

The China Threat Crosses the Strait

# Challenges and Strategies for Taiwan's National Security

Chen Ming-tong and the Taiwan Security Research Group  
translated by Kiel Downey

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## Preface

National security is like personal security in that a nation's security is closely tied to the survival and development of that nation, and security is a critical issue that no country can afford to ignore. During the era of authoritarian rule in Taiwan, powerful political leaders used the educational and propaganda offices of the state to forcefully instill their view of national security, including the threats that national security faced, in the minds of the people. Who is the enemy? Where is the enemy? What means does the enemy use to jeopardize the existence and security of the country? How should Taiwan fight back against this enemy? The leaders of Taiwan's past used to dictate the answers to these questions. This top-down style of "anti-communist education" received criticism and even opposition from a small minority, as well as resulted in a certain degree of "white terror" and unjust imprisonment. However, the whole country rallied around the concept of "resent the communists, hate the communists," allowing the ROC to stand tall for several decades on its "base for anti-communist restoration" in Taiwan.

Along with Taiwan's democratization and liberalization, as well as the end of authoritarian rule, the national security agenda and threats that the leaders of the past had identified were also cast aside. Not only did various kinds of political thinking and criticism blossom in Taiwanese society, but Taiwan also began to enjoy freedom of speech, liberalization of the government, and also strong guarantees for human rights. This was real progress, and it allowed Taiwan to enter the community of newly democratized countries around the world, transforming its image in the international community and earning it a great deal of welcome and acclaim. However, the concept of national security is gradually being weakened in the face of various kinds of criticism.

Even more surprising is the fact that since Taiwan's democratization, "national security" is viewed as a conservative, negative term. Whenever someone mentions that Taiwan should consider its national security when making policies on cross-strait exchange, other elements of society criticize him. Even when the government takes such responsible measures as the DPP administration's

“proactive liberalization with effective management” in trying to strike a balance between economic interests and national security in cross-strait exchange, it is often criticized as the “rule of ideology.” Furthermore, recent feelings of serious political enmity have caused issues of national security to be brushed aside and have caused the threats to Taiwan’s national security to be ignored. But does a country not need national security? Are democratic countries immune to national security threats? Does Taiwan not face threats from abroad? The answer to these questions is surely no, and now Taiwan needs to take back its national security.

But how can Taiwan take back its national security? Of course, Taiwan cannot return to its past, in which powerful political leaders dictated the meaning of national security and the sources of the threats to that security. However, Taiwan must not fall into the trap of thinking that it does not face any threats to its national security at the moment, nor can it allow its consciousness of national security to slip away. Taiwan must not accept the notion of the Chinese Civil War period that a false, communist government is plotting the demise of the nationalists, but it cannot ignore the fact that Beijing recently passed the Anti-Secession Law, applying the “Taiwan independence” label to Taiwan and authorizing non-peaceful means to achieve its goal of unification with Taiwan. What kind of national defense does Taiwan need as a democratic country? What is the source of the threat to Taiwan’s national security? How can Taiwan eliminate this threat and ensure national security? These issues can certainly be discussed. The government can present its position, as can civil society. Ultimately, however, both must reach a consensus in order to collectively defend Taiwan’s security. This is the way in which a democratic country ensures its national security.

Taking these concepts as the basis, the author assembled a group of scholars and experts in 2005 to form the Taiwan Security Research Group. We hope to bring back a respect for and consensus on Taiwan’s national security. Through our efforts for over six months, we successfully presented the Chinese version of this text to the public at the end of 2005, and it quickly received critical acclaim. In order to share our ideas with the English-speaking world, the author edited the original text and, with the help of Mr. Kiel Downey, translated it into English. It is

the author’s hope that this text can encourage helpful criticism and guidance from readers who care about Taiwan’s security. This book is divided into five chapters: Chapter 1 calls on the reader to confront the current threats and challenges to Taiwan’s national security; Chapter 2 analyzes Beijing’s current Taiwan strategy; Chapter 3 explains the DPP administration’s logic and policy on China; Chapter 4 suggests logic and policy for Taiwan’s national defense; and Chapter 5 attempts to reshape the national security logic of a democratic Taiwan.

I would like to express my deepest gratitude to everyone involved in the publication of this book for their gracious efforts and support. In researching and writing this book, I have received endless encouragement from my friends in the public sector and in civil society. I deeply regret that there are too many names to list here, so I will have to thank everyone all at once.



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## Executive Summary

### I. Overview

Taiwan is a diverse, liberal, democratic society that enjoys freedom of speech and of the press. The Republic of China (ROC) government enjoys rule of law and free and fair elections, and it has achieved the first successful peaceful transfer of political power in the ethnically Chinese world. Across the Taiwan Strait, however, the People's Republic of China (PRC) is a totalitarian state ruled by the Chinese Communist Party (CCP), and it does not value democracy or human rights. The actions and rhetoric of the fourth-generation leadership of the PRC have revealed that China is promoting a united-front strategy against Taiwan both externally and from within. China's "three warfares" in law, psychology, and the media are designed to intimidate Taiwan with threats of force while at the same time "opposing independence while urging unification" within Taiwanese society. Both the Constitution of the PRC and the Anti-Secession Law state that Taiwan is an inalienable part of the territory of the PRC.

President Chen Shui-bian and the Democratic Progressive Party (DPP) administration recognize that cross-strait relations are not normal. In light of this fact, President Chen and the DPP administration have made the normalization of cross-strait relations their strategic objective, and they have taken measures accordingly to realize that strategic objective. While some have criticized them for changing their goals or stance with regard to cross-strait relations, their words and actions since 2000 prove that both their strategic objective and stance have remained consistent throughout their time as the ruling administration.

Moving into the future, Taiwan will need to be firm in its thinking and actions regarding its national defense and national security. While the ROC Armed Forces surpass the People's Liberation Army (PLA) in quality, they are vastly outnumbered by the PLA forces, and China continues to pour alarmingly large amounts of funding into its military every year. Domestically, civilians in Taiwan

are not involved in the security policy-making process, and the security administration is largely dominated by former members of the military. In addition, domestic political infighting has sabotaged the issue of the arms budget, and Taiwan's military has yet to be truly nationalized. Taiwan continues to hold on to an outdated view of national security, focusing almost exclusively on military security. Taiwan's view of its own national security needs to evolve to meet the diverse challenges that China's new, multifaceted strategy now presents to Taiwan.

## II. Chapter Summaries

### 1. *Confronting the Current Threats and Challenges to National Security*

The PRC and the CCP present the greatest current threat to Taiwan's national security, and that threat comes in a variety of forms. The PRC attempts to stigmatize Taiwan's democratic development by depicting the tremendous achievements of Taiwan's democratization experience as simply efforts for "Taiwan independence," which the PRC views as secessionist, destabilizing, and disadvantageous to the interests of the PRC. China's market holds a deadly magnetic power over Taiwanese investors, and the PRC has turned itself into the number-one destination for Taiwan's foreign investment without granting any political concessions. Taiwanese businessmen who are suspected of supporting Taiwan independence or the DPP, such as Hsu Wen-long, are either expelled from China or coerced into stating publicly that they support the one China principle and oppose Taiwan independence. The CCP also applies differential treatment to Taiwanese political actors depending on the political attitudes of those actors. Leader of the PRC Hu Jintao received Kuomintang (KMT) Chairman Lien Chan and People First Party (PFP) Chairman James Soong in 2005 in separate meetings in Beijing with unprecedented, VIP welcomes. Members of the DPP, however, have thus far been forbidden from visiting China, on the basis that they refuse to accept the one China principle. Through the Anti-Secession Law's "non-peaceful" means of resolving the "Taiwan question" and cross-strait military exercises by the PLA, the CCP also attempts to intimidate Taiwan with its military strength.

All these actions serve to suppress Taiwan's "international living space," meaning that the PRC keeps Taiwan from participating in international and regional political and security forums, including the United Nations, ASEAN, and ARF. Taiwan is a major stakeholder in international and regional security, politics, and economics, yet it is marginalized while the PRC, which continues to invest heavily in its military without any clear threats to its security, is able to participate in a wide variety of such forums.

Taiwanese society must recognize that these threats are real, and the ROC government must take actions to defend Taiwan against these threats. One measure that the government should take is to solve Taiwan's domestic political, economic, social, and environmental problems. The Constitution of the ROC, which was brought to Taiwan from Nanjing in 1949 by the KMT, still causes some difficulties for the normal functioning of the government, such as in the division of power between the President and the Premier, as well as the mechanisms of interaction between the Executive Yuan and Legislative Yuan.

Taiwan's economy and industry rely heavily on contracted work from foreign sources and still rely on certain outdated business models. The PRC's economy continues to develop rapidly, while Taiwan may lose its competitive edge in the international market. Taiwan has a significant population of immigrants and foreign residents, and its social security and legal measures for tending to the needs of these groups are still underdeveloped. Finally, Taiwan's land and natural resources are extremely limited, increasing Taiwan's dependence on foreign countries for resources and limiting its strategic depth in responding to the threats that China poses.

### 2. *Analyzing Beijing's Current Taiwan Strategy*

Beijing's strategic objectives are to "resolve the Taiwan question and accomplish China's complete reunification." These objectives were set forth by the CCP during the Deng Xiaoping era, and despite Beijing's nimble rhetoric, they have not changed since then.



These objectives were codified by the fourth-generation leadership of the PRC in the March 2005 Anti-Secession Law. The Anti-Secession Law not only clearly spells out the strategic objectives of the CCP, but also openly states that the PRC is willing to use non-peaceful means to solve the Taiwan question. The strong, unorthodox language used in the Anti-Secession Law reveals that Beijing's strategic objectives have not changed since the Deng era and that cross-strait relations are no more stable than they were at that time.

Beijing has decided on three major issues of focus in its battle of rhetoric against Taiwan:

#### **(1) The one China principle**

The CCP invokes the one China principle at every level of interaction with Taiwan. Beijing insists that representatives from Taiwan accept the one China principle as a precondition for engaging in negotiations or visiting China.

#### **(2) Chinese nationalism**

As the PRC moves further toward a market economy but still maintains an authoritarian system of government, it resorts to nationalism in order to keep the support of its people and solve its economic and social problems.

#### **(3) China's peaceful development (or rise)**

In 2003, Zheng Bijian, former Deputy Director of the CCP's Central Party School and currently Chair of the China Reform Forum, and Wen Jiabao, Premier of the State Council, spoke of China's peaceful rise and peaceful development publicly. Since they made those remarks, this notion has become a guiding principle in the rhetoric of the CCP.

China employs five major strategies as it seeks to achieve its strategic objective of resolving the Taiwan question and accomplishing China's complete reunification:

#### **(1) Economic assimilation and promoting unification with the Three Links**

China frequently uses negotiations over the Three Links as a bargaining chip to persuade Taiwan to accept the one China principle, while Taiwan is seriously concerned with the Three Links for its own economic interests.

#### **(2) The United Front: the Three Warfares and Polarization**

Besides military threats, the CCP also attacks Taiwan through its laws, the international media, and psychological manipulation of the Taiwanese people. China hopes to create a pro-unification united front within Taiwan in order to strengthen its position against the DPP administration.

#### **(3) Utilizing ethnic Chinese and opposing independence while urging unification**

The CCP makes great efforts to reach out to ethnic Chinese communities around the world, particularly those who have traditionally supported the ROC. China created the National Association for China's Peaceful Unification, which has established at least 124 pro-unification groups in at least eighty countries worldwide.

#### **(4) Great Power Diplomacy and diplomatic isolation**

China flies the "one China" flag in the faces of major world powers, as well as uses economic and media leverage, in order to persuade those countries to deny Taiwan participation in international government organizations and international nongovernmental organizations. While West and East Germany were, and North and South Korea are, able to enjoy simultaneous recognition in such international organizations, China has managed to keep Taiwan diplomatically isolated from the rest of the world.

#### **(5) Using war to force negotiations and peace to induce surrender**

China uses simultaneous "hard" and "soft" strategies to compel Taiwan to surrender to the demands of the CCP. In addition to threatening the use of force, the CCP requires Taiwan to accept the one China principle as a precondition for engaging in negotiations. Experience has shown that the CCP maintains strict

control over all negotiations by tricking the other party into accepting a set of preconditions that ensure the CCP's victory, and its strategy in the case of Taiwan is no exception. Beijing also promises to allow Taiwan to discuss the "political status of the Taiwan authorities" and "the Taiwan region's room of international operation that is compatible with its status," yet it does not allow negotiations on the political status of the Beijing authorities or China's room of international operation.

### **3. The DPP Administration's Logic and Policy on China**

The DPP administration's China policy has long been criticized as inconsistent. In fact, the party's China policy has focused on several clear strategic objectives, and its plans for achieving these objectives are meticulous, logical, cautious, and consistent. Where there are changes, they are strategic adjustments in accordance with the external environment, and they do not reflect inconsistency as criticized. Simply speaking, the DPP administration's strategic goal in cross-strait relations is to normalize relations.

The normalization of cross-strait relations is a difficult concept to define. However, based on the position that the PRC and the ROC are two, separate, sovereign, independent countries, each with its own people, territory, and government (articulated in the 1999 "Resolution Regarding Taiwan's Future"), President Chen and the DPP administration have identified goodwill, reconciliation, active cooperation, and permanent peace as essential components of normal cross-strait relations and thus strategic principles in the administration's China policy. In order to carry out these principles, the DPP administration has enacted policies to build a consensus on national identity, propose a future of co-existence and co-prosperity, and make interim arrangements for the future.

Taiwan is a complex society that contains several different waves of immigrants. In addition to Taiwan's indigenous population, its society is primarily composed of the Minnan people, Hakka people, and the mainlanders who migrated to Taiwan with the KMT during the Chinese Civil War. This last group still retains a Chinese identity, and the KMT government attempted to force the Taiwanese to adopt their Chinese identity prior to democratization. Opinion polls show that an

increasingly smaller percentage of Taiwanese society still views the 1.3 billion people on the mainland as their compatriots, but Taiwanese society has yet to realize a nationwide consensus on this issue.

While the DPP administration's position is that Taiwan is a sovereign, independent country, it has recognized that the PRC is also a sovereign, independent country. It has abandoned the old notion that the PRC was a "false government" established by a gang of Communist bandits, and it now seeks to co-exist and co-prosper with the PRC. However, in pursuing such a mutually beneficial arrangement, the DPP administration still upholds that Taiwan's sovereignty and independence must remain intact.

In order for Taiwan and the PRC to co-exist and co-prosper, President Chen and the DPP administration have proposed a set of appropriate principles and measures. President Chen believes that political and economic integration are necessary for co-existence and co-prosperity, and to this end he has emphasized the EU model as a potentially useful model for Taiwan and the PRC. Beijing, however, has rejected this idea so far. In addition, President Chen has championed a "cross-strait framework of interaction for peace and stability" (also known as the "cross-strait peace and stability framework of interaction"). This proposed framework includes the "One Principle and Four Major Issue Areas." The One Principle is the Principle of Peace, and the Four Major Issue Areas are:

- (1) The establishment of negotiation mechanisms;**
- (2) Exchanges based on equality and reciprocity;**
- (3) Establishment of political relations; and**
- (4) Prevention of military conflicts.**

To safeguard Taiwan's economy as a part of these interim arrangements, President Chen has promoted the idea of "proactive liberalization with effective management" as a way of benefiting from economic exchange with the PRC without making Taiwan's economy overly dependent on the PRC's. He has also urged Taiwan to share its democratic experience with China and encourage

China's own democratization.

In addition to the one China principle, the CCP has also continuously pushed the ROC government to accept the "1992 Consensus," a consensus supposedly reached at a 1992 meeting in Hong Kong between the KMT and the CCP. Since that meeting, the CCP has reiterated that the 1992 Consensus was a consensus on the one China principle, whereas the KMT has stated that the 1992 Consensus was "one China with different interpretations." Former head of the Mainland Affairs Council, Su Chi, admitted that he had coined the term "1992 Consensus" on purpose in order to trick the CCP into agreeing that the 1992 Consensus was one China with different interpretations, but this trick failed; the CCP still maintains that the 1992 Consensus is the one China principle. President Chen and the DPP government do not recognize any 1992 Consensus.

When discussing US-China-Taiwan trilateral relations, the US most often describes its China policy as based on the Three Communiqué: the Shanghai Communiqué, the Joint Communiqué on the Establishment of Diplomatic Relations, and the August 17 Communiqué, in addition to the Taiwan Relations Act. China often responds to the US' description by adding the one China principle to the Three Communiqués. Beijing now mimics the language of the US, creating a "one law, two communiqués" framework for dealing with Taiwan in order to realize its ultimate goal of unification. This is another serious challenge for the DPP administration.

The so-called "one law" is the Anti-Secession Law, and the "two communiqués" are the communiqués from Hu Jintao's respective meetings with Lien Chan and James Soong. A close comparison of these two communiqués and the Anti-Secession Law reveals that all three contain extremely similar content.

In confronting the new framework of one law, two communiqués, as well as the united front of the pan-blue forces and Beijing, President Chen's DPP government has gradually been marginalized, vilified, and provincialized. In order to correct this alarming turn of events, President Chen announced in his 2006 New Year's Message that on February 27 of that same year he would cease the func-

tioning of the NUC and the Guidelines for National Unification. Furthermore, on the anniversary of his May 20 inauguration, he issued Taiwan's first ever "National Security Report" and carried out the propositions set forth in it. The main points explained in this report are:

- (1) *Reaching a consensus on national identity is the foundation of national security*
- (2) *Promoting constitutional reform and consolidating national identity in order to achieve national security*
- (3) *Enhancing Taiwan's defensive capability through arms purchases*
- (4) *"Proactive management with effective liberalization" ensures economic security*
- (5) *The four principles seek cross-strait co-existence and co-prosperity*

#### **4. Suggested Logic and Policy for Taiwan's National Defense**

Taiwan's national defense goals are "all-out defense" and maintaining autonomy in its national defense. However, Taiwan's national defense is an unusually complex issue, because Taiwan faces relentless diplomatic and military pressure from the PRC. Taiwan's ability to stand firm under tremendous pressure from China for over fifty years is intimately linked to its unique geographic position.

An unofficial "US-Japan alliance plus Taiwan" strategic framework has emerged, and thus Taiwan's security is also intimately linked to the actions of the US and Japan. Recent changes in American military deployments in East Asia are a clear response to the rising power of the PRC, and the Treaty of Mutual Cooperation and Security between the United States and Japan is designed to make an active contribution to stability in the Taiwan Strait, particularly to legitimize US naval forces in the Taiwan Strait on the premise of keeping shipping lines open. However, this strategic framework has introduced more variables into Taiwan's security calculus. The PRC's defense budget is increasing by double-

digit percentages every year, and the PRC has been putting great efforts into developing "super-limited warfare," "asymmetrical warfare," and the three warfares. The US, Japan, and the PRC are all parties in the Six Party Talks with North Korea, an important negotiation process that has significant ramifications for Taiwan's national security. In this complex security situation, Taiwan is forced out of negotiations over disputes in the South China Sea and out of ASEAN, rendering it isolated in the region's network of security mechanisms.

China poses a number of different kinds of threats to Taiwan's security, from direct military force and espionage to computer hacking. We can categorize the threats that China poses to Taiwan's defense as follows:

The PLA (airborne troops, special forces, and amphibious forces) could launch a direct attack on Taiwan's shores.

The PLA could launch a missile attack, destroying Taiwan's economy and naval defense capabilities.

China could send a hostile air and naval fleet across the middle of the Taiwan Strait.

The PLA could mobilize its extensive forces on the southeastern coast and conduct military exercises.

The PLA could launch a surprise attack, occupying the surrounding islands that belong to the ROC.

China could send its operatives to infiltrate and sabotage Taiwan.

The front line of the ROC Army could accidentally open fire on China.

The PLA could use "super-limited warfare" or "information warfare" against Taiwan.

The PLA could sabotage or invade Taiwan's important military administration facilities.

The PLA could interfere with or completely close Taiwan's surrounding waterways.

Since Jiang Zemin proposed the three warfares, China has shown a new strategy against Taiwan, embodied in the Anti-Secession Law, which combines the legal, media, and psychological aspects of the three warfares.

After the Gulf War, the ROC Armed Forces recognized that the nature of war had significantly changed, and so they took appropriate measures to modernize their own ranks. However, China's defense budget continues to increase while the arms procurement budget is stalled in the Legislative Yuan in Taiwan, leaving Taiwan vulnerable to attacks from the PRC. The PRC is particularly adept at asymmetrical warfare, and thus Taiwan needs to learn to fight both symmetrical and asymmetrical wars in order to defend its national security. Former Commander in Chief of the ROC Navy, Nelson Ku, emphasizes "all-out defense," "humanistic defense," "pragmatic defense," and "efficient defense" for the ROC. The 2004 National Defense Report states that defense policy contains four major elements:

- (1) *The nation's outlook on the international environment*
- (2) *The standards and application of specific national objectives, strategies, and the armed forces*
- (3) *The process of defense policy making*
- (4) *Miscellaneous, frequently encountered issues, such as military strength, troop command, arms procurement, arms control, and civil-military relations*

Taiwan's national defense has developed through a series of historical stages. In the first stage, "consolidating national defense (1949-1959)," the ROC government focused primarily on rebuilding its forces after suffering defeat at the hands of the Communists in the Chinese Civil War. Its goal was to take back the mainland. In the second stage, "brief counterattack, long-term preparations for war (1960-1978)," the ROC deepened its military development as China engaged in the Vietnam War and its relations with the USSR worsened. In the third stage, "concurrent offense and defense (1978-1990)," as the US broke relations with Taiwan and Deng Xiaoping rose to power in the PRC, Taiwan had to stress air

defense first, as controlling the skies was the only way to control the sea. Taiwan also maintained a defensive strategy in national defense with an offensive strategy in politics. In the fourth stage, "resolute defense (1991-2000)," after the Gulf War, Taiwan actively built up its military forces and worked to institutionalize its arms procurement policies, streamline the structure of its military power, establish national defense organizations, and improve missile defense as its top priorities. In the face of a rising China, Taiwan's primary defense policies during this period were "resolute defense" and "effective deterrence."

Now, with US forces entrenched in Iraq, a reemergence of the North Korean nuclear threat, and the passage of the Anti-Secession Law, Taiwan faces a new set of strategic variables. In order to face these challenges, the ROC government must make its defense information more transparent to its own people, soliciting the public's opinion on defense and proving that it can deliver results for its people. This is the very embodiment of "all-out defense." The ROC must also nationalize its military, once and for all ensuring that the military is not influenced by party politics; put civilians in control of defense policy-making; enact military mutual trust mechanisms between Taiwan and the PRC, creating cross-strait conflict-management mechanisms for the future of security in the Taiwan Strait; and secure the autonomy in its own national defense to begin planning a third-generation military.

### 5. Reshaping the National Security Logic of a Democratic Taiwan

With the peaceful transfer of power in 2000, the nature of the situation in the Taiwan Strait changed from "KMT-CCP relations" into "cross-strait relations." During the era of authoritarian rule, political strongmen had used the educational and propaganda offices of the state to forcefully instill the people with those leaders' view of national security and the threats that national security faced. Along with the democratization and liberalization of politics in Taiwan, as well as the end of authoritarian rule, the national security agenda and perceptions of threats that the leaders of the past had established were cast aside.

Still, opinions differ on what the definition of "national security" is. The traditional view of security focuses on military security, defense against attacks by for-

eign militaries, and national survival. The new view of security focuses on "comprehensive security" and "human security," and it includes six important points: (1) national survival shall not be threatened; (2) territorial integrity shall not be violated; (3) security of the livelihood and property of the people; (4) the integrity of political independence and sovereignty shall maintain the normal functioning of the government; (5) maintaining a normal economic system and normal development; and (6) ensuring that the nation's traditional way of life suffers no interference or control from foreign forces.

Regardless of one's definition of national security, security must serve the national interest. In Donald Nuechterlein's view, the national interest can be explained along four dimensions:

#### (1) *The Core Interest (or Interest of Survival)*

- i. The Integrity of Territory and Sovereignty
- ii. The Security of the People's Livelihood and Property
- iii. The Normal Functioning of the Government

#### (2) *An Important Interest: the Normal Development of the Nation's Politics, Society, and Economy*

#### (3) *A Key Interest: the Choice and Development of Culture and Values*

#### (4) *The Peripheral Interest: the Sustainable Development and Sustainable Operations of a Nation's Politics, Society, and Economy*

Taiwan now needs a modernized view of its national security. While faced with such an immense threat from across the Strait, Taiwan's core concerns are the security of the livelihood and property of the twenty-three million people of Taiwan; ensuring the integrity of Taiwan's sovereignty and of the territory of Taiwan, Penghu, Kinmen, and Matsu; and the effective implementation of the constitutional system of government. Taiwan's overall development objective is to become a normal country and to survive and continue to develop in the twenty-first century. The primary source of the threat to Taiwan's national security is the

CCP regime and the Beijing government. Currently, the core logic of Taiwan's national security is that, on the basis of a "complex national society," Taiwan must develop towards comprehensive security. Democracy is Taiwan's greatest achievement, a collective asset of the twenty-three million people of Taiwan and the object of Taiwan's national security protection. The values of democracy outweigh individual and party interests. Consolidating and deepening democracy, expanding Taiwan's democratic experience, and becoming a model of democracy for the ethnically Chinese world is the foundation that Taiwan relies on for survival and a responsibility that the ruling and opposition parties must work together to uphold.

Chapter  
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## *Confronting the Current Threats and Challenges to National Security*

### **The Threat from across the Strait**

The Beijing government and the Chinese Communist Party (CCP) present the greatest current threat to Taiwan's national security. In both informal and formal diplomacy, Beijing continues to restrict Taiwan's international living space. In cross-strait economics and politics, Beijing uses a variety of methods to pull Taiwan into China's sphere of influence. Militarily, China continues to threaten and intimidate Taiwan, limiting Taiwan's ability to assert its own position at every step. China gives Taiwan only one option: to move towards unification on China's terms, accept China's definition of the one China principle, recognize the Beijing government as the "central government," and place itself under China's jurisdiction. If Taiwan were to accept these demands, the Republic of China (ROC) and its government would cease to exist. Taiwan would be unable to safeguard its own national security, guarantee the safety and property of the twenty-three million people in Taiwan, and maintain the integrity of the sovereignty and territory of Taiwan, Penghu (the Pescadores), Kinmen, and Matsu, as well as the normal functioning of Taiwan's constitutional system of government.<sup>1</sup> These are all basic national security objectives that any country would want to achieve, and forfeiting them would be equivalent to surrendering to the People's Republic of China (PRC), effectively handing over the lives, property, and sovereignty of the people of Taiwan to the Beijing government.

Even if China believes that maintaining stability in the Taiwan Strait is an essential part of its strategy and a necessary measure in its tactics, the basic



nature and tone of its Taiwan policy have not changed in the slightest. China still refuses to renounce the use of force against Taiwan as a means of protecting China's "sovereignty and territorial integrity" and achieving national unification. This policy remains unchanged to this day. However, China's basic principle for solving the "Taiwan problem" (also known as the "Taiwan issue" and "Taiwan question") is still to emphasize "peaceful reunification" and "one country, two systems," and it has peaceful and military, or "soft" and "hard," strategies to achieve these goals. Even after succeeding Jiang Zemin as the leader of the PRC, Hu Jintao still upholds this basic principle for China's Taiwan policy, created by Deng Xiaoping, and is even more skilled in implementing it.<sup>2</sup>

In addition, Beijing appeals to a sense of nationalism to justify unification with Taiwan. Through this nationalism, Beijing polarizes Taiwanese society, stigmatizes Taiwan's democratic development, criticizes Taiwan's participation in democratization movements as the work of "Taiwan separatist forces," and proclaims that unification is a higher priority than democracy. Through these actions, China attracts those in Taiwan who identify with a "Great China" consciousness. In this way, China appeals to and unites the Chinese people under the leadership of the CCP, relieving pressure that the problems in China's economic reforms have put on the government's legitimacy. Under this banner of nationalism or patriotism, China describes Taiwan's collective will as seeking to undermine the "great task of national reunification." The factual separation of cross-strait political authority has been defined as the result of "Taiwan independence," and so, in response, Beijing has made its Taiwan policies more and more stringent. In addition to its continuing militarization, China uses the Anti-Secession Law as a legal basis for using force against Taiwan.

The United States (US), Japan, and the European Parliament frequently emphasize that the Taiwan problem must be solved through peaceful means. However, the Anti-Secession Law foreshadows that Beijing, through its manipulation of nationalism and in light of its "sacred duty," will continue to escalate its military threat in an attempt to force dialogue through war, to compel Taiwan into opening up more room for negotiations, and to achieve its ultimate goal of unification with Taiwan. We can elaborate on this point further:

### ***1. Politics: the Stigmatization of Taiwan's Democratic Development***

People all over the world have praised Taiwan's democratic transformation, which began in the late 1980s. Although Taiwan has had to pay for its democracy in installments, the process of transformation has been peaceful, earning it the title of a "quiet revolution." With the peaceful transfer of power from the ruling party to the opposition party in 2000, Taiwan's democratic process became a world-class model, and its experience became a valuable asset for democratic development among Asian countries.

While the international community views Taiwan's democratic achievements as extremely positive, it only understands the current state of Taiwan's democracy; it does not have a clear understanding of the long-term efforts that Taiwan has made for democracy or of the difficulties it has faced in doing so. Taking the 2000 presidential election as an example, the international community's understanding of Taiwan's democracy stops at the peaceful transfer of power between political parties. It does not extend to the social values that each of those parties represents, nor does it extend to the social bases of those parties.

International observers have learned about Taiwan's democracy largely through its elections. This approach is too narrowly focused, however, and at the same time pays attention only to the course of Taiwan's democratic development since the 1990s, ignoring the fact that Taiwan's democratic movement can be traced back to the latter half of Japanese colonial rule.<sup>3</sup> The foundation, cultural roots, and values of the democratic movement that began in the late 1980s were all created by challenging the martial law of Chiang Kai-shek and Chiang Ching-kuo. The realization of democracy was demonstrated in the social mobilization that occurred as a result of elections, not in the debate and negotiations that occurred in the Legislative Yuan. In other words, Taiwan's democracy at that time was an election movement that challenged a threatening political authority; it was not a strategic decision made by the government. But this democracy movement was the source of the core values of the democratic transformation of the 1990s, and so it has been accorded too much attention and significance. If we understand Taiwan's democratization only through elections, or if we separate Taiwan's

political development from the path its democracy has taken, we cannot see the full picture of Taiwan's democratization.<sup>4</sup>

Many people in the international community misunderstand Taiwan's democracy, because they lack a strong historical background and firm understanding of its values and social basis. They often understand Taiwan's politics through the lens of the issue of unification versus independence. Through its global propaganda efforts, China is able to depict the appeals and needs of Taiwan's democratic revolution as "Taiwan independence," which China has threatened to use force in order to counter. Through these tactics, China can further depict Taiwan's democratization as an attempt to start a war, successfully applying a harsh stigma to Taiwan's democratic development.

