversary. Beijing has often defined a breach of amity as wholly the responsibility of its adversary and warned, paternalistically, that it is up to that other party to take appropriate steps to right the balance by adopting steps that the PRC sees as satisfactorily ameliorative. The problem is always caused by an offending party that has ruptured the relationship with the PRC and the solution always lies in steps that Beijing specifies must be taken by the offending party.

²⁰ Washington is by no means the only state that has succumbed to Beijing’s entreaties. Since this past autumn, Beijing has extracted public denunciations of Taiwan’s planned referendum from Germany, Japan, Singapore, Russia, Pakistan, Great Britain, Macedonia, the European Union and France, among others. “FM spokeswoman: China appreciates Germany’s stance on Taiwan, Tibet issues,” *Xinhua*, Jan. 20, 2008; “Japanese PM ends ‘spring herald’ China tour” *Xinhua*, Dec. 30, 2007; “Singapore reiterates opposition to Taiwan’s U.N. membership bid referendum,” *Xinhua*, Dec. 24, 2007; “Russia firmly opposes Taiwan’s referendum over U.N. membership,” *Xinhua*, Dec. 18, 2007; “Pakistan firmly opposes so-called referendum on U.N. membership by Taiwan authorities,” *Xinhua*, Dec. 15, 2007; “Britain opposes Taiwan referendum for U.N.,” *Xinhua*, Dec. 6, 2007; “Macedonia lauds ties with China, reaffirming one-China policy,” *Xinhua*, Dec. 5, 2007; “EU reaffirms one China policy, opposes Taiwan’s proposal for U.N. membership,” *Xinhua*, Dec. 3, 2007; “French President Sarkozy’s visit marks new phase in relations,” *Xinhua*, Nov. 26, 2007; and “Cyprus president reaffirms one-China policy,” *Xinhua*, Oct. 9, 2007.

²¹ Mao Zedong, “On the People’s Democratic Dictatorship, June 30, 1949,” *Selected Works of Mao Tse-tung: Vol. IV*, Beijing: Foreign Language Press, as reproduced at <http://www.marxists.org/reference/archive/mao/selected-works/volume-4/index.htm>.

²² Washington could do more, in fact, to remind Beijing that it looks forward to the day when Taiwan has no need of American armaments – a moment when the PRC’s proclamation of interest in promoting “a harmonious world of enduring peace and common prosperity”

extends to those with whom Beijing disagrees in Taiwan. "New Year Message by Foreign Minister Yang Jiechi," Dec. 29, 2007, <http://www.fmprc.gov.cn/eng/wjdt/zyjh/t397482.htm>.

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Why Taiwan?

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GEOSTRATEGIC
RATIONALES for
CHINA'S TERRITORIAL
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ALAN M. WACHMAN

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Whither Taiwan-China Relations?

Arthur S. Ding

Taiwan politics are at an important turning point with the landslide victory by the opposition party, Kuomintang (KMT), over the ruling Democratic Progressive Party (DPP) in the Jan. 12, 2008 parliamentary election. This has ushered in a new political reality, with the possibility of new impetus to Taiwan-China relations. After eight years of political stalemate between Taiwan and China under President Chen Shui-bian,¹ there are high expectations for better relations. Many in Taiwan and China predict that no matter who is elected, Frank Hsieh of the DPP or Ma Ying-jeou of the KMT, cross-Strait relations will de-frost, and economic and trade ties will be enhanced.²

This optimism is based on the assumption that cross-Strait relations have already hit their lowest level, and can only improve. Neither side of the Strait can afford continuing the stalemate, a situation that could develop into a more

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serious crisis. The China policies of both candidates give cause for optimism, as each promises to open up to Mainland tourists, increase charter flights, eventually normalize direct flights between the two sides, and address the 40 percent net value cap imposed by the Taiwanese government on China-bound investment projects. Messages from China reinforce the optimistic climate. Xu Shiquan, former director of Institute of Taiwan Studies of the Chinese Academy of Social Sciences told overseas Chinese in New York that after the presidential election, China will take an active, flexible, good will policy to create an environment conducive to better relations.³ However, a more sober reflection of the political realities across the Strait must be considered as well. In spite of the prevailing optimism, one should ask whether progress can really be made, and if so, how much? Despite the favorable conditions for progress towards better relations, are there constraining factors? What is the source of these potential complications?

The Parliamentary Election

There are three primary issues that should be considered when interpreting the outcome of the January Legislative elections. First, voter turnout was low. In the previous two parliamentary elections in 2001 and 2004, the turnout rate was 70 percent and 73 percent respectively, while the 2008 election turnout was only 58 percent. The low turnout possibly impacted the outcome of the election, and DPP supporters point out that more of their loyalists will vote in the presidential election.

The second pertinent factor was the effect of the new electoral system. For the first time, the Legislative election adopted a single-member district, two-ballot system, replacing the previous multi-member district, one-ballot system. Under this new method, there is one ballot for district candidates, who account for 70 percent of total parliamentary seats and another ballot for party list members, comprising 30 percent of the total seats. The single-member district system created a “winner takes all” effect for the KMT, which won over 53 percent of total district votes, but gained 61 seats. DPP won roughly 39 percent of total district votes, but only gained a disproportionate 13 seats. Despite this effect, some DPP ranking members, including President Chen, are confident that the DPP will

still have opportunity in the coming election, building on the strong 39 percent showing.

The third trend important to interpreting the January election is the growing appeal of the KMT platform. In spite of the low voter turnout and the fact that the election results were influenced by local issues and the candidates' personal characteristics, the KMT's 51 percent win over the DPP's 37 percent still showed the emergence of a new mandate. Disapproval of the policies adopted by Chen and the DPP in the past several years was clearly one result of the election. The KMT's growing popularity is part of a longer trend stretching back to the 2001 election. The KMT gained roughly 29 percent, 33 percent and 51 percent of total parliamentary votes in the 2001, 2004 and 2008 elections respectively, while the DPP's share was 33 percent, 36 percent and 37 percent respectively.

The parliamentary election outcome sends several messages regarding the changing political climate in Taiwan. Primarily, the voters have made clear they are fed up with the DPP's manipulation of social cleavage along the lines of independence (Taiwanese) versus pro-unification (Chinese) in order to garner political support. This strategy has been discredited and the new mandate is ethnic reconciliation rather than ethnic division.⁴ A shift in voter priorities to economic issues is another salient theme. Taiwan's economy has been heavily impacted by globalization and the outsourcing of manufacturing production lines to China during the past decade.⁵ To many voters, however, the DPP administration seemed more concerned with ideological issues and blaming China without working towards solutions.⁶ The election outcome sent a clear message that it is time to reorient priorities to economic betterment.

The new mandate also shows that the DPP's confrontation and hostility oriented China policy, which was closely tied to the manipulation of ethnic division as well as the referendum, has been overturned, and a new mandate seeking improved cross-strait relations is emerging. Taiwan's overall diplomatic policy needs to be reformed. Confrontation diplomacy is likely to be replaced by an approach marked by moderation and consultation in order to repair damaged relations with its most important ally, the United States. The DPP government's

campaign for joining the United Nations under the name of Taiwan was condemned by the Bush administration as provocative and unnecessary, putting Taiwan-U.S. relations in jeopardy.

The DPP-proposed U.N. referendum is at risk of being totally discredited. From the beginning, the DPP pursued the referendum strategy as a tactic to mobilize supporters at the expense of Taiwan's international reputation and peace and stability in the Taiwan Strait. The tide has moved against the referendum as the DPP's defeat in the parliamentary election attest. In addition, the failure of a January referendum proposing to confiscate KMT properties (which were allegedly illegally collected from Japan after the World War II) and the strength of United State's condemnation signal that the U.N. referendum will likely fail during the March presidential election.

Finally, the election outcome was also a reflection of public disapproval over scandals related to Chen's family. Since entering his second term in 2004, reports of scandals involving the first lady, and his son-in-law, along with Chen's closet aides occupied media's front pages, arousing people's discontent over Chen's and the DPP's handling of these controversies.

In brief, the landslide KMT victory in the parliamentary election has sent a strong message of the need for change, and therefore will shape the agenda for the coming presidential election. Of course that depends on the outcome of the election, to which we now turn.

Four Scenarios

The results of the presidential election are important not only because of the stark differences in party and personal positions of the candidates but also because of the nature of Taiwan's political system.

First, to set the context, Taiwan has essentially adopted a "super presidential system." Under this system, the president, who is directly elected, is responsible for making all decisions on foreign and national security policy. The premier, who is appointed by the president, without the parliament's approval,⁷ is re-

sponsible for other public policies.⁸ Parliament only has budgetary review and legislative power based on drafts proposed by the administrative branch, and thus can only indirectly constrain the president's actions. Thus, the president has extraordinary powers of office to make decisions on and/or influence a wide range of domestic and foreign policies, not the least of which is Taiwan's policy toward China.

While we know a good deal about the ideas and intentions of the two candidates, a number of factors in the presidential election, particularly the referendum on joining the United Nations⁹ and the recent parliamentary election, will uniquely affect Taiwan's political climate and cross-strait relations.

There are four scenarios with regard to the combined outcome of the presidential elections and the referendum. In the first scenario, DPP candidate Frank Hsieh wins and the U.N. referendum passes. Success of the referendum is likely to be regarded as a new mandate that Hsieh will be obliged to execute by empowered independence fundamentalist groups who adamantly oppose closer commercial ties with China. Although Hsieh endorses the referendum, it is primarily a tool to mobilize voters, and it is uncertain that he would actually run the risk of pursuing the issue further. But if elected, it will be difficult for Hsieh to resist moving forward with the U.N. name change. Hsieh's China policy is likely to be hijacked by fundamentalist groups who reject almost all exchange with China. Worse still, with their morale boosted by the passage of the referendum, these groups will possibly continue pushing other types of referendum proposals sensitive to fragile Taiwan-U.S.-China relations.

How China perceives and reacts to Taiwanese politics remains critical.

If the referendum fails but Hsieh prevails, pressure from the fundamentalist groups will be diminished.¹⁰ They may continue to push for the U.N. name change, but Hsieh will be able to side-step the issue based on the referendum's failure at the ballot box. Under this second scenario, President Hsieh will face a KMT-dominated parliament, though with far fewer constraints. If his previous record

is any indication, Hsieh will be able to navigate this political environment. During his term as mayor in Kaohsiung, where KMT had majority at the city council, Hsieh demonstrated a non-confrontational approach in dealing with the KMT, which would likely influence his interaction with the national parliament.

The wild card in a Hsieh presidency is how former President Chen will reposition himself on the political stage. A failed referendum would certainly limit Chen's influence and his ability to use the China issue as a bargaining chip for amnesty. But he also has strong alliances with the fundamentalist groups, having sought their support to bail him and his family out after calls for him to step down in the wake of scandals.¹¹ There is little doubt that these legal issues surrounding him will continue to dictate his political calculations. Eight years of experience as president have bestowed on him formidable abilities of maneuvering in the hurly-burly of Taiwanese politics.

The third scenario, an odd combination, is a Ma Ying-jeou win coupled with the passage of the referendum. This would likely impede Ma's ability to implement his policies. Those supporting the U.N. referendum are likely to exert pressure against Ma and block him from pursuing his China policy, which is characterized by "one China", with each side having its own interpretation." But the degree of contradiction in this situation would depend on the extent of Ma's victory. If he wins in a landslide, it will be easier for him to eschew opponents with his strong political mandate. However, a narrow-margin victory is likely to bring many roadblocks, particularly in implementing his China policy. It will require acute political skill for him to circumvent pressure from the fundamentalist groups if he only wins a minority or even plurality of the votes.

The fourth scenario, a Ma Ying-jeou win and failure of the referendum, will serve up a comprehensive mandate to him and the KMT. Under this circumstance, DPP and fundamentalist groups will suffer a crippling defeat and will have to seek a new approach for a future comeback.