When China drew up the March 2005 Anti-Secession Law, for example, it accused President Chen's proposed constitutional reengineering process of being "Taiwan independence' secessionist forces." In his inaugural address on May 20, 2004, President Chen said, "The constitutional re-engineering project aims to enhance good governance and increase administrative efficiency, to ensure a solid foundation for democratic rule of law, and to foster long-term stability and prosperity of the nation."<sup>5</sup> President Chen went on to list ten issues of clear, immediate concern to the constitutional reform process, including whether to adopt a three-branch or five-branch separation of power and whether to adopt a presidential or parliamentary system. Such issues form the core of constitutional reform in Taiwan. President Chen further recommended that the issues of national sovereignty, national territory, and independence not be included in this set of constitutional reforms, because Taiwan has yet to form a majority social consensus on these issues.<sup>6</sup> However, in explaining the Anti-Secession Law, Wang Zhaoguo, Vice Chairman of the Standing Committee of the PRC's National People's Congress (NPC), severely criticized Taiwan's constitutional reform:

*...the Taiwan authorities are trying to use so-called 'constitutional' or 'legal' means through 'referendum' or 'constitutional reengineering' to back up their secessionist attempt with so-called 'legality' and change the fact that both the mainland and Taiwan belong to one and the same*

*China by separating Taiwan from China.*

Furthermore, Article 8 of the Anti-Secession Law stipulates that:

*In the event that the 'Taiwan independence' secessionist forces should act under any name or by any means to cause the fact of Taiwan's secession from China, or that major incidents entailing Taiwan's secession from China should occur ...the state shall employ non-peaceful means and other necessary measures to protect China's sovereignty and territorial integrity."*

Over the past fifty years, the people of Taiwan have paid a considerable price for their democratic reforms. Today's democratic achievements are only possible as a result of the countless people who sacrificed their lives, their freedom, or their families' wellbeing, as well as those who bravely took up the cause of those who had already fallen. China tries to equate Taiwan's democratization to a Taiwan independence movement, and in doing so slanders, distorts, and stigmatizes the universal values of democracy and basic human rights. If Taiwan's constitutional reforms, as a result of its democratization, were to spark a military attack from China, this would not only be a denial of Taiwan's democracy, but also a way of justifying China's military might. Since the PRC was established in 1949, it has already promulgated five versions of its constitution. If establishing a new constitution is equal to declaring independence, has the PRC not declared independence five times already? The PRC's attempt to equate Taiwan's constitutional reform with Taiwan independence is simply a move to intimidate and slander Taiwan's democratic momentum.

By depicting Taiwan's democracy as equal to the issue of independence versus unification, and through its international propaganda and threats of force, China creates a conflict between Taiwan's democracy and the so-called "one China policy" of the US and other major countries. Some international security experts, based on a desire to avoid war or to uphold the one China policy, have even begun imposing restrictions on Taiwan's democracy. These experts believe that a democracy is responsible if it upholds the one China policy, and that democracies that challenge the one China policy are "populist."<sup>7</sup> In fact, the cen-

sure and stigmatization that Taiwan's democracy has suffered are correlated with this kind of thinking. What is more frustrating is that even many Taiwanese have accepted this way of thinking.

## ***2. Economics: the Assimilation, Hollowing out, and Marginalization of Taiwan's Economy***

The rapid growth of cross-strait trade and exchange over the past several years has caused Taiwan to gradually become more dependent on trade with China. According to statistics from the Ministry of Economic Affairs (MOEA), the total number of investment projects in China by Taiwanese businesses from 1991 to the end of August 2006 was 350,134, a total value of US\$518.50 billion, representing 54.2 percent of Taiwan's total foreign investment. By the end of August 2006, Taiwanese investors had agreed to invest a total of US\$958.20 billion, actually investing a total of US\$431.30 billion. China is now the number-one destination for Taiwanese foreign investment and is also the primary location of production for Taiwanese industries. According to relevant information from Taiwanese experts and scholars, the actual scope of Taiwanese investment in China is between approximately US\$100 billion and US\$150 billion, a truly astonishing figure. According to a 2004 report from the Taiwan Stock Exchange Corporation, amongst the top fifty companies investing in China, 80 percent did not remit a single penny to Taiwan. This tremendous preponderance of outgoing investment in recent years has resulted in a serious lack of domestic investment.

According to estimates, the total value of cross-strait trade in 2005 was US\$76.36 billion (a 23.9 percent increase over the previous year). Exports were valued at US\$56.28 billion and imports at US\$20.09 billion, yielding a trade surplus of US\$36.19 billion. Cross-strait trade represented 20 percent of Taiwan's foreign trade, and Taiwan's exports to China represented 28.3 percent of Taiwan's total exports. If we include Hong Kong in our China calculations, Taiwan's trade with China totaled US\$96.05 billion, representing 25.2 percent of Taiwan's total foreign trade; Taiwan's total exports to China equaled US\$73.32 billion, representing 36.9 percent of Taiwan's total exports; and imports from China to Taiwan totaled US\$22.72 billion, yielding a trade surplus of US\$45.08

billion. From 1987 to April 2005, Taiwan had a trade surplus of US\$50.60 billion. From 1987 to August 2006, Taiwan's total trade surplus with China was US\$311.80 billion, surpassing Taiwan's current total foreign exchange reserves. Since the end of 2001, China has been the largest market for Taiwanese exports, as well as the greatest source of Taiwan's trade surplus. This figure shows that, of all Asian countries, Taiwan's exports depend the most on China.<sup>8</sup> Nearly 37 percent of Taiwan's exports go to China, a full 10 percent higher than the percentage of South Korean exports to China.

The above figures show us that China holds a magnetic power over Taiwan, one that may delay the development of Taiwan's industry, hollow its industry out, and challenge its foreign trade with competition from Chinese products. In light of these trends, China will continue to push for the Three Links as a way of using economics to steer politics and will continue to increase Taiwan's economic reliance on China, pulling Taiwan further into its sphere of influence. If China can turn trade and economics into tools to influence Taiwan, it will be able to use three strategies (utilizing the people to influence officials, utilizing commerce to trap the government, and utilizing the Three Links to promote unification) to achieve its goal of economic intimidation, significantly impacting Taiwan's national security.

China uses an economic united front to influence Taiwan's politics. This is a new kind of united front against Taiwan, different from the traditional military and diplomatic strategies. This economic united front strategy suits China's growing market. Through close cross-strait exchange and the free flow of capital that is occurring as a result of globalization, China attempts to encircle Taiwan's voters, society, political figures, and even political parties, and eliminate any obstacles to unification, even turning them into pro-unification forces. For example, as China has become increasingly confident in its own economic development in recent years, it believes that much foreign investment, including foreign investment from Taiwan, has no choice but to go to China. As a result of this logic, China has begun conducting investigations into the political activities of Taiwanese businessmen in China. China does not welcome so-called "green" Taiwanese businessmen (DPP supporters), who make money in China but support Taiwan inde-

pendence in Taiwan. Once the Chinese authorities have labeled Taiwanese businessmen as Democratic Progressive Party (DPP) sympathizers, they will use such measures as conducting strict tax audits, detaining workers who were hired to work for the companies of those businessmen in China, interrogating the owners of the factories that cooperate with those companies, and intimidating other companies into not buying those companies' products. These tactics are designed to put pressure on those companies' business from all sides. China sometimes even resorts to threatening the lives of those companies' employees. To take Taiwanese businessman Hsu Wen-long (also written as "Shi Wen-long") as an example, the front page headline on a late May 2004 issue of the People's Daily Overseas Edition read, "*Bu Huanying yi Xu Wenlong wei Daibiao de Lüse Taishang*" ("Green Taiwanese Businessmen Represented by Hsu Wen-long Unwelcome"). After this article was published, Hsu's Chi Mei Corporation began to suffer severe political oppression in China. Not only was Hsu forced to resign from his position as Chairman of the Board of Chi Mei and retire early, but during a March 26, 2005 rally in Taipei against the Anti-Secession Law, Hsu even expressed his support for the one China principle and the Anti-Secession Law in an open letter to the press. He stated in that letter that Hu Jintao's words and the Anti-Secession Law put him at ease when investing in the mainland, which stunned and enraged Taiwanese society. Hsu later personally admitted to his friends that he had not written this "open letter" out of his own free will, that China had controlled everything from the dates of the draft and the release to the media coverage, and that his political integrity had been murdered. In a recent interview with Business Weekly, Hsu openly stated that what people had been saying about him was all true, but that it was important to understand that he had 20,000 people working directly for him and 100,000 families whose wellbeing was connected to the company, a total of several hundred thousand people who relied on Chi Mei for their livelihood. He had to do what was best for them, not what was best for him. Even the staunchest of Taiwanese businessmen can be forced to bow under pressure from the CCP.

In addition to this economic united front, China's strategy for an economic war also includes marginalizing Taiwan in the East Asian regional economy, con-

stricting Taiwan's international living space, and forcing Taiwan to become increasingly reliant on China. China currently enjoys close cooperation with the economies of the Asia-Pacific region, such as the ten member countries of ASEAN. Through the economic development platform of ASEAN+1, China has signed a free trade agreement with ASEAN, giving China the power to lead the development of free trade in Southeast Asia and exclude Taiwan, and bringing Taiwan closer to being nothing more than an inseparable economic branch of China. While China moves towards political and economic integration with Southeast Asia, the issue of China's economic integration with Northeast Asia remains on the table. China will play a crucial role in all aspects of the future political and economic development of these two regions. This is China's "push and pull" strategy, both pushing Taiwan out of the new Asia-Pacific regional political and economic integration, while pulling Taiwan into China's economy and restricting Taiwan's options for existence and development.

China's Taiwan strategy makes use of the "union of politics and economics" and using economics to steer politics. However, China's actual tactics are to emphasize the "separation of politics and economics," as well as opposing independence while urging unification. Through this strategy, China uses an economic united front to influence Taiwan's macroeconomics, penetrating and pulling in the Taiwanese middle class, while simultaneously buying off specific political figures and groups. Faced with China's unwillingness to give up the use of force as an option, marginalization as a result of China's control over the regional economy, and difficult maneuvering in light of the US' diplomatic relations with China, Taiwan must create a space for strategic development that it can control. If it cannot do this, sooner or later it will be forced to make a decision to either assert its own will or be annexed into the stronger Chinese system.

### **3. Society: Threats and Intimidation Break Taiwan's Internal Confidence and Unity**

Although Taiwan is a free, democratic, diverse, liberal society, the enemy can take advantage of such openness. Since the DPP came to power in 2000, Beijing has been trying to achieve its goal of a united front by diving Taiwanese

society on at least three different levels.

**1. Setting political leaders and the people against each other:** The DPP's outlook on the issue of independence versus unification is significantly different from that of the KMT, whom the CCP was previously accustomed to dealing with in cross-strait affairs. When Chen Shui-bian was inaugurated as the tenth-term President of the ROC, Beijing both adopted a policy of "listen to what he says and observe his moves" towards Chen and announced that it would place its hopes on the Taiwan people, "hope" of course indicating "hope for unification." This policy, designed to divide Taiwanese society and set the government and the people at odds with each other, placed hope on the Taiwanese people but did not place hope on the Taiwanese leadership.

Shortly before President Chen took office for the second time in 2004, Beijing issued the May 17 Statement, harshly criticizing President Chen's actions over the previous four years. The statement claimed that he lacked even the slightest shred of honesty. It claimed that he had violated his "Four Noes and One Without," attempting to "gather together all kinds of separatists for 'Taiwan independence activities.'" This statement not only seriously twisted the meaning of the Four Noes and One Without, but also threatened that "'Taiwan independence' does not lead to peace, nor national dismemberment to stability." Beijing demanded that Chen make a decision between independence and unification. There could be peace and development of cross-strait relations if Chen would stop his secessionist independence activities before it was too late and recognize one China. If he were foolish enough to stay his course and separate Taiwan from China, however, he would bring about his own doom by causing a war. This statement also threatened that "Chinese people are not afraid of ghosts, nor will they be intimidated by brutal force," and "if Taiwan leaders should move recklessly to provoke major incidents of Taiwan independence, the Chinese people will crush their schemes firmly and thoroughly at any cost." These intimidating sentiments were later incorporated into the Anti-Secession Law, the legal basis that the People's Liberation Army (PLA) would cite for using "non-peaceful means" to solve the Taiwan problem. This statement not only singles out President Chen as an object of criticism, but is also a threat to the people of Taiwan that to support

President Chen or the DPP is to choose war, and that accepting unification is the only choice that the people of Taiwan can make in order to achieve peace.

After attending the Third Session of the Tenth National People's Political Consultative Conference, Hu Jintao issued his "four points" on March 4, 2005. In his remarks, he explicitly said:

The Taiwan compatriots are our blood brothers, an important force in developing cross-strait relations, and an important force in checking the secessionist activities of Taiwan independence. As the Taiwan independence secessionist forces seek to separate our Taiwan compatriots from us, we seek stronger solidarity with our Taiwan compatriots. No matter what, we respect them, place our faith in them, rely on them, put ourselves in their position to see their point of view, and use every means possible to care for and protect their legitimate rights and interests.

*These words were like a sweet kiss of death for Taiwan. Hu was demonstrating goodwill towards the people of Taiwan while threatening to divide their society at the same time. To accept unification is to be "blood brothers" and is to "check the secessionist activities of Taiwan independence." To refuse to accept unification is to stand on the "'Taiwan independence' secessionist forces" side of President Chen, which can only lead to demise.*

**2. Applying differential treatment to people with different political attitudes:** Besides just pitting political leaders and the people against each other, Beijing examines the political attitudes of the Taiwanese people and treats different groups differently. The primary standard of comparison is whether or not people accept the one China principle, the 1992 Consensus, and unification with China. If a person accepts these terms, China views him as a comrade and treats him like a guest of honor. If he does not accept these terms, China views him as part of the Taiwan independence secessionist forces, and without question, China will not hesitate to attack him.

The abovementioned four points issued by Hu Jintao clearly state that "We

welcome any effort by any individual or political party in Taiwan to accept the one China principle. No matter who that individual is, which political party it is, or what he has said or done in the past, if he accepts the one China principle and the 1992 Consensus, we are willing to discuss with him the development of cross-strait relations and promoting peaceful reunification." However, "with regard to the important principle of opposing secessionism, we will demonstrate absolutely no hesitation, ambiguity, or concessions. The secessionist forces of Taiwan independence must renounce their position of Taiwan independence and secessionism and cease all Taiwan independence activities."

After opposition leaders KMT Chairman Lien Chan and PFP Chairman James Soong paid successive visits to China, interviews with their offices both corroborated the content of the communiqués that were produced as a result of their meetings with Hu Jintao. Both communiqués publicly stated support for the 1992 Consensus, the one China principle, and opposition to Taiwan independence. As Beijing was able to get these political pledges from Lien and Soong, Hu Jintao not only personally met them, but also gave them a red carpet welcome in his capacity as the head of state. When asked about the possibility of DPP Chairman Su Tseng-chang visiting China, Beijing demanded that the DPP first acknowledge the one China principle and the 1992 Consensus. This is an example of the different kinds of treatment that China uses when dealing with people with different political ideologies, and it is also the reason that no members of the DPP are able to visit China in their political status. Some more moderate members of the DPP are able to travel to China through special arrangements, but if they are seen as part of the "fundamentalist Taiwan independence faction," they cannot even travel to Hong Kong.

In addition, according to relevant accounts, certain Taiwanese scholars and television show hosts who had criticized the Anti-Secession Law at the time that it was established were subsequently blacklisted, unwelcome in the PRC. A Tamkang University professor once received a concerned phone call from a fellow scholar from Beijing who said that the professor seemed to have deeply misunderstood China's Anti-Secession Law, and went on to criticize a specific researcher at Academia Sinica, even referring to that researcher by name. This

professor had often traveled to China for cross-strait academic exchange in the past, but this phone call made him fear that he may have been blacklisted, in which case he would not be able to enter China in the near future. Such actions by Beijing have apparently caused a "chilling effect" on academia and the media in Taiwan. In the future, scholars, political figures, public personalities, participants on political talk shows, and even audiences will be unwilling to publicly criticize the CCP or support Taiwan independence, for fear of retaliation by the CCP. Some may even turn around and join with the CCP in criticizing Taiwan independence or publicly supporting unification. This will divide Taiwanese society and suppress the people's freedom of speech.

**3. Discriminatory social treatment:** The CCP has invented a set of social protocols for dealing with those Taiwanese who do not oppose (or who even approve of) Beijing's political ideology, in order to make them supportive of its policy and useful to China. These protocols are actually just forms of differential treatment designed to force others to struggle for Beijing's favor in order to create a united front and a divided Taiwanese society. China experts completely understand that the CCP has already fine-tuned these tactics to perfection. Other political actors rarely escape China's manipulation as it gradually moves towards the framework originally established by the CCP.

To take Chairmen Lien and Soong's visits to China as an example, criticism of Beijing among Taiwanese and international society tended to hinge on three points after the Anti-Secession Law was passed: poor timing (cross-strait relations were at a rare high in terms of interaction and goodwill in early 2005, due to the initiation of cross-strait charter flights and the joint visit from Beijing to Taiwan by Sun Yafu and Li Yafei in the Spring), the inappropriateness of Beijing's non-peaceful means, and Beijing's violation of Taiwan's right to choose freedom, a universal value.<sup>9</sup> To defend against these criticisms, Beijing initiated a united front and a strategy of social division against Taiwan, hoping to exploit social conflict within Taiwan. In this way, Beijing could influence people not only to not oppose, but even to support, the Anti-Secession Law and a system of cross-strait exchange. They also hoped to export this strategy to the international community in order to influence international opinion. In order to exploit the conflicts between



the KMT and the PFP, especially after President Chen and Chairman Soong's "Bian-Soong meeting" (also known as the "Chen-Soong meeting") left the KMT feeling as though it had lost its ability to direct cross-strait affairs within the blue camp, China invited then KMT Vice Chairman Chiang Pin-kun to organize a delegation to visit Beijing. The purpose of this action was to allow Lien Chan to beat James Soong to the punch by visiting Beijing before Soong could, proving that Lien was Beijing's favorite. According to media reports in Taiwan, KMT party spokesman Chang Jung-kung had explained to friends before going to Beijing that one of the main reasons Chiang was leading a delegation to China was that the Bian-Soong meeting had startled the KMT, who now had to visit China before James Soong could. The KMT could not let Soong have the only say in cross-strait issues, which is why they made this strategic decision after thorough consideration and at the recommendation of Chairman Lien.

Chiang Pin-kun handled the visit smoothly, and we could say that the KMT and the CCP achieved their initial strategic objective. An editorial in the Washington Post stated that in manipulating this stage of the game, Beijing's intention was to subdue Taiwanese public opinion and the international community's dissatisfaction with the Anti-Secession Law. The CCP's grand reception for the KMT, as well as the five-day visit that followed, was meant to demonstrate evidence of the improvement of cross-strait relations to the international public, and the KMT was happy to oblige. The Financial Times also criticized Chiang after his visit to the head of the National People's Political Consultative Conference (NPPCC), Jia Qinglin. The Financial Times piece argued that the visit gave Beijing an opportunity to reinforce its position on cross-strait reconciliation to the public, drawing attention away from Beijing's Anti-Secession Law and that law's military threat towards Taiwan. These criticisms basically asserted that Chiang Pin-kun's delegation to China did nothing but help the CCP out of a tight spot. Such exchange succeeded in allowing Beijing to attack Taiwan's sovereignty and deflect international pressure away from the Anti-Secession Law.

Beijing's strategic goal in inviting this wave of pan-blue forces to visit China was to divert international pressure away from the non-peaceful means set forth in the Anti-Secession Law. It also intended to divide Taiwanese society, isolate

the DPP, and finally, to express its anti-Taiwan government, anti-Taiwan sovereignty, and anti-Taiwan statehood sentiments in order to achieve its long-term strategic goal of peaceful reunification. As one political observer mentioned in his analysis, Beijing was using its social protocols to launch an offensive, apply differential treatment to different Taiwanese people, and employ hard and soft strategies against Taiwan, all part of its united front and strategy of social division.

#### **4. Military: Pressure from China's Invasion Strategy Grows Daily**

After China promulgated the Anti-Secession Law, we could say that cross-strait relations entered an "Anti-Secession Law era." The Anti-Secession Law defines the Taiwan problem as left over from the previous century, a relic of the Chinese Civil War. The Preamble of the Constitution of the People's Republic of China even describes Taiwan's status in the following terms:

*Taiwan is part of the sacred territory of the People's Republic of China. It is the lofty duty of the entire Chinese people, including our compatriots in Taiwan, to accomplish the great task of reunifying the motherland.*

In seeking to accomplish this goal, while Beijing has claimed that it will make the greatest effort possible to achieve national unification through peaceful means, Beijing has also reiterated that it has never pledged to give up the option of using force. Article 8 of the Anti-Secession Law stipulates,

*In the event that the "Taiwan independence" secessionist forces should act under any name or by any means to cause the fact of Taiwan's secession from China, or that major incidents entailing Taiwan's secession from China should occur, or that possibilities for a peaceful re-unification should be completely exhausted, the state shall employ non-peaceful means and other necessary measures to protect China's sovereignty and territorial integrity.*

The "state" referred to here is of course the PRC, and Article 8, paragraph 2 states,

*The State Council and the Central Military Commission shall decide on and execute the non-peaceful means and other necessary measures as provided for in the preceding paragraph and shall promptly report to the Standing Committee of the National People's Congress.*

Quite simply, this law openly authorizes the Chinese military to use force against Taiwan. What does "In the event that the 'Taiwan independence' secessionist forces should act under any name or by any means to cause the fact of Taiwan's secession from China" mean? What does "major incidents entailing Taiwan's secession from China should occur" mean? What does "possibilities for a peaceful re-unification should be completely exhausted" mean? The authority to explain and confirm these statements lies entirely in the hands of Beijing. When the State Council and Central Military Commission (CMC) have made their decision, all they have to do is report their decision to the Standing Committee of the National People's Congress; they do not even have to report to the entire National People's Congress. Beijing has the authority to initiate a war.

Some believe that the Anti-Secession Law only authorizes the use of non-peaceful means to solve the Taiwan problem in the three situations described above. They believe that while "non-peaceful means" and "the use of force" are both negative terms, the former is weaker than the latter, and that this reflects at least some progress. This is a self-delusional explanation. Director of Beijing United University's Institute of Taiwan Studies, Xu Bodong, whose opinion was solicited on the Anti-Secession Law, said that non-peaceful means could include trade retaliation, economic blockading, economic sanctions, diplomatic suppression (for example, demanding that other countries freeze Taiwanese assets within their borders), and military force (such as the decapitation of the government, occupation of neighboring islands, or an attack on Taiwan's military). According to Xu's remarks, non-peaceful means are actually broader than just the use of force, and their impact on Taiwan even greater. In what way is this progress?<sup>10</sup>

Non-peaceful means naturally includes military action, and in this case blatantly indicates the forceful invasion of Taiwan. According to the US Department of Defense's 2005 report, *The Military Power of the People's Republic of China*,

the PLA stepped up its modernization efforts in the middle of 1990, due entirely to the fact that the CCP's central leadership demanded that military measures be an option for solving the Taiwan problem. Beijing is bent on unifying with Taiwan and has been unwilling to give up the option of using force to achieve this goal, even writing this threat into the Anti-Secession Law. According to the report, Beijing's reasons for using force in the short term could be to prevent Taiwan independence or to attempt to force Taiwan to engage in negotiations on Beijing's terms. At the same time, Beijing's goal in speeding up the modernization of its military is to, in the event that it were to attack Taiwan, stop or at least hinder the forces of the US or any other intervening third party. In addition to expediting the development of its long- and short-range missiles and cruise missiles, the PLA purchases submarines and advanced aircraft in order to strengthen its navy and air force. If this trend continues, Beijing's military capabilities will not only be enough to handle Taiwan, but will also present a decisive threat to the other modernized militaries of the Asia-Pacific region, namely the US and Japan.

This report further states that the CCP has aimed 650-730 transportable CSS-6 and CSS-7 short-range ballistic missiles (SRBM) at Taiwan, and that number is increasing by 75-120 every year. The range and accuracy of these missiles are now significantly greater than they were previously. In its plans to attack Taiwan, the CCP has deployed 425 fighter planes, 280 bombers, and fifty cargo aircraft. Most of these aircraft are old, but some are more modern, and the CCP continues to purchase more modernized fighters, including the Sukhoi Su-30. China has a naval fleet capable of attacking the waters off of Taiwan's southern and eastern coasts. This fleet contains 140,000 personnel, thirteen destroyers, thirty-four cruisers, twenty tank landing ships, fifteen medium landing ships, twenty-nine diesel submarines, and thirty-four coastal warfare ships (including Fast Stealthy Missile Attack Craft). The People's Liberation Army Ground Force contains nine tank divisions, a total of 375,000 troops, including nine airborne infantry brigades/eleven regiments, four armored brigades/four regiments, three mechanized infantry brigades/one regiment, three artillery brigades/five regiments, two amphibious brigades, 2,500 tanks, and 5,500 artillery guns.<sup>11</sup>

Beijing knows that the cost of a military offensive against Taiwan is high, but

the Chinese leadership believes that there is no alternative for upholding the Anti-Secession Law. The CCP sees maintaining the integrity of China's national sovereignty as the source of its legitimacy. If the CCP is unable to effectively solve the Taiwan problem, it will affect its legitimacy, and so Beijing is actively developing its military strength as a means to back its actions against Taiwan. The report by the US Department of Defense concludes that there are five categories of military actions that China can take against Taiwan:

- (1) *Persuasion and coercion: China's current approach to preventing Taiwan independence combines diplomatic, economic, legal, psy - chological, and military instruments to convince Taipei that the cost of declaring independence is too high. In this way, Beijing tries to persuade and coerce Taiwan into not declaring independence...*
- (2) *Limited Force Options: Beijing could use limited strikes, employing information operations, special operations forces on Taiwan, and SRBM or air strikes at key military or political sites, to try to break the will of Taiwan's leadership and population...*
- (3) *Air and Missile Campaign: Surprise SRBM attacks and precision air strikes could support a campaign designed to damage Taiwan's defenses, decapitate its military and political leadership, and break its will to fight rapidly before the United States and other nations could intervene...*
- (4) *Blockade: Beijing could threaten or deploy a naval blockade either as a "non-war" pressure tactic in the pre-hostility phase or as a tran - sition to active conflict. On one end of the spectrum, Beijing could declare that ships en route to Taiwan ports must stop in mainland ports for inspections prior to transiting on to Taiwan. Alternatively, China could attempt the equivalent of a blockade of Taiwan ports by declaring exercise or missile closure areas in approaches and road - steads to ports to divert merchant traffic...*
- (5) *Amphibious Invasion: Last, Beijing could conduct an amphibious*

*invasion on Taiwan's shores. However, an invasion of Taiwan would be a complex and difficult operation relying upon timing and pre-conditions set by many subordinate campaigns. Publicly available Chinese writings on amphibious campaigns offer different strategies for an amphibious invasion of Taiwan...*

This report explains, however, that there are currently two main factors that keep China from making the rash decision to attack Taiwan. The first is that the CCP has not yet developed China's military strength to the point that it could achieve its political goal of unification by force, especially if a third party were to intervene in the conflict. The second is that Beijing always keeps in mind the negative effects that taking military action against Taiwan could have. The leadership of the CCP understands clearly that war would seriously disrupt economic development. Taiwan is currently China's largest source of foreign capital; if China were to take military action against Taiwan, not only would the influx of investment stop, but Taiwanese infrastructure would also be seriously damaged by the attack, and the cost of reconstruction would be high. Punitive measures from other countries, whether they were to come from individual countries or multinational regimes, could seriously jeopardize China's economic development.

The report also asserts that there are other factors that make China think twice before deciding to attack Taiwan. First, waging war against Taiwan could affect political stability in China. In the event that China suffered a serious defeat, those members of China's leadership who had advocated war might have to step down. Second, starting a war could shatter the CCP's international image, destroying at once China's endeavors in recent years to improve its image in the Asia-Pacific region and worldwide. In particular, if the CCP were to attack before it had held the Olympic Games, other countries might boycott the games or replace China as the host. Finally, Beijing must thoroughly consider the possibility that the US may intervene in a cross-strait conflict. American military strength is superior to China's in many regards, and American intervention in the event of an attack on Taiwan would cause long-term hostility between China and the US. Such hostility would undoubtedly be detrimental to China's national interests.

In the 2006 report, The Military Power of the People's Republic of China, the US Department of Defense indicated that the cross-strait military balance has already shifted in favor of China.<sup>12</sup> Although the report says that China is still not prepared to initiate an attack on Taiwan, it reveals that Beijing's plan for attacking Taiwan is relatively explicit, and that China plans to utilize at least five different types of military measures against Taiwan. The citizens of Taiwan must not lower their guard or think that the CCP is unable to take Taiwan by force, particularly for the reasons that China is an authoritarian state, its leaders have the power to make binding decisions by themselves, and the Anti-Secession Law gives an open authorization to initiate war. Taiwan must pay serious attention to all of these factors. The citizens of Taiwan must keep their psychological defenses up, because those defenses are a crucial factor in building national security.

#### **5. Diplomacy: Constricting Taiwan's International Living Space**

China has become a rising power. Its national strength is continuously increasing, and its economic power grows daily, giving China a powerful hand in the game of international power. After the collapse of the Soviet Union, the international system could be described as "one hegemon, many powers," with the US as the leader. China has always sought to challenge and break through this power structure. It has tried to transform the world into a multi-polar system that can contain American hegemony, while not directly or actively challenging it.

In order to achieve this strategic goal in international politics, China is making efforts to rearrange the system of international power. In Europe, it is trying to cooperate with the European Union, led by France and Germany, and to maintain good relations with Russia. For example, the EU's decision to lift its arms embargo on China was truly the result of long-term efforts by China. In the Asia region, China has adopted a "good neighbor policy" to maintain friendly relations with neighboring countries, and it has proposed forming regional, multilateral, international organizations to gain the leading role in its surrounding international environment. For example, China attempts to use the Shanghai Cooperation Organization to take the leading role in relations among five Central Asian nations and attempts to use ASEAN+1 to strengthen its influence over the

Southeast Asia region. In dealing with the North Korean nuclear crisis, China uses the Six-Party Talks in an attempt to establish mechanisms for Northeast Asian multilateral cooperation in which China plays the pivotal role. In South Asia, China maintains cooperation with Pakistan and extends its antennae into Bangladesh and Myanmar in order to contain the rise of India. At the same time, China forces India to cooperate with China so that China can maintain its own strategic control over the Indian Subcontinent. Such actions by China are also designed to penetrate the American military presence that surrounded China as a result of the September 11 events.

It is common knowledge that the main cause of Taiwan's difficult international position is merciless pressure from the CCP. According to the CCP, Taiwan is not an independent, sovereign country; it is a sacred part of the territory of the PRC. Because the cause of the civil war between the KMT and the CCP in the previous century has not yet been resolved, the current government of Taiwan exists as an exiled political power that was defeated by the CCP. Although the current government of Taiwan is called the Republic of China, the Republic of China was replaced by the People's Republic of China in 1949. Therefore, China should not allow the ROC to lift its head in the international community, and it should certainly not allow Taiwan to assert that it is an independent, sovereign country. All the international pressure that China puts on Taiwan stems from this logic.