Economic Platforms

The impact of an elected Ma Ying-Jeou or Frank Hsieh on cross-Strait relations

will depend on their specific policy differences. In some respects they are actually similar and others markedly different. In terms of economic policies, both agree to open up to Chinese tourists in the hopes of boosting domestic consumption and Taiwan's economic outlook, which has been somewhat gloomy as of late. In this regard, their specific policies differ, but not greatly. Hsieh advocates gradually opening up to Chinese tourists, from 1,000 tourists up to 3,000 tourists per day, while Ma sets the target at 10,000 in four years. Both agree to increase the frequency of charter flights with an eventual direct flight between Taiwan and China, though Hsieh does not set a timetable, and does not mention the expansion of holiday charter flights to weekend charter flights during the interim period.

A more substantive difference between the two candidates is their handling of China-bound investment. Hsieh's economic policy towards China is cautious, and he advocates retaining the current 40 percent net value cap, but relaxes the restriction by offering a screening of China-bound investment projects on a case-by-case basis so that institutional rigidity will not choke business opportunity. This adheres to the current DPP's policy line: limited economic ties with China if necessary, but ensuring the return of outbound capital to Taiwan. In brief, Hsieh does not take a regional or global approach to economic development. To some extent, Hsieh, who probably sensed that the private sector is not happy with his very conservative economic platform, is liberalizing his China-related economic policy.

Ma Ying-jeou, on the other hand has adopted the slogan "open as the principle with exception for restriction/management" (*yuanze kaifang liwai guanli*). In this way, he claims, the vitality and creativity of Taiwan's private sector can be brought into full play, with restriction only on the export of critical technology. He proposes lifting the 40 percent net value ceiling regulation, arguing that case-by-case reviews will give the state an excuse for excessive intervention. Furthermore, Ma publicly pledges to use China's growing market to strengthen Taiwanese businesses. His policy aims are not only to ensure that outbound capital returns to Taiwan, but to help Taiwanese business grow in concert with

China Related Economic Platform of Hsieh and Ma

Issues	Frank Hsieh	Ma Ying-Jeou
China-bound investment	<ul style="list-style-type: none"> ● Amnesty of 18 to 24 months for businessmen who illegally invest in China, so that capital can be channeled back to Taiwan; ● Circumvent the 40 percent net value ceiling regulation by a case-by-case screening of China-bound investment projects; ● Allow Taiwanese banks to set up branches or subsidiaries in China; ● Allow Chinese banks in Taiwan 	<ul style="list-style-type: none"> ● No restriction on China-bound investment, but restrictions on the export of critical technology to China; ● Lift the 40 percent net value of China-bound investments; ● Allow Taiwanese banks to set up branches or subsidiaries in China; ● Sign mutual taxation and investment agreements with China; ● Negotiate the “Cross-Strait Common Market” with China and opening the whole Taiwan as a free trade zone so that Taiwan can benefit from China’s growing market and the division of labor in the Asia-Pacific region.
Chinese tourists	<ul style="list-style-type: none"> ● Start from 1,000 tourists per day. 	<ul style="list-style-type: none"> ● Increase to 10,000 tourists per day in four years.
Charter Flight/ Direct Link	<ul style="list-style-type: none"> ● More frequent charter flight and eventually a direct flight between Taiwan and China. 	<ul style="list-style-type: none"> ● Expand holiday charter flights to weekend charter flights; ● Open current “mini-three” link between Quemoy/Matsu/Pescadores in Taiwan and Ximen/Fuzhou in China unconditionally; ● Negotiate direct flights immediately, hoping to complete the negotiation in one year.

the expanding markets of China and the greater Asia-Pacific region. By promoting a "Cross-Strait Common Market," strengthening Taiwan as a free trade zone and allowing Taiwanese banks to set up branches or subsidiaries in China, Ma's economic platform emphasizes Taiwan in a regional context.

Political Platforms

Politics and economics are inextricably linked, with political choices often shaping and defining economic activity. Therefore, the political platforms of both candidates will inevitably determine the success of the economic engagement each sets forth. There is a wide difference between the two presidential candidates in regard to their China-related political platforms. Hsieh's policies toward China are deliberately vague. On one hand, he does not deny that Taiwan's current Constitution is of a "one China" nature, but he says that his goal is to amend the constitution to reflect the reality of "one country on each side of the Taiwan Strait" (*Yibianyiguo*). He advocates crafting a new constitution and changing the name of government in five years if conditions allow, arguing that this will not change the status quo.¹² Again, Hsieh's political platform is in line with the DPP's party charter and the Resolution on Taiwan's Future (*Taiwan Qiantu Jueyiwen*), which was ratified at the May 1999 DPP Party Congress with the purpose of broadening the party's appeal to moderate voters for the 2000 presidential election. It advocates that Taiwan is a sovereign, independent country with its territory only covering Taiwan, Pescadores, Quemoy, Matsu and some small islands. According to the constitution, Taiwan's current name is Republic of China. According to Hsieh, Taiwan should drop its old "one China" claim to avoid confusion in the international community and remove any excuse for China to annex Taiwan.

To some extent, the defeat in the January 12 parliamentary election may actually improve Hsieh's chances at implementing a China policy on his own terms. If elected, he can defend his position for not pushing to change the government name and making a new constitution on the ground that the conditions are not yet ripe, with the KMT now exercising majority-control in the legislature.¹³ The

China Related Political Platform of Hsieh and Ma

Issue	Frank Hsieh	Ma Ying-jeou
Constitution	<ul style="list-style-type: none"> ● Current constitution is of “one China” nature; ● Amend the “one China” constitution if all ethnic groups agree; ● If elected for a second term, he proposes to change the government name and constitution. 	<ul style="list-style-type: none"> ● His endorsement of the 1992 Consensus implies he will not amend or redraft the constitution.
Independence	<ul style="list-style-type: none"> ● Taiwan has been a sovereign, independent country; no need to have a referendum on independence; ● Referendum on reunification will not be excluded. 	<ul style="list-style-type: none"> ● Republic of China is a sovereign, independent country.
Taiwan-China Relations	<ul style="list-style-type: none"> ● One Country in each side of the Taiwan Strait (<i>yi bian yi guo</i>); ● SEF-ARATS dialogue should be resumed to handle relevant economic tie issues. 	<ul style="list-style-type: none"> ● Endorsement of the 1992 Consensus; ● Three No’s: no independence, no reunification and no use of force by China.
Joining the United Nations	<ul style="list-style-type: none"> ● Joining the United Nations is a mid- to long-term goal; ● The U.N. referendum should proceed. 	<ul style="list-style-type: none"> ● Returning to the United Nations in the name of Republic of China; ● Decoupling of the referendum with the presidential election.
Future of cross-Strait relations	<ul style="list-style-type: none"> ● “Exist together” (<i>Gong sheng</i>) as basis toward peace and stability: co-existence, mutual dependence, and co-prosperity. 	<ul style="list-style-type: none"> ● The 1992 Consensus can break the deadlock between the two sides. ● Rely on mutual non-denial rather than mutual recognition in the short term. ● Dialogue on peace agreement, confidence building measures (CBMs), and end hostility based on the 1992 Consensus; ● China should withdraw missiles targeting Taiwan before dialogue starts; ● Modus Vivendi based on the 1992 Consensus and the non-mutual-denial to expand Taiwan’s international space.

KMT's control of the legislature sector can help defuse pressure from the fundamentalist groups, which will give him the leeway to maintain a good relationship with the United States.

Ma Ying-jeou's endorsement of the "1992 consensus"¹⁴ implies that he regards the current constitution as correctly reflecting the nature of "one China." This also implies that he will not amend the current constitution, craft a new one, or attempt to change the name of the government. He proposes "Three No's: no independence, no re-unification and no use of force," thereby maintaining the status quo in which China is divided with two political entities. This position leaves room for future generations to work out a solution between the two sides of the Taiwan Strait. On the other hand, Ma also advocates "to protect Taiwan and safeguard the homeland" (*baotai hutu*). But this policy doesn't imply militancy and is likely an attempt to undercut stereotypes used against the KMT and appeal to moderate voters.

With regard to the U.N. issue, Ma closely adheres to the KMT's policy that there is no need for the referendum and that merely voting on it, whether it passes or fails, only jeopardizes Taiwan-U.S. relations and creates tension across the Strait. Ma's proposal to return to the United Nations under the name of Republic of China is really a counterproposal to defuse DPP pressure if decoupling the issue does not work.

What can be Achieved?

If elected, can Hsieh accomplish his goal of developing economic ties with China? China has reiterated many times that the resumption of the SEF-ARATS dialogue (Straits Exchange Foundation and Association for Relations Across the Taiwan Strait respectively)¹⁵ can be made only under the condition that Taiwan accepts the "one China" principle, a condition that the DPP adamantly opposes. The DPP argues that no precondition should be attached for any cross-Strait negotiation, and that the "one China" principle is tantamount to setting a course toward final reunification. In sum, the DPP regards accepting anything related to the "one China" principle as total capitulation. However, it is impossible for

Beijing to back down from its own position to maintain a modicum of credibility and to immunize the political leadership from attack by internal rivals. For Beijing, the “envelope” of “one China” has to be kept, while the “contents” of the principle can be sufficiently vague to satisfy Taiwan. This will make it very difficult for China to resume the SEF-ARATS dialogue mechanism for the negotiation on those issues that Hsieh hopes to accomplish.

Nevertheless, Hsieh’s ability to negotiate some issues cannot be completely ruled out, and an alternative mechanism may be employed. The Macao model was a precedent set in 2005 for the direct charter flight arrangement between Taiwan

A window of opportunity is opening in the Taiwan Strait.

and China during the Chinese New Year period. Nongovernment civilian aviation associations of the two sides arranged the negotiation in Macao, but relevant government officials in charge of aviation affairs under the name of industrial consultant served as chief negotiators. No document was signed, but a consensus was reached and then implemented. While officials from the Mainland Affairs Council and the Taiwan Affairs Office (TAO) (two government agencies responsible for China and Taiwan policies in Taipei and Beijing respectively) did not join the negotiating teams, they made final decisions behind the scenes. Later, the model was extended to negotiating over the Chinese tourism issue. Because the SEF-ARATS mechanism has been completely suspended, the Macao model only handles trade, transportation and tourism related areas, leaving politically related issues aside.¹⁶ In fact, negotiations over tourism, already underway for some time, could “reap fruit” quickly,¹⁷ along with some other issues such as more frequent charter flights.

Naturally, China would be more comfortable with a Ma Ying-jeou presidency, despite the fact that he has persistently criticized China for the 1989 Tiananmen incident. Most important is Ma’s endorsement of the “1992 consensus,” which China greatly values and will likely lead to the resumption of the SEF-ARATS dialogue. A comment by a Chinese official over Ma’s “Cross-Strait Common Market” idea echoed this point. Yang Yi, the spokesman of TAO, said that the SEF-ARATS dialogue can be resumed based on the “1992 consensus,” and the

priority of the meeting agenda should be the “Cross-Strait Common Market.” Undoubtedly, the endorsement of the “1992 consensus” would allow Ma to make broader economic agreements with China.

But what else can the endorsement of the “1992 consensus” bring to Taiwan beyond the resumption of the SEF-ARATS dialogue? If the resumption of the dialogue is no more beneficial than the Macao model, Ma will run the risk of being accused of accommodating China’s demand without taking Taiwan’s dignity into consideration. Ma will also face higher expectations because of his policies. But a peace agreement, confidence building measures (CBMs) and an end to mutual hostility are interrelated issues, and accomplishments will be limited by a serious and unresolved question: what are the political relations between Taiwan and China?

It also involves China’s aspiration in the context of growing comprehensive national strength: will China be willing and able to curtail its rapidly modernizing military in the pursuit of resolving cross-Strait relations? Another related challenge is the process by which these highly sensitive political issues will be handled. It is unlikely that SEF and ARATS alone will be sufficient and it is inevitable that government agencies, executive and/or legislature, will have to be engaged in the process. However, for China, having government agencies involved implies that Beijing recognizes the Republic of China as a government with status equal to the People’s Republic of China. The ramifications of this implication are serious and it is highly unlikely that Beijing can accept this arrangement.