According to the twenty-three million people of Taiwan, however, Taiwan is most certainly an independent, sovereign country. No matter what name it goes by, Taiwan has sovereignty, a government, people, and territory, all the necessary qualifications for sovereign statehood. Although Taiwan does not have diplomatic relations with the most important countries in the world, international recognition is not a condition for sovereign statehood. In addition, there are still over twenty countries that recognize Taiwan as a country and hold diplomatic relations with Taiwan. At the same time, anyone who wants to enter the group of islands that make up Taiwan's territory, including citizens of the PRC, must apply for a visa from the ROC government. Those who enter without the permission of the ROC government will be prosecuted for illegal entry. All aircraft that intend to enter

Taiwan's airspace and all ships that intend to enter Taiwan's ports must obtain permission from the ROC government. This explains why other countries, even though the majority of them do not have diplomatic relations with Taiwan, still follow the standards in the Treaty of Westphalia when dealing with Taiwan, treating Taiwan as a sovereign nation, not a part of the PRC's territory.

The CCP cannot accept the fact that, to some degree, international society considers Taiwan to be a sovereign country and engages in exchange with Taiwan. The CCP has therefore worked as hard as possible to constrict Taiwan's space for international activity, for fear that if Taiwan were to break free from China's hold, Taiwan would become an internationally recognized, normal country. The idea that "Taiwan is a sovereign and independent country, regardless of its national title, but it is still not a normal country," is gradually becoming a consensus within Taiwanese society. In particular, this kind of thinking replaced the older Great China mentality after Taiwan democratized and the DPP came to power, becoming the mainstream consciousness in Taiwanese society. After the transfer of power in 2000, China increased its diplomatic stranglehold on Taiwan. It feared that President Chen's "Taiwan stands up" policy would gain the sympathy of many other countries if the achievements of Taiwan's democracy were able to inspire those countries. On average, China manages to take away about one of Taiwan's diplomatic allies per year. Through so-called "Great Power Diplomacy," China demands that the major powers of the world reduce their interactions with Taiwan, for example asking that government officials not be allowed to visit Taiwan or that greater restrictions be placed on Taiwanese officials who visit other countries. After Chen Shui-bian took office as President for the second time, China tried to enlist the support of the US in controlling Taiwan, causing trouble for the US. China also spoke out against "transit diplomacy" and criticized foreign visits by the President of Taiwan as attempts to promote "one China, one Taiwan" or "two Chinas" internationally. Since the beginning of 2005, the President of France, Foreign Minister of Australia, and Prime Minister of Singapore have all been persuaded by pressure and economic incentives from China to issue unfriendly statements against Taiwan. This is all the result of China's work behind the scenes.

To continue to suppress Taiwan's role in international organizations, a rising China uses its strength to present political sticks and economic carrots. In addition to keeping Taiwan from joining new international organizations, such as the World Health Organization, China works to lower Taiwan's status in organizations of which Taiwan is already a member, such as the World Trade Organization (WTO) and Asia-Pacific Economic Cooperation (APEC). It also attempts to change the names of Taiwanese delegations in order to force these organizations to recognize that China is the ruling authority over Taiwan, just as it is over Hong Kong and Macau. China's suppression of Taiwan's diplomatic space even extends to nongovernmental organizations. For example, when China learned that conference organizers had invited a delegation from Taiwan to attend the 2003 Global Summit of Women in Morocco, it immediately put pressure on the Moroccan government, causing the Taiwanese delegation to be denied entry. During a 2005 invention exposition in Munich, China forced the organizers to refuse to allow the Taiwanese delegation to wear clothing that prominently displayed the ROC flag.

China's international suppression of Taiwan has not only created a problem for Taiwan's international participation, but has also severely limited Taiwan's participation in regional, multilateral security mechanisms. Taiwan is not only unable to join the ASEAN Regional Forum, a core forum of discussion on security issues, but when discussing security issues in the Council for Security Cooperation in the Asia-Pacific, Taiwanese can only participate as experts on domestic security affairs or as individual senior personnel. After the September 11 events, APEC made counter-terrorism a major topic of discussion for regional security. However, Taiwan was limited to attending APEC's Economic Committee, keeping Taiwan from being able to participate effectively in discussions on cooperation for counter-terrorism and other regional security issues. While Taiwan is a concerned party in the South China Sea issue, Taiwan was not allowed to be involved in the "Declaration on the Conduct of Parties in the South China Sea" or security preparations regarding the South China Sea issue. Simply put, Taiwan's participation in Asia-Pacific regional security mechanisms is virtually zero, as Taiwan has been completely excluded from these mechanisms.

As a result of its inability to participate in regional security mechanisms, Taiwan lacks international support when China threatens its national security. In a time when mainstream international thought about security matters favors negotiation through the current regional security mechanisms as a way to solve problems, Asia-Pacific regional security organizations cannot invite all the relevant countries to collectively and peacefully solve problems in the Taiwan Strait. Even if the major powers in the Asia-Pacific were willing to utilize the current regional security mechanisms to solve a crisis in the Taiwan Strait, Taiwan would not be able to speak out to protect its own interests or to ask regional security organizations to fight for its strategic position, because it does not have the ability to participate. In addition, due to China's ubiquitous boycotting strategy, Taiwan's chances to participate in international, multilateral mechanisms are extremely limited. As a result, the opportunities offered by these multilateral mechanisms to work together with other countries, and opportunities to develop a deep understanding about regional security matters, are severely reduced for Taiwan. Over the long run, this trend will weaken Taiwan's ability to focus on and understand international affairs. Taiwan will lack important information about international affairs, such as military reforms, the perceptions of people around the world of their environment, and administrative and legislative decisions. This new environment, in which Taiwan cannot learn about the rest of the world as the two gradually become detached from each other, is marginalizing Taiwan's national security issues and jeopardizing Taiwan's sustainable development.

In summary, China's harsh actions in the international community, in particular oppressing Taiwan as China's strength grows, have made Taiwan's already slim chances for international participation even slimmer. In today's increasingly interdependent international system, if Taiwan continues to be isolated in the international community, the long-term existence of Taiwan's democracy and functioning of Taiwan's economy will experience a severe crisis.

## Recognizing the Challenge is the Only Way to Overcome the Challenge

While the China threat is an external factor, Taiwan's weakness is an internal challenge. Today, Taiwan's national security problems, in addition to coming externally in the form of the China threat, also include internal weakness. Taiwan must face this fact earnestly and must also devise a strategy to overcome this weakness if it is ever to overcome the China threat.

### ***1. Ethnic Problems and Contention over Independence versus Unification***

The split over ethnic identity, antagonism over the issue of independence versus unification, and the disputes that occur over these two issues constantly prove to be a fatal combination for building a consensus on national security. In addition, Taiwan is a society of immigrants. Over the past several hundred years, Taiwan has witnessed several waves of immigration: the indigenous people, the Minnan people, the Hakka people, and the mainlanders. Because the Minnan and Hakka had separate ethnic identities before immigrating to Taiwan but then developed a "Taiwanese identity" after living in Taiwan for several generations, we use the term "Taiwanese" to refer to the Minnan people, the Hakka people, and the indigenous people.

The last wave of immigrants, the mainlanders who moved to Taiwan in 1949, were forced to migrate to Taiwan after suffering defeat at the hands of the CCP in the Chinese Civil War on the mainland. In the initial decades after their migration, these people still had an ambition to "counterattack the mainland" and regain their home. Since they shared their ethnic identity with the 1.3 billion Chinese on the mainland, not only did they find it difficult to fit into the new ethnic context; but through their control of the state apparatus and the political tools of socialization, the leaders of this group even force-educated the other three groups to identify with their Chinese ethnic identity. As time went by, however, the leaders of this mainland group not only failed to "counterattack the mainland" and lead their people back home, but along with Taiwan's localization and



democratization, they also relinquished their monopoly over state power. Before Chiang Ching-kuo passed away, he told the mainlanders and their descendents, "I am Taiwanese, too," to urge them to assimilate into Taiwan's ethnic development.

For more than a decade, Taiwan's democratization has stimulated the people's identity, broken the illusory Great China national identity established by political strongmen of the past, and gradually built a new consensus on national identity. However, this new identity is still developing. According to a September 2003 survey, although over 70 percent of those surveyed believed that the national territory only included Taiwan, Penghu, Kinmen and Matsu, 13.5 percent still believed that it should include the mainland. While over 70 percent of those surveyed consider only the twenty-three million people of Taiwan to be their fellow countrymen, there was still 10.6 percent who believed that the 1.3 billion people in the mainland should be included. While this 10.6 percent was a minority, it clung tightly to a Great China consciousness and was not willing to become a part of the new identity. Meanwhile, the minority accused this new identity of being tantamount to Taiwan independence (the same accusations that Beijing uses), which has threatened the building of a consensus on national identity.<sup>13</sup>

However, there are strong feelings attached to ethnic identity. In moving from "Chinese" to "Taiwanese," such a process of separation and reconstruction is full of conflict and rifts, making it an unstable factor in Taiwanese society. Moreover, the Chinese ethnic view, or nationalism, is in fact a combination of ethnic identity and nationalism. The transformation of ethnic identity is actually a transformation of national identity. Therefore, for those who identify themselves as Chinese, accepting an identity of "new Taiwanese" is equivalent to no longer being Chinese and losing their homeland. This creates the potential for rebellion, which in fact was reflected in the aftermath of the March 2004 presidential election. Hundreds of thousands of people gathered in front of the presidential palace for several days and nights, each one of them holding the ROC flag and singing the ROC national anthem. These actions were the projection and release of indignation from losing what they felt was their homeland. Today, the DPP is the ruling party, President Chen has been inaugurated as the tenth- and eleventh-

term President of the ROC, and the national flag of the ROC still waves atop the roof of the presidential palace. The ROC has not fallen, as these people accuse, but their dissatisfaction has not abated. The conflict over ethnic problems and over the issue of unification versus independence has become an unstable domestic factor that threatens the guarantee of national security.

Opposition and struggle among Taiwan's political parties have aggravated the divide over Taiwan's national identity and the split among its ethnic groups. In reality, there is no apparent difference between the blue and green views of the cross-strait status quo or the arrangements for the ultimate form of cross-strait relations. Both sides admit that the cross-strait status quo is that there is an independent political entity on each side of the Strait, and both are willing to seek a new model of co-existence and co-prosperity. In August 2003, when President Chen said that the status quo was that there was "one country on each side" of the Taiwan Strait, the KMT indicated that if "one country on each side" meant that one side was the ROC and the other was the PRC, the KMT would not refute this statement at all. With regard to the ultimate form of cross-strait relations, the KMT once posited a confederation model, and even considered writing this model into its party platform. We could argue that the PFP's "one China under one roof" and "two sides, one China" theories are closer to the EU model. Former President Lee Teng-hui once said that Taiwan could consider something like a commonwealth model to construct a "special state-to-state relationship." Prof. Peng Ming-min also once proposed something similar to a commonwealth model, and in his second inaugural address in 2004, President Chen called on the leaders of both sides of the Strait to seriously consider a model of regional integration similar to the EU, a creative proposition for further developing cross-strait relations.

But in the logic of the green and blue forces about political opposition and competition, both sides are unable to stop labeling each other as "pro-unification" or "pro-independence." They are unable to sit down and rationally discuss their common ground to form a consensus. Rather, they use any means possible to widen the gap between them. By mobilizing their people and consolidating their respective bases of support, they have made national identity and the ethnic

divide impossible to reconcile, and they have weakened the strength of collective public support for national security.

## **2. Shortcomings of the Constitutional System of Government and Party Politics**

The shortcomings of Taiwan's democratic constitutional system of government are another factor that threatens Taiwan's national security. The current ROC Constitution and its amendments do not provide the central government with effective policy-making mechanisms. Furthermore, they confound the basic principles of democratic governance, such as majority rule and government accountability. Originally, the ROC Constitution devised a cabinet system for the central government. Under this system, the President is the nominal head of state, and he "reigns but does not rule." The President of the Executive Yuan (Premier) is the chief executive of the highest executive organ of the state, and he "rules but does not reign." Shortly after the Constitution began to be drafted, the Temporary Provisions Effective During the Period of National Mobilization for Suppression of the Communist Rebellion were added, granting then President Chiang Kai-shek tremendous power. This was not a normal democratic presidential system, and it was certainly not the original cabinet system; it was authoritarian rule by the military. We can argue that this completely violated the constitutional system of government established at the time. After the end of the Period of National Mobilization for Suppression of the Communist Rebellion in 1991, the National Assembly passed a constitutional amendment to replace the Temporary Provisions Effective During the Period of National Mobilization for Suppression of the Communist Rebellion. They then went on to make several more amendments to the Constitution, but the central government never returned to its original cabinet system, and in fact resembled something more like a presidential system, a so-called "semi-presidential system" or "dual leadership system." With the introduction of direct presidential elections in 1996, the voters gained the authority to elect their own president. However, the original constitutional system did not follow suit with appropriate amendments, and so the President now appears to have great power. In the constitutional system, however, the Premier is still the highest executive official of the state. In the logic of government accountability,

the Constitution does not grant the President executive authority, and the Premier is required to appear before the Legislative Yuan in interpellation sessions. However, the President has the power to appoint the Premier, for which he is not required to receive the approval of the Legislative Yuan. The result of this system is that power and responsibilities are unclear. The people expect that the President can solve a number of major issues, but the Legislative Yuan often feels that they are unable to oversee the President's policy-making power and that questioning the Premier in interpellation sessions is of no use.

The amendments to the Constitution grant the President the authority to decide major national security policies, as well as dictate that he must form the National Security Council and National Security Bureau. The President, however, is not required to appear before the Legislative Yuan. Instead, the Secretary-General of the National Security Council and the Director of the National Security Bureau must appear before the Legislative Yuan to explain and answer questions about the President's policies. This does not have the same effect as having the President appear personally. While this system avoids embarrassing the head of state in front of the Legislative Yuan, which would damage the nation's image, the President and the Legislative Yuan do not have an institutionally designated forum in which they can engage in dialogue or rational debate over national security issues, after which point those items could ultimately receive the support of the Legislative Yuan before becoming policy. President Chen has expressed willingness to appear before the Legislative Yuan to explain his position on the arms procurement issue, but he was ultimately denied permission to enter. Now we can understand the flaws of the current constitutional system, which are truly a disadvantage to the government's policy-making process on matters of national security.

The executive and legislative branches of the current government are dominated by different political parties, causing a so-called "divided government." While Taiwan is certainly not the world's only example of a divided government, this problem exacerbates the current division over national identity, as well as ethnic divisions. A normal system of party politics has been unable to emerge, and the executive and legislative branches continue to be at odds, rarely able to

respect the logic of checks and balances of a democratic political system. As a result, they have been unable to develop their relationship to the point that they can both monitor and cooperate with each other. To take the recent American arms procurement issue as an example, while the DPP administration is handling an arms procurement bill that was drafted during the KMT administration, the DPP administration has been repeatedly vetoed by the pan-blue-dominated Legislative Yuan. In vetoing this bill, its opponents are failing to consider Taiwan's interests as a sovereign nation. They have criticized the bill as a way of paying protection money to the US and as relying on the US for help. The Ministry of National Defense's message to "love Taiwan, support the arms bill" was immediately turned into an issue of national identity. Views on the arms procurement issue have now been polarized into two positions: "to support the arms bill is to love Taiwan," and "to oppose the arms bill is to not love Taiwan."<sup>14</sup> In the Legislative Yuan, blue and green legislators have hurled back and forth insulting labels such as "China party" and "war party." The alliance against the arms bill even accused the Ministry of National Defense of buying off legislators, compelling other pan-blue legislators to withhold their votes for the bill. Amidst such bitter inter-party squabbling, this arms procurement bill, a vital issue to Taiwan's national security, has turned into a topic of political controversy. Both sides are incapable of sitting down to debate the issue rationally.<sup>15</sup> What should be an issue of the military's professional needs has turned into a petty war of words, and the arms package has turned into a political sacrifice. The fact that Taiwan's national strategic security has been swallowed up by partisan disputes is a real crisis for national security and will both harm Taiwan's long-term national development and weaken the military's resolve in defending the nation.

### ***3. Taiwan has yet to Complete its Economic Structural Transformation and to Integrate its Industrial Upgrading and Development***

The main factors that led to Taiwan's economic success are high quality, high labor inputs, low costs of labor and land (compared to more advanced countries), and a vibrant small-and-medium-sized enterprise sector. During the 1980s, Taiwan gradually established its own research and development and business management capabilities. As many countries (China included), especially the for-

mer communist nations of Eastern Europe, changed to capitalist systems after the collapse of the Soviet Union in the 1990s, Taiwan's economic advantages gradually disappeared. Industrial upgrading, creating high value-added industries, and particularly moving towards a knowledge economy, have now become the key for Taiwan in maintaining a competitive economic edge internationally. Taiwan's originally manufacturing-dominated industries are gradually becoming service-dominated as its economic transformation steadily unfolds.

Although Taiwan's transformation has already done much to improve the overall quality of Taiwan's economy, economic upgrading and industrial transformation are not moving along quickly enough, nor are they complete. Taiwan urgently needs to develop its economy into a knowledge economy, but the necessary measures have obviously not yet been enacted, and the necessary laws and government institutions have not yet been formed. At the same time, the manufacturing industry has not cast off its old business models; manufacturers still expect to take advantage of the old low-wage system by bringing in labor from China and other countries. If Taiwan cannot complete its economic structural transformation in the near term, it will continue to face price competition from China and developing countries in Southeast Asia (such as Vietnam) that have advantages in land and labor costs. Taiwan will also be unable to produce the kind of innovative products that advanced countries produce through skilled labor. In the long run, if Taiwan cannot outpace the countries that are catching up to it, it may very well end up forced out of the race.

According to official trade statistics recently released by the Ministry of Finance, Taiwan's accumulated trade surplus over the first seven months of 2005 amounted to only US\$750 million. Among the four Asian Dragons (or "Asian Tigers"), Taiwan had dropped to third place, barely surpassing only Hong Kong, whose entire manufacturing industry has been moved outside of its borders. The Directorate-General of Budget, Accounting, and Statistics, which operates under the Executive Yuan, estimated that the trade surplus for all of 2005 was only US\$3,500 million, the lowest figure in twenty-four years. Statistics from the Central Bank of China indicate that Taiwan's trade surplus is decreasing faster than any other major Asian nation. Taiwan's trade surplus of US\$750 million over

the first seven months of 2005 represents an 84 percent decrease from the same period in 2004. The scope of this decline is even larger than that of South Korea's economy, which recovered slowly from the East Asian Financial Crisis. From January-June 2005, South Korea had a trade surplus US\$12,815 billion only a 15.8 percent decrease from the same period in 2004. South Korea's trade surplus for all of 2005 was estimated at US\$22 billion .

The huge drop in Taiwan's trade surplus was not caused only by the New Taiwan Dollar's sudden, five-percent rise in value against the US Dollar in the fourth quarter of 2004 and the rise in oil prices in the first half of 2005. Even more important were the weaknesses that developed in the structure of Taiwan's manufacturing industry, which have gradually sealed Taiwan's fate. Taiwan's industries, whether they be the more traditional manufacturing industries or the high-tech electronics industries of the future, rely primarily on taking outsourced work. Taiwan lacks its own brands, patents, key skills, and the ability to manufacture high-end components. As outsourcing in the electronics industry enters the "meager profit era," a factory can only make a five-percent profit by taking outsourced work, and so major laptop manufacturers like Quanta, Compal, and Asus are downsizing and closing their factories one by one, sending larger portions of their production lines to China. "Taiwan receives the orders, China produces the goods" is the solution of export electronics factory owners whose gross profit margins are becoming increasingly weaker, but the proportion of overseas production is growing while domestic production is shrinking. This trend is finally causing Taiwan's exports and trade surplus to decrease, while quietly increasing Taiwan's economic dependence on China. Electronics, computers, and computer accessories are not the only exports that are declining; even Taiwan's second largest export, electronic appliances, is declining. Taiwan's trade surplus in electronic appliances over the first half of 2005 was US\$3,49 billion less than the same period in 2004, a 71.6 percent decrease. The MOEA issued a warning, stating that Taiwan's high-tech industries seemed to be following in the footsteps of the traditional, domestic manufacturing industry, possibly never to recover.

According to relevant research reports, South Korean and Taiwanese factory owners are both sending their domestic manufacturing bases overseas, espe-

cially to China. The difference is that South Korea is sending old manufacturing work and technology overseas while it invests in innovative manufacturing and technology at home. It then sells its products to the old factories that have been moved overseas, allowing its new, domestic factories to take control of new technology and key product components. South Korea requires its overseas manufacturing base to send products back into the country, further promoting South Korea's exports. Conversely, Taiwanese businessmen are becoming less and less effective at taking advantage of overseas investments to boost Taiwan's exports. According to a study by the MOEA, the proportion of original materials supplied to China by Taiwanese businesses reached 49 percent seven years ago. In 2004, that figure was only 39.3 percent. That same proportion for product components and semi-finished goods was 60 percent seven years ago, but it dropped to 46 percent in 2004. It is becoming more and more obvious that Taiwanese businessmen are digging their roots into Chinese soil by acquiring assets there. As South Korea can manufacture cheaper high-end components, such as circuit boards and semiconductors, Taiwan's assembly factories are being required to use Korean products. In summary, both the quantity and quality of products imported from Taiwanese businesses in China are receding noticeably.

Taiwan's trade surplus is shrinking in the current term, and the cause is not just problems in the international trade environment; it is also structural problems in Taiwan's industry. The fact that Taiwan's industry is unable to upgrade, or that it lacks competitive ability, is merely an economic problem in the short run, but it will become a social problem in the long run. More importantly, it is a problem that will hurt Taiwan's national interest. It is also a problem of national security that cannot continue to be ignored.

**4. Prospects for Social Security are Dim, Public Confidence is Low, the Population Structure is Imbalanced, and Problems with the Immigrant Population Abound**

Taiwan became a free society through the process of its democratic reforms, but its concept of social security is thoroughly weak. The social security net is still

in the initial stages. Except for health insurance, job security and social insurance coverage do not yet reach all the people of Taiwan, and the extent of coverage is still restricted and insufficient. The average person's individual vigilance when faced with fraud, counterfeiting, and terrorism is not yet high enough. Except those that deal with criminal offenses, the current laws have not yet demonstrated the efficacy that they should have in a democratic society. Moreover, they have not yet created clear standards for exercising public authority, allowing that authority to effectively handle or protect against major social problems as long as those problems do not threaten the liberties of democratic society. In addition, Taiwan's resilience in facing large natural disasters and Taiwanese society's ability to resist pressure are insufficient. In an age when counter-terrorism has become a major focus of domestic policy reform worldwide, Taiwan's homeland security is in clear need of swift improvement. In summary, as Taiwan now turns to consolidating its democratic governance, particularly in establishing a system and consciousness of social security, it has a great deal of progress left to make.

Beyond just an ethnic divide and contention over national identity, the current disorder in Taiwanese society also includes a serious drop in public confidence. Several basic social institutions that are critical for public confidence, such as currency, a credit system, safety for public facilities, and educational mechanisms, frequently appear in the media due to accounts of counterfeiting, fraud, public crises, and unsafe school conditions. The result of this trend is a problem of public confidence, which is so serious that it has already started to harm social values and unity.

As Taiwan is now a developed society, it is experiencing declining birth rates and, consequently, a problem of population aging. This problem has already begun to affect Taiwan's population structure. According to estimates, Taiwan's population will peak at 23.16 million in the year 2016, after which point it will gradually reduce every year. By 2050, it will be around 16 million. The population at that time will be primarily comprised of the middle aged and elderly, and people of working age will bear the great responsibility of caring for them. The huge social security costs for the elderly will affect Taiwan's economy and finances. If Taiwan cannot solve this problem effectively and immediately, a weakening popu-

lation will affect Taiwan's international competitive ability.

Taiwan's foreign and immigrant populations present another social problem. Since the 1990s, due to rising labor costs and the gradual entrance of labor from communist countries into the labor market during the era of globalization, Taiwan has begun to lose its industrial competitive ability. To maintain their competitive ability, Taiwan's medium-and-small-sized manufacturers began to seek cheap, foreign labor. At the same time, after Taiwan transformed from an agrarian society into an industrialized society, family structures underwent great changes. Small households and nuclear families became the mainstream, creating an increasing need for domestic care. This in turn became another reason to bring in foreign labor. Including the increasingly common appearance of Chinese and Southeast Asian (primarily Vietnamese) brides in Taiwan, these factors are causing the foreign population to increase rapidly in post-1990s Taiwan.

Currently, the largest proportion of foreigners and immigrants in Taiwan is foreign brides. Foreign workers who stay in Taiwan still represent a comparatively limited proportion. Taiwan's laws for handling foreigners and immigrants are not yet perfect, and the social measures for handling immigrant affairs are insufficient. At the same time, the collective level of acceptance of foreigners within society remains to be studied, making it more difficult for foreigners to integrate into their new society in Taiwan. This will become an inevitable challenge for Taiwan in the remainder of the twenty-first century. The recent riots by Thai laborers working on the Kaohsiung Mass Rapid Transit System are a strong reminder of this fact.

#### **5. Available Land is Disappearing, and Natural Resources are Sparse**

Taiwan's diminishing available land and sparse natural resources constitute a major challenge for Taiwan's military and social security. With regard to military security, the diminishing land means that in the event of a foreign invasion, Taiwan would not have the strategic depth to "exchange land for time." Taiwan's overly dense population also means that if Taiwan were to face military and security threats, it would lack strategic flexibility. It also decreases society's ability to rebuild itself.

Due to the fact that Taiwan lacks its own natural resources, yet has developed into a highly industrialized nation, particularly with a strong focus on manufacturing, Taiwan relies heavily on imported energy and raw materials. According to statistics, ninety percent of Taiwan's oil comes from the Persian Gulf, proving Taiwan's reliance on foreign sources. The majority of the world's oil reserves are currently in politically unstable regions, and the development of substitutable energy is still limited. It also goes without saying that the development of the Indian economy will bring a greater demand for energy, and the risks of nuclear energy are too high, making it unsuitable for continued use in a country so densely populated as Taiwan. When energy sources are not guaranteed and demand is increasing rapidly, Taiwan's already shallow resource reserves will be put under further pressure.

In summary, Taiwan is unable to withstand a drawn-out war, because its natural resources and economic independence are limited. In addition to losing its available land, Taiwan is surrounded by water on all sides and lies close to China. It needs to take the fight outside of its own borders in order to survive a prolonged conflict. Taiwan is a nation founded on foreign trade; foreign trade constitutes eighty percent of its total economy. Combined with the fact that Taiwan is highly dependent on energy and raw materials from other countries, Taiwan will suffer greatly if it is closed off internationally. Generally speaking, Taiwan's diminishing available land and shortage of natural resources cause Taiwan's national security strategy to lack depth. This is a serious, inherent disadvantage for Taiwan.

## Notes

<sup>1</sup> Ministry of Foreign Affairs, "Zhonghua Minguo (Taiwan) dui Zhongguo Zhiding 'Fan Fenlie Guojia Fa' zhi Lichang" ("The Republic of China's (Taiwan's) Position on China's Anti-Secession Law"). Press releases, 2005.03.29.

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<sup>6</sup> Chen Shui-bian, "President Chen Presides over a High-Level National Security Meeting." Mainland Affairs Council, Mainland Policy Documents, 2004.10.10, <http://www.mac.gov.tw/english/index1-e.htm>, last viewed on 2006.09.20.

<sup>7</sup> Adapted from Lai I-chung, "Gaige de Zhishi Dianfan Xuyao Chongzheng" ("A Call to Rally the Intellectual Model of Reform"). *China Times*, 2005.10.08, p. A15.

<sup>8</sup> Mainland Affairs Council, "2004 Annual Report." Mainland Affairs Council, <http://www.mac.gov.tw/big5/rpir/pub/lish/book375.pdf> (Chinese), last viewed on 2006.10.04.

<sup>9</sup> Adapted from Lai I-chung, "Bei Lian Song Hu Gaibian de Mei Zhong Tai Zhanlue Fangchengshi" ("US-China-Taiwan Strategic Formula Changed by the Lien-Hu and Soong-Hu Meetings"). *Taiwan Daily*, 2005.05.18.

<sup>10</sup> Adapted from Chen Charng-Ven, "Fan Fenlie Fa You ZHEME Yanzhong?" ("Is the Anti-Secession Law Really so Serious?"). *China Times*, 2005.03.16, p. A15.



<sup>11</sup> *The Military Power of the People's Republic of China 2005, Annual Report to Congress*, Pentagon: Office of the Secretary of Defense.

<sup>12</sup> *The Military Power of the People's Republic of China 2006, Annual Report to Congress*, Pentagon: Office of the Secretary of Defense.

<sup>13</sup> Mainland Affairs Council, *"Minzhong dui Dalu Zhengce ji Liang An Guanxi de Kanfa Zonghe Fenxi Baogao"* ("A Comprehensive Analysis of Public Opinion on China Policy and Cross-Strait Relations"). 1986-2003, <http://www.mac.gov.tw/>, last viewed on 2006.10.04.

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## Chapter

# *Analyzing Beijing's Current Taiwan Strategy*

## **Beijing's Strategic Objectives for Taiwan**

The Beijing government and the CCP present the greatest current threat to Taiwan's national security. The problem does not stem from the so-called Taiwan independence secessionist forces, but rather from the fact that the CCP and the PRC cling to the position that "Resolving the Taiwan question and accomplishing China's complete reunification is one of the three historic tasks of [their] Party and [their] country (explanation of the draft Anti-Secession Law by Wang Zhaoguo, Vice Chairman of the Standing Committee of the NPC)." Beijing has deliberate plans to unify with Taiwan, eliminate the ROC, and place Taiwan under the rule of the PRC, constituting the greatest national security concern for the ROC on Taiwan. The "problem of Taiwan independence" is not actually a problem. In accordance with the democratization and constitutional reforms of the 1990s, Taiwan is a sovereign, independent nation that belongs to the twenty-three million people of Taiwan, and the ROC is Taiwan. Taiwan is a sovereign, independent nation. Why does it need to declare independence again? Taiwan is not a colony of another country. Who does it need to declare independence from? We could only believe in a problem of Taiwan independence if we were unclear about these facts.

Beijing wants to "[Resolve] the Taiwan question and [accomplish] China's complete reunification," but the people of Taiwan do not view the PRC as their motherland, and they cannot possibly accept the notion of national reunification.<sup>1</sup> Taiwan is not a problem; Taiwan is a true success story. It is only because Beijing sees that it cannot achieve "one of the three historic tasks of [its] Party and [its] country" that it makes this criticism in the legal explanation of the draft Anti-

## Secession Law:

*In recent years, however, the Taiwan authorities have intensified their "Taiwan independence" activities aimed at separating Taiwan from China... gravely threaten China's sovereignty and territorial integrity, seriously endanger the prospects for a peaceful reunification and severely undermine the fundamental interests of the Chinese nation. They have posed a serious threat to peace and stability in the Taiwan Straits and the Asia-Pacific region as a whole ....<sup>2</sup>*

These unfounded accusations are an intensified effort by Beijing to achieve unification and find an excuse to use force against Taiwan.

It is clear that "Solving the Taiwan question and achieving national reunification," as proclaimed in Article 3 of the Anti-Secession Law, is the CCP's unchanging strategic objective for Taiwan. In order to achieve this goal, the CCP has a "two-handed strategy" that includes peaceful reunification and non-peaceful means for reunification. Using the two sides of this strategy in alternation has been an unchanging principle for the CCP. However, you can't spell "unchanging" without "changing," and this strategy certainly has its element of flexibility. But while China is able to dazzle foreign audiences with its clever rhetoric, the CCP has never changed its position on this issue. "Resolving the Taiwan question and accomplishing China's complete reunification" are its ultimate objectives.

### The Guiding Principles and Key Policy Points in Achieving these Strategic Objectives

Beijing began to make unification with Taiwan its consistent objective as early as when Mao Zedong announced the founding of the PRC. During the Mao era, the PRC's unambiguous policy was to "liberate Taiwan" by force. After Mao's death, Deng Xiaoping unseated Hua Guofeng, Mao's designated successor. In 1978, with Deng as the third leader of the CCP, the CCP's basic Taiwan policy changed to "peaceful reunification and one country, two systems," but the CCP

would still not relinquish the option of using force to unify with Taiwan.

A white paper issued by the CCP on February 21, 2000, entitled "The One-China Principle and the Taiwan Issue," emphasized that:

*On Comrade Deng Xiaoping's initiative, the Chinese government has, since 1979, adopted the policy of peaceful reunification and gradually evolved the scientific concept of "one country, two systems." On this basis, China established the basic principle of "peaceful reunification, and one country, two systems." The key points of this basic principle and the relevant policies are: China will do its best to achieve peaceful reunification, but will not commit itself to rule out the use of force; will actively promote people-to-people contacts and economic and cultural exchanges between the two sides of the Taiwan Straits, and start direct trade, postal, air and shipping services as soon as possible; achieve reunification through peaceful negotiations and, on the premise of the One-China Principle, any matter can be negotiated. After reunification, the policy of "one country, two systems" will be practiced, with the main body of China (Chinese mainland) continuing with its socialist system, and Taiwan maintaining its capitalist system for a long period of time to come. After reunification, Taiwan will enjoy a high degree of autonomy, and the Central Government will not send troops or administrative personnel to be stationed in Taiwan. Resolution of the Taiwan issue is an internal affair of China, which should be achieved by the Chinese themselves, and there is no call for aid by foreign forces.*

This excerpt explains clearly that peaceful reunification and one country, two systems is the basic Taiwan policy that Deng Xiaoping set for the CCP. The key points of this policy are: not to pledge to relinquish the use of force, to actively promote the Three Links, to engage in negotiations under the one China principle, to enact the one country, two systems formula after unification, and that the Taiwan problem is China's domestic affair and requires no support from foreign forces. However, within this notion of unification, China assumes a dominant role while Taiwan assumes a subordinate one. Taiwan is expected to recognize the

Beijing government as the central government, after which point this central government will be so magnanimous as to allow Taiwan to enjoy a high degree of political autonomy, and will not station its troops or administrative personnel in Taiwan. In addition, Taiwan will be allowed to maintain its capitalist system for a long period of time. This policy promises nothing more than to annex Taiwan, eliminate the ROC, and place Taiwan under the rule of the PRC.

An official report issued during the Third Session of the Tenth National People's Congress in March 2005 by Premier of the State Council, Wen Jiabao, yet again emphasized the basic policy of peaceful reunification and one country, two systems. Subsequently, when Hu Jintao proposed his four points when he chaired the Third Session of the Tenth Chinese People's Political Consultative Conference, he did not forget to emphasize the consistent, basic Taiwan policy of peaceful reunification and one country, two systems. We can see that the CCP's current strategic objectives for Taiwan, as well as its guiding principles and important policies for achieving these goals, are an obvious extension of the position established by Deng Xiaoping. They have not changed in the slightest, and they have no room for flexibility.

### The Anti-Secession Law

In order to further put Deng Xiaoping's Taiwan policies into practice, China drew up the Anti-Secession Law in March 2005. The legal explanation of the draft Anti-Secession Law clearly explains that "The thoughts of the three generations of Chinese central collective leadership, particularly those of Comrade Deng Xiaoping and Comrade Jiang Zemin, on resolving the Taiwan question and the principles and policies adopted by China's central authorities have provided clear guidance and a policy basis for this legislation,"<sup>3</sup> showing that Beijing had been planning to draft this law for quite some time. Beijing was not forced by Taiwan independence secessionist forces to draft this law, as the legal explanation and even some people in Taiwan criticize.

It should come as no surprise that the ten Articles of the Anti-Secession Law

are in essence the integration of Deng Xiaoping's one country, two systems formula from 1984, Jiang Zemin's "eight points" from 1995, the Report of the Sixteenth National People's Congress from 2002, the May 17 Statement from 2004, and Hu's four points from 2005. In fact, if we ignore the clause, "This Law is formulated, in accordance with the Constitution," in Article 1, and the clause, "This Law shall come into force on the day of its promulgation," in Article 10, this law is full of language that is rarely seen in normal legislation, for example: "shall never allow," "under any name or by any means," "maximum sincerity," and "shall do its utmost," among others. The Anti-Secession Law lacks the accurate and precise language that any legal text should have. In addition, the interpretation of all matters described in the law, from the recognition of "secessionism" to the use of "necessary measures," is left solely to the discretion of the government of the PRC. This law represents nothing more than the codification of the government's past decrees.

In addition, by listing three situations under which "the state shall employ non-peaceful means and other necessary measures," this law provides further legal authorization for the use of force against Taiwan. Beijing has time and again articulated its conditions for the use of force against Taiwan. In 1980, Beijing said that the five conditions for using force against Taiwan were: if Taiwan were to develop nuclear weapons, if Taiwan were to declare independence, if foreign forces were to intervene, if Taiwan were to approach the USSR, and if Taiwan were to experience internal turmoil. In 1990, these five conditions changed into two conditions: if Taiwan were to declare independence, and if foreign forces were to intervene. The 2000 white paper, "The One-China Principle and the Taiwan Issue," emphasized three conditions: "if a grave turn of events occurs leading to the separation of Taiwan from China in any name, or if Taiwan is invaded and occupied by foreign countries, or if the Taiwan authorities refuse, sine die, the peaceful settlement of cross-Straits reunification through negotiations." The May 17 Statement of 2004 added the condition "major incidents of 'Taiwan independence.'" Now, the Anti-Secession Law lists three situations in which China would use force against Taiwan, revealing that Beijing has never given up the option of using force against Taiwan. It has been Beijing's consistent policy all

along.<sup>4</sup>

If we take a closer look at the content of this law, we can see that Articles 3-5 clearly express three main points: to support the one China principle, to solve the Taiwan problem, and to achieve national reunification. We could say that the CCP has now clearly articulated its strategic goals for Taiwan in the text of a legal document. In order to achieve these strategic goals for Taiwan, the CCP has a two-handed strategy, which is made up of a hard strategy (non-peaceful means for reunification) and a soft strategy (peaceful reunification). For the hard strategy, the Anti-Secession Law lists three points of no return for using non-peaceful means to force unification with Taiwan: "...in the event that the 'Taiwan independence' secessionist forces should act under any name or by any means to cause the fact of Taiwan's secession from China, or that major incidents entailing Taiwan's secession from China should occur, or that possibilities for a peaceful reunification should be completely exhausted...." If the State Council and the CMC determine that Taiwan has crossed any of these points, "the state shall employ non-peaceful means and other necessary measures to protect China's sovereignty and territorial integrity."

As part of its soft strategy, Beijing has outlined topics for peaceful cross-strait negotiations in the Anti-Secession Law, and it has divided these into high-level and mid-to-low-level political topics. With regard to high-level political topics, Article 7 of the Anti-Secession Law states that "The state stands for the achievement of peaceful reunification through consultations and negotiations on an equal footing between the two sides of the Taiwan Straits." But what is "peaceful reunification?" In this case, it means that Taiwan must voluntarily accept unification with the PRC as a precondition for peace, and that Taiwan must accept this precondition in order to have "consultations and negotiations on an equal footing between the two sides of the Taiwan Straits." In what way does this constitute consultations on an equal footing? We can see that the Anti-Secession Law contains six topics for cross-strait negotiations:

- (1) *officially ending the state of hostility between the two sides*
- (2) *mapping out the development of cross-Straits relations*

(3) *steps and arrangements for peaceful national reunification*

(4) *the political status of the Taiwan authorities*

(5) *the Taiwan region's room of international operation that is compatible with its status*

(6) *other matters concerning the achievement of peaceful national reunification*

Amongst these six topics, there is not one that does not seek to pull Taiwan under the umbrella of the PRC's rule and force Taiwan to recognize the Central People's Government as its ruling government. In particular, "the political status of the Taiwan authorities" and "the Taiwan region's room of international operation that is compatible with its status" must be approved by the Central People's Government before they can be afforded to Taiwan. Taiwan must give up its sovereign status and the ROC in order to attain a high level of political autonomy under the one country, two systems formula, similar to that of Hong Kong. The Anti-Secession Law completely eliminates the possibility of negotiations on an equal footing; it only allows for negotiations in which Taiwan surrenders to the PRC. If these negotiations are to be truly equitable, both sides should negotiate not only "the political status of the Taiwan authorities," but also "the political status of the Beijing authorities" and "the mainland region's room of international operation that is compatible with its status." Only by discussing these two issues will "cross-strait consultations on equal footing" have any real meaning.

With regard to mid-to-low-level political topics, the Anti-Secession Law contains several measures for developing cross-strait relations, including:

- (1) *to encourage and facilitate personnel exchanges across the Straits for greater mutual understanding and mutual trust*
- (2) *to encourage and facilitate economic exchanges and cooperation, realize direct links of trade, mail and air and shipping services, and bring about closer economic ties between the two sides of the Straits to their mutual benefit*

- (3) to encourage and facilitate cross-Straits exchanges in education, science, technology, culture, health and sports, and work together to carry forward the proud Chinese cultural traditions*
- (4) to encourage and facilitate cross-Straits cooperation in combating crimes*
- (5) to encourage and facilitate other activities that are conducive to peace and stability in the Taiwan Straits and stronger cross-Straits relations*

These items pertain primarily to cross-strait trade and economics, as well as social and cultural exchange. Beijing can initiate some of them by itself, but others require the authority of both sides to create mechanisms of collective management (such as direct cross-strait flights). Measures in the latter category are only possible with authorization from the governments or government-authorized civil organizations on both sides of the Strait.

We can argue that the content of these items for negotiation are the codification of the May 17 Statement and Hu's four points. It is through these items, however, that the Anti-Secession Law has created such a strict framework for negotiations. The structure of this framework is built around several pillars on which Beijing refuses to yield an inch, all of which revolve around the one China principle:

- (1) Through the discourse on the Chinese Civil War, the PRC denies the existence of the ROC. The only "China" is the PRC (ie - there is no future-tense interpretation here), and there is no room for the co-existence and co-prosperity of the ROC and the PRC. Under Beijing's one China principle, Beijing not only refuses to recognize the ROC internationally and in cross-strait interactions, but of all the hypothetical models for future cross-strait integration, besides the one country, two systems model, Beijing adamantly opposes any model that allows the ROC and the PRC to co-exist and co-prosper. The PRC rejects models ranging from the confederation model, the commonwealth model, "one China

under one roof," and the "two Germanies" model, to the EU model.

- (2) Taiwan is part of the sacred territory of the People's Republic of China, and the state shall never allow Taiwan to secede from China. Due to complex historical factors from the Chinese Civil War in the twentieth century, the territory of Taiwan has not been reclaimed. However, the PRC replaced the ROC in 1949, and so it inherited the territory that the ROC claimed in 1945, just as the ROC inherited the territory of the Qing Dynasty in 1912. Throughout China's history, this was the process of dynastic change, and in principle, it is natural for the new government to inherit the property of the previous government. For this reason, there is no way that Taiwan can be independent from the PRC. If the twenty-three million people on Taiwan are unwilling to accept the rule of the Central People's Government of Beijing and become its obedient citizens, should the PRC treat Taiwan as the Japanese did when they colonized it, allowing a two-year buffer period for dissidents to leave? The PRC has not made a concrete decision, but it allows the issue to be discussed.
- (3) Taiwan is merely a region; the PRC does not accept the fact that there is a separate political entity on each side of the Strait. Although Article 2 of the Anti-Secession Law states that "Both the mainland and Taiwan belong to one China," this "one China" can only be interpreted as the PRC. Under this precondition, the "mainland" and "Taiwan" are merely geographical terms; they do not refer to political entities. Both places are the sacred territory of the PRC, and the PRC does not accept the objective fact that there is a permanent political separation across the Taiwan Strait. Therefore, according to Article 7, cross-strait negotiations can only touch on "the political status of the Taiwan authorities." If the PRC could accept the political separation across the Taiwan Strait, cross-strait negotiations would have to touch on the political status of the "Beijing authorities" and the "Taiwan authorities," or their collective status. The ROC should not have to solicit Beijing's approval and recognize Beijing as the central government in order to discuss the political status of the

Taiwan authorities. If it does so, there is nothing to discuss.

- (4) Taiwan must accept peaceful national reunification in order for the motherland to instate the one country, two systems model in Taiwan that has already been instated in Hong Kong. How flexible is one country, two systems? Whether or not Beijing would instate "one country, three systems" or "one country, N systems" merely depends on whether or not Taiwan's performance can persuade Beijing to show "mercy." If the motherland is not reunified peacefully, and instead uses non-peaceful means to take back Taiwan, Beijing's style of governance over Taiwan will depend entirely on Beijing's disposition.

Under this strict framework, how much room does Taiwan have for negotiations? Beijing holds all the power to initiate negotiations, and it has adopted a policy of "leniency for cooperation, punishment for resistance" towards Taiwan in order to divide Taiwanese society. It applies differential treatment to entice different political parties and political actors in Taiwan to engage in negotiations with Beijing. Beijing grants more favorable terms to those who are more cooperative. The result is that different political forces in Taiwan are jumping on the Beijing bandwagon, struggling for Beijing's favor, taking credit for achievements that are not their own, and attacking their political opponents. In this way, they can prove to Beijing that they are the ones with whom Beijing should negotiate, and at the same time they can criticize their opponents for having a lower status in Beijing's eyes and being unable to engage in negotiations. Furthermore, they can attack the government's reputation and denounce those in power as incompetent. Even in low-level political matters, unless the Taiwanese can accept the abovementioned strict framework for negotiations, Beijing will absolutely not allow the Taiwanese government or authorized civil society organizations to engage in negotiations. Instead, Beijing divides Taiwanese society and allows those various political parties and political actors that are willing to cooperate to engage in negotiations. It then turns around and pressures the government into making all kinds of concessions, threatening that, otherwise, it will disregard the fate of the Taiwanese people.

In summary, Beijing uses the Anti-Secession Law of the NPC to not only violate principles of peace in international law, harm Taiwan's democratic development, and disrupt the status quo and future prospects for cross-strait relations, but also to copy half of the existing war laws of the US. The government and the people of Taiwan, as well as the rest of the international community, collectively condemn this behavior. Taiwan's Ministry of Foreign Affairs (MOFA) and relevant scholars and experts have issued stern statements and criticisms,<sup>5</sup> as described below:

### ***1. Violating the Spirit of International Law***

**1.1 Violating the principles of popular sovereignty and self-determination:** According to the theory of popular sovereignty and the principle of self-determination, which is explained in the Charter of the United Nations (UN), the sovereignty of the ROC belongs to the twenty-three million people of Taiwan. Furthermore, according to the essential qualifications of statehood and foreign diplomacy set forth in the 1933 Montevideo Convention on the Rights and Duties of States, it is difficult to deny the ROC's status as a sovereign, independent country. US Secretary of Defense Donald H. Rumsfeld currently affirms that Taiwan is a sovereign nation, and it must make its own decision whether or not to purchase arms from the US to defend its national security.<sup>6</sup> The Anti-Secession Law is a domestic law that was created unilaterally by the PRC. The people of Taiwan are not citizens of the PRC, but the legal explanation of the draft Anti-Secession Law proclaims that "Taiwan is part of the sacred territory of the People's Republic of China." The law itself proclaims that "Taiwan is part of China," and it calls on the people of Taiwan to "[accomplish] the great task of reunifying the motherland." It stipulates that it will use non-peaceful means to achieve reunification in three situations, clearly violating the principle of self-determination and the sovereignty of the ROC.

**1.2 Violating the principle of peace:** The Charter of the UN emphasizes maintaining world peace and security and not resorting to force to solve disputes. In 1984, the UN General Assembly passed the Declaration of the Right of Peoples to Peace, affirming that peace is the sacred right of all people. It also

required that all member states refrain from the threat or use of force, and that they respect the principle of resolving disputes through peaceful means, as stipulated by the UN Charter.<sup>7</sup> The Anti-Secession Law, unilaterally drafted by China, is a domestic law. Taiwan is not under China's jurisdiction, and this law should not extend to Taiwan. However, this law clearly puts forth the use of non-peaceful measures against Taiwan, flagrantly violating the principle of peace in the UN Charter and the Declaration of the Right of Peoples to Peace.

## **2. *Harming Taiwan's Democratic Development***

The establishment of this law not only denies democratic values, but also violates the will of the Taiwanese people. This law not only denies the universal value of democracy; it also violates mainstream public opinion in Taiwan.

**2.1 Denying democratic values:** The greatest difference between Taiwan and China is that Taiwan is committed to democracy and human rights, whereas China is not. China is still a one-party, authoritarian state, its people deprived of their rights and liberties, and the international community continues to condemn China's human rights record. Over the past fifty years, Taiwan's political system has turned into a diverse democracy through a successful transfer of power, and its people enjoy full political and civil liberties, can amend their constitution, directly elect their head of state, and choose those who represent their will to sit in the national legislature. They also have the right to assemble and form civil society organizations, and freedom of speech and of the press. Taiwan thoroughly safeguards these basic human rights. The Anti-Secession Law maliciously distorts Taiwan's deepening democracy into Taiwan independence secessionist forces and authorizes the authoritarian Chinese State Council and CMC to use non-peaceful means to unify with Taiwan. This is slander against the universal values of freedom, democracy, and human rights, and furthermore, it represents a step backward for human civilization.

**2.2 Violating the will of the Taiwanese people:** President Chen and the DPP administration assert that "The Republic of China is a sovereign and independent country, the sovereignty of this country is vested in the 23 million people of Taiwan, and only these 23 million people have the right to decide on any

change to the future of Taiwan." This is the greatest consensus among Taiwan's society about national sovereignty and Taiwan's future, and it is the greatest common denominator between the ruling and opposition parties. According to a public opinion survey conducted by the Institute for National Policy Research after China drew up the Anti-Secession Law, 93.4 percent of Taiwanese people surveyed opposed the non-peaceful means that the Anti-Secession Law describes for solving the sovereignty dispute between Taiwan and China.<sup>8</sup> On March 4, 2005, members of the Legislative Yuan from both the ruling and opposition parties passed a resolution calling on Beijing to think carefully before taking any dangerous actions. Some believe that the NPC does not even represent the people of the PRC, because members of the NPC are chosen through indirect elections. Such a method is not the same as direct elections by the people, which are inherent in a regular democratic country, calling into question just how representative of the population the NPC is. Among the 2,896 members of the NPC who voted on this law, not a single one was elected by the twenty-three million people of Taiwan. As this law is in no way based on the will of the Taiwanese people, it should have no effect on Taiwan or the Taiwanese people.

## **3. *Disrupting the Cross-Strait Status Quo and Prospects for the Future***

**3.1 Distorting the nature of cross-strait issues:** The legal explanation of the draft Anti-Secession Law proclaims that "Taiwan is part of the sacred territory of the People's Republic of China." Article 2 of that law states that "Taiwan is a part of China." Article 3 states that "The Taiwan question is one that is left over from China's civil war of the late 1940s." Through these statements, the PRC attempts to present the theory that the PRC replaced the ROC after the CCP defeated the KMT in the Chinese Civil War in the twentieth century, and therefore the PRC has the right to inherit Taiwan as part of the territory that it inherited from the ROC. This theory is a blatant distortion of history and the present reality, and these statements are preposterous. It is Taiwan's duty to spread the word to the rest of the world that there is no Taiwan problem. The only problem is that the PRC wants to assimilate Taiwan but has been unable to do so. If we look back into history, we will see that it is true that the CCP defeated the KMT, but that does not mean that the ROC was eliminated. The ROC still has people, sover-

eignty, a government, and territory, the four qualifications of statehood (although the ROC's effective jurisdiction is limited to Taiwan, Penghu, Kinmen, and Matsu). In addition, the people of Taiwan never had a hand in initiating the Chinese Civil War, nor did they ever hope to get caught up in it. The Chinese Civil War ended in the twentieth century, and the CCP established the PRC in 1949, extending their rule to the territory and 1.3 billion people that originally belonged to the ROC. In addition, the PRC is even recognized by the majority of countries in the world today. After the constitutional reforms in 1991, Taiwan renounced its claim to represent the mainland. Taiwan affirmed that the ROC was comprised of the twenty-three million people of Taiwan and did not include the 1.3 billion people on the mainland, and that the ROC's sovereignty belonged to the twenty-three million people of Taiwan. Taiwan has realized this claim to sovereignty by means of its democratic system of government, which grants sovereignty to the twenty-three million people of Taiwan in their daily lives. The ROC government has also ruled that anyone who wants to enter Taiwan's borders (and this has been agreed upon by the international community), regardless of whether they are from a country that has diplomatic relations with the ROC or not, and including citizens of the PRC, must obtain a Taiwan visa in order to enter legally. Even Beijing has agreed to this ruling. Article 5 of the Agreement on the System for Contacts and Meetings between SEF and ARATS, one of the four agreements signed during the 1993 Koo-Wang talks in Singapore, clearly states, "Both sides agree that, according to the terms of this agreement, both sides will grant preferential visa and customs treatment to personnel from both foundations, and the specific measures for granting such treatment will be negotiated in another session." Then, in 1994, the Straits Exchange Foundation (SEF) and the Association for Relations Across the Taiwan Strait (ARATS) signed the "Special Consular Arrangement for SEF and ARATS Personnel," taking one step closer to realizing the agreement from the Koo-Wang talks. This was essentially an agreement to grant preferential customs clearance to SEF and ARATS personnel when they visited one another for consultation and negotiation sessions. In addition to this consular agreement, there is also an agreement concerning diplomatic visits, under which the SEF and ARATS have each agreed to let the other represent its own government. This proves that Taiwan is not part of the "sacred territory" of

the PRC. Thus, the Chinese Civil War ended in the twentieth century; it has not left any lingering questions in the twenty-first century. The Anti-Secession Law does nothing more than expose the problem that the PRC wants to assimilate Taiwan but is unable to do so.

**3.2 Unilateral attempts to change the status quo:** The current status quo, in which neither side of the Taiwan Strait belongs to the other, has already existed for over half a century. Previous public opinion surveys in Taiwan all show that eighty percent of the Taiwanese people favor maintaining the status quo. It is also the mainstream view in the international community that both sides of the Strait should maintain the status quo and should peacefully resolve their different viewpoints through dialogue. However, the Anti-Secession Law does not recognize a version of the status quo in which the ROC exists. It believes that there is only a Taiwan problem, left over from the Chinese Civil War of the past century. In Beijing's definition, that problem is that the Beijing government has not yet reclaimed the sacred territory of the People's Republic of China and that the people of Taiwan have not yet been placed under the jurisdiction of the PRC. For this reason, the Anti-Secession Law makes the unilateral declaration that "reunification" is the legal "obligation" and "sacred duty" of the people of Taiwan. If the people of Taiwan do not obey, they are seen as Taiwan independence' secessionist forces who are attempting to disrupt national reunification. "The state shall never allow the 'Taiwan independence' secessionist forces to make Taiwan secede from China under any name or by any means," or else "the state shall employ non-peaceful means and other necessary measures to protect China's sovereignty and territorial integrity." Statements such as these are clearly unilateral attempts to change the status quo in the Taiwan Strait through military means.

**3.3 Refusing potential models for future cross-strait political status:** Article 5 of the Anti-Secession Law stipulates that if Taiwan accepts peaceful reunification with the PRC, "After the country is reunified peacefully, Taiwan may practice systems different from those on the mainland and enjoy a high degree of autonomy." How flexible is the definition of "systems different from those on the mainland?" Whether or not those systems could be "one country, two systems,"



"one country, three systems," or "one country, N systems" depends on whether or not Taiwan's actions can satisfy Beijing. If the "nation" is not reunified peacefully, and instead uses non-peaceful means to take back Taiwan, Beijing's style of governance over Taiwan will depend entirely on Beijing's mood. Taiwan is given only this binary choice. Other potential models for the future political status of Taiwan are eliminated as possibilities, from the confederation model, the commonwealth model, one China under one roof, and the two Germanies model, to the EU model. Beijing adamantly opposes all of these.

#### **4. Copying Half of the War Laws of the United States**

The word "secession" in the English translation of the Anti-Secession Law has particular historical significance for Americans, and it strikes a sensitive nerve in American society. The American Civil War began after eleven Confederate States announced independence from the Union in 1861. Since that time, when American legal and history textbooks discuss the national split, they use the term "secession." This term does not only mean "withdrawal" and "separation;" it also has connotations of treason.<sup>9</sup> Beijing uses this translation to show the US that the CCP is trying to crush a sort of "traitorous," "secessionist" behavior on the part of Taipei. Beijing hopes that if it compares this situation to the American Civil War, the US will not apply a double standard by opposing Beijing. However, there is no comparison between current cross-strait relations and the American Civil War of the nineteenth century. Furthermore, it was the CCP, not the KMT government, who split China and caused the cross-strait status quo. If we want to accuse one side of splitting China, it should be the CCP, not the ROC on Taiwan.

In addition, when drawing up the Anti-Secession Law, Beijing even adopted part of the spirit of the US' War Powers Resolution of 1973. According to this law, if American soil or armed forces are attacked, the President shall declare war, but he must seek the approval of Congress within twenty-four hours. If Congress opposes his decision, Congress can require the US military to withdraw within sixty to ninety days. On paper, the War Powers Resolution gives equal power to the President and Congress, but in reality, the President still holds a great deal of

the power. That is to say, if the President wants to wage a war that lasts for only ninety days or fewer, even if Congress vetoes the move, the President's decision cannot be reversed.<sup>10</sup>

It is worth noting that even if the US starts a war, Congress must approve the measure within twenty-four hours. If Congress does not approve the measure, the US military must withdraw within sixty to ninety days. The Anti-Secession Law, however, gives the authority to declare war exclusively to the State Council and the CMC. It does not stipulate that they must seek approval from the NPC within any particular timeframe; they need only report to the Standing Committee of the NPC. In addition, this law does not grant the NPC the authority to veto the declaration of war. This means that the State Council or the CMC could at any time unilaterally decide that Taiwan had crossed one of the three points of no return and thus attack Taiwan. Although the NPC is an executive rubber stamp, it cannot simply authorize a decision by the State Council or the CMC to declare war without first making a critical evaluation of this decision. In addition, it has never taken away the authority to unilaterally dispatch troops from the State Council or the CMC. This has left these two state organs with a great deal of power to make their own policy decisions, and it has increased the risk of war in the Taiwan Strait.

### **The Three Major Issues**

In order to achieve its strategic objectives for Taiwan, namely "solving the Taiwan question and achieving national reunification," Beijing has decided on three major issues in its battle of rhetoric. They are: the one China principle, Chinese nationalism, and China's peaceful development (or rise). These three major issues form a united front against China's domestic population, Taiwan, and the international community. We can elaborate on these issues further:

#### **1. The One China Principle**

##### **1.1 The one China principle is China's strategic framework for its Taiwan policy.**

The one China principle is China's strategic framework for its Taiwan policy, and China applies it at all levels when dealing with Taiwan. For example, internationally, China constricts Taiwan's space for diplomacy and existence, and gives the Taiwan problem a domestic status. Domestically, China uses the protection of its sovereignty and territorial integrity as an excuse to consolidate the authoritarian rule of the CCP within China. In cross-strait relations, China denies Taiwan's legal system and jurisdiction as a basis for cross-strait negotiations, and it restricts Taiwan's strategic framework for negotiations. For example, China has declared time and time again that Taiwan must accept China's definitions of the 1992 Consensus and the one China principle in order to resume cross-strait negotiations. This is China's method for applying the one China principle framework to cross-strait negotiations.

### **1.2 The one China principle is China's policy tool for controlling the entire process and outcome of negotiations.**

A great deal of experience in negotiating with China has shown that, at first, China will find a way to persuade the other party to agree to several seemingly innocuous, inconsequential principles, but it will not define the substantive content of these principles. This tactic can facilitate smooth negotiations with few objections or can leave the other party with no way to object on the basic grounds of its position and morals. If the other party accepts, it is trapped, because this becomes the framework that China uses to control the entire process and outcome of the negotiations. Throughout the negotiations, China will bring up these principles to attack the other party, accusing it of violating these basic principles or the "spirit" of these basic principles. "Spirit" really has no meaning here, and it is used purely to attack or shame the other party. It is meant to frame the other party as the guilty party that broke the negotiations, or to put pressure on the other party to make it at least partly responsible for breaking negotiations.

### **1.3 China has a monopoly over the authority to define, reform, and explain the content of the one China principle, and over the authority to criticize and even punish the other negotiating party for violating this principle.**

Simply speaking, the issue of the one China principle is the issue of China's desire to unify with Taiwan. During the era of KMT rule, whether it was on moral grounds or a more basic position, the KMT could not deny the issue of unification. This position was skillfully turned into the one China principle, which became the framework for interaction with China, a framework that imposed all kinds of restrictions on Taiwan, tying its hands and feet, and one that has been difficult to breach. China's strategy of creating the one China principle, but then refusing to engage in discussions over its content, is primarily a way of maintaining the strategic high ground in negotiations. On the surface, China's rationale is that a "principle" is abstract, so it is unnecessary for both sides to discuss its substantive content; they just need to accept it. As soon as the other party accepts the principle, that party has given Beijing the authority to define, change, and explain the content of that principle, and to criticize and even punish the other party for violating it.

When Taiwan faces the issue of the one China principle today, it needs to clearly understand the nature of this issue, lest it fall into China's trap.

## **2. Chinese Nationalism**

### **2.1 The surge of Chinese nationalistic sentiment has some objective elements.**

Nationalism was originally the "nuclear weapon" of countries that suffered poverty or had been invaded. However, domestic and international events in recent years have given China a prosperity that it has never before experienced. China faces no foreign threats or divisive domestic conflicts, and it reaps the benefits of its economic reforms. China is not impoverished and has not been invaded, but nonetheless, the aforementioned events have caused nationalistic sentiments to surge among the Chinese people. While this development is difficult to imagine, it is not without its reasons, which are summarized below:

2.1.1 Since China's economic reforms under Deng Xiaoping, China's socialist ideology has experienced three "crises of confidence." The June 4, 1989 Tiananmen Square Incident announced the bankruptcy of socialism as the basis

of the Chinese government's legitimacy. Patriotic movements followed the incident in order to fill China's ideological void.

2.1.2 China learned an important lesson from the collapse of the Soviet Union, Eastern Europe, and Poland: the collapse of political legitimacy is more dangerous than social stagnation. Nationalism thus became a weapon for eliminating that risk.

2.1.3 In the post-Cold War era, confrontation over ideology has been replaced by confrontation over the interests of nationalistic countries. While Western countries used to call it "Communist China," they now simply call it "China," changing its status into that of a nationalistic country.

2.1.4 China's economic reforms have produced tremendous results, bringing forth a surge of economic power and turning China's economy more and more into a capitalist market economy. This change gave China's economy capitalist expansionist and aggressive qualities. In China's eyes, this capitalist expansionism requires nationalist theory to justify its legitimacy and rationality.

2.1.5 Over the past twenty years, China's economic reforms have made great achievements. They have created remarkable economic growth and increases in the quality of life for the Chinese people, and they have strengthened China's nationalist self-confidence. As a result, China now expresses more nationalist pride to the outside world than it did previously.