Another possibility is for each side to unilaterally announce an end to hostilities without signing a formal document. However, some critical questions raised above remain unanswered, including whether SEF and ARATS alone have the capability and capacity to conduct the dialogue over this highly sensitive political issue. Also, is there a need for the parliaments of both sides to endorse such a move? Furthermore, the CBMs issue is more complex than merely ending the state of hostility across the Strait. This will involve military deployment and interaction and it will take a long time to conclude relevant negotiations. With

this complexity, a signed written document by both sides will be necessary. All these make the handling of political issues fiendishly difficult.

It seems that China understands the challenges and obstacles. A comment made by Zhang Nianci, head of the Shanghai-based Institute for East Asian Studies, illustrates China's expectations. He commented that with Ma's China policy constrained by Taiwan's political situation, it is unlikely to make an "across the board" breakthrough. However, it is more likely for Ma to steadily and gradually push cross-Strait relations forward. Commenting on Hsieh, who is constrained by the fundamentalist groups, Zhang said he hoped that Hsieh would be able to honor his commitments.¹⁸

Impediments

There are several significant limitations to improving cross-Strait relations regardless of who wins the presidential elections in March. They range from time pressure and unexpected incidents, to China's political succession as well as its overall policy toward Taiwan. Each of these factors may delay expected progress, if not completely stall it. Taiwan's four-year term of presidency creates a time pressure that must be considered. The first two years of the presidency, 2008-2010 in this case, is the prime opportunity for a new president to make progress in cross-Strait relations, as the next presidential race will get under way in the third year, 2011. A lack of progress could provide powerful ammunition to those opposing close economic and political ties with China. Ma may be particularly vulnerable to this time constraint. Believing that an endorsement of the "1992 consensus" will endear him to China, with attendant benefits in talking with Beijing, there will be high expectations in Taiwan. The absence of meaningful progress in the first two years will likely result in frustration by the Taiwanese public and an empowerment of Ma's political rivals. Therefore, a crucial issue will be how China will respond to Ma's proposal. Faced with high hopes in Taiwan and abroad, China has a window of opportunity, and its offer will have to win Taiwanese hearts without stirring up domestic backlash on the Mainland. This will be no small challenge.

Meanwhile, time constraints also add pressure to the Chinese leadership. China will begin its own political drama around 2011 as Hu Jintao is scheduled to step down from the post of secretary general of the Chinese Communist Party at the 18th Party Congress (to be held in the fall of 2012). No new leader will be able to appear too “soft” towards Taiwan.

A variety of incidents may also delay progress. The most likely scenario is on the diplomatic front. As China continues to grow economically, with its abundant foreign exchange reserve, more countries will likely shift their recognition to China, motivated by financial and economic assistance. The diplomatic switch will inevitably exacerbate Taiwan’s frustration and cause a backlash that could seriously hinder progress. There are several precedents of negotiations running aground because Taiwan’s diplomatic partners severed diplomatic ties in favor of Beijing.

These trends are also driven in part by bureaucratic momentum. China’s Ministry of Foreign Affairs (MFA), the agency most concerned with issues of diplomatic recognition, will likely continue to do its utmost to deny Taiwan recognition and further isolate it internationally. Nor is it in the interest of Hu Jintao (or his successors) to dissuade the MFA from doing so, as he would only invite attack from his political rivals and damage MFA morale at the same time. It seems that there is no easy way to preclude these incidents from spoiling hopes for greater rapprochement across the Strait.

Finally, how China perceives and reacts to Taiwanese politics remains critical. It seems that a regular turnover of political power every four to eight years in Taiwan has become a normal phenomenon. This means that China must deal with the DPP on a regular basis. For this reason, Beijing is unlikely to accept the KMT’s request for international status, peace agreements or CBMs until the DPP endorses the “one China” principle.

Under these circumstances, China has to calculate the ultimate bottom line it wishes to defend, and this bottom line, in turn, is likely to frustrate Taiwan – thus creating an inherent dilemma. China fears that Taiwan may demand ever

more if given minor concessions; “offered an inch, take a foot” (*decun jinchi*). In fact, there is consensus in Taiwan among both pro-unification and pro-independence supporters that Taiwan should have full international status, just as any country. This will likely shape the bottom line that China has to defend.

Window of Opportunity

While there are many other factors in both China and the United States that shape cross-Strait relations, the people in Taiwan will ultimately decide their own political future. That is why both parliamentary and presidential elections as well as the U.N. referendum are so critical. The outcome of the parliamentary election has signaled that a new mandate is emerging, emphasizing economic prosperity over ideology, ethnic reconciliation over ethnic division, moderation over radicalism and peace over hostility. The outcome of the upcoming presidential election and the referendum will be the next chapter in these important trends unfolding in Taiwan. In short, they will be a test of how strong the emerging mandate will be. If the referendum fails and Hsieh loses the election, the new mandate will likely be resilient enough to last the next four to eight years and create “facts on the ground” for better cross-Strait relations.

A window of opportunity is opening in the Taiwan Strait. At a minimum, charter flight/tourist related ties can be built, potentially bailing Taiwan’s economy out from the negative effects of a decline in consumption. At the same time, these enhanced ties will give Beijing more confidence that Taiwan can be constrained from seeking *de jure* independence. If everything goes well (a big “if”), engagement on sensitive political issues can be initiated to probe the possibility of reaching some agreement under the “one China” framework in the future. That may not seem like much, but considering the turbulent relations of the recent past, it will be a small coup. 🍷

Notes

¹ It should be noted that that political stalemate existed before President Chen came to office. After Chen's predecessor, Lee Teng-hui, had made the statement portraying the cross-strait relations as special "state to state" relations in July 1999, China unilaterally terminated all cross-strait dialogue. China did not trust toward Chen, because Chen won the election in 2000 because of his DPP affiliation.

² Li Daochen, "Trend 2: After the Presidential Election, the Cross-Strait Relations will be De-frosted," *Industrial Commerce Times*, Jan. 1, 2008.

³ Yi-jie Fu, "Beijing Will Present Good Will After Taiwan's Presidential Election," *United Daily News*, Dec. 20, 2007.

⁴ This is particularly the case for those under 30. Research shows that those under 30 in Taiwan do not take a "black versus white" attitude toward identity and the China issue. Instead, they view Taiwan as "homeland," but would like to build careers in China, and want Taiwan to remain politically independent but believe that its economic future rests on an ever-deepening engagement with China. They think that national identity is a "side issue" rather than a central concern. This creates an ambivalence about China. See Shelley Rigger, "Strawberry Jam: National Identity, Cross-Strait Relations and Taiwan's Youth," presented at the 35th Taiwan-American Conference on Contemporary China: Is There a Greater China Identity? The Security and Economic Dilemma, Taipei, Taiwan, Aug. 28-29, 2006. Also see Qingxin You and Yijing Xiao, "New Voters' Political Attitudes and the Future of Taiwan's Democracy," *Taiwan Journal of Democracy*, Vol. 4, No. 3 (September 2007), pp. 109-151. If these analyses are accurate, a projection can be made that the majority of those under 30 voted for the KMT in the parliamentary election of Jan. 12, 2008.

⁵ Massive brain drain, declining foreign capital and investment, and low domestic consumption have negatively impacted Taiwan's economy. See Yi-ru Liu, "The Warning Signal of Foreign Capital's Outflow," *China Times*, Nov. 15, 2006, and Yici Chen and Lianyi Peng, "Taiwan's Consumption Loses over NT\$150 billion every year," *China Times*, Nov. 20, 2006.

⁶ Wanwen Chu, "Useful Enemy," *China Times*, July 6, 2007.

⁷ Before the 1990s, Taiwan's Constitution stipulated that the president only had nomination power, and the nomination had to be approval by parliament. In the 1990s, constitutional amendments eliminated the parliament's consent power.

⁸ Nominally, Taiwan adopts a dual head system with the president in charge of China, defense and foreign policies while the premier is responsible for other public policies. The practice, nevertheless, has never been established because President Chen has never appointed a premier from parliament's majority party in his eight-year term. Instead, he appointed his premiers from the DPP, a minority party at the parliament. Further, it is difficult to distinguish China policy from economic policy in practice in the era of globalization. Coupled with the fact that the ratification power on the nomination of the premier has been eliminated, the premier in fact becomes the president's chief operations official.

⁹ In order to defuse the DPP's pressure, the KMT also proposes a referendum on "returning" to the United Nations under the name of Republic of China, Taiwan's formal government

name. Nevertheless, KMT's proposal can be discounted. On the other hand, it is unlikely for Hsieh of the DPP to drop the U.N. referendum in order to mobilize supporters' enthusiasm.

¹⁰ According to Taiwan's referendum law, it requires that half of eligible voters request the ballot and half of them vote. In other words, the threshold is not low. The KMT's counter-proposal is likely to create confusion among voters

¹¹ Scandals surrounding his family stirred a "red shirt" protest campaign in 2006, calling him to step down. Chen appealed to fundamentalist groups with a slogan of protecting the Taiwanese regime. He survived without stepping down, but legal issues have not been concluded.

¹² The "status quo" is a very controversial term and each actor (DPP, KMT, the United States and China) has different interpretations of it. For the DPP, the status quo is that Taiwan is a sovereign, independent country, and its current name is Republic of China. Therefore, "one country in each side" is a logical conclusion.

¹³ A statement made by Gu Kuan-min, a known Taiwanese supporter of Taiwan independence, after the January 12 parliamentary election highlighted the point that policy can be compromised, but winning the coming presidential election is the most important task.

¹⁴ The "1992 consensus" is an alleged agreement that both mainland China and Taiwan belong to "one China with different interpretation." In the early 2000s, Su Chi, former chairman of Mainland Affairs Council under KMT administration created the term "1992 consensus" to replace previous ones. It should be emphasized that in the 1992 meeting in Hong Kong, neither side signed a written document; the final agreement was done in discussion minutes delivered through fax. Once Taiwan media reported that both sides reached an accord and called the compromise "one China with with different interpretation" (*yi zhong ge biao*), China denied there was a such accord. Ironically, after President Chen took office, China requested him to return to the *jiu er gong shi*, while Chen only recognized the "1992 Hong Kong meeting," and denied the *jiu er gong shi* and *yi zhong ge biao*.

¹⁵ The Straits Exchange Foundation (SEF) and the Association for Relations Across the Taiwan Strait (ARAT) are two semi-official agencies established by Taiwan and Chinese governments in the early 1990s to represent Taiwan and China respectively to handle all issues related to Taiwan and China. In 1999 after Taiwan's former president, Lee Teng-hui, made a statement that cross-strait relations are special "state to state" relations, China unilaterally cut off the SEF-ARATS tie, and no dialogue has been done since.

¹⁶ The question is why Hsieh or the DPP wishes to have negotiation over these issues under the SEF-ARATS framework? A possible explanation is that China's resumption of the related negotiations under the framework without condition will be seen as victory for Hsieh or the DPP.

¹⁷ The Chinese tourist issue has been negotiated for a while. Because China did not want to give credit to President Chen in the wake of his campaign for joining the United Nations in the name of Taiwan, the negotiation has been dragged without any result.

¹⁸ Zhang Nianci, "Taiwan's subjectivity consciousness should be esteemed," *United Daily News*, Dec. 20, 2007.

Time for “New” Thinking on Taiwan

Wang Jianwei

No shot has been fired across the Taiwan Strait since Chen Shui-bian came to power in Taiwan in 2000. Yet, during this period relations between Beijing and Taipei have been conflict-ridden. While the Mainland also bears some blame, the main source of tension has been President Chen Shui-bian’s continuous actions to push the envelope of Taiwan sovereignty and independence. Chen has launched “bombshells” one after another, including the notion of “one state on each side” in 2002; the referendum on defense in 2004; and the abolition of the National Unification Council and National Unification Guideline in 2005. The most recent friction was triggered by Chen’s tactic of pushing for a referendum on applying for a U.N. membership under the name of Taiwan to be held during the forthcoming presidential election in March 2008.

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The U.N. referendum in particular has drawn cross-Strait relations perilously close to crisis. Taipei and Washington do not see passage of such a referendum as a way to change the international status of Taiwan in any meaningful way; however, Beijing has taken the move very seriously, interpreting it as a plebiscite on Taiwan's independence in disguise.¹ Among other things, Beijing perceives such a move as the change of state name through legal means for the first time. Since the referendum is the formal expression of broadest public opinion in Taiwan, it is legally binding to the successive government in Taiwan no matter who wins the election. Moreover, whether the referendum passes or not, it will open the door to decide the nature of cross-Strait relations in the future.

Beijing is also worried that the passage of such a referendum could provide some countries in the world with the legal foundation to change their policies toward Taiwan. In short, although the U.N. referendum is a false subject, its implementation could produce some substantial consequences. For all these reasons, there is a growing consensus among the Chinese leadership and elites that in the context of the *Anti-Secession Law*, Beijing has no other choice than to take action, including "nonpeaceful means," if the Democratic People's Party (DPP) version of the referendum passes without any other mechanism to dilute it. This has placed Washington in a difficult position trying to maintain the fragile status quo in the Taiwan Strait.

Somewhat to Beijing's relief, the recent Legislative Yuan election delivered Chen and the DPP a sound defeat, effectively thwarting Chen's plan to use the referendum to stir up support for the DPP in the presidential elections. With the Kuomintang (KMT) enjoying a three-quarters majority in the Legislative Yuan, the pro-independence forces have been severely weakened in domestic politics. Chen was humiliated and his political role marginalized as a result. With the two referendums attached to the Legislative vote also clearly defeated, the Taiwanese public's enthusiasm for the U.N. referendum could also be significantly dampened. Immediately after the Legislative Yuan elections, the DPP presidential candidate Frank Hsieh expressed the willingness to consult with the KMT and Ma Ying-jeou, calculating that a failure of passage would be even worse for

the DPP than no referendum at all.² A modification, watering down or failed passage of the U.N. referendum could avert an imminent showdown across the Taiwan Strait.

Unfortunately the KMT Chairman Wu Poh-hsiung's consultation with Chen on this issue failed to yield a compromise and the DPP-controlled Central Election Commission decided to go ahead with the DPP version of the referendum on election day. Beijing's Taiwan Affairs Office (TAO) immediately issued a strongly worded statement to reiterate its position that this referendum is one on "Taiwan independence" in a disguised form. The statement further declared that the referendum is "a significant step" in Taiwan's attempt to attain "de jure independence" and if the scheme passes, it will "seriously imperil peace in the Taiwan Strait and even peace in the Asia-Pacific region." It warned that if the Chen authorities continue to pursue this course, they "will certainly pay a heavy cost."³ The TAO spokesman described current cross-Strait relations as at a "critical moment."⁴ The tension remains high in the Taiwan Strait.

While prospects for successful crisis management in the aftermath of the presidential elections/U.N. referendum seem more sanguine, the long-term peace and stability in the Taiwan Strait remains illusive. Without fundamental adjustments in the approaches toward strategic reconciliation and compromise amongst the major parties involved – China, Taiwan and the United States – the Taiwan Strait will remain treacherous waters.⁵ The power transition in Taiwan that is now in motion presents an opportunity for all three sides to address the flaws in their policies, and come up with "new thinking."

U.S. Policy: Fuzzy Thinking

The current American approach to cross-Strait relations can be summarized as formally supporting the "one China" policy (no support for independence) but maintenance of the status quo. In recent years, the emphasis of Washington policy has been on the latter, which according to Bush administration officials, should be defined by the United States.⁶ This status quo could be labeled as "double clarity": no independence and no use of force. This strong reliance on the status

quo has been the primary tool to assess and monitor the delicate equilibrium across the Strait, opposing either side to unilaterally change it, by means peaceful or otherwise. Developments in cross-Strait relations over the last seven years or so, however, have demonstrated that while this approach may serve the short-term interest of the United States, it is neither a viable long-term strategy nor an approach to resolve the issue. The status quo in the Strait is rapidly evolving and becoming increasingly volatile. A number of developments on both sides threaten to upset the balance at any time. For example, the continuing growth of the military and economic might on the Mainland and the progressively messy and unpredictable politics of a democratic Taiwan.

Without a solid institutional framework, the status quo in the Taiwan Strait will be unstable and likely won't survive. A policy approach that perpetuates the current stalemate has forced the United States into a reactive position particularly with regard to Taiwan, where Washington has been caught off guard as Chen triggered one controversy after another. The results suggest that reigning in Chen has become increasingly difficult for U.S. policy-makers. Putting out fires and short-term fixes in the Taiwan Strait have fallen short of bringing predictability and stability to the region. Sooner or later the leadership in Washington must come up with a more long-term approach to the complex and evolving issues across the Strait.

However, the official position of the United States remains hands-off and passive. The so-called "six assurances," promised orally to Taiwan by the Reagan Administration (and various U.S. officials since then), suggest that the United States is more interested in the *process* of solving the cross-Strait problem than the *outcome*.⁷ The United States takes no position on the final status of the relationship between the Mainland and Taiwan. It is up to the people across the Taiwan Strait to decide, and this is partly reflected in the subtle U.S. position, which neither supports nor opposes Taiwan independence – an outcome that the United States does not want to preclude at this time.⁸ As such, Washington will not play a mediating role between Beijing and Taipei, nor will it exert pressure on Taiwan to enter into negotiations with the People's Republic of China (PRC).

This “noninterference” principle is both at odds with the concepts and practices of contemporary American foreign policy and stands in sharp contrast to the often interventionist nature in handling other international issues. It is even more extraordinary if one considers the historic U.S. involvement in the Taiwan issue and its role in creating the present separation between Taiwan and the Mainland.

One ostensible reason that prevents the United States from playing a more active role in the cross-Strait dynamic is that for a long time both Beijing and Taipei officially considered their relationship an internal matter and rejected any meddling by foreign powers. However, Beijing and Taipei’s attitudes towards the U.S. role in cross-Strait relations are by no means static. Indeed, while neither Beijing nor Taipei are willing to accept a solution imposed

The shortest route to the capital of either side of the Strait is through Washington.

by an outside power, both sides nevertheless have increasingly realized the indispensable role of the United States as well as its unique leverage. Taiwan and China understand that the shortest route to get to the capital of the other side is through Washington.

This is affirmed by the fact that government officials from both sides, particularly the Mainland, flock to Washington to consult with and seek support for their respective positions or actions related to cross-Strait relations. The late Chinese leader, Deng Xiaoping, put it bluntly: “In the final analysis, the Taiwan issue is an American issue.”⁹ Indeed, the Chinese leaders welcome a more engaging policy from the American side. Since 2003, Chinese officials have made a conscious effort to seek explicit American support for China’s course of peaceful unification.¹⁰ The Taiwanese side, particularly the DPP government, also would like to see the United States be more intrusive on its behalf.

In light of this, a more proactive American policy will require different thinking on the value and status of Taiwan, U.S. strategy for East Asia, and its future relations with the Mainland. In fact, while many Chinese still believe that the United States will never “give up” Taiwan because of its military and strategic

value (the “unsinkable aircraft carrier”), some American analysts are no longer so sure about this, pointing out that in the age of intercontinental ballistic missiles and long-range precision strike weapons, Taiwan’s strategic value has been markedly reduced. Some even suggest that in order to “lock in” a strategic deal with a rising China, the United States should think about a compromise on Taiwan and accommodate China’s national aspirations.¹¹

On the issue of China’s sovereignty over Taiwan, the United States has officially taken an agnostic position since the 1970s. That is to say the United States “acknowledges” but does not “recognize” China’s claim that Taiwan is part of China; the United States only hears what China claims but does not have its own position on Taiwan’s sovereignty.¹² The most recent example is the George W. Bush administration’s open disagreement with U.N. Secretary-General Ban Ki-Moon’s claim that the United Nations should endorse the position that Taiwan is part of China.

This remains the mainstream view in the United States, particularly in Congress. Nevertheless, senior U.S. government officials occasionally deviate from this position, showing more clarity on sovereignty over Taiwan. Among other people, former Secretary of State Colin Powell explicitly denied the sovereignty and independence of Taiwan in October 2004.¹³ He declared, “Taiwan is not independent. It does not enjoy sovereignty as a nation.” The White House Senior Director for Asia at the National Security Council Dennis Wilder made the similar remarks in September 2007.¹⁴

While the United States may not be ready to publicly support China’s ultimate unification, American policy-makers are keenly aware of the prospect. They realize that some form of permanent tie between the Mainland and Taiwan, whether by unification or other, is probably inevitable. Senior government officials also reflect this in the occasional “slip of the tongue.” For example, both Colin Powell and former Deputy Secretary of Defense Paul Wolfowitz mentioned the prospect for China’s unification. Wolfowitz made it very clear that the United States has no intention or desire to separate Taiwan from the Mainland or have an independent Taiwan, clarifying that a peaceful process is the only way to bring

about reunification.¹⁵ Powell made a similar point, stating that the United States does not want unilateral action taken by either side that would prejudice an eventual outcome of reunification.¹⁶ The Pentagon, reporting about Secretary of Defense Robert Gates' visit to China last November, also touched upon the issue of China's unification.¹⁷ Although most of these remarks were later retracted or reinterpreted, one cannot deny that government policy-makers are thinking about the Taiwan issue in these terms.

In sum, given the deep-rooted distrust and animosity across the Taiwan Strait, the United States can and should take a more proactive stance to bring Beijing and Taipei together with the goal of seeking a long-term framework for peace. Both sides have their ears more tuned to Washington than to each other, and both sides actually welcome Washington's constructive engagement in cross-Strait affairs. Historically speaking, a more interventionist policy by the United States would not be entirely new. In the 1940s, the United States, through General Marshall, mediated between the communists and nationalists during the civil war – an event welcomed by both sides.

But for the United States to play a comparable role today, it must go beyond the policy of crisis prevention and management. If Washington comes to the strategic conclusion that China's national aspiration for unification will never die, it might be wiser for the United States to come to terms with a future political union between the Mainland and Taiwan. That is, to recognize in some form, that Taiwan's sovereignty belongs to the *entire* Chinese nation including the 23 million people in Taiwan. As Thomas Barnett sensibly pointed out, the United States should not "fight the inevitable." Taiwan most likely will join China in an economic and even political union in the future. "The U.S. strategy [shouldn't] be to prevent that integration but to help steer it, to the extent we can."¹⁸ If the United States could attempt to reconcile differences between the KMT and CPC to form a unified China after World War II, there is no convincing reason why it could not do the same regarding cross-Strait relations today.

Reconciling differences would go a long way toward ending Chinese suspicions that the United States harbors a secret intent to perpetuate the

separation of Taiwan from mainland China. The United States would likely win China's trust in America's benign long-term strategic intention. If the United States maintains the status quo of "neither independence nor unification," the resolution of the Taiwan problem will only be postponed, and not completed. A strategic compromise on the Taiwan issue could once and for all remove the most glaring source of military conflict between the two countries, thus breaking the historical pattern of hegemonic wars between a dominant power and a rising power.

China: One Step Forward, Two Steps Back

Beijing's policy towards Taiwan has come a long way since the late 1970s: from the "liberation of Taiwan" to "peaceful unification," from the "one China" principle to the vaguer "1992 consensus," and from "unification first" to "anti-independence." The fourth generation of the Chinese leadership headed by Hu Jintao has made further important adjustments in its approach to Taiwan. Giving up the "timetable for unification" and tactics of intimidation – employed during the Jiang Zemin period – Hu Jintao embraced an approach expressed as "the hard becomes harder and the soft, softer" (*yingde geng ying, ruande geng ruan*).

Among other things, the Chinese leadership has adjusted its priorities. While unification is still the ultimate goal, it is no longer an immediate concern. Instead, containment of the perceived imminent danger of *de jure* independence has taken the forefront. To that end, the Chinese People's Congress (CPC) passed the highly controversial *Anti-Secession Law*, setting red lines for the so-called "radical pro-independent forces" in Taiwan. With a law in place to be used as the last resort, Beijing shifted its focus to win the "hearts and minds" of the Taiwanese people. Taiwan's opposition party leaders (of the KMT) were invited to visit the Mainland with Beijing offering numerous packages of preferential policies in economic, trade, educational and other cultural areas to lure the Taiwanese, particularly farmers in the south, who are traditionally die-hard supporters of President Chen.