2.1.6 The economic reforms have also caused conflict in China's politics, economy, and society to increase, creating a crisis of nationalist identity and enticing China to emphasize nationalism as a way to solve this crisis of identity.

## 2.2 The nature of Chinese nationalism

China's current nationalism bears obvious differences from its nationalism in the past. For example, during the time of the Hsinhai (or Xinhai) Revolution, Sun Yat-sen promoted nationalism in order to drive out the Manchu Qing Dynasty, reestablish a China with the Han people as the dominant ethnic group, and to handle the problem of invasion and division by foreign powers. The current

nationalism, however, possesses qualities that are quite different from those of the nationalism of the past:

**2.2.1 Nationalism has become the most important message of the CCP's current administration:** The tighter political atmosphere that followed the June 4, 1989 Tiananmen Square Incident caused Chinese society to engage in discussions of new conservatism and patriotism. Through Beijing's support and encouragement, the specter of nationalism appeared in the air once more. After thirteen years of guidance under Jiang Zemin, Hu Jintao has now made fanning the flames of Chinese nationalism the ultimate goal of his own administration.

**2.2.2 Nationalism is a synonym for patriotism:** Beijing skillfully equates nationalism with patriotism, and moreover, with patriotism for the "nation led by the CCP." Faced with a notion of communism that is growing more hollow by the day, and with a notion of socialism that has changed beyond recognition, the basis of China's ideology has been stripped down to mere nationalism. China attempts to use traditional thinking about loyalty and patriotic sentiment to justify patriotism, reaffirm that Confucian culture is the spirit of the nation, emphasize China's memories of its era of "national humiliation," and rekindle people's sentiments about saving the country, all so that the people will love their nation led by the CCP.

**2.2.3 China wants to become a representative of East Asian nationalism:** In the post-Cold War era, China has gradually shifted the target of its nationalist identity from the Third World onto Asia, or the development of East Asian nationalism. As an Asian country, China boldly tries to market itself as a model of success for Asian nationalism, but the "rise of Asia" really means the "rise of China" here. Asian nationalism belongs to the Third World, and it is an Eastern nationalism. Therefore, on one hand, it contains an anti-Western element, reflected in the idea that "Asia belongs to the Asians." On the other hand, it uses East Asian culture to represent traditional Asian culture. This is one of the important characteristics of the development of current Chinese nationalism.

**2.3 China uses nationalism to isolate democratic free thinking.**

After more than twenty years of economic reform, the basic contradictions in China's thinking and ideology are erupting one by one. At the root of these contradictions is the issue of the democratization of the Chinese regime. It has been true for some time that the reforms in the economic system demand corresponding reforms in the political system, but Beijing is not willing to take large steps towards political reform. Instead, Beijing attempts to use nationalism to conceal various economic and social conflicts, creating a strange state of affairs. The current swell of nationalist sentiment is not caused by a strong nationalist identity. It is actually caused by the fact that the survival of China's nationalism faces a serious crisis, urging China to react by lifting high its banner of nationalism.

## **2. In raising the banner of patriotism to create a united front against the outside world, China's primary target is Taiwan.**

Under the slogan of patriotism, current cross-strait problems can be classified as problems of the "great task of reunifying the motherland." If Taiwan does not unify with China, then "Unless and until this state of affairs is brought to an end, the trauma experienced by the Chinese nation will not be remedied and the Chinese people's struggle for national reunification and territorial integrity will continue." China mistakenly defines the cross-strait division of political authority as the problem that Taiwan has yet to be taken back. This unification strategy of appealing to nationalism is not just meant to persuade the people of Taiwan; it is also meant to call on the people of China. Nationalist rhetoric like "cooperation, not separation," "increased benefits with solidarity, increased suffering with separation," and "after brothers have weathered the storm together, they may smile and rid themselves of hatred," appears frequently in Chinese periodicals and academic publications.

### **2.5 The demonizing of Taiwan under Chinese nationalism**

Before 1996, China's patriotic propaganda against Taiwan emphasized the increased benefits of solidarity through talk of "national solidarity" and "sharing in national prosperity." After 1996, it changed as China focused on the negative side by sending punitive expeditions against Taiwan with terms like "national criminals." Chinese netizens have even been calling on the Chinese government

in increasing numbers to use force against Taiwan. A large number of online forums and posts now reveal an animosity towards Taiwan that no longer echoes merely the sentiments of certain political leaders; it has changed into the perception that Taiwan "does not want to unify with China and is focusing on Taiwan independence." "Taiwan" is now practically another word for "relying on the protection of foreigners, dividing the nation's territory, and betraying the national interest."

### **3. Peaceful Development (or Rise)**

On November 3, 2003, Zheng Bijian, former Deputy Director of the CCP's Central Party School and currently Chair of the China Reform Forum, delivered an address at the Boao Forum for Asia, entitled "The New Path for China's Peaceful Rise and the Future of Asia." In this speech, he was the first to bring up the concept of "China's peaceful rise." In December of the same year, Premier of the State Council, Wen Jiabao, expressed during remarks on a visit to the US that China had chosen a path of "peaceful rise and development." Leader of the PRC Hu Jintao expressed a similar viewpoint during a commemorative forum on the one hundredth anniversary of Mao Zedong's birth. Suddenly, the so-called "peaceful rise" theory seemed to turn into the guiding philosophy for China's diplomacy in the new century. In fact, there is still some internal dispute over the peaceful rise theory within China; the central leadership of the CCP, all branches of government, and Chinese academics all have different thoughts on this issue. Therefore, after June 2005, the Chinese leadership stopped mentioning the word "rise," although this term is still very popular among Chinese academics. The primary reasons are as follows:

#### **3.1 The "China threat theory" and the "China collapse theory"**

In promoting the peaceful rise theory, China's intention is to use the term "peaceful" to refute the "China threat theory" and use the term "rise" to refute the "China collapse theory." This wording is primarily directed at China's neighboring countries and the international community. On one hand, China hopes to have a peaceful environment so that it can focus entirely on its economic development. On the other hand, China hopes the theory of its peaceful rise can allay its neigh-

bors' anxiety over its increasing national strength.

### 3.2 The fourth generation leadership's plan for governing the country

Hu Jintao indicated personally that the Central Party School created the peaceful rise theory, and as such, we can consider it to be the new thinking and methodology of China's fourth generation leadership. We can also argue that this thinking represents a shift in China's national security strategy vis-à-vis the US after the September 11 incidents, as well as a necessary development in China's logic and foreign policy as it has continued to implement Partner Diplomacy, Good Neighbor Diplomacy, and Great Power Diplomacy.

Politically, the purpose of the peaceful rise theory is to consolidate China's great power status. Economically, it is a strategy to fend off any threat to the twenty years of good fortune that China's economic development has enjoyed. In the current of economic globalization, by maintaining peace and stability around China's borders and internationally, China can modernize and further consolidate its leadership status in the Asian economy. Militarily, it is an attempt to use "soft power" to break through America's "soft containment" of China.

On the basis of the peaceful rise theory, when facing the outside world, China's fourth generation leadership has three options for governing the country. First, it can choose to engage the rest of the world rather than break away from it. After all, the world of today is a liberal one, and China cannot develop in isolation from the rest of the world. Second, it can choose to participate in economic globalization instead of opposing it. Third, it can choose peace rather than seeking hegemony.

To sum up, the peaceful rise theory is a large, broad cover-up theory and policy strategy that is designed to maintain and enhance China's influence. Strategically, the peaceful rise theory is the overall strategy for China's national development plan, and it contains important political, economic, military, and psychological significance and effects.

### 3.3 China's "peaceful rise" and the "Taiwan problem"

China views the Taiwan problem as a domestic issue that must be solved during the course of China's peaceful rise, and it perceives the Taiwan problem to be the biggest and most important obstacle in the course of its peaceful rise, so properly handling this problem is an important condition to successfully achieving China's peaceful rise. However, China's peaceful rise is a rise within the context of China's geopolitical strategy, which has two important implications: one is that China must take the path of peaceful development and not threaten others; the other is that China must protect itself against invasion. The Taiwan problem has been classified as a domestic affair, and so it falls within the scope of the second implication. As such, it does not fall into the "peaceful rise theory" category, and so China does not pledge to give up non-peaceful means to solve the Taiwan problem.

## The Five Major Strategies

Under the strategic objectives of upholding the one China principle, solving the Taiwan problem, and achieving national reunification, and the guiding principles of peaceful reunification and one country, two systems, Beijing's Taiwan strategy can be generally expressed as follows:

### 1. *Economic Assimilation and Promoting Unification with the Three Links*

Beijing has made consistent use of a dual strategy in dealing with Taiwan: concurrent soft and hard strategies, or peace juxtaposed with war. On the "soft" or "peaceful" side, China primarily uses economic assimilation to attach Taiwan's economy to its own, much like Hong Kong and Macau, rendering Taiwan unable to survive on its own. In carrying out this strategy of economic assimilation, in addition to fighting to bring Taiwan's financial resources, skills, and human capital to China, China also urgently pushes for the Three Links. This is a strategy to promote unification through the Three Links, and establishing the Three Links as a means to swift unification is one of the CCP's current Taiwan strategies. While

Beijing takes every opportunity to emphasize that political divisions should not affect the normal development of cross-strait economics and trade, Beijing still insists on the one China principle when handling these issues. It not only insists that cross-strait economics and trade cannot violate this political principle, but it also insists on this principle as a political duty and service. In the Third Circular of the State Council during the 1990s, China proclaimed that "to increase cross-strait exchange in economics and trade is to check the greatest tool of the Taiwan separatist forces. Cross-strait economic exchange must abide by the law and is especially important to the political duty of national reunification." During the 1996 crisis in the Taiwan Strait, Zhu Rongji said that sacrifices would have to be made for unification. All along, as China has watched the divide over cross-strait politics gradually widen, it has had to marginalize Taiwan in the era of globalization, while at the same time promoting cross-strait exchange in economics and trade. In this way, it can assimilate Taiwan economically, making it an inseparable economic arm of China. Through this dual-sided push and pull strategy, it can achieve its ultimate political goal of unification with Taiwan.

Therefore, while Beijing wants to promote unification through the Three Links, it also utilizes measures to avoid allowing the Taiwan government to exercise its authority and to realize China's one China principle. This paradoxical thinking is the very reason that the two sides of the Taiwan Strait have been unable to establish the Three Links to this day. In fact, direct cross-strait flights would have to be established through negotiations by both authorities on the two sides of the Strait. To take cross-strait shipping as an example, issues such as identifying the national origin of freighters, identification verification, business mechanisms, shipping route verification and scheduling, regulations for managing ship personnel, port traffic control and navigation regulations, search and rescue missions in case of emergency, and surveys regarding shipping matters all require consultations by both sides. Similarly, issues of cross-strait air shipping, such as clarifying and resolving shipping lines, obtaining flight permission, traffic and communications, airport facilities (including the quantity of landings and navigation assistance), and plans for air routes all require consultations by both sides. Beijing not only thoroughly refuses cross-strait government-to-government

consultations on all of these issue, but when Taiwan authorized the SEF to act as a "white glove" official representative in consultation sessions, Beijing even declared that Taiwan must accept the one China principle as a precondition. Otherwise, it would only allow people-to-people consultations. However, China is an authoritarian, one-party state. It does not have so-called "representation by the people." If it does, it is only government officials dressed in plain clothes, while Taiwan's representation by the people is purely civil and is unable to represent the government. This model for negotiations is simply an anti-Taiwanese-government model. In insisting on this model for negotiations, Beijing is actually placing a higher importance on its political considerations than on mutual economic benefits, hindering the normalization of cross-strait economic and trade relations. In its propaganda, it continuously blames the Taiwanese government for being insincere about establishing the Three Links, further constructing a united front strategy in which it can use the people to pressure politics and use commerce to trap the government.

As far as Taiwan is concerned, the Three Links are not only critical for the division of labor in cross-strait industry and global enterprise; they also bear on whether or not the cross-strait economy can compete in the global market by hanging on to a mutually beneficial economic strategy that makes use of complementarities in comparative advantage. The Three Links also directly affect whether or not peace and development, the two most pressing cross-strait issues, can proceed uninhibited. While the CCP's goal in realizing the Three Links is to achieve its political mission of promoting unification, Taiwan's liberal economic logic does not allow politics to take control of this issue. If Taiwan can use the Three Links to strengthen its own economy, move further into the global economic system, and gain global competitiveness, this could serve as political backing. In reality, Taiwan does not fear the CCP's promotion of unification through the Three Links. After establishing the Three Links, whether Taiwan is suddenly unified with China or finds its own channels of investment will ultimately depend on Taiwan's ability to manage risk and increase its competitive ability. Regarding cross-strait economics and trade, besides just recognizing the CCP's strategy towards Taiwan, Taiwan urgently needs to increase its own international

competitive ability and manage its own national security.

## **2. The United Front: the Three Warfares and Polarization**

The so-called "three warfares" refer to law, the media, and psychology. It is common knowledge that the greatest threat to peace in the Taiwan Strait comes from China's swift rise and unwillingness to relinquish the use of force against Taiwan. During the fourth plenary session of the Sixteenth Central Committee of the CCP in September 2004, Hu Jintao replaced Jiang Zemin as Chairman of the CMC. The CMC then immediately began partial reorganization, integrating the forces of the PLA Navy, PLA Air Force, and the Second Artillery Corps into the CMC. This move made it obvious that new leaders among the CCP Hu Jintao and Wen Jiabao were increasing preparations for the military intimidation of Taiwan. In fact, in addition to investing on a large scale, modernizing domestic weaponry, and brazenly purchasing foreign arms in recent years, China has also put its three warfares in the media, psychology, and law into the Regulations on the Political Work of the PLA.

The aims of China's three warfares are simply to demonize Taiwan's democratic elections, depict Taiwan's democratic deepening and constitutional reform as efforts for Taiwan independence, and depict Taiwan's localization as an anti-China movement, all for the purpose of legitimizing China's military intimidation of Taiwan. As part of its media warfare, China continuously drums up support in the domestic and international media in order to strengthen its own psychological defenses while weakening Taiwan's. As part of its legal warfare, China has created the Anti-Secession Law. This law is meant to provide legal authorization for China's demands and response measures, as well as to turn the so-called Taiwan problem into a domestic legal issue, warning foreign powers not to get involved. By using media and legal warfare together, China has created a psychological threat to Taiwan and the Taiwanese people. Its goal is to crush the Taiwanese people's will to resist, thus winning the psychological war.

The three warfares have had a tremendously polarizing, united-front effect on Taiwan. Taiwanese society continues to engage in heated debate over the issues of elections, constitutional reform, localization, and democratic deepening.

The three warfares have also created groups within society with opposing viewpoints, which either echo Beijing's desires or refute Beijing's views. It is worth noting that since the passage of the Anti-Secession Law, Beijing's three warfares strategy has revolved around legal warfare, assisted by media warfare and psychological warfare. More than ever before, this strategy now emphasizes Beijing's inclination to strike, differential treatment of different Taiwanese, simultaneous soft and hard measures, and the strategy to use both physical and psychological warfare against Taiwan.

The DPP won the presidential election in 2000, ending half a century of KMT rule. Astonished by these events, Jiang Zemin did not know how to respond. He had no choice but to adopt a policy of "listen to what he says and observe his moves (referring to Chen Shui-bian)," leaving the DPP free to choose its own direction for cross-strait relations, for example, that unification was only one option for the people of Taiwan. These words were like fingernails on a blackboard to the CCP's ears, but the CCP only responded by advising Taiwan to turn around on the dangerous path it was taking; Beijing did not take any further action. After the CCP's Sixteenth Party Congress, when Hu Jintao peacefully succeeded Jiang Zemin as the new leader of the PRC, Hu was noticeably displeased with Jiang's policy of listen to what he says and observe his moves. On more than one occasion, Hu indicated that he would no longer listen to any framing or direction of cross-strait relations from Taiwan. Hu's Taiwan policy thus became to maintain an offensive advantage against Taiwan. And so Beijing made one move after another, from the time that the Taiwan Affairs Office of the State Council issued the May 17 Statement in order to attack President Chen before he made his second inaugural address on May 20, the time China drafted the Anti-Secession Law, and the time Hu invited the Chairmen of the KMT and PFP to visit China, to the time the CCP issued the Lien-Hu and Soong-Hu communiqué. In the short period from March 4 - May 12, 2005, Hu Jintao spoke out three times on cross-strait relations and China's Taiwan policy, issuing his four points to replace Jiang's eight points. This period marked an all-time high in the frequency of Taiwan policy statements issued by the Chinese leadership. Through this string of actions, we can clearly see the emergence of Hu's Taiwan policy, which

turned from passive to active, seizing the authority to set and control the agenda for cross-strait relations.

Mao Zedong once said that if there is no discrimination, there is no policy. The CCP has consistently viewed the united front as its key to success. In order to come closer to enacting its Taiwan policy, it must emphasize differential treatment, as differential treatment is essential for a united front to be effective. Therefore, the CCP now clearly differentiates the DPP administration from the people of Taiwan, differentiates the majority of members of the DPP from the minority of die-hard Taiwan independence supporters, differentiates the lower and higher echelons of the DPP, differentiates former President Lee and President Chen (After the ten-year anniversary of Jiang's eight points, in January 2005, China rarely criticized President Chen by name at public occasions but continued to criticize former President Lee, saying that he represented forces working for swift Taiwan independence.), and differentiates those political parties and groups who recognize the 1992 Consensus and oppose Taiwan independence from those who do not. All these distinctions serve to pave the way for the next stage of the united front. Beijing has used this differential treatment to successfully create a pro-1992 Consensus, anti-Taiwan independence united front from within Taiwan.<sup>11</sup>

The CCP's Taiwan policy has often been criticized in the following way: "words are not enough to capture the hearts of the Taiwanese people, and force is not enough to destroy the spirit of the pro-independence forces." Compared to the policy of "criticizing Taiwan and threatening the use of force" of the Jiang Zemin era, the measures in Hu Jintao's two-handed strategy are clearly more meticulous and flexible. As part of its hard strategy, China has offered up the Anti-Secession Law as the embodiment of Beijing's unrelenting campaign to show its resolution to oppose Taiwan independence. The soft strategy is to actively interact with various political parties and groups in Taiwan, to reach a consensus, and to make certain demonstrations of goodwill, such as donating pandas to Taiwan, granting a customs duty exemption for certain Taiwanese agricultural products, and making preparations to allow tourists from the PRC to visit Taiwan. Through these actions, China hopes that the people of Taiwan can both

see and taste its goodwill, representing a new Taiwan policy.

Whether we talk about Hu Jintao and Lien Chan's "five-point consensus" or Hu Jintao and James Soong's "six-point consensus," the content of these consensus is not what Beijing cares about. Beijing knows that these inter-party consensus are based on the acceptance of the 1992 Consensus and opposition to Taiwan independence. Both negotiating parties had to authorize negotiations in order to discuss these consensus, but would the DPP accept China's preconditions for negotiations? How can Beijing really place its hope on these negotiations? Beijing's goal in giving Lien Chan and James Soong such a warm welcome was not to form consensus, but rather to wage psychological warfare, to get close to the hearts of the Taiwanese people. Beijing has long felt that Taipei demonizes its Taiwan policy, and so by inviting Lien and Soong, Beijing meticulously rewrote the script for dealing with Taiwan in order to alter the Taiwanese people's previously unchanging image of Beijing. In looking at the unprecedented red-carpet reception that Beijing gave to Lien and Soong, in which it allowed the media to cover every stage of their visit, we can see that Beijing's purpose in every meticulously crafted scene and statement was to tell the people of Taiwan that there can only be peace and development in cross-strait relations if they accept the 1992 Consensus, oppose Taiwan independence, and support unification. Whether we look at the visit from the position of the host, who made meticulous preparations for its guests, or from the position of the guests, who lavished praise upon the CCP and shied away from criticizing its position, Hu Jintao definitely succeeded in smoothly integrating his position and his "goodwill" into a message that he presented to the people of Taiwan. This was China's true goal in, and ultimately reward for, inviting Lien and Soong to visit China.<sup>12</sup>

### **3. Utilizing Ethnic Chinese and Opposing Independence while Urging Unification**

The overseas Chinese population is another battlefield in China's Taiwan strategy. In recent years, the CCP has been making efforts to get close to the overseas Chinese population, investing huge amounts of human resources and



money and advancing its strategy of "opposing independence while urging unification," all on a scale that Taiwan cannot match. In 1988, the CCP founded the National Association for China's Peaceful Unification (the Association) overseas as the most important organization through which overseas Chinese oppose independence while urging unification. The Association has founded at least 124 pro-unification groups of all kinds in at least eighty countries worldwide. It has organizations in Berlin, Washington, D.C., Tokyo, Sydney, Moscow, and Bangkok and has held six world conferences on opposing independence while urging unification.

While the Association was actually formed by twenty-three different groups, including China's democratic parties,<sup>13</sup> the Standing Committee of the NPC, the CPPCC, the Overseas Chinese Affairs Office of the State Council, and the All-China Federation of Industry and Commerce, the Association markets itself as a civil society organization. In reality, it is nothing more than a peripheral organization led by the CCP that deals with Taiwan affairs. Most of the previous heads of the Association have been the heads of various Chinese political organizations (and usually concurrently the Vice Chairman of the CPPCC) or have been the Vice Chairman of the NPC with a background in the democratic parties. China has eight democratic parties, yet the Association actually has ten heads, and so it was forced to create an executive director position, an unusual organizational structure indeed. The eight major democratic parties in China do not have real political influence and are often mocked as being "flower vases for the bathroom," meaning that they are purely for show. While they have the long-term support of the United Front Work Department of the CCP Central Committee and the Taiwan Affairs Office of the State Council, their status as democratic parties denies them the ability to make any real preparations for action.

In a move that reflected this fact, Hu Jintao began actively reorganizing the Association after he came to power. During the seventh meeting of the Association's board of trustees, on September 27, 2004, it began to massively restructure its personnel and amend its charter. Jia Qinglin, member of the Politburo Standing Committee of the CCP, Chairman of the CPPCC, and Director of the Central Working Group on Taiwan, was chosen as the head of the

Association. Liu Yandong, head of the United Front Work Department of the CCP Central Committee, which had been guiding the Association, personally took the position as Deputy Executive Director of the Association. Of the original ten directors, those with greater experience and qualifications were given positions as honorary directors, and those with weaker experience and qualifications were given positions as honorary deputy directors. The board of trustees also approved Liang Jinquan as Secretary General. Liang had previously been Vice Chairman of the All-China Federation of Industry and Commerce. As Liu Yandong was appointed to be the deputy head of the United Front Work Department of the CCP Central Committee on April 28, 2003, we can say that the personnel in that department are her people. While a member of the Communist Youth League, Liu Yandong reportedly worked together with Hu Jintao. The two have a good working relationship, and so she is commonly viewed as part of Hu's clique.

In appointing a member of the Politburo Standing Committee of the CCP and head of the United Front Work Department of the CCP Central Committee as the leader of the Association, a civil society organization devoted to Taiwan affairs, Hu Jintao personally showed his resolve to carry out the work of opposing independence while urging unification, reflecting his new disposition towards work on Taiwan. Previous overseas work on opposing independence while urging unification, which had primarily been conducted by civil society, was apparently not enough to show the world the CCP's strength and resolve. The CCP took on a direct role in the hope that this would announce China's new thinking and new methodology to the rest of the world. Through this restructuring, this originally civil society organization designated to handling Taiwan affairs underwent a metamorphosis that turned it into an organization with an official air. Simultaneously, this second-tier organization, which originally only had networking capabilities, transformed into an important, CCP-backed organization dedicated to the work of opposing unification while urging unification. Whether the Association was elevated in status or was merely taken from behind the scenes out into the spotlight, this change showed that Beijing had made the overseas work of opposing independence while urging unification into an important part of

its current united front work. In addition, this change came about after Hu Jintao's rise to power, reflecting the fact that Hu had begun to comprehensively control the work on Taiwan. The two current missions of the CCP's work on Taiwan are opposing independence and urging unification.

Beijing's current overseas work on opposing independence while urging unification primarily focuses on two different levels. One is to penetrate and win over the overseas Chinese population, particularly the overseas Chinese community that has traditionally supported the ROC, and also those who recently emigrated overseas from China. The other is to form relationships with civil society forces in other countries, in the hope that China can drum up public support in those countries to influence their governments to support the position of opposing independence while urging unification. In order to achieve this goal, in addition to investing large amounts of human resources and money, China also criticizes Taiwan's democratization in order to prove the legitimacy of opposing independence while urging unification. China continues to criticize Taiwan's democratization as Taiwan independence and an anti-China movement that creates internal chaos in Taiwan and threatens peace and stability in the Asia-Pacific region. China also stigmatizes Taiwan's democratization in order to dissolve the sympathy and support that other countries originally held for Taiwan. In addition, China waves the nationalistic banner of "the unification of China" or national reunification in front of the ethnic Chinese, showing all countries that China respects its international pledge to the one China principle. It then turns to using economic incentives in order to encourage people from other countries to invest in or do business with China, all in the hope of forming a domestic and international united front for opposing independence while urging unification.

These proactive measures by Beijing have already shown signs of success overseas. The traditional overseas Chinese community has already changed its attitude over the past year. In particular, many in the San Francisco Bay Area who used to fly the ROC flag have traded it in for the five-star flag of the PRC. Taiwan cannot simply just wait and see what happens while the CCP, on one hand, attacks Taiwan with its overseas work of opposing independence while urging unification and, on the other hand, creates a united front of "one China,

oppose independence" within Taiwan. Taiwan needs to quickly develop effective countermeasures, or else its national security will be in serious jeopardy.

#### **4. Great Power Diplomacy and International Isolation**

In recent years, the CCP has made large, noticeable adjustments to its foreign policy in order to destroy Taiwan's international living space. Whereas the CCP used to tout anti-hegemonism and anti-imperialism as part of its "three worlds" view, in which it even played the role of the spokesperson for the Third World, it has now turned to emphasizing Great Power Diplomacy. Through Great Power Diplomacy and participation in international organizations, the CCP hopes to completely crush Taiwan's diplomatic space. In putting this policy into practice, the CCP not only uses its growing political, economic, and military influence to stop the government of Taiwan from participating in international governmental organizations (IGOs) at every turn; it even keeps Taiwan from participating in international nongovernmental organizations (international NGOs). This strategy has made it very difficult for Taiwan to break through the CCP's international blockade and to hold on to its diplomatic allies and participation in international organizations.

In addition to its rising overall national strength since the economic reforms of the Deng Xiaoping era, the primary reason that Beijing has been successful in using Great Power Diplomacy to cut off Taiwan's international living space is that it flies the flag of the one China principle, proclaiming that "there is only one China, Taiwan is a part of China, and the PRC is the sole legal government of China." The CCP still upholds the Hallstein Doctrine in its diplomacy, mimicking the period when Germany was divided. During this period, West Germany claimed to be the rightful successor to the German Empire, denying East Germany's international status. If another country were to recognize East Germany, West Germany would immediately cut its diplomatic relations with that country or refuse to establish diplomatic relations in the first place.

While China has stated its new logic ("There is only one China in the world. Both the mainland and Taiwan belong to one China. China's sovereignty and territorial integrity brook no division.") in the Report of the Sixteenth National

People's Congress and in the Anti-Secession Law, it still maintains its old logic when dealing with the international community. The majority of the Taiwanese people absolutely cannot accept the fact that, in its diplomacy, the CCP continues to uphold the one China principle as embodied in the Hallstein Doctrine, attempting to close off Taiwan's international living space. In fact, while West Germany staunchly denied East Germany's international status, East Germany continued to spread its message to the international community that both Germanies had legitimacy. East Germany ultimately gained recognition from the anti-communist countries of the West, overturning West Germany's simplistic, "good guy, bad guy," Hallstein-esque stance. In doing so, East Germany was able to successfully join the UN. As a result, 122 countries, including China, granted so-called "dual recognition" to both West Germany and East Germany before their unification. In addition, there are currently over 100 countries that recognize both countries on the divided Korean Peninsula.

China upholds the Hallstein Doctrine primarily because, on one hand, it is not willing to face the current cross-strait split, and on the other hand, it is afraid that dual recognition will split China permanently. China's unwavering stance not only reveals the CCP's lack of confidence in itself, but also weighs down on the spirits of the people in Taiwan and threatens the benign development of cross-strait relations. Taking East and West Germany as an example, if we believe that practice is the sole criterion for testing truth, we can see that even though East Germany adopted a policy of two, independent Germanies in 1968, this policy did not jeopardize eventual unification. In addition, the current dual recognition of North and South Korea has not caused an ounce of trouble for North and South Korea's goal of Korean unification. So, if dual recognition for the two sides of the Strait would encourage foreign powers to intervene and cause the permanent separation of China, are we to believe that China's dual recognition of East and West Germany and North and South Korea is not foreign intervention in the internal affairs of those countries in an attempt to permanently divide them? To take East and West Germany as an example, even though West Germany supported unification while East Germany supported independence, this policy discrepancy did not in any way keep the two countries from upholding mutual tolerance or

pursuing individual development. Today, the Constitution of the Republic of Korea states, "The territory of the Republic of Korea shall consist of the Korean peninsula and its adjacent islands." This definition of South Korea's territory appears to cover all of North Korea, yet it has not stopped both Koreas from joining the UN or enjoying dual recognition from over 100 countries.<sup>14</sup>

As far as the ROC government and the people of Taiwan are concerned, the crux of the "one China principle" issue lies not in how to articulate what it means, but rather in how it would be realized. Under the one China principle, what kind of respective positions would each side have? How would they interact? How could they have equal treatment? How could they survive together in the same international space? These are the key questions to ask. The examples of the two Germanies and two Koreas are not necessarily applicable to the situation in the Strait. However, some Taiwanese believe that while there are differences in the territories and populations of East and West Germany and North and South Korea, each pair of countries is equally matched in overall national strength. In a situation where foreign powers were to intervene, neither pair of countries would fear a permanent split, simply because they are mutually recognized and exist in the same international community together. The situation in the Taiwan Strait is different. Whether we compare territory or population, China outweighs Taiwan by a factor of several dozen to several hundred. It is difficult to imagine why the CCP could possibly fear that allowing Taiwan to have its own international living space, or treating Taiwan as an equal in the international community, would cause a permanent split. Beijing's unwillingness to face up to the objective fact that the ROC exists, as well as its strategic juggling of the one China principle, is not only the greatest obstacle to peaceful cross-strait development, but is also the predominant reason that most of the Taiwanese people cannot accept "one China."

### **5. Using War to Force Negotiations and Peace to Induce Surrender**

Persuading Taiwan to engage in negotiations for unification under the framework of the one China principle is the final step in achieving Beijing's peaceful reunification and one country, two systems policy against Taiwan. In

order to reach this final step, Beijing has consistently used concurrent soft and hard strategies and peace juxtaposed with war. This is a strategy of alternating sticks and carrots. The so-called stick strategy is to refuse to relinquish the use of force against Taiwan and continue to threaten Taiwan with military force, in order to raise tensions in cross-strait relations and force Taiwan to sit down at the negotiating table. The so-called carrot strategy is to bait Taiwan with peace talks in order to eliminate Taiwan's sovereignty at the lowest possible cost and achieve so-called peaceful reunification. These carrot and stick strategies have now been even further codified in Chinese law. From the text of the Anti-Secession Law, we can see that Beijing is trying to force Taiwan to sit down at the negotiating table via non-peaceful means, while at the same time trying to seduce Taiwan with peace talks under the one China principle. It hopes that Taiwan will give up its status in exchange for peace.