While military buildup across the Taiwan Strait continues as a form of

deterrence, the use of force is no longer a preferred and desirable policy option. From his major speeches on Taiwan in 2006 to his political report at the 17th CPC Party Congress, the main themes of Hu Jintao's Taiwan policy are peace, not war. Hu further relaxed the definition of the "one China" principle by recognizing that "both sides of the Straits belong to one and the same China." He reiterated that the main theme of cross-Straits relations is "peaceful development." He also offered to discuss a formal end to the state of hostility between the two sides, reach a peace agreement, construct a framework for peaceful development of cross-Straits relations, and thus usher in a new phase of peaceful exchange.¹⁹ This approach is essentially consistent with the U.S. stand that cross-Straits disputes should be resolved by peaceful means.

Excessive diplomatic "hard power" could cancel out Beijing's successful use of "soft power."

Beijing's handling of Taiwan's volatile domestic politics has also become much more sophisticated. Instead of high-handed attempts at influencing the direction of Taiwanese politics and public opinion, as exemplified in the 1996 and 2000 presidential elections, Beijing now keeps a very low profile, restraining interference with the political developments in Taiwan. To avoid possible exploitation by pro-independence politicians during campaigns and elections, the TAO has even cancelled routine press conference from time to time.²⁰

Beijing has clearly adopted a more conciliatory, practical and sophisticated cross-Straits policy, opening the door for building more enduring peace in the Taiwan Strait. On the other hand, several aspects of Beijing's approach seem to be preoccupied with short-term utilities rather than long-term benefits. One example is Beijing's relentless diplomatic blockade of Taiwan's "international space." This is probably the reflection of the "hard becomes harder" side of Hu Jintao's "new deal" on Taiwan. Taiwan still has formal diplomatic relations with about two-dozen countries. Most of them are small and poor countries in Latin America and Africa. For Beijing, the gains of forcing these "small potatoes" to drop Taiwan in favor of diplomatic relations with China would be marginal. But for Taipei this is the diplomatic struggle of "life and death."

If China means well towards the people of Taiwan, one would expect Beijing to be more sensitive to their feelings, including greater leniency in granting Taiwan a minimum of diplomatic self-esteem in the international community. Yet, the reality is just the opposite. Beijing has actually intensified its diplomatic zero-sum game with Taipei in taking over Taiwan's limited diplomatic allies. After winning over Costa Rica in June 2007, Beijing announced the establishment of diplomatic ties with Malawi after the Legislative Yuan election in January 2008. This reduces Taiwan's diplomatic allies to 23 (compared to over 160 for China). Beijing's timing was planned so it would not affect the election in Taiwan. Nevertheless, it reinforced the Taiwanese public's unfavorable image of Beijing as an international "bully," discrediting its rhetoric that it will do everything possible for the interests of the Taiwanese people. There is fear that similar episodes could reoccur before the presidential election in March further humiliating Chen and his government and embarrassing the KMT.

On other matters related to Taiwan's "international space" (for example the 2008 Olympic-touch relay, sports competitions, Taiwan's participation in international organizations such as the World Health Organization and the World Organization for Animal Health), Beijing often appears rigid and paranoid. On top of that, instances of senior Chinese diplomats speaking "down" to Taiwan and uttering insensitive remarks regarding Taiwan's international status and participation in international organizations have caused emotional backlashes on the Taiwanese side.²¹ Even some Mainland scholars and analysts think that it wouldn't harm China to be more flexible and tolerant on these matters.

While Beijing's clumsy behavior in squeezing Taiwan's already limited international space may pay short-term diplomatic dividends for Beijing, especially for the Foreign Ministry, it could jeopardize the long-term prospects for national reconciliation across the Strait. In fact, data on public opinion in Taiwan often shows that there is a credible correlation between Beijing's efforts to narrow Taiwan's international space and Taiwan's inclination to support independence. Indeed it can be argued that the strong public support for Chen Shui-bian's initiative to hold the U.N. referendum is closely related to the perception of Taiwan's

diplomatic predicament.

Second, the excessive usage of China's diplomatic "hard power" could cancel out the positive effect of Beijing's successful use of "soft power," or winning the hearts of the Taiwanese people. It seems that the TAO and the Ministry of Foreign Affairs are pursuing contradictory policies. While the former applies economic incentives to draw the Taiwanese closer to the Mainland, the latter pushes the former away through international isolation. Chen and DPP leaders often float the criticism that Beijing aims to entirely squelch Taiwan's diplomatic status, reducing the number of its diplomatic allies to zero. If true, Beijing must understand that such a strategy will spur on Taiwan's pro-independence forces to mobilize social support, perhaps leaving Taipei with no other choice but to declare independence.

Finally, Beijing's harsh treatment of Taiwan internationally could also play hugely to the DPP's advantage, reversing current trends, and deliver them victory in the forthcoming presidential election. Beijing may calculate that the voters will blame the DPP for the diplomatic setbacks; however, past experience indicates that "pan-Blue" group candidates suffer when Taiwan voters' anti-Mainland sentiments are agitated, for whatever reason. Fair or not, the Taiwan electorate still harbors the concern that a KMT candidate, once elected, could be too pro-Beijing. Hsieh's campaign plays heavily on this theme. Some Chinese analysts argue that given the decisive defeat of the DPP in the Legislative Yuan election, there is no need for Beijing to position itself more benignly regarding Taiwan's international space. They could be proved very wrong and the backlash could be consequential.

In order for Beijing to win the hearts and minds of the Taiwanese people, to build a foundation for the possible reunification in the future, it has to think creatively about how to deal with the unavoidable issue of Taiwan's international participation. Even under a future KMT/Ma Ying-jeou administration, this issue will remain the real test of whether Beijing is genuinely willing to deal with Taiwan on an equal footing, something many Taiwanese suspect that Beijing will never do.

Taiwan: Be Careful What You Wish For

Taiwan's democracy, which began in the 1990s, has become Taipei's most effective weapon in dealing with both the United States and mainland China. Taiwan's vibrant democracy wins respect and sympathy among the American public and elite. It also makes it more difficult for the United States to pursue geopolitical interests alone in its relations with China. It is fair to say that if Taiwan were a democracy in the 1970s, it would have been much harder for the United States to cut diplomatic ties with Taipei in favor of Beijing. With regard to the Mainland, the reality of democracy in Taiwan places it on a moral high ground vis-à-vis Beijing, often winning the favor of world public opinion. In the realm of ideas and political systems, since the collapse of Soviet communism, China is swimming against the tide of history. Taiwan is not.

Democracy establishes another line of defense for Taipei in resisting pressure from Beijing reunify. During the 1970s and 1980s, the Taiwan used the economic gap between the two sides to postpone hasty unification with the Mainland. As that economic gulf began disappearing in the 1990s, rapidly so in the 21st century, the political gap served as a further rationale to hold off the authoritarian Mainland. In addition, Taiwanese leaders often cite Taiwan's "democratic experience" as a valuable asset in exercising a positive influence on the Mainland and to promote democratic reform there. Both KMT and DPP leaders seem to agree that the Mainland's democratization is a precondition for Taiwan to even think about some form of future political connection with the Mainland. Moreover, many on the island blame the nondemocratic nature of China's political system as the main source of tension and enmity in cross-Straits relations.

On the other hand, while Taiwan's democratization has increased the say of ordinary people in Taiwan about the future of cross-Straits relations, it also equally infused a high degree of uncertainty and unpredictability in Taiwan's dealings with the Mainland. One common problem is that politicians tend to take democratic processes as means rather than ends to get elected, particularly for fringe elements, where they take up their own political agenda. For that matter, external relations and foreign affairs are often exploited for the short-

term advantage of domestic political and ideological objectives.

This became particularly acute after Chen Shui-bian came to power in 2000. Whenever there was a major election, Chen and his cohorts almost without exception played the “China card” to demonize their opponents and mobilize domestic support. Such behavior became especially egregious when the government had little to show in its performance on economic and welfare issues. At such times, the “China card” often became the only implement Chen and the DPP could wield to save their political lives. Popular participation, in form of a referendum, was also employed for election purposes. The strategy of “binding referendum to elections” was a typical example in this regard.

As a result of this manipulation and political engineering, Taiwan’s election cycle often brought tensions across the Strait. When overplayed, democracy in Taiwan has been an obstacle to stable cross-Strait relations and conceivably could become the fuse leading to conflict. American policy-makers have learned this lesson the hard way with Chen’s repeated attempts to push the envelope of Taiwan independence. While being reluctant to criticize the people’s privilege to exercise their democratic rights, Washington rapidly grew weary of Chen’s abuse of the democratic process. Despite overseeing a historically unprecedented policy of “spreading democracy,” President Bush evidently disliked President Chen, considering him a “troublemaker.” Senior government officials also lashed out at Chen’s scheme of holding the U.N. referendum. There are limits to what ends democracy can be justified. It cannot be an excuse to cover bad policies that might trigger conflict in the Taiwan Strait.²² It will be a challenge for the future leaders of Taiwan to abstain from using the Mainland as a scapegoat for its own domestic problems.

The United States must take a proactive stance to bring Beijing and Taipei together.

Another myth about cross-Strait relations is the notion that with democratization the Mainland will cease to be a threat to Taiwan. Almost all Taiwanese politicians – whether sincere or not – develop their vision of future relations with the Mainland on this premise. This is unrealistic at a minimum. No convincing

evidence exists that suggests a democratic China would significantly alter its Taiwan policy from the current framework largely because the issue is not about political ideology but national identity and sentiment, which are shared by people along a broad political spectrum in China. To the contrary, as the experience in Taiwan has demonstrated, democratic politics on the Mainland on such a huge scale could be even messier and more volatile. In fact, at an early stage of China's democratization, the chance for a cross-Strait conflict could increase rather than decrease.²³ With China becoming both powerful and democratic, Taiwan would have no excuse (nor the capability) not to integrate with China. For pro-independence forces in Taiwan, China's democratization would be a nightmare that comes to reality, as the Mainland government may have much less control over the social forces for "radical unification." This scenario is plausible, but not necessarily probable. Yet, it forms the rationale for a timely resolution, in order to lock in a deal with the Mainland that has the best long-term interests for Taiwan.

Long-term Solutions Vs Short-term Gains

The trilateral relationship between China, Taiwan and the United States during President Chen's tenure has been characterized by short-term crisis. Owing to Beijing's self-restraint and Washington's careful balancing act, conflict in the Taiwan Strait has been prevented. Yet peace and stability in cross-Strait relations remains fragile. For various reasons all three sides have tended to focus on short-term diplomatic and political gains while lacking a mature, long-term strategy for lasting peace in the region. The imminent presidential election in Taiwan may provide a window of opportunity for all three parties to discover their policy "blind spots" and to fundamentally rethink their approaches to the Taiwan Strait.

The first step will be for all three sides to escape the vicious cycle of "action-reaction" and understand the long-term "inevitables" contained in the Taiwan issue. Perhaps most crucially, Washington needs to come to terms with China as a rising power, which will never forgo its claim to Taiwan. If pushed far enough, China may even jeopardize its current course of economic modernization by

fighting for Taiwan. Passively maintaining the status quo could eventually increase the risk of conflict in the Strait, and is therefore not necessarily in the long-term strategic interests of the United States.

The United States contributed to the creation of the Taiwan issue, and it is equally true that the United States needs to be part of the solution. The United States should more actively encourage and promote rapprochement between Taipei and Beijing instead of just sitting on the sidelines. Just as Singapore has done in the past, the United States could be a facilitator, witness and even messenger during the cross-Strait dialogue. As history reminds us, Washington cannot dictate the terms of cross-Strait reconciliation. But it certainly can help shape the direction of this relationship. In fact, such a role would be beneficial to the United States, as American strategic interests would be taken into consideration in the determination of a long-term solution to the Taiwan issue. The United States would have a say in, rather than just accept the result of, a settlement between Beijing and Taipei. Any agreements between Beijing and Taipei will be less effective without blessing from Washington.

Beijing also has to come to grips with the fact that the position of the Republic of China (ROC) is an international reality that is here to stay. If Beijing refuses to recognize the ROC's legitimate need for international space and recognition, the alternative will be even more to its disliking. After all, the real battle is to win the hearts and minds of the Taiwanese people. War, for whatever reason, can only mean loss. Beijing cannot have its cake and eat it too.

Taipei must recognize the unpleasant truth that democratization on the Mainland will not necessarily bring peace to cross-Strait relations or make Taiwan's independence more likely. It should also resist the temptation to play the "China card" for domestic purposes.

Although all three sides have different interests and goals, the common denominator amongst them all is the desire for peace, not war in the Taiwan Strait. This provides a powerful impetus to cooperate. Whether KMT's Ma Ying-jeou or DPP's Frank Hsieh is elected, conceptually Beijing and Taipei have already

agreed to end the hostility and to strive for a framework of peace and stability to guide the cross-Strait interactions. This is the hard-won convergence between the two sides. The KMT candidate Ma Ying-jeou suggested a scheme of “Three No’s”: no unification, no independence, and no use of force.²⁴ In light of Beijing’s current priorities, this platform could be acceptable although some references of the future political relationship between the two sides need to be clarified. Timing of the framework needn’t be crucial, and representatives of both sides can decide the nature of the final political relationship at the end of a long transition period. ☞

Notes

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⁸ Some have called the U.S. policy a de facto “not opposed to Taiwan independence.” In so doing, the United States actually is taking a position on Taiwan’s future status.

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¹¹ For example, Thomas Barnett argues that the United States should drop its ambiguous defense commitment to Taiwan thus removing one of the most likely sources of great power conflict in the 21st century and locking in China’s strategic security partnership on other global issues at a lower price. See Thomas Barnett, *Blueprint for Action: A Future Worth Creating*, New York: Putnam, 2005; Jamie Glazov, “The Pentagon’s New Map,” *Front Page Magazine*, Jan. 26, 2005, <http://www.frontpagemag.com/Articles/Read.aspx?GUID={5EA352BE-6497-41BF-884E-B3B9A675FD9F}>.

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²⁰ The most recent example is after the Legislative Yuan election.

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²³ As studies show, countries in transition from authoritarianism to democracy tend to be more war-like. See, Edward D. Mansfield and Jack Snyder, “Democratization and War,” *Foreign Affairs*, May/June 1995, pp. 79-97.

²⁴ “No unification, no independence, and no use of force,’ Ma Ying-jeou’s new three no’s” *dwnews.com*, Jan. 16, 2008, http://www.dwnews.com/gb/MainNews/SinoNews/Taiwan/2008_1_16_7_53_10_178.html.

Change: Mainland's Taiwan Policy

Chu Shulong & Guo Yuli

The Hu Jintao Era

Under Hu Jintao, new leaders with new thinking and new policies have emerged, sometimes imperceptibly, and often in bold relief. Hu has successively put forward thoughts, policies and guidelines on a number of major domestic governance and diplomacy areas including a scientific view of development, a harmonious society, a harmonious world and peaceful development. His policy innovations have thus far exceeded the total inaugurated during the entirety of Jiang Zemin's thirteen-year reign. Among other shifts between these administrations, perhaps the most dramatic shift has been the Mainland's policy towards Taiwan.

Taiwan forms the primary "strategic focus" for the Communist Party of China and its general-secretary, Hu Jintao, who have undertaken major developments

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in the past five years. The most notable highlights include the “Four Absolute No’s” (“Hu Jintao’s Four-Point Formula”) in early 2005; the enactment and adoption of the *Anti-Succession Law* in the same year; the call to reach a peace agreement across the Taiwan Strait put forward at the 17th Party Congress; opposition to a referendum on Taiwan’s U.N. membership; the promotion of chartered flights, agricultural product trade and tourism across the Taiwan Strait; sending two pandas to Taiwan; as well as stepping up “preparations for military struggle concerning Taiwan.” The message in all of this has been clear: peace, but not independence.

In 1979, Ye Jianying, chairman of the Standing Committee of the National People’s Congress, sent a message to the compatriots of Taiwan urging “peaceful reunification,” thus inaugurating a strategic guideline that would last into the early 21st Century.¹ That strategy was to advance reunification by any means possible. In 1999, the *White Paper on Cross-Strait Relations* raised the temperature by stressing that cross-Strait reunification “cannot be dragged on indefinitely,” making any attempt by the Taiwan authorities to stall reunification a basis for the use of force.² Such rhetoric implied a timetable for resolving the Taiwan question.

However, the failings of this strategy have been evident. Not only has the possibility of reunification become ever more remote, but the “Taiwan independence” movement has gained ground. Since Lee Teng-hui came to power on the island, cross-Strait relations have changed considerably. Taiwan increasingly employs a proactive stance while the Mainland has largely been passive or reactive. To a significant degree, the Mainland has had no choice but to adapt to the dramatic transformations in Taiwan. Since the year 2000, however, when the Democratic Peoples Party (DPP) gained power in Taiwan, “reunification” as the focal point of the Mainland’s strategy toward Taiwan became unrealistic and untenable. The decision to adjust the Mainland’s strategy to one of “opposing independence” was driven by circumstances of the situation: the political realities and a change in social attitudes in Taiwan.

This shift in strategy has occurred entirely under Hu Jintao since he took China’s top leadership position. While Jiang Zemin’s Eight Point Formula, (which

among other things, pushed for progress on reunification) was not reversed, the shift in emphasis and focus has nevertheless been clear.³ Since the 16th Party Congress in 2002, Hu Jintao, Wen Jiabao, Zeng Qinghong, Jia Qinglin and other central leaders have stressed “maintaining peace and stability across the Taiwan Straits,” “opposing and containing Taiwan Independence,” and “promoting peaceful development.” They no longer warn of unacceptable “dragging on” of the Taiwan question. While “peaceful reunification” and “one country and two systems” will continue as long-term goals, the shift in strategy is palpable and will continue for a long time in the future.

Decision-Making

China's Taiwan policy under Hu Jintao emphasizes pragmatism over idealism. It is based on the reality of cross-strait relations that neither side has the ability to “change the status quo” at present, nor for a period of time into the future. It is not realistic for the Mainland to pursue an ideal of unification at present or in the immediate future because the majority of people and political forces inside Taiwan have not formed a majority to support unification. Similarly, neither is it realistic for Taiwan separatist forces to achieve “Taiwan independence” because independence has not become the consensus view of the majority of the people and political parties in Taiwan (nor will the Mainland accept a state of Taiwan independence).

The change in Hu's strategy toward Taiwan is the logical and necessary conclusion of many years of internal debate and discussion in China. This debate began with Lee Teng-hui's visit to the United States in 1995 and ended with the June 17, 2004 statement by the Taiwan Affairs Office (TAO) “On Current cross-strait Relations,” also known as the “5-17 declaration.”⁴

The above outcome of this debate was effectively a critique - even a negation - of “reunification” as the core of the Mainland's Taiwan policy since 1979. Looking back, under this strategy the Mainland had yielded to and compromised with Taiwan in numerous ways. It had encouraged trade and investment (resulting in a significant surplus in Taiwan's favor), not imposed limitations on personal

exchanges, and even allowed Taiwan to participate in many international and regional organizations.

And to what end? It resulted in Lee Teng-hui's visit to the United States, the announcement of his "two-state theory", and the 2000 election of Chen Shui-bian, head of the "pro-Taiwan independence" DPP. Taiwan is obviously not growing closer to the Mainland, rather it is moving further away. The Taiwan independence movement was on the offensive, becoming increasingly outrageous and daring in challenging the "red line." At the same time, the Mainland merely "turned the other cheek," acting completely helpless. It was realized that the strategy of "reunification" was ineffectual and errant. It was a failed policy and needed to be abandoned, changed or at least adjusted and augmented. Even the Mainland public criticized the government for being too "soft" on the advancement of Taiwan independence.⁵

These trends culminated with Chen Shui-bian's "one country on each side of the Taiwan Strait" (*Yibian yiguo*) statement in 2002 and the proposal for a referendum in 2003 during the election campaign, which forced the Hu Jintao government to shift strategies toward Taiwan through the "5-17 declaration." This document set out the following unambiguous positions: Taiwan independence is unacceptable; nothing is more important or sacred to the Mainland than safeguarding national sovereignty and territorial integrity and it will use all means necessary and spare no cost to oppose and stop Taiwan independence.

Thus the "5-17 declaration" laid the groundwork for the change in Hu Jintao's strategy and policies toward Taiwan, ending a passive stance and beginning a new era for cross-Strait relations.

Primary Tools: Law and the Military

Eventual reunification of the country is the "ultimate guiding principle" for the Mainland's strategy towards Taiwan, and preventing independence is the "bottom line" of that strategy. Reunification can be postponed far into the future, but separation will never be acceptable. This position has remained unchanged in recent years despite a significant transformation in the Mainland's overall ap-

proach towards Taiwan. This strategic cornerstone has been further entrenched in the five years since Hu Jintao came to power.

The Mainland has begun to use legal means to strengthen its anti-independence stance. As an extension of the spirit of the “5-17 declaration”, the 2005 *Anti-Secession Law* (ASL) stipulates that Taiwan independence is not permitted. If Taiwan were to declare independence, the law requires and authorizes the government to “adopt all necessary means” to stop it.⁶ The ASL largely removes the decision

The change in Hu's strategy toward Taiwan is the logical conclusion of years of internal debate.

of acting against Taiwan independence from the position or policy of any particular leader, government or party. All will be forced to act based on national law. This approach is an important improvement in the Mainland's method of dealing with the Taiwan issue. On the one hand, it shows China's internal and external policies are not capricious but work through law. On the other hand, it is meant to show in unambiguous terms what China's intentions are, thereby reducing the potential for strategic misunderstandings in Taiwan and the international community. In this way, the ASL acts as a deterrent but also strives to better “manage” cross-Strait relations.

Chinese leaders and the government have decisively reprioritized national defense development following the 16th Party Congress in 2002. In the first 20 years of Deng Xiaoping's initiation of reform and opening up in 1978, economic development was prioritized over national defense. After the 16th Party Congress, under the direction of Hu Jintao, the economy and national defense were developed in a “coordinated fashion,” meaning that the latter is no longer subordinate to the former, raising the status of defense modernization in China's national strategy.⁷ This change is entirely a result of the forward movement of Taiwan independence, forcing the Mainland to treat the situation gravely by developing the military means to prevent independence by force if necessary.

Guided by this strategic policy, the government made preparation for conflict over Taiwan the fundamental task for military development in the early twenty-first century.⁸ To this end, the government has increased national defense

spending for now over five years. Notable progress has been made in China's preparations for a military struggle with Taiwan and in its national defense modernization including the areas of missile development, submarine and surface naval vessels fighter planes and electronic warfare capabilities.

Flexibility

Despite the necessity of military preparation to ensure the bottom line, the core of Hu Jintao's strategy is to stabilize cross-Strait relations through a peace agreement and mutual development in economic, social and cultural terms. The Mainland is earnest in its intention to fulfill this goal as long as the basic "one China" principle can be maintained.⁹

The most difficult problem with cross-Strait negotiations is of course what form the relationship will take, what name each side will use and how all of this will be mutually acceptable to the other – all the while upholding the integrity of the "one China" principle. Yet this problem can be resolved with imagination and common understanding.

The issue of international space is also of deep concern for Taiwan. Again, there is no reason these goals cannot be satisfied if the two sides can come to an understanding on the "one China" principle. The Mainland and Taiwan have worked together for Taiwan's participation in international organizations (including the Olympics, the World Trade Organization and the Asian Economic Cooperation Agreement), which are models that can be expanded. The Mainland understands the desire and interests of Taiwan in this regard and, with Taiwanese interests in mind, will seek a solution acceptable to both.