Those who are well acquainted with the CCP's negotiation strategy know that since the CCP was founded in 1921, it has accumulated a wealth of experience in power struggles. Not only does the CCP view negotiations as part of a power struggle, but it has even developed a set of standard operating procedures for negotiations. Taiwanese scholar Chang Jung-feng once divided these procedures into four stages. The first stage is to identify the principles and issues that are advantageous to the CCP's position, in order to control the entire framework of negotiations. These principles typically include the outcome that the CCP hopes to reach through negotiations, for example the one China principle. All the issues brought up during the negotiations, regardless of the direction they take, usually imply that desired outcome. For example, the Anti-Secession Law says that Taiwan's political status may be negotiated. If Taiwan agrees to negotiate this item, it will undoubtedly have to accept Beijing as its central government. However, Taiwan's own political status must be approved by Beijing before that status can be assigned. One can imagine the outcome of such negotiations.

The second stage is to pressure and force the other party into accepting the principles and issues of negotiation that the CCP has raised. The CCP's method for achieving this is to divide the other party internally, or else to use a third party to exert pressure. Currently, the CCP purposely refuses to engage in dialogue

with Taiwan's democratically elected government (unless it accepts the one China principle), while frequently consulting with the opposition KMT and PFP (because they accept the 1992 Consensus and the one China principle), and so here we see the second stage in action. Another aspect of this strategy is to continuously release reports of military exercises in order to create a tense atmosphere and force Taiwan to accept the CCP's principles. Typically, this second stage can last for months or even years.

The third stage, the shortest of all, is to actually sit down at the negotiating table. If the negotiations are going in the CCP's favor, it will try to reach a swift agreement. If they are not, the CCP will go straight to the fourth stage.

The fourth stage can be divided into two different scenarios: in the first scenario, after both sides have signed an agreement, the CCP uses its instruments of propaganda to publicize the content of the agreement in a way that is favorable to the CCP. It then demands that the other party live up to whatever version of the agreement the CCP has announced to the rest of the world. The second scenario occurs when negotiations fall apart. In this scenario, the CCP manipulates the media to push all the responsibility for breaking negotiations onto the other party, and then it returns to the first or second stage.<sup>15</sup> Once negotiations have resumed, it brings up the same principles and topics for negotiation again and once more implements its strategy of pressuring and dividing the other party. It comes around full circle, pressuring the other party to yield. The CCP's standard operating procedures have been described as "logical," "advantageous," and "controlled."

From the content of the Lien-Hu and Lien-Soong meetings, or from the five-point consensus and six-point consensus that came from those respective meetings, Hu has said in no uncertain terms, "Upholding the one China principle interpretation of the 1992 Consensus and opposing Taiwan independence is the political basis for engaging in dialogue and negotiations, as well as for the peaceful and stable development of cross-strait relations." These are Beijing's principles and framework, as well as Beijing's bottom line. As described above, stage one in the CCP's standard operating procedures for negotiations is to identify the

principles and issues that are advantageous to the CCP's position in order to control the entire framework of negotiations. These principles and issues not only determine what direction negotiations will go in, but also imply the outcome that the CCP wants. Hu's own words have become the cross-strait negotiations of the future, establishing that unification is the only political issue on the agenda. This is exactly the outcome that Beijing wants. If Taipei accepts this strategy of using war to force negotiations and peace to induce surrender, that is to say if it accepts the framework of the one China principal and unification with the PRC, all there is left to discuss is the Beijing Central People's Government's "benevolent" treatment of Taiwan.<sup>16</sup>

## Notes

<sup>1</sup> According to all previous public opinion surveys, an overwhelming majority of Taiwanese people believe that the PRC or its government has sovereignty or jurisdiction over Taiwan, and as much as eighty percent of Taiwanese people do not accept Beijing's "one country, two systems" formula for unification.

<sup>2</sup> Wang Zhaoguo, "Draft Anti-Secession Law Explained." Beijing, Xinhua News Agency, 2005.03.08, [http://www.chinadaily.com.cn/english/doc/2005-03/08/content\\_422875.htm](http://www.chinadaily.com.cn/english/doc/2005-03/08/content_422875.htm), last viewed on 2006.10.08.

<sup>3</sup> Ibid.

<sup>4</sup> Chang Wu-yen, "Cong Fanfenliefu Jianshi Zhongguo dui Tai Zhengce Falühua de Kunjing yu Liang An Xin Tiaozhan," ("Using the Anti-Secession Law to Examine the Dilemmas of the Codification of China's Taiwan Policy and the New Cross-Strait Challenges"). Taipei Bar Association Law Journal, vol. 309, 2005.06, p. 60.

<sup>5</sup> Ministry of Foreign Affairs, Republic of China. Press releases, 2005.03.29.

<sup>6</sup> Ibid.

<sup>7</sup> According to Article 2, item 4 of the Charter of the United Nations, "All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations."

<sup>8</sup> This figure comes from a survey conducted for the Institute for National Policy Studies by Burke Marketing Research on March 9-12 of the same year. The results were based on a total of 1,067 questionnaires distributed. See [http://www.mac.gov.tw/big5/mlpolicy/at940313\\_02.htm](http://www.mac.gov.tw/big5/mlpolicy/at940313_02.htm) (Chinese), last viewed on 2006.10.14.

<sup>9</sup> Chen Chung-chih, "Zhonggong Fanfenliefu Yue Lai Yue Meiguohua, Shi qi Mianlin zi Fu Shou Jiao de Jiongjing," ("China Binds its own Hands by Increasingly Americanizing its Anti-Secession Law"). Duo Wei News, 2005, [http://www5.chinesenewsnet.com/MainNews/Opinion/2005\\_3\\_5\\_8\\_9\\_24\\_317.html](http://www5.chinesenewsnet.com/MainNews/Opinion/2005_3_5_8_9_24_317.html), last viewed on 2006.10.14.

<sup>10</sup> Ibid.

<sup>11</sup> Chang Wu-yen, op. cit., p. 67.

<sup>12</sup> Ibid., p. 68.

<sup>13</sup> The PRC is a totalitarian regime under the rule of the CCP, but officially there are eight political parties that coexist with the CCP, known as China's "democratic parties." These are: the Revolutionary Committee of the Kuomintang, the China Democratic League, the China Democratic National Construction Association, the China Association for Promoting Democracy, the Chinese Peasants' and Workers' Democratic Party, the China Party for

Public Interest, the September 3 Society, and the Taiwan Democratic Self-Government League. While these parties are allowed to participate in the political process, the CCP effectively dominates that process, minimizing the role that the democratic parties can play.

<sup>14</sup> Chang Wu-yen, “*Fenlie Guojia Hudong Moshi yu Tongyi Zhengce Bijiao Yanjiu*” (“Models of Interaction for Divided Nations, and Unification Policies: a Comparative Study”). Taipei, Yeh Chang Publishing, 1992.08, p. 437. Chen Ming-tong, “Beijing Dangju dui Song Chuyu Zhongguo Xing Tou Shi Wen Lu Huiying Celüe de Fenxi,” (“An Analysis of Beijing’s Strategy in Responding to James Soong’s Visit to China to Test the Waters”). Paper presented at a conference in 2005.

<sup>15</sup> Ibid.

Chapter

*The DPP Administration's  
Logic and Policy on China*

The DPP administration's China policy has long been criticized as inconsistent. In fact, the party's China policy has focused on several clear strategic objectives, and its plans for achieving these objectives are meticulous, logical, cautious, and consistent. Where there are changes, they are strategic adjustments in accordance with the external environment, and they do not reflect inconsistency as criticized.

Simply speaking, the DPP administration's strategic goal in cross-strait relations is to normalize relations. The key concepts in the current phase of relations are peaceful development, equality, mutual benefits, and mutual trust. The guiding principles in reaching these goals are goodwill, reconciliation, active cooperation, and permanent peace. The party has designed the following policies to achieve those goals:

- (1) To reach a consensus on national identity: Taiwan is an independent sovereign nation, and its name is the Republic of China, as stipulated in the Constitution.
- (2) To promote a future of co-existence and co-prosperity: taking the integration model of the European Union as a reference when designing the future structure of cross-strait affairs.
- (3) To make interim arrangements for such a future: moving from economic and cultural integration to a new framework for political integration, including:

1. Negotiating a cross-strait "framework of interaction for peace and stability" (also referred to as a "peace and stability framework for interaction"): mutually assuring that there are no unilateral changes to the status quo in the Taiwan Strait;
2. Developing cooperative economic relations: from "proactive liberalization with effective management" to "proactive management with effective liberalization;" and
3. Facilitating the democratization of the PRC government: dissolving fundamental cross-strait conflicts.

### The Strategic Objective: the Normalization of Cross-Strait Relations

The normalization of cross-strait relations is the strategic objective of the DPP administration's China policy. It is also a part of the normalization that the DPP administration promotes in Taiwan. When the DPP nominated Chen Shui-bian as its presidential candidate in 2000, both the party and the campaign team were thinking carefully about how to make Taiwan a normal country.

In 1999, the Democratic Progressive Party Policy Council published *Our New Responsibility, Our New Starting Point: 2000 Policy Platform of the DPP*. In this book, the party explained that Taiwan must solve the basic dilemmas surrounding its existence and lasting development in order to face the opportunities and challenges of the new millennium. The only way to provide the people of Taiwan with a space for stability, prosperity, confidence, and dignity is to create a state system that can meet the new logic and intricacies of international competition, and to establish a new point of departure for national development that is just, secure, and completely normalized.<sup>1</sup>

Furthermore, the DPP believes that to put this idea into practice, they need a government that is efficient, honest, and modernized, and that can act as a partner; healthy national and social security systems; a transparent environment

for economic competition; a humanistic, equal-opportunity educational system; an equitable, vibrant, innovative social environment; a strict but just and impartial police force and judicial system; and an environment in which people can live and work in peace.<sup>2</sup>

Right from the start, however, this new beginning was laden with obstacles left over from the KMT's fifty years of authoritarian rule. These obstacles include the abnormal development of cross-strait relations, abnormal operations of the country's political system, abnormal competition in the economic realm, abnormal development of social relations, and abnormal exploitation of the environment and national lands. These five obstacles were historically not only barriers that impeded Taiwan from getting a new start on national development, but also stumbling blocks in Taiwan's path to becoming a modern state.<sup>3</sup>

The DPP is deeply aware of the abnormality that exists in cross-strait relations, a particularly large obstacle in Taiwan's path to becoming a normal country.<sup>4</sup>

*A peaceful Taiwan Strait where both China and Taiwan co-exist and cooperate in the Asia Pacific region would assure to Taiwan and the world the foundation for the long term stability and security of a nation.*

*In order to formulate this foundation, the Democratic Progressive Party intends to use the next century as a starting point in time to promote the overall normalization of relations between Taiwan and China. This would be the nexus for our China policy in year 2000. Under this theory, Taiwan should be more assertive in its national security actions while at the same time be more proactive in its communications with China. Providing assistance to contribute to the progress of China would be part of this plan.*

Chen Shui-bian won the 2000 presidential election, providing the DPP with a chance to realize its national development goals. Until recently, President Chen had repeatedly pointed out that the most important part of the DPP's administra-

tion would be to build a sustainable foundation for a permanent system to make Taiwan into a normal nation.<sup>5</sup> The normalization of cross-strait relations is thus the strategic objective for the DPP administration's China policy and part of the normalization that the DPP promotes in Taiwan.

What exactly do we mean by the "normalization of cross-strait relations?" What does it really consist of? Frankly speaking, this is not an easy question to answer, and different people may have different answers.<sup>6</sup> Literally, normalization refers to a process by which some subject becomes normal. Given this definition, what does it mean for cross-strait relations to be normal? We can start by considering the abnormal elements of cross-strait relations. If we were to still maintain that Beijing is a false government, that China is under the dominion of Zhu De and Mao Zedong's gang, and that the PRC is not a country, this would be abnormal. Likewise, if we were to say that Taiwan is not an independent, sovereign country (no matter what it is officially called), and that Taiwan is just a renegade province of the PRC, this would also be quite hypocritical and abnormal.

According to China, current cross-strait relations are a relic of the civil war between the KMT and the CCP, and they must return to their former state. China insists that Taiwan and China (no matter who their representatives are) sign an official agreement to end state of hostility. This is certainly not normal. It would be incorrect to say that there is no atmosphere of hostility in current cross-strait relations. Moreover, to promote or increase cross-strait exchange in this hostile atmosphere is also contradictory and abnormal. Furthermore, now that the Cold War has ended, if both sides of the Taiwan Strait were to maintain the enmity and opposition left over from the past, it would go against global trends and would be extremely abnormal.

Let us review the current state of development on both sides of the Taiwan Strait. It would be abnormal to neglect Taiwan's changes and development in political, economic and social spheres, or the miracle of China's economic reforms promoted by Deng Xiaoping and his successors after the Cultural Revolution. We should recognize that independent courses of development have left each country with a new face, significantly different from its past, and so we

should try to construct new relations on the foundation of the current situation. It would be both abnormal and dangerous to return to the confrontational state of the Cold War years or to shut the door on exchange forever. Furthermore, as the Taiwan Strait is just barely more than 100 nautical miles wide and the people on both sides share the same ancestral, cultural, and historical backgrounds, cross-strait exchange has been increasing daily since the door reopened in 1987. Political confrontations have not caused cross-strait exchange to diminish. This objective environment cannot be easily changed by any subjective will, and it would be abnormal for anyone to terminate this exchange.

From the above review, we know that whether it be between the governments or the people of Taiwan and China, or even among the international community, abnormal actions and logic abound in current cross-strait relations. For this reason, in order to safeguard Taiwan's dignity and existing development and bring true peace to both sides of the Strait, we must promote the normalization of cross-strait relations.

The normal cross-strait relations that we expect echo the goals that the DPP proclaimed in the 1999 "Resolution Regarding Taiwan's Future." The normalization of cross-strait relations is based on the historical fact and current reality that Taiwan is sovereign and independent, that it is called the Republic of China according to the current constitution, and that neither Taiwan nor the PRC belongs to the other. As people around the world call for reconciliation, stability, and prosperity, Taiwan and China cannot alienate themselves from such global trends. Two countries that share geographic proximity, economic benefits, and cultural origins cannot remain in a state of hostility and mutual isolation. Taiwan and China should abandon their suspicion and antagonism. Based on Taiwan and China's long-lasting historical, cultural, and ethnic ties, the two should hold on to their mutual benefits rather than discrimination, peace rather than conflict, and equality rather than a hierarchical relationship. The two should carefully manage geopolitics, regional stability, and their economic interests; both sides should work together toward a future of co-existence, co-prosperity, mutual trust, and mutual benefit.<sup>7</sup> This is the bright future of the cross-strait that members of the DPP have resolved to pursue, the commitment the party has made to the



world, and the goal of normalization of cross-strait relations that the government has furthered since gaining the support of the people and becoming the ruling party.

### Strategic Principles: Goodwill, Reconciliation, Active Cooperation, and Permanent Peace

Once we have a strategic objective, we must have clear strategic principles in order to achieve that objective. The strategic principles established by President Chen are goodwill, reconciliation, active cooperation, and permanent peace.

These strategic principles were chosen with a particular focus on Taiwan and China's opinions on the issue of sovereignty, as well as each country's beliefs about the other's political status. Although there exists a difference of opinion that is difficult to reconcile at present, it is a fact that has resulted from years of historical developments. The government and leaders of each side should neither unilaterally deny the other's sovereignty nor force the other to accept its definition of sovereignty. Since Taiwan began allowing its citizens to visit relatives in China in 1987, and since it later began allowing Taiwanese businessmen to travel to China to invest and conduct business, exchange between the people of both sides has grown in leaps and bounds, and trade relations have developed tremendously. Such positive exchanges in the economic and social realms are in fact helpful in mending the political gap. Exchange helps to enhance mutual understanding and cultivate the goodwill necessary for political reconciliation. Exchange advances and promotes active cooperation across the Strait, and hopefully it can bring permanent peace as well. When that time comes, the goal of normalizing cross-strait relations will naturally follow. For this reason, goodwill, reconciliation, active cooperation, and permanent peace are the strategic principles for the normalization of cross-strait relations.<sup>8</sup>

These principles established by Chen Shui-bian were gradually developing as early as the latter portion of the 2000 presidential election. Signs indicated

that Chen had a significant chance of defeating the other two presidential candidates to become the new leader of the country. The day of the election fell exactly on the fifth anniversary of Jiang Zemin's eight-point proposal. Jiang's eight points were the guiding principles of China's Taiwan policy during Jiang's rule, and their importance cannot be emphasized more. The Chinese authorities in charge of Taiwan policy often hold symposiums or speeches on the anniversary of the announcement of Jiang's eight points in order to launch propaganda offensives against Taiwan. Therefore, it is of the utmost importance for any presidential candidate with a significant chance of victory to express his view on cross-strait relations to the public. President Chen held a press conference on January 30, 2000, in which he said:<sup>9</sup>

*Today, I would like to propose seven points on "A New Century of Peace in the Asia-Pacific; Taiwan and China Look ahead to the Future," in the hope that both sides of the strait can work together for a new century of peace.*

*The content of the seven points include staying firm on the principles of "reconciliation with goodwill, active cooperation, and permanent peace;" the government and leaders of both sides should not propose any plan that hurts people's feelings or welfare; words such as "the use of force" or "war" will only widen the gap between both sides, exacerbate misunderstandings, and make the international community nervous. Only by staying firm on reconciliation, collaboration and peace can we fulfill the greatest interest of the people of both sides and the international community (point number one).*

In his inaugural address, President Chen expanded upon these principles by saying:<sup>10</sup>

*Under the leadership of Mr. Deng Xiaoping and Mr. Jiang Zemin, the mainland has created a miracle of economic openness. In Taiwan, over a half century, not only have we created a miracle economy, we have also created the political marvel of democracy. On such a basis, as long as the governments and people on both sides of the Taiwan*

*Strait can interact more, following the principles of "goodwill reconciliation, active cooperation, and permanent peace," while at the same time respecting the free choice of the people and excluding unnecessary obstacles, both sides of the Strait can make great contributions to the prosperity and stability of the Asia Pacific Region. Both sides will also create a glorious civilization for the world's humanity.*

## Policies for Achieving the Strategic Objective

Proactive policies are necessary in order to achieve the strategic objective of normalizing cross-strait relations. The DPP administration has adopted three such primary policies: building a consensus on national identity, proposing a future of co-existence and co-prosperity, and making arrangements to move in the direction of such a future. Since 2000, the DPP administration has derived its China policies primarily from the three policies listed above. The content of these policies is described below:

### 1. Building a Consensus on National Identity

For many years, Taiwanese society has debated whether or not "Taiwan" is a country. Is the ROC a country? Some believe that Taiwan is not a country, but rather the name of a geographic region, and that the ROC that exists on Taiwanese soil, or the "Republic of China on Taiwan," is a country. Others believe that Taiwan is not merely a place name; Taiwan is instead a country, just like New Zealand, which has sovereignty, a government, people, and territory; a country by definition. Although the ROC is a country, Taiwan was not included when it was founded in 1912. This ROC perished in 1949, and its territory was divided among the Republic of Mongolia and the PRC.

In Beijing's opinion, Taiwan is most certainly not a nation; it is a renegade province of the PRC. The ROC that Taiwan claims to be is nothing more than a convenient cover for Taiwan's independence; the original ROC was replaced by the PRC in 1949. The ROC was sealed in history, never to exist again. However, the statement that "Taiwan is a renegade province of the PRC" is not acceptable

to all the Taiwanese people, whether they support unification or independence, and whether they are in the blue or green camp. Some supporters of independence agree that the ROC was eliminated in 1949 and was replaced by the PRC, just as Beijing claims. Some supporters of unification believe that what Beijing claims is absolutely unacceptable. In their opinion, the ROC still exists and holds sovereignty over the mainland; its effective jurisdiction or control is simply restricted to Taiwan, Penghu, Kinmen and Matsu. In the past, they considered the Beijing administration that occupied the mainland to be a false government established by gangs of bandits. Now, these people are willing to face Beijing's existence, and they think that the two sides should unify. However, they have no idea if the ROC would exist after unification.

The party platform that the DPP adopted in 1991 clearly states that "Taiwan is sovereign and independent, ...it does not belong to the People's Republic of China, ...and the sovereignty of Taiwan does not extend to mainland China." The party considered these truths to reflect historical realities as well as the present situation, and at the same time form part of the consensus of the international community. Taiwan, therefore, "should draw up a constitution and establish a nation. Only then is it possible to guarantee respect and security for Taiwanese society and for individual citizens, and to offer the people the opportunity to pursue freedom, democracy, prosperity, justice and self-realization." "Based on the fundamental rights of the people, the establishment of a sovereign Taiwan Republic and the formation of a new constitution shall be determined by all citizens of Taiwan through a national referendum." The DPP's position at that time drew serious criticism from the ruling KMT, who thought Taiwan independence would spark an attack from China. Such a scenario would do nothing to provide national security or prosperity for the people of Taiwan, as independence would act like a poison for Taiwan. China echoed the same sentiment from across the strait.

The disparity between viewpoints on national identity mentioned above, as well as the serious disputes that it has caused, have hindered the normalization of cross-strait relations. The DPP administration has thus made building a consensus on national identity the focal point of its China policy. When Chen Shui-

bian ran in the 2000 presidential election, he mentioned in his "White Paper on China Policy for the 21st Century" that only by "being honest in facing Taiwan's situation and its international reality," and by recognizing the fact that "Taiwan is different from Mainland China and has independent sovereignty," can Taiwan "consolidate [its] national identity and avoid being trapped in chaotic hurdles." This is also the only way that Taiwan can begin to discuss how to decide its future, how to safeguard its national security, and how to handle its relations with China, as well as how it can participate in and contribute to the international community.<sup>11</sup>

Anyone who can realistically face the facts will find that Taiwan has all the qualifications for statehood, including territory (Taiwan, Penghu, Kinmen, Matsu and the surrounding islands), people (a population of twenty-three million), a government (a democratically elected governing body with balance of power), and sovereignty (complete sovereignty that does not belong to, and is separate from, the domination or jurisdiction of any other state). Even if Taiwan's status as a country is not universally recognized, it does not change the fact that Taiwan already exists as a country. It is therefore the duty of any government or political party to face this reality and to courageously speak the truth to its compatriots, the PRC, and the international community in order to expose the irrational oppression that Taiwan has suffered. This is also the only way to show the international community the status quo: two separate and independent sides of the Taiwan Strait. Since the PRC was founded in 1949, it has not established political relations with Taiwan. Therefore, the PRC has no right to decide where Taiwan belongs or what its future should be.<sup>12</sup>

In summary, the consensus on national identity that Taiwan would like to build is: Taiwan is a nation with independent dominion, named the Republic of China in accordance with the current Constitution. Taiwan is not a part of the People's Republic of China. Taiwan and the People's Republic of China are two states, neither belonging to the other.<sup>13</sup>

The DPP took the first step to build this consensus on national identity. At roughly the time that the National Blueprint Committee of Chen Shui-bian's

Campaign Center wrote the "White Paper on China Policy for the 21st Century," the DPP held the second plenary session of its eighth national congress, where it passed the "Resolution Regarding Taiwan's Future." The resolution claims that:<sup>14</sup>

*After years of hardship and struggle, the DPP and the people of Taiwan compelled the KMT to accept democratic reforms by lifting Martial Law and terminating one-party authoritarian rule. Following the 1992 general elections of the National Legislature, the 1996 direct presidential elections and constitutional reform to abolish the provincial government, Taiwan has become a democratic and independent country. "Independence and self-government are prerequisites for national security, social development and the people's welfare. Taiwan is a sovereign independent nation, not subject to the jurisdiction of the People's Republic of China. This is both a historical fact and a reflection of the status quo. It is not only a condition indispensable to Taiwan's existence, but also a crucial element to the development of democratic political practices and continued economic growth." "Taiwan is a sovereign and independent nation. In accordance with international laws, Taiwan's jurisdiction covers Taiwan, Penghu, Kinmen, Matsu and its affiliated islands and territorial waters. Taiwan, although named the Republic of China under its current constitution, is not subject to the jurisdiction of the People's Republic of China. Any change in the independent status quo must be decided by all residents of Taiwan by means of plebiscite.*

The "Resolution Regarding Taiwan's Future" was passed by the DPP's National Congress, which means that it is commensurate with the official party platform. As the latter legally supersedes the former, the DPP skillfully made adjustments to the 1991 platform on independence by referendum. After his inauguration, President Chen mentioned several times that the "Resolution Regarding Taiwan's Future" is the most important guideline for the DPP administration when managing cross-strait relations.

Not long after his inauguration, President Chen commissioned Dr. Yuan T. Lee to organize the Supra-Party Task Force. After thorough discussion over how to select the members of this task force, three points of consensus were reported:<sup>15</sup>

1. *The current status of cross-strait relations is the result of developments in history.*
2. *The Republic of China and the People's Republic of China neither represent one another nor belong to each other. As the Republic of China has established a democratic system, any change in status quo must be approved by its citizens through democratic procedures.*
3. *The people are the core of a nation, and the purpose of a nation is to protect the security and welfare of its people. With geographic proximity as well as similar languages and cultures, the people on the two sides of the Taiwan Strait should be able to enjoy long-term and common interests.*

These consensuses were not easy to reach, but they were an important achievement for the DPP administration in the effort to build a consensus on national identity. The consensuses, referred to as "acknowledgements," primarily highlight the fact that the ROC and the PRC have existed separately for decades on opposite sides of the Strait. They take an honest and practical approach in facing reality rather than the self-deceiving "emperor's new clothes" attitude of an ostrich with its head buried in the sand. All members of the National Congress confirmed the fact that neither the ROC nor the PRC belong to or represent the other, which is consistent with the DPP's viewpoint, and they also agreed that this fact is a consequence of historical developments. In this way, a consensus was reached on these acknowledgements.

President Chen regretted that while members of the opposition parties joined the task force, the parties themselves did not appoint representatives. President Chen repeatedly expressed goodwill in the two years after his inauguration, including the Four Noes and One Without pledge in his inaugural address, and other important policies, such as joint discussions on the future of "one China" and cross-strait integration. Still, China refuses to relinquish the option of using force against Taiwan, continues to suppress Taiwan's international living space and dignity, and ignores the independent decisions of the Taiwanese people. The authorities in Beijing refuse to respect the feelings of the Taiwanese

people and continue to hurt those feelings regularly, going so far as to perform military exercises targeted at Taiwan. The US Department of Defense warned in a report that Taiwan's existence and development may face a serious crisis in the future. President Chen believed that the largest crisis Taiwan faced at the time was the confusion over national identity and the cross-strait sense of hostility. Taiwan would be marred in internal chaos before the enemy even dispatched its troops.<sup>16</sup>

When the sense of hostility wanes, Taiwan needs to take an earnest attitude towards the issue of its sustainable development. What path should Taiwan take? President Chen believes that Taiwan needs to secure its sovereignty, dignity, and security. Taiwan should never be downgraded, marginalized, or provincialized, and Taiwan should convey this assertion firmly and clearly.<sup>17</sup> He made another important remark on August 3, 2002 at the Twenty-Ninth Annual Meeting of the World Federation of Taiwanese Associations:<sup>18</sup>

*Taiwan is our country, and our country cannot be bullied, downgraded, marginalized, nor treated as a local government. Taiwan is not a part of any other country, nor is it a local government or province of another country. Taiwan can never be another Hong Kong or Macau, because Taiwan has always been a sovereign state. In short, Taiwan and China standing on opposite sides of the Strait, there is one country on each side. This should be clear.*

In President Chen's opinion, Taiwan is an independent, sovereign state, regardless of its official name. The other side of the Taiwan Strait is also an independent, sovereign country, but it is different from Taiwan; this point must be clear.<sup>19</sup> In Chen's mind, if he did not agree that the ROC is an independent, sovereign state, he would not be qualified to be President. He has never personally denied that the PRC is a nation, but it is a fact that neither the ROC nor the PRC belongs to the other. This is why he pointed out clearly in remarks on August 3 that Taiwan does not belong to the PRC. Taiwan is neither a part, nor a local government or province, of another nation. This is a historical fact.<sup>20</sup> This is precisely the consensus on national identity that Taiwan intends to reach.

Although the "one country on each side" remarks made on August 3 sparked controversy, the President was reiterating what the majority of the Taiwanese people truly felt. According to public opinion polls compiled by the Mainland Affairs Council (MAC), those who agreed with the President's remarks outnumbered those who disagreed with them. In some surveys, more than half of the respondents agreed with the President. Many people worried that the President's remarks would cause cross-strait tension, but these worries highlight the difficulty that Taiwanese society faces in reaching a consensus on its national identity: even though everyone is aware of the fact that Taiwan is an independent, sovereign state, and the majority of the people agree with that fact, it is not supposed to be uttered in public. Based on years of observation, "one country on each side" is no longer a taboo, and many Taiwanese talk about it in their daily lives.

Another problem the Taiwanese have encountered in reaching a consensus on national identity stems from the relationship between Taiwan and the ROC. Taiwanese society has long debated whether or not "Taiwan" is a nation. Is the ROC a nation? According to the DPP's 1999 "Resolution Regarding Taiwan's Future," Taiwan is a sovereign and independent country and is named the Republic of China under its current constitution; and neither the ROC nor the PRC is subordinate to the other. In the "White Paper on China Policy for the 21st Century" from the 2000 presidential election, and in the "Resolution Regarding Taiwan's Future," President Chen stated his position: Taiwan is an independent, sovereign nation, and is named the Republic of China under its current constitution.