The fierce exchange witnessed over the past 20 years strongly suggests that neither "reunification" nor "independence" is realistic or achievable for the foreseeable future. This is the case regardless of the "justice" perceived by each side. Therefore, Hu Jintao has made significant shifts to realism in his policy toward Taiwan. It is now Taiwan's turn to change its policies. The Legislative Yuan results in Taiwan on Jan. 12 are good news for Beijing, but they are still insufficient to hold out real possibility for change. But there is hope. Regardless of who is

elected, the next leader of Taiwan will likely have little choice but to pursue constructive change. The past 20 years of efforts for Taiwanese independence have resulted in a dead end. If the next government continues to pursue independence, its economy will suffer decline, Taiwan-U.S. relations will cool further and cross-Strait dynamics will continue to worsen. In sum, the road of Taiwan independence will be bad for China but an utter dead end for Taiwan. Conversely, the stabilization of relations across the Strait will improve the internal situation of each side, further economic and social development and fulfill the interests and desires of the people on each side, realize peace and stability, and improve Taiwan's relations with the international community. ☞

Notes

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How China “Wins” a Space War

Brian Weeden

In his recent article “How China Loses the Coming Space War” Dr. Geoffrey Forden presents a scenario with a hypothetical attack by China on American space power as a prelude to a conflict over Taiwan.¹ In this attack, China assaults U.S. space assets using the direct ascent ASAT weapon that was tested last January. Forden concludes that this weapon system alone would not be sufficient for China to degrade U.S. space power in a conventional conflict over Taiwan. His analysis is squarely aimed at hawks in the U.S. government who might use the perceived Chinese space threat as justification for America to weaponize space. Within the scenario he defines, Forden's analysis is mostly correct, but there are a number of tactical subtleties that could very well change the outcome.

Those subtleties are examined here as well as the additional weapons in China's counterspace arsenal, all of which ultimately lead to a different set of parameters for a likely conflict scenario in space between China and the United

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States. In fact, with these additional capabilities, it is feasible for China to “win” a hypothetical space war with the United States by severely degrading American space power and, consequently, U.S. military power. This analysis ends with a discussion of why the worst possible reaction to this likely scenario is for the United States to weaponize space.

Direct Ascent ASATs

On the issue of a U.S. response to an ASAT attack, Dr. Forden writes:

It is highly unlikely...that the United States would simply roll over while these attacks took place. Even today, with no formal satellite defenses, we could be fairly effective at stopping the destruction of our satellites.

The United States would most definitely like to *try* and prevent attacks, but the reality is that there is currently no way to do so. As stated in congressional

NORAD

NORAD no longer tracks satellites for the U.S. military.³ That mission was passed to the U.S. Strategic Command (USSTRATCOM) several years ago.⁴ In fact, the operators and the location (the Cheyenne Mountain facility in Colorado Springs) stayed the same, thus it was merely a “patch change” for their sleeves and walls. NORAD is still one of the key users of space surveillance data for its aerospace defense mission. Just recently there was another change as the operators, equipment and mission were moved from Colorado and now reside at Vandenberg AFB in California as part of the Joint Operations Space Center (JSpOC).⁵

testimony by the former commander of the U.S. Strategic Command, Gen. James Cartwright, currently the only tactic the United States has to counter China’s kinetic ASATs is by using submarine-launched Trident ballistic missiles or future “prompt global strike” systems.² And even that is a specious tactic given the mobile nature of the SC-19 booster that was used to loft the ASAT into space and our inability to find SCUDs within a much smaller area over which we had complete air superiority during the 1991 Gulf War. Finding the ASAT launchers in China is made doubly hard given that the launchers would target the very satellites that would be used to find them.

Maneuvering Satellites

As a tactic for countering the direct ascent ASAT threat, Forden asserts:

[T]he United States could effectively stop China's attack simply by changing the remaining satellites' orbital speeds by as little as 200 mph (they are typically moving at over 16,500 mph). This very small change will have a large effect in the position of the satellite the next time it crosses over China; effectively putting the satellite out of range of the pre-positioned ASAT launcher.

While there are some elements of truth to this statement, the real tactical situation is much more complex. There are two broad categories of satellite maneuvers that could be done: a reactive maneuver to avoid an incoming kill vehicle and a pre-emptive maneuver to change the satellite's orbit prior to launch. Currently, neither of these are very effective tactics.

Reactive Satellite Maneuvers

In order to conduct a reactive maneuver there are several things that need to be calculated: the amount of fuel available to the satellite, the amount of velocity change a satellite can impart over a short period of time, the velocity of the kill vehicle, the velocity change that the kill vehicle can impart to correct its intercept trajectory, and the ability of the seeker head to track the satellite.

This is a scenario where the kill chain of events for the attacker moves much, much faster than the protection chain for the defender. The time it would take for an ASAT traveling at upwards of 9 kilometers per second to get from launch to a satellite at an approximate 1,000 km distance is measured in a handful of minutes.⁶ Satellites cannot maneuver on their own – human operators must determine the need for a maneuver, calculate the correct timing and direction of the engine thrust, and then command the burn. This is a process that usually takes days to weeks since the consequences of commanding a bad maneuver can be disastrous in terms of both wasted fuel and if the satellite is maneuvered into the path of another object. Detecting the ASAT launch, calculating its trajectory and speed, determining which satellite(s) are in range, alerting the operators who command the satellite, planning the maneuver burn, and commanding the burn would take far too long.

GPS Ground Stations⁷



Even if one assumes that the entire decision chain for detecting, calculating, deciding and commanding the maneuver can be shrunk to zero, there is still the problem of getting those instructions to the satellite. Controllers utilize ground stations consisting of large antennas which transmit instructions up from the ground to the satellite and which allow for data to flow from the satellite. Generally, each satellite constellation has a dedicated ground station or set of ground stations from which it can receive commands, although some action to change this limitation with future generations of satellites is underway. An example of a ground station network can be seen above, which shows the network of GPS ground stations which transmit commands from controllers in Colorado Springs.

Until a satellite flies over one of the ground stations with which it can communicate, it cannot receive any new orders from the controllers on the ground. So not only would the warning of an ASAT attack have to be disseminated to different command centers depending on which satellite(s) were threatened, there could be additional delays of many minutes to hours before the threatened satellite flies over one of the correct ground stations and the maneuver command can be sent. By then it would be a cloud of dust.

Pre-emptive Satellite Maneuvers

Intelligence gathering satellites will have to orbit China in order to be useful. If the United States starts maneuvering those assets pre-emptively, then China

has already achieved its goal without needing to destroy the satellites. Such maneuvers will indeed throw off the satellite's ground track far enough to put it out of range of pre-positioned ASATs. However, that same maneuver will also throw the satellite off the ground track needed to collect the imagery and intelligence information. If the United States cannot use these satellites to collect intelligence on China they are effectively removed from the battle-space to China's advantage.

Almost all electro-optical (EO) intelligence gathering low Earth orbit satellites operate in what are known as sun-synchronous orbits (SSO). These orbits utilize the variations in the shape of the earth to keep the angle between the sun, the satellite and the earth constant. More specifically, they operate in SSOs with repeating ground tracks – the satellites will overfly the same point on the earth after a set number of orbits. The end result of these two factors is that every time a SSO satellite overflies the same point on the ground it will be with the same sun angle and thus the same shadow length (correcting for seasonal effects).

This is a very important feature for trying to collect information on how a ground scene changes over time and requires a very precise orbit with a specific inclination and altitude. Changing either one of those parameters to avoid flying over an ASAT means either more maneuvers to get back on the original ground track, and more fuel wasted, or a complete disruption of the data set.

Satellites that image the ground using radar do not rely on the sun for lighting conditions, are not restricted to SSOs and thus could have more freedom to maneuver. But they do rely on the sun for solar power, and if they fly in a non-SSO the amount of time sunlight falls on their solar panels will vary and it could adversely affect the duty cycle on their radar. Flying the same SSO ground tracks as EO satellites also makes it much easier to combine imagery from the two. All of the current unclassified radar satellites (RADARSAT, SAR-LUPE, TERRASAR-X) fly in SSO according to the public orbital data found on Space Track.⁸

All sun-sync satellites eventually fly over the entire surface of the earth (excluding minute portions of the poles). There would be no way to prevent these

satellites from flying over China and thus the ASAT launchers. The repeat time between flights over a specific point on the ground is impossible to calculate without knowing the precise orbits of these classified satellites, but it can range between one day (12 to 15 revolutions) to 50 days and higher. One could guess that these spy satellites probably fly orbits that repeat over a location in single-digit days, but the same effect could also be accomplished by having multiple satellites flying staggered multi-day repeat SSOs.

Pre-emptive maneuvering would work to U.S. advantage by introducing the problem of tracking the satellites for an adversary looking to destroy them with ASATs. Currently, China only has a few radar and optical tracking facilities and they are almost all located within Chinese territory. China does possess ships that are deployed to broaden its tracking capability for domestic space launches, but we can assume that such ships would be easy targets for the U.S. Navy or Air Force.⁹ If the U.S. satellites were to conduct pre-emptive maneuvers, Chinese tracking stations would need to observe at least a couple of passes over China before being able to calculate an accurate enough position to use as targeting. How accurate this position needs to be depends on the capabilities of the kill vehicle seeker head. So as long as the spy satellites continue to maneuver and change their orbit often, say at least once a day, it would be very difficult for the Chinese to target them. But it would also make it very difficult for the U.S. intelligence agencies to use the satellites and greatly reduce their lifetime. Given that these satellites are estimated to cost billions of dollars and have acquisition times measured in several years to a decade, the United States would be hard-pressed to replace them. Therefore such pre-emptive maneuvering still meets the Chinese strategic goals of eliminating that piece of U.S. space power.

Kill Vehicle Targeting

Forden’s article also highlights the problem of targeting satellites:

[E]ven though the site from which the interceptor was launched was cloaked in darkness, the target satellite was high enough to be brightly illuminated by the sun. Until China does develop better sensors, this imposes a very severe constraint on how and when it could attack other satellites: it must wait to

attack low Earth orbit satellites when they are in bright sunshine.

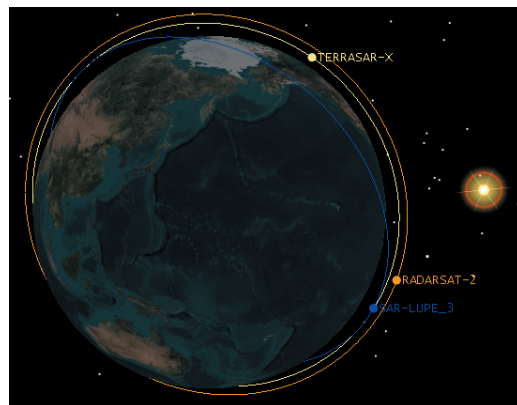
Forden is completely correct that optical tracking on the kill vehicle does have major drawbacks and that the Chinese are probably some time away from developing sensors that can work accurately enough in other electromagnetic bands. However, most power-intensive satellites, such as radar imagers, usually align their orbits so that their solar panels are always in direct sunlight. This is done by aligning the orbit close to the day/night terminator. This means that radar imagers would probably have a much higher probability of being over China with the proper lighting conditions than EO imagers and signals intelligence (SIGINT) payloads.

Of course, precise kill vehicle targeting is only necessary if you need to directly hit the target satellite to achieve a kinetic kill. There are other methods, such as “clouds of pellets”¹⁰ or a high-power microwave blast,¹¹ which could potentially be used to disable satellites without the need for precise targeting at high velocity.

Global Positioning System

The NAVSTAR GPS is tactically the hardest target to crack. This is mainly a function of the relatively large number of GPS satellites (as opposed to the handful of imagery satellites) and their distance from the earth. However, the system does have its weaknesses.

The primary weakness of GPS is its susceptibility to jamming. As outlined in a series of articles published on GPS Anti-Jam in the *Weapons Systems Technology Information Analysis Center Newsletter*,¹³ the actual amount of the Coarse/Acquisition (C/A) signal from a GPS satellite to a receiver on the ground is extremely



Radar imaging satellites orbiting in SSO¹²

low. Military receivers use the stronger Precise (P) signal but still rely on the C/A for acquisition. This means that jamming can be an effective tactic and jammers are very much available on the commercial market.

The newsletter series also point out another weakness in GPS: you don't need to destroy all the GPS satellites, just enough so that only three are in coverage over a spot on the earth. This is because while theoretically only three are needed for a position fix this requires a perfect clock (i.e. an atomic clock) in the receiver. Virtually all receivers do not have the space or power needed to host atomic clocks and thus use the fourth satellite to alleviate any local timing problems.