Naturally, however, this position requires an active appeal for a consensus from society. What is the relationship between Taiwan and the ROC? Over the years of his presidency, President Chen tried to provide an answer to this question vis-à-vis historical developments: from 1912 to 1949, the relationship was "the ROC in the mainland." From 1949 to Chiang Ching-kuo's death in 1988, the relationship was "the ROC moved to Taiwan." During the Lee Teng-hui administration, the relationship was "the ROC in Taiwan." Since the transfer of power in 2000, the relationship has been "the ROC is Taiwan." President Chen thus clear-

ly affirmed in his National Day message in 2004 that the sovereignty of the Republic of China lies with the twenty-three million people of Taiwan, that the Republic of China is Taiwan, and that Taiwan is the Republic of China. This is an indisputable fact.<sup>21</sup> In late 2004, President Chen became involved in the debate over Taiwanese high school textbooks, stating his point even more clearly in the hopes of achieving a societal consensus. He said:<sup>22</sup>

*Lastly, I must emphasize that I could not agree with certain opinions when I read a number of reports and discussions about the conflict over Taiwan's identity as a sovereign country. As the eleventh-term President of the ROC, sworn in according to the ROC Constitution and elected by the twenty-three million people of Taiwan, I cannot accept the so-called unclear sovereignty of Taiwan, or the unclear position of Taiwan. It is clear that the ROC, or Taiwan, is an independent, sovereign state. We are without a doubt a beautiful, progressive, and great state. We have all four essential qualifications of statehood: people, territory, a government, and sovereignty. If the nation's position or Taiwan's sovereignty is not clear, how can we be a nation? We have been a nation from the very beginning, and we are a nation unambiguously. The fact that we have national sovereignty is not related to whether or not we have diplomatic ties with other nations. Whether the international community recognizes Taiwan or has official diplomatic ties with Taiwan has no influence on the fact that Taiwan or the ROC is an independent, sovereign nation.*

*In the high-level meeting of the National Security Council held at the Presidential Office yesterday, October 10, I particularly appealed to China for the survival of the ROC in my ten-point statement. I am the tenth- and the eleventh-term President of the ROC, so before I held office, there were nine other presidential terms. We all acknowledge that the first-term President of the ROC was not elected in Taiwan. The historical facts of the connection and relationship between the ROC and Taiwan must not be distorted and misleading. Different groups and individuals can have different ideologies, political beliefs, and freedom*

*of speech, but as the President of the ROC and the leader of Taiwan, I must safeguard Taiwan's national sovereignty, dignity, and security. As I mentioned before, the PRC is another nation, not our nation; Mongolia is another nation, not our nation. When we say "our nation," the ROC is Taiwan, and our nation is Taiwan. I also believe that when we consider Taiwan and the ROC to be our nation, we cannot ignore the decades that Taiwan and the ROC went through before 1949. When we talk about studying the history of Taiwan, there is no doubt that we cannot forget the decades the ROC spent in Taiwan after immigrating from the mainland. However, we cannot say that in those decades the ROC was in the mainland or that the ROC did not exist. I have always believed that we should be grateful in this respect: without the ninety-three years of the ROC, there could be no "ROC moved to Taiwan," nor could there be today's "ROC is Taiwan." I have made this clear in my inaugural address and my National Day remarks, and I wish to share it again with my compatriots to inspire them.*

President Chen's remarks immediately received a unified response and great deal of support from the public. Liu Pao-chieh, a reporter for the United Daily newspaper, said that through these remarks, President Chen had gracefully expressed his acceptance of the historical legacy of the ROC and his tolerance towards the conflicts between the ROC and Taiwan. He appealed to the histories of both the ROC and Taiwan rather than merely their intersection, hoping to integrate different opinions in Taiwan and dissolve conflicts. He also set a clearer tone for the meaning of "the ROC is Taiwan," which has the potential to dissolve conflicts over Taiwan's identity, turning it into the greatest common denominator for Taiwan. Now we will wait and see how President Chen turns "the ROC is Taiwan" into a mainstream value for Taiwan with concrete actions, in order to achieve the goal of uniting Taiwan that he elaborated in his inauguration speech.<sup>23</sup>

Through the efforts of the DPP administration over the past several years, a national identity that centers on Taiwan has gradually taken root. In the past, under the leadership of political strongmen, Taiwan's national identity was fraught

with illusions and was very different from the current reality. Now that two of those strongmen passed away one after another, this illusory national identity has faded. The democratization that ensued has caused the rise of a Taiwanese consciousness, and a new national identity, distinct from that of the past, has emerged. According to long-term studies of the experience of national identity transformation, only 41 percent of those surveyed in 1996 considered Taiwan, Penghu, Kinmen, and Matsu as part of the nation's territory, while 42 percent believed that the mainland should also be included. In 1998, however, these percentages rose to 65 and dropped to 27, respectively.<sup>24</sup> After the DPP became the ruling party in 2000, a September 2003 survey showed that the former percentage increased to 71.1, while the latter dropped to 13.5.<sup>25</sup>

Similarly, 44 percent of those surveyed in 1996 believed that only the 21 million people in Taiwan, Penghu, Kinmen and Matsu were their compatriots, while 39 percent believed that the 1.2 billion people of China should be included as well. In 1998, the former percentage rose to 64, while the latter decreased to 28.<sup>26</sup> In a survey conducted in September 2003, the former increased to 77.2, while the latter dropped to 10.6.<sup>27</sup>

In 1996, 73 percent of those surveyed believed that only the Taiwanese people could decide the future of Taiwan, while 13 percent of those surveyed believed that the people of China should also have a say in the issue. In 1998, the former percentage increased to 81, while the later stayed at 13.<sup>28</sup> Although follow-up data has not been obtained, we can assume that the percentage of those who believe that only the Taiwanese people can decide the future of Taiwan has increased since 1998.

These research results indicate that an identity of "our homeland and our people" has emerged since the previous nation of illusions, established by the political strongmen of the past, has disappeared, and has transformed into the current status quo. In addition, more and more people in Taiwan believe that their fellow countrymen are the twenty-three million people who live in Taiwan, that their country's sovereignty comes from these twenty-three million people and belongs only to these people, and that the territory of Taiwan is restricted to

Taiwan, Penghu, Kinmen and Matsu. This is also the reason that President Chen received an approval rating of over fifty percent and a disapproval rating of only thirty percent when he said in 2003 that "There is one country on each side of the Taiwan Strait." The events of the 2004 presidential election showed that Taiwanese consciousness soared during that period. From the north to the south, the 228 Hand-in-Hand Rally demonstrated the love of the Taiwanese for their land and their support for their country.

For more than a decade, Taiwan's democratization has stimulated the people's sense of identity, broken the illusory national identity of Great China established by the authoritarian leaders of the past, and has gradually built a new consensus on national identity. However, this new identity is still developing. According to the September 2003 survey mentioned above, although over 70 percent of those surveyed believed that Taiwan's national territory only includes Taiwan, Penghu, Kinmen and Matsu, 13.5 percent still believe that it should include China. While over 75 percent of those surveyed consider only the 23 million people of Taiwan to be their compatriots, there is still 10.6 percent who believes that the 1.3 billion people in China should be included. While this 10.6 percent is the minority, it clings tightly to a Great China identity and is not willing to embrace the new identity. Meanwhile, the minority accuses the new identity as being nothing more than Taiwan independence. These are the same accusations that Beijing uses, which threaten the building of a consensus on national identity.

In addition, Taiwan is an ethnically diverse society. Over the past several hundred years, Taiwan has witnessed a number of distinct waves of immigration: the indigenous people, the Minnan people, the Hakka people, and the mainlanders. The last wave of immigrants, the mainlanders who moved to Taiwan in 1949, were forced to migrate to Taiwan after suffering defeat at the hands of the CCP in the Chinese Civil War on the mainland. In the initial decades after their migration, these people still planned to "recover the mainland" and regain their home territory. While they share their ethnic identity with the 1.3 billion Chinese in China, they did not merely sit by and suffer as outsiders to the new ethnic mixture they encountered in Taiwan; through their control of the state apparatus and their political tools of socialization, the leaders of this group even force-educated

the other three groups to identify with their own Chinese ethnic identity. As time passed, however, the leaders of this mainland group not only failed to "recover the mainland" and lead their group back home, but as Taiwan began to undergo localization and democratization, the mainlanders also relinquished their monopoly on state power. Before Chiang Ching-kuo passed away, he said to the mainlanders and their children born in Taiwan, "I am Taiwanese, too," to urge them to blend into Taiwan's new ethnic mixture. However, there are strong feelings attached to ethnic identity. Such a process of separation and reconstruction is full of conflict and social rifts, making it an unstable element in Taiwanese society. Moreover, the Chinese perception of ethnicity (or nationalism) is in fact a combination of ethnic identity and nationalism. The transformation of ethnic identity is actually that of national identity. Therefore, for those who identify themselves as Chinese, accepting a "new Taiwanese" identity is equivalent to no longer being Chinese and thus losing their homeland. This creates the potential for rebellion, which in fact could be observed in the aftermath of the March 2004 presidential election. Hundreds of thousands of people gathered in front of the presidential palace for several days and nights, each of them holding the ROC flag and singing the ROC national anthem. These actions were the projection and release of indignation from losing what they felt was their homeland. Today, the DPP is the ruling party, President Chen has been inaugurated as the tenth- and eleventh-term President of the ROC, and the national flag of the ROC still waves atop the roof of the presidential palace. The ROC has not fallen, as these people criticize, but their dissatisfaction has not faded. This is a serious obstacle in reaching a consensus on national identity, and even in safeguarding national security.

To reconcile these increasingly intense and adversarial feelings that exist in Taiwanese society, President Chen proclaimed in his second inaugural address that to "unite Taiwan, stabilize cross-strait relations, seek social harmony, and reinvigorate the economy" would be the foremost priorities of the new administration. In addition, he and PFP Chairman James Soong also reached a consensus on national identity in a meeting dubbed the "Bian-Soong meeting":

*According to the Constitution of the Republic of China, our country's status and position is defined as the de facto and de jure status quo existing between the two sides of the Strait; both sides of the Strait, and the international community, must recognize and respect this designation.*

In a press conference after the meeting, President Chen made a point of explaining that he and James Soong had agreed in the meeting that the ROC is the "greatest common denominator" in national identity. He said:

*As Chairman Soong just mentioned, the "greatest common denominator" ...that we achieved in this meeting is the ROC. The DPP passed the Resolution Regarding Taiwan's Future during the second plenary session of the eighth DPP National Congress, on May 8, 1999. It was integrated into the DPP's party platform during the second plenary session of the ninth DPP National Congress, on October 20, 2001. It is noted in the Resolution that according to the present constitution, the name of this country is the Republic of China. The DPP has not changed this point since that time. I was elected as the President of the ROC in 2000, and I won another term in 2004. As I mentioned today, I was sworn in as the tenth- and eleventh-term President of the ROC in accordance with the ROC Constitution. Therefore, there is no doubt that the ROC is our greatest common denominator. In regard to other disagreements, we mainly seek common ground while preserving differences. It is impossible for us to meet once and change all of our views. One meeting cannot possibly change the long-term training and opinions of a party or person. It is important, however, for us to find something in common for the country and the people. We also realize that since this country is called the ROC, we should follow the country's fundamental law: the Constitution and its amendments, before they have been reformed.*

James Soong echoed the President's words. He said:

*The conclusion that the President and I have reached is clear: that we identify our country as the ROC, and we take following the ROC Constitution as our joint responsibility and commitment. We not only respect the Constitution, but also its amendments. Today, we have made a major breakthrough: to uphold the national identity set forth in the ROC Constitution, which is also the current cross-strait reality both factually and legally, and that is the fundamental one China principle of the Constitution. We hope that the principle can be both implemented through pragmatic measures and promoted in the current stage.*

Although Soong distorted the current factual and legal cross-strait status quo (his "constitutional one China" remark), President Chen and Chairman Soong reached a truly remarkable consensus. It is also the first time in Taiwan's history that two parties from the blue and green camps, which were formed due to conflicts over national identity, reconciled their differences. Although the KMT and the Taiwan Solidarity Union (TSU) did not attend this meeting, we can make the argument that the Bian-Soong meeting took a successful first step. Taking this meeting as a precedent, if the President can hold a multi-party summit in the future that spurs inter-party communication, it is conceivable that accepting the ROC as the greatest common denominator in the debate over Taiwan's national identity could become the greatest consensus in Taiwanese society.

China has been unwilling to face the awakening of Taiwanese consciousness and the new national identity that has developed thereof. China continues to criticize the new national identity as Taiwan independence or "creeping" Taiwan independence, using such language as "anti-Chinese" and "forgetful of one's own origins." The DPP made it clear in the "Resolution Regarding Taiwan's Future" that the party is willing to follow the current constitution and accept the Republic of China as the country's name, and President Chen made the Four Noes and One Without pledge in his inaugural address in 2000. Even so, Beijing still considers these actions to be a veil for Taiwan independence and insists that Taiwan accept the one China principle, which, in Beijing's definition, is that "there is only one China, Taiwan is a part of China, and the PRC is the sole legal government of China." Only when Taiwan accepts this definition will any further



developments in cross-strait relations be made. Today, Taiwan's governmental agencies propose various cross-strait policies based on a spirit of goodwill, reconciliation, active cooperation, and permanent peace. However, these policies have been either resisted or simply ignored by Beijing.

In an interview with the Washington Post, President Chen pointed out that China does not recognize the existence of the ROC, but it is not willing to see the name clarified or changed, either. Without a doubt, this presents a dilemma. This is a matter that the Beijing authorities need to consider seriously. If the Taiwan independence that Beijing refers to is a change in the status quo, Beijing should admit that the status quo, which includes the ROC government, is not Taiwan independence. Beijing should further respect what President Chen said in his Cross-Century Remarks: "...we would like to appeal to the government and leaders on the Chinese mainland to respect the existence and international dignity of the Republic of China; publicly renounce the use of force...." If China cannot do this, there is no difference in the eyes of the twenty-three million people of Taiwan between Beijing denying the ROC and Beijing denying Taiwan independence. It would also be unnecessary for the Taiwanese to uphold the ROC.<sup>29</sup>

In May 2005, James Soong was invited by the leader of the PRC, Hu Jintao, to visit China. Before his trip, Soong repeatedly claimed that he would bring with him the ten-point consensus that he had reached with President Chen as the basis of communication with Beijing. The significance of this issue is that as Taiwan's society gradually forms a consensus of the ROC as its national identity, it is also the time for the Beijing authorities to consider how to face the existence of the ROC.

## **2. Proposing a Future of Co-Existence and Co-Prosperity**

To face oneself honestly, one must also face others honestly. When the DPP faces itself honestly and asks how to define Taiwan's national identity, it naturally has to consider the "other side" at the same time. When the KMT was the ruling party, Taiwan had long regarded the mainland as part of its territory, stolen by the gang of Zhu De and Mao Zedong and placed under a false government. The KMT's mainland policies were thus to "recover the mainland," "exterminate the

evil communists," and "rescue the suffering compatriots in the mainland." As time passed, the "false government" established by the "evil communists" not only survived, but also grew stronger and gained the recognition of major countries in the international community. It even entered the United Nations and took the seat originally held by the ROC. The KMT had no choice but to change its China policies into "unifying China with the Three Principles of the People."

The DPP's 1999 "Resolution Regarding Taiwan's Future" clearly states that Taiwan is an independent, sovereign country, and in accordance with international laws, Taiwan's jurisdiction covers Taiwan, Penghu, Kinmen, Matsu and the surrounding islands and waters.<sup>30</sup> Now that the DPP has acknowledged Taiwan's sovereignty and territory, it also has to acknowledge that the PRC is the country on the other side of the Strait. It is neither a "gang of bandits" nor a "false government," but rather another country that is recognized by the major countries of the world. Neither Taiwan nor the PRC belongs to the other, and neither represents the other.

After recognizing the true state of relations between both sides, the DPP stated in its "Resolution Regarding Taiwan's Future":

*It is the DPP's conviction that the cross-Strait relationship cannot stay outside of the global trend toward reconciliation, stability and prosperity. Furthermore, it is impossible for two countries sharing geographic proximity, economic benefits and cultural origins to remain in a state of hostility and mutual isolation. The ultimate goal of the DPP's China policy is to establish a cross-Strait relationship that is mutually beneficial rather than discriminatory, peaceful rather than confrontational, and equal rather than subordinate to each other. The DPP asks the Chinese government to respect the will of the Taiwanese people and to accept the fact of Taiwan's independent sovereignty. Furthermore, we hope that China can abandon the outdated framework of nationalism and respect Taiwanese people's pursuit of independence, autonomy, and prosperous development under a free and democratic system. The DPP also hopes that in the coming century, China and Taiwan can*

*abandon mutual suspicion and antagonism. Based on historical and cultural origins, and for the sake of geopolitical, regional stability and economic interests, both sides should work together toward a future of co-existence, co-prosperity, mutual trust and mutual benefits.*<sup>31</sup>

This viewpoint can also be observed in the "White Paper on China Policy for the 21<sup>st</sup> Century," as well as President Chen's remarks on January 30, 2000:

*Although the people of Taiwan pursue political autonomy, the long-standing relationship between Taiwan and China in history, culture and ancestry is undeniable. From the angle of geopolitics, Taiwan should co-exist with China. It is impossible for Taiwan to confront China for a long time. Regarding economic development, Taiwan cannot separate from China's market. Only through normalization of the relationship with China can Taiwan be under due protection and its economy be fully developed. With motivating factors of mutual benefit and joint prosperity, the current status of the Taiwan Strait should be defined as a special relationship between the two sides.*<sup>32</sup>

*As per the WTO model, we will pursue respective, equal statuses for Taiwan and China to participate in the international community and to co-exist and co-prosper. In the past, the zero-sum game between the two sides of the Taiwan Strait not only exacerbated cross-strait relations, but also confused our friends in the international community. Recently, the model that the two sides submitted to enter the WTO provides new possibilities for co-existence and co-prosperity, inspiring new hopes from the international community. I believe that the leaders of the two sides will have the wisdom to reflect on the lessons of the past and find an acceptable model for both sides' co-existence and co-prosperity in the international community.*<sup>33</sup>

Simply speaking, before the DPP became the ruling party, it had already set a goal to co-exist and co-prosper with China. That goal is established on the basis of safeguarding the integrity of Taiwan's sovereignty, in the hope of ending the confrontation between both sides and normalizing relations. Therefore, once

the DPP won the opportunity to be the ruling party, President Chen promptly stated in his inaugural address that:

*Today, as the Cold War has ended, it is time for the two sides to cast aside the hostilities left from the old era.... The people across the Taiwan Strait share the same ancestral, cultural, and historical background. While upholding the principles of democracy and parity, building upon the existing foundations, and constructing conditions for cooperation through goodwill, we believe that the leaders on both sides possess enough wisdom and creativity to jointly deal with the question of a future "one China."*<sup>34</sup>

But what is the "future one China?" What form would it take? How can we ensure Taiwan's sovereignty and status under this model? President Chen further elaborated on this point in his Cross-Century Remarks in late 2000:

*I have always felt that the people on both sides of the Taiwan Strait came from the same family, and that they all pursue the same goals of peaceful coexistence and mutual prosperity. Since both sides wish to live under the same roof, we should be more understanding and helpful rather than harming or destroying each other.*

*Thus, we would like to appeal to the government and leaders on the Chinese mainland to respect the existence and international dignity of the Republic of China; publicly renounce the use of force; and overcome the current dispute and deadlock through tolerance, foresight, and wisdom.*

*The integration of our economies, trade, and culture can be a starting point for gradually building faith and confidence in each other. This, in turn, can be the basis for a new framework of permanent peace and political integration. Eventually, there will be unlimited possibilities for benefiting the people on both sides of the Taiwan Strait in the 21<sup>st</sup> century.*<sup>35</sup>

In these remarks, President Chen for the first time proposed a new framework for political integration, the well-known Integration Theory. The purpose of the new framework for political integration is to pursue co-existence and co-prosperity for Taiwan and China with the prerequisite that the government and leaders of the PRC must respect the space for existence and the dignity of the ROC in the international community, as well as publicly abandon the use of force. It is obvious that the political integration of the ROC (or Taiwan) and the PRC is a multi-sovereign associated system, which is different from the mono-sovereign system that the KMT and the CCP sought in the past. The past fifty years, however, have proven the mono-sovereign system (or unification) that the KMT and CCP sought to be unfeasible. In addition, this system does not suit the current interests of the Taiwanese people. A political stalemate existed for fifty years under KMT rule, and the tense political relations were never relaxed. Now that the DPP is the ruling party, the new government can adopt a new way of thinking. It was in this spirit that President Chen appealed to the PRC to demonstrate great tolerance and progressive thinking and search for a new framework for political integration in order to overcome the current confrontation and stalemate.

Political integration originates from the idea of a multi-sovereign system and includes all possible models ranging from the loosest, a commonwealth, to the more closely integrated European Union or confederation model. The DPP's China Affairs Department has done in-depth research on the issue, particularly from the angles of political power and national consciousness, and has made several concrete conclusions regarding political integration:<sup>36</sup>

1. *The form and function of collective mechanisms and organizations (for integration), including the characteristics, status, administrative duties, ability to implement limitations on power, and binding force of the established collective organization; as well as the scale, amount, importance and ordering of all abilities and duties;*
2. *Independence of the collective (integrated) mechanisms and organizations;*
3. *The individual will of each member alliance or nation;*

4. *Subordination, dependence, and cooperation among the member states, particularly regarding economic and national defense policy; and*

5. *Points of agreement and disagreement among the people on issues such as cultural views, world views, and a sense of belonging.*

With the adoption of these principles, President Chen and the DPP administration maintain an open mind on whether Taiwan and the PRC should adopt a more traditional model of integration, such as a confederation; the EU model; or a commonwealth, or develop a new model of integration. Ultimately, however, any model of integration adopted by both sides must have the approval of the twenty-three million people of Taiwan. President Chen explained this point in his inaugural address in 2004:<sup>37</sup>

*History has given rise to the development of two very different political systems as well as two dissimilar ways of life on either side of the Taiwan Strait. However, if we make a concerted effort to find some positive aspect of our differences and commonalities, perhaps we shall discover a wonderful opportunity, a catalyst for building a cooperative and mutually beneficial relationship. Taiwan is a completely free and democratic society. Neither single individual nor political party can make the ultimate choice for the people. If both sides are willing, on the basis of goodwill, to create an environment engendered upon "peaceful development and freedom of choice," then in the future, the Republic of China and the People's Republic of China--or Taiwan and China--can seek to establish relations in any form whatsoever. We would not exclude any possibility, so long as there is the consent of the 23 million people of Taiwan.*

The Integration Theory promoted by President Chen at the end of 2000 received acclaim locally and overseas. While Beijing did not give much of an active response, it did not criticize it fiercely, either. In July 2001, the opposition KMT took the lead in proposing a confederation and even wanted to write it into the party platform after the party's sixteenth national congress. However, the pro-

posals was dropped after encountering opposition from former KMT Secretary-General Lee Huan.<sup>38</sup> In fact, as early as Chen Shui-bian's election as President in 2000, Chen visited senior advisor Sun Yun-suan, who suggested the confederation model to the President, but Chen regarded the confederation as merely one of the basic ideas in a possible development model for future cross-strait relations. Whether the idea was feasible would depend on the will of the people.<sup>39</sup>

Since then, although the KMT has never again mentioned the confederation model, seeking a political integration model of co-existence and co-prosperity for Taiwan and the PRC is one of the focuses of the DPP's China policy. In his inaugural address in 2004, reflecting on the recent integration of the EU, President Chen encouraged all elements of society, and even the PRC leaders, not to rule out the integration model of the EU as a new paradigm for future cross-strait relations:<sup>40</sup>

*Not long ago, the European Union (EU) welcomed the accession of ten new member states. Following several decades of effort, with respect to each individual country and by the free choice of citizens, the EU has successfully integrated the common interests of the people of Europe. Such a valuable experience has far-reaching implications and will impact world order in this new century. From this we see that regional integration is not merely an ongoing but also a future trend. This trend, in addition to globalization, has led to fundamental changes in the conventional thinking of national sovereignty and territorial boundaries, such that envisioning "universal harmony" will no longer be an intangible ideal. With the new century upon us, let the leaders on both sides of the Strait, in striving to attain the greatest welfare for their peoples, heed this new trend by adopting a brand new frame of mind--together, let us take a fresh, unparalleled approach in addressing future cross-strait issues.*

In planning for the future of cross-strait political relations, Beijing's one country, two systems formula encounters opposition from over eighty percent of the Taiwanese people, while President Chen's new framework for political integra-

tion, which seeks co-existence and co-prosperity for both sides, has received considerable approval. Just as President Chen pledged in his second inaugural address, if both Taiwan and China can,

*...on the basis of goodwill, [create] an environment engendered upon "peaceful development and freedom of choice," then in the future, the Republic of China and the People's Republic of China-or Taiwan and China-can seek to establish relations in any form whatsoever. We would not exclude any possibility, so long as there is the consent of the 23 million people of Taiwan.*

In a survey conducted by the MAC, the President's remarks received support from 54.6 percent of those surveyed. President Chen has also called for taking the integration experience of the European Union as a reference for facing and dealing with cross-strait issues in the future, and this idea has received a positive reaction within Taiwanese society. For example, when former DPP Chairman Hsu Hsin-liang, who has long been a critic of President Chen, participated in the legislative elections in late 2004, he demanded a "new 'one-China' principle, modeled after the EU."<sup>41</sup> Even though he has neither given up on the one China principle nor explained the term "new 'one-China principle,'" his serious consideration of the EU model can be regarded as a response to the President's proposal.

The PFP has advocated the "one roof, two seats" theory, for which it took West Germany's 1969 roof theory to argue that the ROC and the PRC are two equal political entities that co-exist. On this basis, the ROC and the PRC can participate in the international community together. Although the idea is different from President Chen's EU political integration model, President Chen and Chairman Soong reached a consensus in point six of the ten-point consensus from the Bian-Soong meeting: "Any change to the status quo of the Taiwan Strait must come with the consent of the twenty-three million people of Taiwan. On the basis of goodwill from both sides, we would not exclude any possibility to establish future relations between the two sides, in any form whatsoever." This was also Chairman Soong's response to President Chen's second inaugural address.

With the consent of the twenty-three million people of Taiwan, Taiwan would not exclude any form of relations between the ROC and the PRC (or Taiwan and China).

### 3. *Making Interim Arrangements for the Future*

Seeking a political integration model of co-existence and co-prosperity is one of the focuses of the DPP's China policy. Achieving this goal, however, is easier said than done; it requires a long process. Take the EU model that President Chen mentioned, for example. It began in 1951 when Germany and France signed the Treaty of Paris to establish the European Coal and Steel Community. Over forty years had passed when the Treaty of Maastricht was signed in 1992, establishing the EU. The most important reason for the EU's success is that member states share common ground in their political systems (democracy), economies (capitalism), societies (free and liberal), legal systems (rule of law), and universal values (human rights). Unfortunately, there are large discrepancies in these areas across the Taiwan Strait, even opposition and conflict. Even though China gave up its communist command economy in 1978 and adopted "socialist market economy reforms," approaching a capitalist system, the reality in China is still quite different from the political, social, and legal systems, as well as universal values, that Taiwan has adopted. For this reason, Taiwan and the PRC still have a long way to go if they expect to realize the EU model of integration. This matches President Chen's point in his Cross-Century Remarks: in order to seek a new framework for permanent peace and political integration across the Strait, both sides must start from economic and cultural integration and then gradually cultivate mutual trust.

It will take a long time for Taiwan and the PRC to create a new framework for political integration that can provide co-existence and co-prosperity, and at the moment, opposition and conflict have rendered cross-strait relations quite unstable. In order to stabilize cross-strait relations, both sides must sign an agreement on an interim framework that does not decide an ultimate political arrangement. Only in this way can both sides expand cross-strait exchanges and create an environment for economic and cultural integration. The DPP considered this

issue in its 1999 "Resolution Regarding Taiwan's Future." The seventh proclamation stated that Taiwan and China should engage in comprehensive dialogue to seek mutual understanding and economic cooperation, and that both sides should build a framework for long-term stability and peace.<sup>42</sup> In other words, to move towards a new framework of political integration, it would not be sufficient merely to start from economic and cultural integration; there must be a full set of interim arrangements in order to bridge the gap between the two sides of the Strait. The content of such arrangements is threefold: (1) to negotiate framework of interaction for cross-strait peace and stability; (2) to develop economic cooperation; and (3) to assist democratization in the PRC and thoroughly resolve the basic contradictions between both sides. Further explanation follows:

#### 3.1 *To negotiate a cross-strait framework of interaction for peace and stability*

Chen proposed the "Draft Cross-Strait Fundamental Treaty" in 1990 in order to create peaceful and stable cross-strait relations.<sup>43</sup> During the 2000 presidential election, President Chen further elaborated on how to "establish stable mechanisms for interaction" in his "White Paper on China Policy for the 21st Century":<sup>44</sup>

*On the subject of dialogue to reach a peace agreement, Taiwan and China should realize a consensus on an ultimate goal and a "transitional dialogue framework" can be set up to improve the interacting relationship of both sides.*

*Both sides may engage in long-term dialogues concerning the feasibility of signing a peace treaty. We think that a peace agreement should have the following content:*

*According to the United Nations Declarations, a dispute should be settled peacefully without engaging in the use of force.*

*The existing border between both sides should not be invaded in order to guarantee complete respect for the other side's territory.*

*Neither side should represent the other in the international communi -*

*ty, or take action on the other's behalf.*

*Both sides should exchange representative offices.*

*To sign such an agreement is extremely difficult. However, it is necessary to develop dialogue on this subject. These difficulties are not unique to Taiwan and China. Before East Germany and West Germany signed their basic agreement, they also went through lengthy negotiation. Only after formulating more than ten agreements on issues such as postal administration, telecommunication, radio channel, cargo transit receipt/delivery, convenient measures in travel, railway transportation, and accident compensation, did both sides establish mutual trust.*

*In matters related to public welfare incurred through bilateral exchange must take priority. They included subjects such as: business arbitration, juridical assistance, and mutual attack on crime &. In terms of economic and trade matters, especially those related to air and marine transportation, we should enter into negotiations of navigation rights in order to promote Taiwan as the Asia Pacific Regional Operations Center, and facilitate the bilateral travel of Taiwanese businessmen. Concerning sea-land transportation, we request China to open international harbors such as Kuangchou, Talien, Shanghai, and Tianjin, to reciprocate our opening of the two major harbors of Kaohsiung and Keelung. Direct navigation and expedient shipping should be the priority.*

*For air transportation, we propose unilateral operation by Taiwan but with the principle of mutual benefit and profit sharing for both sides. During negotiation, we must first ensure national security and then pursue mutually favorable interests. We hope to normalize naval and air transactions under the WTO framework in the short term, and in the long term, promote Taiwan to become a major market for naval transportation and aviation industries, as well as a major competitor in the global economy.*

*Concerning the subject of protection of bilateral investment, as both sides are to participate in WTO, we think the unilateral exchange of investment, trade, and business trips will gradually change to a bilateral course. Therefore, we urge both sides to engage in negotiation on signing an investment protection agreement, setting up mutual trade representative institutions, and legislating investment protection laws. We intend to realize Taiwan and China as equal WTO members. Under equal and mutually favorable conditions, we will allow China to set up trade representative offices in Taiwan.*

*Regarding "confidence building measures (CBM)," besides the basic discrepancy existing in both sides, the risk of "misperception" and "miscalculation" exists. The geographical distance between Taiwan and China is very close, so the chance of conflict is extremely high. In the absence of mutual trust, any accident may be interpreted as an intentional act, and further raise an overall conflict. In order to avoid a military confrontation, Taiwan and China should develop "confidence building measures" as early as possible.*

*"Confidence building measures" cannot guarantee against war. CBM only reduces the risk of war. However, negotiation and implementation of "confidence building measures" can cultivate friendly relations and promote consensus for a peaceful resolution.*

*We propose the content of confidence building measures as including the following:*

*Transparent measures - Include the transparency of military practice and troop mobilization; transparency of military procurement and sales information.*

*Communication measures -- Include setup of hot line, mutual visits of military personnel, mutual participation into international seminars, exchange of military trainees, and joint participation in international organizations.*

*Navy security measures -- Include marine rescues, resolution of fishing disputes, and crime prevention in the Strait.*

*Restrictive measures -- Set up a buffer zone; discuss guidelines for action in the middle line between Taiwan and China.*

*We admit, the current situation is far from conducive to an overall, substantial CBM framework; there are still many barriers to overcome. However, the difficulty in marine cooperation and transparency measures is relatively smaller, because the function of CBM is to reduce the possibility of a conflict. What it represents is the concern for human lives. Therefore, we practically focus on subjects that are less confrontational, to serve as the major subject of negotiation and basis for mutual trust.*

*To further the dialogue between Taiwan and Mainland China on military security, it is necessary to reinforce our national defense strategy and civilian research team. On one hand, this is an alternative to the military system and it avoids confronting the egotistical military personnel participating in discussion. Civilian personnel are more flexible in adapting to the current discussions between the Straits Exchange Foundation (SEF) and Association of Relations Across the Taiwan Strait (ARATS).*