The ASATs used to take out any GPS satellites do not have to be launched all at the same time in a mass wave. Instead of the direct ascent method demonstrated last January, a co-orbital ASAT could be used. Co-orbital ASATs are actually placed into orbit and then maneuver to rendezvous with their targets. The kill vehicles can be pre-positioned months or years ahead of time in orbit and then, when commanded, maneuver towards their targets. One way to do this would be for the Chinese to hide the kill vehicles as pieces of debris (or as part of the rocket body) when launching their own semi-synchronous satellite navigation system. It would be extremely difficult for the United States to verify that such weapons are there until they are activated and start maneuvering.

A full analysis would likely show that the elimination of some GPS satellites, reducing their numbers over Taiwan at any given time to three, coupled with intense jamming of the Taiwan Strait, would impart a severe degradation to the GPS signal and the effectiveness of precision guided munitions and other GPS-derived combat benefits.

All-Out Space Warfare

There is no reason to think that China would rely solely on its demonstrated direct ascent ASAT as the only weapon in its counterspace arsenal. Indeed, it is only logical that China would employ a full spectrum of capabilities – and it has shown hints at what some of those are.

The same concept of jamming for GPS can be applied to communication satellites as demonstrated by the jamming of a Thuraya satellite in 2006 and the (likely) unintentional recent jamming of satellite TV over Lebanon.¹⁴ Lasing satellites to either blind optics or overload the satellite's thermal control system are also feasible. There is also the alleged 2006 dazzling of a U.S. spy satellite by China.¹⁵

But the real doomsday weapon in counterspace warfare is the electro-magnetic pulse (EMP) – a side effect of certain nuclear detonations. The effects of EMP were first widely noticed following the STARFISH PRIME high-altitude nuclear detonation (NUDET) over a Pacific island.¹⁶ Simply put, a nuclear detonation can generate a pulse which can damage, and in some cases destroy, sensitive satellite electronics. While these electronic components can be hardened against EMP, it requires significant additional costs and added weight.

If China really wanted to remove the U.S. communication ability in a conflict over Taiwan, a relatively small nuclear weapon lofted into geosynchronous orbit, maneuvered to position over Asia and then detonated would have devastating consequences. The only known geosynchronous communications satellites designed with survivability in a nuclear environment are the U.S. Milstar satellites. Theoretically, they could withstand such a blast but would be of little benefit. Six Milstar satellites were designed and built but one failed to achieve orbit.¹⁷ As they are intended to provide global secure satellite coverage, it can be assumed that the five remaining satellites are spread out along the equator, meaning that at most only two or three are positioned in the area of Asia. With maximum data rates of 2,400 bps (satellites 1 and 2) or 4.8 kbps (satellites 4 thru 6) there is no way for these to possibly handle the gigabits of bandwidth needed.¹⁸

The Aftermath

The concept of “winning” in the above hypothetical scenario should be understood only in the most Pyrrhic sense. We have already seen the damage done by the destruction of just one SSO satellite (Chinese test). If that were repeated a half dozen times or more over a short period the effects would be disas-

trous, to say nothing of what the space environment would look like if a NUDET were to occur in populated orbits.

This counterproductive maxim holds true for any destructive counterspace activity by any nation, including the United States. It is a fact of physics that the permanent disabling of a satellite’s ability to maneuver, or the ability of controllers on the ground to command maneuvers, by any means, transforms that satellite into a piece of debris and increases its chances of a collision in space. Collisions generate more pieces of debris, which in turn increases the probability of additional collisions, creating a feedback loop that we currently do not know how to stop.

While it is true that space power is an important foundation of overall U.S. military power, it is also true that U.S. prowess in power is closely linked to America’s economic power and, in turn, the world’s economy as a whole. Any permanent degradation or damage to critical space systems, such as GPS or commercial communications satellites, would have a devastating impact on the American economy, the global economy, and thus the economy of the very nation that brought conflict to outer space.

China does possess the ability to significantly affect U.S. space power. But this conclusion *does not* mean that the United States should respond to the Chinese space threat by further weaponizing space; in fact precisely the opposite should be done. It can be argued that one of the factors driving the dichotomy between the Chinese rhetoric banning weaponization of space and their pursuit of counterspace capabilities is current U.S. space policy, which states:

The United States considers space capabilities – including the ground and space segments and supporting links – vital to its national interests. Consistent with this policy, the United States will: preserve its rights, capabilities, and freedom of action in space; dissuade or deter others from either impeding those rights or developing capabilities intended to do so; take those actions necessary to protect its space capabilities; respond to interference; and deny, if necessary, adversaries the use of space capabilities hostile to U.S. national interests.¹⁹

Here, the United States declares the right to act in space without granting

others the same privilege. It does this by reserving the prerogative to develop counterspace capabilities in order to prevent other nations from interfering with U.S. freedom of action in space. This runs counter to the spirit of the Outer Space Treaty as summarized in Article I:

The exploration and use of outer space, including the moon and other celestial bodies, shall be carried out for the benefit and in the interests of all countries, irrespective of their degree of economic or scientific development, and shall be the province of all mankind.²⁰

The U.S. space policy is an attempt to solve a sticky strategic dilemma. As America, and indeed much of the world, is so reliant on space, how can they guarantee its security? Does America protect its space assets through military force and weaponization? Or does it simply entrust its well-being in the belief that all the world's nations will act in space only for the betterment of all humankind?

One possible answer to this quandary, instituting an outright ban on the development of all counterspace weapons, is a non-starter. The dual-use nature of almost every key space technology means that implementing such a ban would either impose impractical verification requirements or significantly neuter all space development. Weaponization of and destructive combat in space, as shown above, is equally unfeasible. Any solution designed to solve this dilemma needs to bring a diversity of approaches to the situation somewhere between these two extremes.

A good starting point would be the same *Moral Code of Conduct* for space that Forden highlights.²¹ The world community also needs to move forward toward a more complete space security effort, an acceptable and reciprocal mechanism involving such factors as international space situational awareness and the coordination of space traffic. The goal is to not only increase the safety of space operations, but also to provide a degree of transparency and cooperation with the aim of reducing tensions in space. These measures could have the same stabilizing effect on space security as National Technical Means had on arms control verification during the Cold War.

It would also be advisable to implement such a solution in stages with a stag-

gered process of engagement building upon shared goals. The key element in the process is that no nation should be forced to resort to the threat or use of counterspace as a primary piece of its national policy. There needs to be greater coordination and engagement on key issues which reflect the desire for all actors to preserve the free use of space, motivated by fundamental self-interest.

“How About a Nice Game of Chess?”

In the end, a space war can be “won” only in a purely tactical sense. At a strategic and global level these tactical gains are hugely offset by the long term degradation of the space environment, perhaps even leading to the complete denial of the use of space by any party. The consequences of conflict in space can also be illustrated through another military scenario – nuclear warfare. Parallels can be drawn between the thousands of nuclear intercontinental ballistic missiles poised on a hair trigger alert and the deployment of fully developed counterspace capabilities by paranoid nations. The most serious of these parallels is the potential for escalation and heightened tension leading to undesired actions. And while it can be argued that nuclear weapons actually prevented large-scale conventional war, they did so at an enormous economic cost and they created many side effects that will continue to cause problems long into the future.

This Cold War analogy only goes so far since the current international relations environment is fundamentally different than anything seen since World War II. There is no longer a simple zero-sum situation with two great powers espousing two opposite philosophies backed by massive conventional and nuclear armies. The modern world is a highly dynamic one where nations are interlinked through complex economic ties and where the main prize is international soft power and influence rather than physical territory. Thus, this system inherently already has a form of economic deterrence damping major military action among major powers. There is no need to develop a “space deterrence” similar to nuclear deterrence that was used in the Cold War.

Hopefully, we can learn from our history and avoid making the same mistakes in the emerging domain of space. As stated at the end of the movie “War Games,”

“the only winning move is not to play the game.” Space warfare and weaponization is a game that no nation can afford to play. ☹

Notes

¹ This article appeared in three parts on *Wired's* DangerRoom blog. Geoffrey Forden, “How China Loses the Coming Space War,” *Wired Blog Network*, Jan. 10, 2008, <http://blog.wired.com/defense/2008/01/inside-the-chin.html>.

² Jeffrey Lewis, “ASATs and Crisis Instability,” *ArmsControlWonk.com*, Apr. 15, 2007, <http://www.armscontrolwonk.com/1455/asats-and-crisis-instability>. For information about “prompt global strike” systems, see Ryan Caron, “CDI Fact Sheet: Force Application and Launch from the CONTinental United States (FALCON),” *Centre for Defense Information*, June 13, 2006, <http://www.cdi.org/friendlyversion/printversion.cfm?documentID=3502>.

³ “Cheyenne Mountain Directorate,” NORAD, see www.norad.mil/about/CMOC_2.html.

⁴ “Space Control and Space Surveillance,” United States Strategic Command, Apr. 15, 2007, http://www.stratcom.mil/fact_sheets/Revised.

⁵ See Janene Scully, “Space unit settles in at VAFB,” *Santa Maria Times*, Oct. 29, 2007, <http://www.santamariatimes.com/articles/2007/10/29/news/centralcoast/news03.txt>; 1st Lt. Lucas Ritter, “Joint Space Operations Center opens at Vandenberg” Air Force Print News, U.S. Air Force, May 24, 2005, www.af.mil/news/story.asp?storyID=123010597.

⁶ NASA, “Fengyun-1C Debris: One Year Later,” *Orbital Debris Quarterly News*, Vol. 12, Iss. 1 (January 2008), <http://orbitaldebris.jsc.nasa.gov/newsletter/pdfs/ODQNv12i1.pdf>.

⁷ Graphic reprinted with permission, see <http://www.palowireless.com/gps/tutorial2.asp>.

⁸ See Space Track: The Source for Space Surveillance Data, <http://www.space-track.org/perl/login.pl>.

⁹ “Giant Chinese Space-Tracking Ship Makes Rare Visit,” *PhysOrg.com*, Oct. 28, 2005, <http://www.physorg.com/news7655.html>.

¹⁰ See John Nordlie, “The Rise, Fall, and Rebirth of Anti-Satellite Weapons,” Course Paper, University of North Dakota, (1992), <http://blizzard.rwic.und.edu/~nordlie/papers/asat.html>.

¹¹ See Bill Sweetman, “High-Power Microwave Weapons - Full Power Ahead?” *Jane's Defence Weekly*, Aug. 25, 2006, http://www.janes.com/defence/news/jdw/jdw060825_1_n.shtml.

¹² Special thanks to Analytical Graphics, Inc. for use of their Satellite Toolkit software for use in this article.

¹³ *Weapon Systems Technology Information Analysis Center Newsletter*, Vol. 2, No. 2; Vol. 3, No. 2; Vol. 3, No. 3; Vol. 3, No. 4, see wstiac.alionscience.com/cgi-wstiac/sitesearch.cgi?query=gps.

¹⁴ For more on the jamming of a Thuraya satellite, see Peter de Selding, “Libya Pinpointed as Source of Months-Long Satellite Jamming in 2006,” *Space News*, Apr. 9, 2007, http://www.space.com/spacenews/businessmonday_070409.html. For more on the in 2006 recent jamming of satellite TV over Lebanon, see “Satellite jamming plagues Lebanon,” *MEB Journal*, Issue 15 (November-December 2007), <http://www.mebjournal.com/content/view/490/246/>.

¹⁵ “Satellite Laser Ranging in China,” Union of Concerned Scientists Technical Working Paper, Jan. 8, 2007, http://www.ucsusa.org/global_security/space_weapons/chinese-lasers-and-us-satellites.html.

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¹⁷ “Milstar Satellite Communications System,” Factsheet, U.S. Air Force, January 2007, www.af.mil/factsheets/factsheet.asp?fsID=118.

¹⁸ Ibid.

¹⁹ U.S. *National Space Policy*, Office of Science and Technology Policy, <http://www.ostp.gov/html/US%20National%20Space%20Policy.pdf>.

²⁰ *Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies*, United Nations Office for Outer Space Affairs, http://www.unoosa.org/oosa/en/SpaceLaw/gares/html/gares_21_2222.html.

²¹ Michael Krepon with Michael D. Heller, “Model Code of Conduct for the Prevention of Incidents and Dangerous Military Practices in Outer Space,” The Henry Stimson Center, May 2004, <http://www.stimson.org/pub.cfm?id=106>.

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