In addition, President Chen explained in his remarks on the "New Century of Peace in the Asia-Pacific, and the Bright Future of Taiwan Strait," on January 30, 2000:<sup>45</sup>

*Any issue can be negotiated and discussed on the premise of a peaceful solution and parity. In addition to negotiations for peace, I also hope that the two sides can establish military confidence-building mechanisms to reduce the risks of conflict, starting with measures such as staff visits, notice of exercises, maritime aid, and hotlines. The problems that arise from cross-strait trade, for example, to safeguard the life and property of Taiwanese businesspeople and concrete agree-*

*ment on the Three Links, urgently require negotiations and solutions.*

It is clear from President Chen's remarks above that creating peaceful, stable relations under the current cross-strait framework has been a major China policy concern for him. Since coming to power in 2000, the President has continued to look for the proper opportunity to put this policy into practice. As China's political situation is now evolving, and since Hu Jintao successfully came to power after the CCP's Sixteenth Party Congress in 2002, Hu is now the leader of a new era in China. President Chen decided to make an official appeal to Hu in his 2003 New Year's Message in the hope that both sides could work together to negotiate the establishment of a framework of interaction for peace and stability. He said:<sup>46</sup>

*Now, each side has proposed its own blueprint for future development. Therefore, today, I wish to make an earnest call for both sides to strive toward building a framework of interaction for peace and stability and to make this a primary goal at this stage of cross-strait development. In these first two decades of the twenty-first century, let us begin by creating a common niche for economic development, thus fostering an environment conducive to long-term engagement. Consultation and promotion of direct transportation links, as well as exchanges on other relevant economic issues, could constitute a first step forward and set the stage for further economic and cultural interaction. This would enable both sides to work together, abiding by the principle of "democracy, parity, and peace", in an effort to resolve longer-term issues through existing foundations and with increasing confidence.*

In addition to making appeals across the Strait, domestic consensus is also important, especially as this is such a crucial policy in the development of cross-strait relations. Without the people's support during negotiations, it would be both difficult to be taken seriously by the other side and to gain a strategic advantage in negotiations. But reaching a domestic consensus in Taiwan, especially a consensus with the backing of the law, is difficult in the current political environment. After the Legislative Yuan passed the Referendum Act at the end of 2003, in

accordance with Article 17 of the Referendum Act, President Chen made up his mind to put the issue of negotiating a framework of interaction for peace and stability to a referendum. In this way, he hoped to acquire the mandate of the people and initiate negotiations.<sup>47</sup> He said:<sup>48</sup>

*Both sides of the Strait are now at a crucial juncture for respective developments. Taiwan is in the process of major domestic reforms, and Mainland China is focused on its economic development. If we are able to seize the momentum, it will have great impact on our development and future prospects. The key lies in whether both sides can create a stable environment conducive for each side to devote itself to its own development. Seeking to establish a peace and stability framework for interaction will not only meet the needs of both sides, but will also allow each side to seek greater welfare for their peoples.*

*With the concrete, common goal of seeking peace and stability, we must seriously consider engaging in negotiations through formally authorized representatives from both sides as early as possible, in order to establish a sustainable and stable framework of interaction. We should enter into an agreement on the establishment of a peace and stability framework for cross-strait interactions as the basis for future cooperation and the maintenance of peace and stability in the Taiwan Strait. Doing this will not only cultivate and further enhance mutual trust and minimize misjudgments, but will also help the two sides to face and understand the basic elements and rules for peaceful coexistence.*

The issue of establishing a framework of interaction for peace and stability that President Chen proposed for a referendum includes "One Principle and Four Major Issue Areas." The One Principle, or the "Principle of Peace," includes establishing a consensus on joint responsibility for maintaining peace, interaction, and cooperation. It stipulates that any dispute must be resolved by peaceful means rather than force, and it forbids any unilateral changes to the status quo in the Taiwan Strait. The four major issue areas are:

- (1) The establishment of negotiation mechanisms: each respectively appointed special envoy will arrange to hold consultations with his counterpart, and will initiate negotiations regarding any problems encountered;*
- (2) Exchanges based on equality and reciprocity: both sides can negotiate issues that arise from cooperation and interaction;*
- (3) Establishment of political relations: both sides should devote themselves to the establishment of political relations characterized by mutual respect, mutual benefits, and increased engagement; and*
- (4) Prevention of military conflicts: both sides should engage in negotiations on issues regarding decreasing the possibility of a military conflict.<sup>49</sup>*

In looking at the content of the Four Major Issue Areas, one finds that they are in fact the same as the idea of establishing stable mechanisms for interaction, which were proposed by the President in his "White Paper on China Policy for the 21st Century" during the presidential election of 2000. This proves that the DPP administration's China policy under President Chen is carefully planned, consistent in its position from start to finish, and certainly not constantly changing, as some critics have deemed it. Even though the opposition boycotted the referendum, citing the reason that the referendum had been deliberately linked to the presidential election, and insufficient votes kept the referendum from passing, a public opinion poll commissioned by the MAC in September 2004 shows that almost 80 percent (79.5 percent) of Taiwanese approved the President's proposal that Taiwan and the PRC should initiate negotiations for a framework of interaction for peace and stability in order to guarantee that the status quo not be changed by either China or Taiwan. At the same time, 83 percent of those surveyed supported the proposition that the governments of Taiwan and China send representatives to negotiate the establishment of a framework of interaction for peace and stability. Each of the Four Major Issue Areas listed by the Taiwanese government received over 80 percent approval, which shows that these policies actually have the support of the overwhelming majority of Taiwanese.<sup>50</sup> Although



the referendum ultimately did not pass, President Chen is still determined to promote this policy. He not only expressed his determination in his second inaugural address, but also made an important statement in his National Day address in 2004 and again at a high-level meeting of the National Security Council on November 10:

*It is my belief that both sides must demonstrate a dedicated commitment to national development, and through consultation, establish a dynamic "peace and stability framework" for interactions; that we must work together to guarantee there will be no unilateral change to the status quo in the Taiwan Strait; and, additionally, we must further promote cultural, economic and trade exchanges--including the three links--for only in so doing can we ensure the welfare of our peoples while fulfilling the expectations of the international community. As the President of the Republic of China, I have been mandated by the people of Taiwan to defend the sovereignty, security and dignity of this nation, to chart our country's sustainable development, to safeguard peace and stability in the Taiwan Strait, to seek consensus and garner the collective support of all the people, and to carefully manage future relations across the Strait. Today I would like to reaffirm the promises and principles set forth in my inaugural speech in 2000. Those commitments have been honored--they have not changed over the past four years, nor will they change in the next four years. Upon this foundation, my next step will be to invite both the governing and opposition parties, in conjunction with representatives from various walks of the society, to participate in the establishment of a "Committee for Cross-Strait Peace and Development," combining the collective insight and wisdom of all parties and our citizenry, to draft the "Guidelines for Cross-Strait Peace and Development." The goal will be to pave the way for formulating a new relationship of cross-strait peace, stability and sustainable development.<sup>51</sup>*

*Any conflict in the Taiwan Strait could result in irreparable damages to the peoples on both sides. Therefore, I propose that both sides*

*should seriously consider the issue of "arms control" and take concrete actions to reduce tension and military threats across the Taiwan Strait. Not too long ago, Taiwan's initiative to cancel the Han-kuang military exercise originally scheduled for last September was based on such deliberation. We believe only when both sides are committed to exercising restraint and avoiding any action that might further complicate the situation or induce conflicts, can we ensure that cross-strait relations develop on a peaceful and stable path. In the long term, both sides should formally end the state of hostility across the Taiwan Strait and establish confidence-building measures through consultations and dialogues. Furthermore, we should review the armament policies of both sides and seek to establish the "Code of Conduct across the Taiwan Strait" as the tangible guarantee of permanent peace in the Taiwan Strait.<sup>52</sup>*

*To prevent accidents that result from misjudgment, we propose that both sides work together to establish military buffer zones. Military aircrafts and ships of both sides should not enter these zones unless absolutely necessary and with advance notifications to the other side. There are precedents of communication mechanisms between opposing sides of military standoffs--such as North and South Korea, India and Pakistan. We propose that both sides draw experience from the 1972 Incidents at Sea Agreements between the United States and the USSR, and the 1998 Military Maritime Consultative Agreement (MMCA) between the United States and the People's Republic of China, and establish "Taiwan Strait consultation mechanism" for military security. Through this mechanism, the "Code of Conduct across the Taiwan Strait" can be developed successively. Stability of the Taiwan Strait should be placed above the interests of each political party and individual. Cross-strait peace and development are the earnest hopes of the people of Taiwan. Only when Taiwan is domestically united and politically stable can we engender most favorable conditions for advancing cross-Strait relations. After the legislative election*

*at the end of this year, my administration will make every effort, with utmost sincerity, to invite opposition parties and representatives from various sectors of the society to participate in the establishment of a "Committee for Cross-Strait Peace and Development". And we will not exclude the possibility of having a leader from the opposition parties to assume its chairmanship. By so doing, we hope to galvanize consensus among all political parties and all our people to jointly put together an enduring set of "Guidelines for Cross-Strait Peace and Development," and actively foster a new cross-strait relationship of peace, stability, prosperity and sustainable development.<sup>53</sup>*

President Chen's idea also received support from PFP Chairman James Soong in the 2005 Bian-Soong meeting. They reached a consensus that:

*Military intimidation or actions to suppress Taiwan's international living space are not conducive to the improvement of cross-strait relations. To promote normalization of cross-strait relations and to establish a framework of interaction for peace and stability, we must consolidate consensus from the governing and opposition parties, and expedite the establishment of a mechanism and legal basis for cross-strait peace and development.*

President Chen's proposal drew the attention of the US, too. On April 12, 2004, Kenneth Lieberthal, former Senior Director for Asia of the US National Security Council, and Professor David M. Lampton of Johns Hopkins University wrote an article for the Washington Post, arguing that it is clearly impossible for the two sides of the Taiwan Strait to peacefully reach a consensus in the coming decades on an ultimate solution for cross-strait problems. They suggested that the two sides focus on establishing a stable framework for the present stage. To make the framework function effectively, the two sides have to agree on the basic terms listed below, as well as seek support from the international community.<sup>54</sup>

*1. Taiwan can continue to assert that it is an "independent, sovereign country," but it must abjure additional steps to turn this island-wide sensibility into a juridical fact.*

- 2. Beijing can continue to assert that there is only one China and that Taiwan is a part of it, but it must give up its threat to use military force to change Taiwan's status.*
- 3. On this basis, Beijing and Taipei would agree on terms for expanded international living space for Taiwan, including the island's involvement in global and regional international organizations.*
- 4. Beijing and Taipei must agree to engage in confidence-building measures across the strait to reduce concerns about potential conflict, and the United States and others must commit to play appropriate supporting roles.*
- 5. Beijing and Taipei must agree to use the decades of the new framework to progressively expand ties across the strait, including political visits of various sorts, to allow people on both sides to develop a better understanding of each other.*
- 6. At the least, the United States, Japan and the European Union must guarantee that they will not recognize an independent Taiwan during the framework period and that all would regard Beijing's unprovoked use of force against Taiwan as a matter of the gravest immediate concern.*

Although Prof. Lieberthal and Prof. Lampton's proposal is not totally advantageous for or friendly towards Taiwan, several ideas that they mention are similar to those of President Chen. This proposal also has fundamental differences from the interim agreement that Prof. Lieberthal championed several years ago. In the interim agreement, Taiwan has to recognize the preconditions that there is only one China and that Taiwan is a part of China. Meanwhile, Taiwan also has to commit to unification with the PRC within fifty years and make an interim agreement toward unification under this condition.<sup>55</sup> This time, he does not propose such preconditions, and he admits that it is clearly impossible for the two sides to reach a consensus in a short period of time on the final form of relations. He instead proposes a framework based on stabilizing the status quo, which is in the

same spirit as President Chen's proposal for a framework of interaction for peace and stability. In addition, the first two points above are an extension of Prof. Lieberthal's assertion that if Taiwan does not declare independence, China will not use military force. This time, however, both professors agree that Taiwan can continue to assert that it is an independent, sovereign country, a faint recognition that this is the status quo, and can request that China commit to stop threatening to change the status quo by force. This idea is compatible with what President Chen mentioned in his proposal: that Taiwan and China should jointly ensure that the status quo in the Taiwan Strait not be changed unilaterally.

Taiwan's proposal for the framework of interaction for peace and stability, in addition to the opinions of Prof. Lieberthal and Prof. Lampton, have certainly attracted China's attention. On May 17, 2004, three days before President Chen's inauguration on May 20, the Taiwan Affairs Office of China's State Council issued an official statement. The May 17 Statement included the "five nevers," one China principle, and "seven points." One of these seven points was the "resumption of cross-Strait dialogue and negotiations, formal ending of the state of hostility through equal-footed consultations, establishing a mechanism of mutual trust in the military field, and jointly building a framework for peaceful, stable and growing cross-Straits relations." While this statement treats Taiwan's acceptance of the one China principle as a precondition, the statement can also be considered as a response to the position of Taiwan and Profs. Lieberthal and Lampton. If the two sides of the Strait can deal with "one China" issues effectively in the future, either the framework of interaction for peace and stability proposed by the Taiwanese or the framework for peaceful and stable development proposed by the Chinese can be further discussed, adjusted, and implemented.

### 3.2 Developing economic cooperation: proactive liberalization with effective management

As President Chen mentioned in his second inaugural address, the purpose of negotiating a framework of interaction for peace and stability is to collectively ensure that the status quo not be changed unilaterally. Only on this basis can Taiwan and the PRC each put effort into construction and development, promote

further cultural and economic exchange, including the Three Links, and fulfill the interests of the people and expectations of the international community. This also echoes what President Chen stated in his Cross-Century Remarks, namely that if both sides intend to overcome the current conflict and stalemate or seek a new framework of permanent peace and political integration, they must start from economic, trade, and cultural integration.<sup>56</sup> Developing cross-strait economic cooperation is thus of the utmost importance.

In fact, the DPP put forth the same message in its 1999 "Resolution Regarding Taiwan's Future." The resolution mentions that Taiwan and China should engage in comprehensive dialogue to seek mutual understanding and economic cooperation and should build a framework for long-term stability and peace.<sup>57</sup> In other words, the DPP's strategic goal when handling cross-strait relations is long-term cross-strait stability and peace, or the development of normalized cross-strait relations. The way to reach this goal is to establish a framework of peace between Taiwan and China. The realization of this framework for peace relies on comprehensive dialogue, which will help both sides strive for thorough mutual understanding and economic reciprocity and cooperation. From this statement, it is clear that economic reciprocity and cooperation play a key role.

In his 2000 "White Paper on China Policy for the 21st Century," President Chen offered further explanation of this issue:<sup>58</sup>

*Under the objective of promoting overall normalization of the connection between Taiwan and China, we will adopt a more open attitude to the economic and trade relationship of the states across the Strait, and hope Peking government can focus on joint prosperity and joint interest of the two states, not for the combat in dominion to interfere the development of bilateral relationship. If Peking government keeps on overlooking the kindness of Taiwan, still without giving up its hostility toward Taiwan and application of force, all positive policies will be unable to be promoted, and all kindness will be hard to be maintained.*

*In order to substantially actualize the consensus of "solidifying base and move toward west" of the Party, the economic and trade poli -*

*cies of the two states across the Strait in the future shall be conducted according to the following principles:*

*First, the economic and trade connections of the two states across the Strait shall consider both national security and economic interest.*

*Second, Taiwan needs a package of complete economic security development strategy, to replace temporary and passive policies with positive management.*

*Third, we will, on any subject, including the economic and trade issues of the two states across the Strait, develop negotiation with China. Both parties shall jointly develop wisdom and creative ideas with highly good faith during the negotiation process.*

But there is a great deal of debate in Taiwanese society over what sort of policies the government should adopt in order to develop cross-strait economic relations. The debate primarily follows two polar arguments: a strict ban or comprehensive liberalization. Some insist the policy should be "no haste, be patient," because national security cannot be ignored, and some push to "go west," because Taiwan's economic interests cannot be ignored. In fact, both arguments oversimplify the complexity of cross-strait economic issues, ignoring national security for the sake of economic interests or vice versa. Economic relations between Taiwan and China are already an important part of Taiwan's economic development. However, when recognizing the economic benefits of cross-strait economic relations, we should always keep in mind the risks to national security, because overdependence on China's economy can jeopardize national security. In other words, economic interests and national security are not mutually exclusive, and they must be considered in tandem. There must be a comprehensive economic security development strategy to encompass both economic interests and national security. The "White Paper on China Policy for the 21st Century" addresses this point:<sup>59</sup>

*The basic objective of "economic security development strategy" is to ensure economic resource (including capital resource and market)*

*channel to be smooth, facilitating the basic economic conditions of the people's survival to be free from under threat. The "economic security development strategy", besides protecting territory complete and dominion independent, it also includes economic prosperity and growth, making the national development direction and required conditions to be free from threat. The visible basic material conditions, invisible national recognition and national system are all within the scope of security consideration.*

*Strong economic force is the basic guaranty of the security of Taiwan. The fundamental principle of "economic security development strategy" is, to replace positive management with passive control; leading the market in view of development rather than resistance against it can expand market, strengthen the power of the market itself to resist the risk. In view of this, "economic security development strategy" is divided into positive measures and defense measures; the former attempts to reduce risk by expanding its own economic strength, to accumulate national wealth and foreign currency saving, avoiding financial deficit and unemployment problem, to solidify national concentration, ruling reign legality, and international position with economic strength and high life standard; the latter reduces risk by means of institutional, systematic monitor, to take such manners as advance warning index system, monitor, trace, etc. to maintain stability of raw material market, labor market, export market, financial market and securities market.*

To be substantial, we should take the following measures:

#### **I. Positive Measures**

- (I) To strengthen economic integration with advanced nations
- (II) Concern on Developing High Tech and Innovative Industry
- (III) Develop navigation right negotiation between the two states across the Strait, reduce corporate operation cost, attract cross-national industry

to come to Taiwan.

## II. Defensive Measures

(I) Disperse Export Market, Reduce the Reliance on the Market of China

(II) Properly Respond the Problem of Inbound Chinese Capital into Taiwan

After President Chen came to power, these ideas were proposed to the Economic Development Consulting Committee in 2001 in the hope of reaching a consensus. The participants reached the following ten conclusions through their extensive discussions:<sup>60</sup>

1. The basic principles for promoting cross-strait economic development are: Taiwan first, global logistics, reciprocity, win-win, and risk management;
2. The "no haste, be patient" policy for investing in China should be replaced by "proactive liberalization with effective management" under the principle of "global logistics and strategic liberalization";
3. Flexible measures for the capital flow between the two sides should be established;
4. Participating in the WTO and implementing the "three links";
5. Promoting Taiwan tourism to Chinese tourists; and
6. Cross-strait negotiations

After these consensus had been reached, the MAC and relevant agencies took action to put them into practice, including implementing the appropriate legal amendments and policies. President Chen said in his inaugural address in 2004:<sup>61</sup>

*For more than a decade, interaction between the peoples on both sides has grown closer and more intense. This development bears great significance and increases the importance of furthering cross-*

*strait relations. In the future, we hope to continue pushing forth current liberalization measures while expanding cross-strait exchange across the spectrum--from journalism and information to education and culture, to economics and trade--and to promote the establishment of channels for resuming cross-strait dialogue and communication. By building bridges, we will aim to close gaps and establish a foundation for mutual trust.*

These ideas also won the support of James Soong during the Bian-Soong meeting. The fifth consensus that he and President Chen produced is as follows:

*Reinforcement of cross-strait economic, cultural, and academic exchange. Moreover, based on the successful Lunar New Year model, which marked the initiation of direct chartered passenger flights, we will, through consultation and negotiation with the other side, phase in additional measures to facilitate convenient and efficient chartered cargo flights, eventually leading to the realization of three-links. We realized that more than three years have passed since the Economic Development Advisory Conference took place, and that it is time to make adjustments on regulations that affect the development of our industries and our national competitiveness, if we are to carry out the consensus reached during the Economic Development Advisory Conference: "Cultivating Taiwan while reaching out to the world."*

The development of cross-strait economic policies and the constant relaxing and expansion of cross-strait exchanges of press, information technology, education, and culture are the foundation for bridging the cross-strait gap and building mutual trust. They are valuable and significant for the development of cross-strait relations, particularly in pursuing a future of co-existence and co-prosperity.

### 3.3 Assisting democratization in China: reconciling basic cross-strait contradictions

The basic contradiction between the two sides of the Taiwan Strait is that one side is a free, democratic country, and the other side is a single-party dicta-

torship. No matter how much goodwill Taiwan shows in seeking peace and reconciliation, or how innovative or constructive Taiwan's China policy is, it is all useless as long as this contradiction exists. Even when there is peace, it can only be temporary. To ensure long-term cross-strait stability, Taiwan has to assist China in democratizing. Taiwan should show concern for democratization in China, not only because Taiwan believes that human rights and democracy are universal values and that those with the blessing of democracy should assist those without it, but also for Taiwan's own good. Taiwan will never be safe if there is a tyrannical giant living next door. China's democratization will not only be beneficial for the wellbeing of the people of China, but also for the people of Taiwan.

Democratization, however, is not automatic. If those with experience can share and support those without it, steps towards democratization can be taken with greater security. Taiwan should play an active role in promoting democratization in China. To help China democratize is a decision that Taiwan should make both for the reason that democratic countries should help other countries to democratize and out of concern for Taiwan's own geopolitical strategic interests. The "White Paper on China Policy for the 21st Century" notes that:<sup>62</sup>

We will engage in cooperation with any domestic person and group pursuing democracy in China, to promote the political system transition of China. At the current stage, Taiwan may promote the following policies:

*Invite Chinese academic and official personnel to Taiwan to observe election.*

*Set up a fellowship or scholarship, to subsidize Chinese academic field in study of democratic promotion process.*

*Expand exchange with various Chinese political parties, including Chinese communist party, 8 democratic parties and the present and future various groups of China in promoting democratic movement.*

*Set up good interacting relationship with the personnel of overseas democratic movement in China.*

*Provide assistance to the currently practiced base-level election in China, including training of election affairs personnel on behalf, providing computer ballot system, etc.*

In addition, President Chen pointed out in his "New Century of Peace in the Asia-Pacific, and the Bright Future of Taiwan Strait" remarks on January 30, 2000:<sup>63</sup>

*Taiwan would like to play an active role in assisting China's modernization and democratization. Taiwan has accumulated a wealth of experience in the process of educational improvement, agricultural reform, economic development, and democratization. This experience was not implanted from Western countries, and since Taiwanese and Chinese societies share some characteristics, Taiwan's experience can serve as a reference for China. Chairman Jiang Zemin used to claim that in the middle of the 21st century, China would realize modernization. Taiwan is able and willing to offer active assistance, because a modernized and democratized China will bring peace and stability to the Asia-Pacific region (point number five).*

To implement this strategy and reconcile the basic contradiction between Taiwan and China, President Chen held the Sanchih Conference in September 2002 in Sanchih Township in Taipei County, where he made several important decisions:<sup>64</sup>

*1. In regard to China's democratization, we should establish observation and evaluation mechanisms for China's political rights, judicial rights, economic rights, social rights, and environmental rights. A complete report on China's human rights should be submitted routinely, and the government and civil society can tailor concrete working plans according to the results of those evaluations so that necessary assistance can be offered to China for democratization.*

*2. In order to help China take the first step towards democratization, we would like to invite relevant persons from China to visit Taiwan*

*for the election at the end of the year. We are also willing to help China train election administrative staff in order to lay the foundation for democratization.*

The important resolutions listed above are currently being implemented by the relevant agencies. Amongst the measures put into place, inviting important public figures from China (including scholars, experts, activists, and government officials) to visit Taiwan and participate in election observations has proven to be the most effective.

## Challenges and Responses

Judging from the analysis above, the DPP administration has a consistent China policy. The party has not only clear strategic objectives and principles, but also a series of policies and measures to attain those objectives. The administration has already achieved some preliminary results over the past several years, and it will continue its efforts in the future. This set of objectives and principles, however, was not created without the cross-strait threat in mind. The Beijing authorities regard Taiwan as the sacred territory of the PRC. Their strategic objective with regard to Taiwan is solving the Taiwan problem and achieving national reunification. The PRC has resolved to use either peaceful or non-peaceful means to achieve unification, and this is the most significant challenge for the China policy of the DPP administration. All of Taiwan's numerous goodwill policies, such as the Mini Three Links and opening up Taiwan to tourists from China, fall short in their implementation; none of them can live up to the PRC's ultimate expectations.

Beijing has unilaterally established national reunification as its strategic objective with regard to Taiwan. It has challenged the normalization of cross-strait relations proposed by Taiwan, which is based on goodwill, reconciliation, active cooperation, and permanent peace. Early in the DPP administration, the PRC laid out its own terms, demanding that Taiwan accept its one China principle (allegedly agreed upon in the 1992 Consensus) as a precondition for the SEF

and ARATS to resume dialogue and for there to be any developments in cross-strait relations. In the years that followed, Beijing continued to force Taiwan to engage in a struggle with China, seriously hindering the process of normalizing cross-strait relations. After President Chen's victory in 2004, China passed the Anti-Secession Law and invited KMT Chairman Lien Chan and PFP Chairman James Soong to visit the PRC. Lien and Soong met with Hu Jintao, and two communiqués were produced from the content of their meetings. Through the "one law, two communiqués," they surrounded the unification debate, completing the united front within Taiwan of opposing independence while urging unification. This was an exhaustive attempt to isolate the DPP government and to trap President Chen, who had only two and a half years left in his term. These actions by Beijing finally incited an intense response from President Chen, who, in his 2006 New Year's Message, and through the subsequent decision to make the National Unification Council (NUC) cease to function, changed his tactics by adjusting the previous China policies as follows:

### **1. The 1992 Consensus and the One China Principle: Challenges and Responses**

The PRC was extremely displeased to see Chen Shui-bian, the DPP's presidential candidate, win the 2000 election. During the last few days leading up to the election, then PRC Premier Zhu Rongji openly threatened the Taiwanese voters in the international media, urging them to think twice before voting for a candidate that the PRC did not favor. After Chen Shui-bian won the election, Zhu urged him to pledge the Four Noes and One Without: not to declare independence, not to change the national title, not to push forth the so-called "state-to-state" description in the Constitution, not to promote a referendum to change the status quo in regard to the question of independence or unification, and that there is no question of abolishing the Guidelines for National Unification and the National Unification Council, as suggested by former President Lee.

However, at approximately 3:00pm on May 20, when President Chen announced the Four Noes and One Without in his inaugural address, Chinese Communist Party officials issued a statement through the Central News Agency

with the authority of the Taiwan Affairs Office. While Chen had indeed announced the Four Noes and One Without, Beijing felt that he had adopted an evasive and reluctant attitude in the key matter of accepting the one China principle. For this reason, Beijing asked that Chen firmly pledge to uphold the consensus that the ARATS and SEF reached verbally in 1992: that the ARATS and SEF both adhere to the one China principle. If President Chen were to do this, they would be willing to authorize dialogue and interaction between the ARATS and the representative group appointed by the Taiwanese. Their definition of the one China principle is: there is only one China, Taiwan is a part of China, and the PRC is the sole legal government of China.

Beijing had rubbed salt into President Chen's wounds by imposing one condition immediately after another. This kind of step-by-step coercion betrays the CCP's strategic craft. The new administration came to the conclusion that if it were to accept the CCP's new condition, even if the ARATS and SEF were able to resume dialogue, there may be further twists and turns towards accepting the framework of one country, two systems or even one country, three systems. Based on this conclusion, the administration decided not to issue a reply.

Did the CCP and then ruling party KMT really reach a consensus in their 1992 meeting in Hong Kong? If so, what kind of consensus did they reach? Despite media reports that came out at the time, the rest of the world had a relatively limited understanding of this meeting. The meeting resulted only in the KMT and CCP each articulating its own position; no official agreement was ever signed. The KMT, however, later quoted media reports to argue that they had reached a consensus on "one China with different interpretations," not a consensus on the one China principle, as Beijing had claimed. The CCP, however, did not agree with the KMT's statement, and they wrote a variety of criticisms to deny it. They argued that the Hong Kong meeting began under the understanding that there is only one China. Furthermore, they never referred back to the statement that each side had articulated its own position to reach a consensus. In other words, the consensus was that each side articulated its own position in order to support the one China principle. In reality, neither side ever discussed the meaning of one China, and there was no consensus.<sup>65</sup>

On August 4, 1999, the Taiwan Work Office of the CCP Central Committee and the Taiwan Affairs Office of the State Council issued a statement:<sup>66</sup>

*In November of 1992, the ARATS and SEF reached a consensus that each described orally as "both sides of the Taiwan Strait uphold the one China principle." The authorities in Taiwan distorted this consensus into "one China with different interpretations" in order to maintain a secessionist position with this "different interpretations." Now, they have shown their true colors by describing cross-strait relations as a "special state-to-state relationship," further revealing their malicious intentions. The ARATS has never recognized, and will not accept, Taiwan's so-called "one China with different interpretations." The lies of the Taiwan authorities must be thoroughly exposed.*

As early as when the KMT was in power, Beijing denied the "one China with different interpretations" idea, believing that it was essentially just separatism. This term was not just an afterthought coined by former head of the MAC, Su Chi. "One China with different interpretations" was a tacit agreement between Taiwan and the CCP not to deny their respective positions. How China's insistence on the one China principle and the KMT's proposal of "one China with different interpretations" are not mutually contradictory, however, remains a mystery.<sup>67</sup> In fact, although Su Chi did not dare to admit it at the time, he coined the term "1992 Consensus" in order to cover up this incident after encountering Beijing's open denial of one China with different interpretations, shortly before he left his position as head of the MAC. He attempted to put a spin on the KMT's one China with different interpretations theory, which the CCP had denied early on, by acting as though it were for the good of the DPP administration and for the resumption of continued cross-strait dialogue. As Chen Shui-bian explained, when he went on a visit to the MAC to consult the personnel there shortly before taking office, Su Chi severely misled him with his report. As a result, Chen indicated in June and July, after he had taken office, that Taiwan should accept the 1992 Consensus under the idea of one China with different interpretations. The new head of the MAC, Tsai Ing-wen, who had immediately received the long and short of the story, changed the "1992 Consensus" to the "1992 Spirit." The mean-



ing of the 1992 Spirit was described as "dialogue, exchange, and shelving disputes." In August of that year, Beijing unexpectedly and inexplicably decided to reuse Su Chi's 1992 Consensus, and even once again invoked the one China principle, scrapping one China with different interpretations.

So far, the quasi-united front formed by Beijing and the opposition KMT under the 1992 Consensus has attempted to pressure the DPP administration into accepting the 1992 Consensus. However, if the DPP administration were to suddenly accept the 1992 Consensus, including the KMT's one China with different interpretations and the CCP's one China principle that are inherent in it, the CCP would assert that there had never been such a consensus, and both sides would be unable to resume discussions. If the DPP administration were to accept the CCP's one China principle, the KMT would criticize that the space for different interpretations, or the space for ambiguity, that it had worked so hard to create had been simply thrown out the window. The DPP administration therefore believes that if mutual denial of opposing positions can be called a consensus, "consensus" has no real meaning here. They recommended that the KMT and CCP first come to a consensus on this issue before considering their next step, and the KMT seemed to accept this recommendation. When former Premier Vincent Siew, then Vice Chairman of the KMT, visited Qian Qichen in Beijing, he recommended allowing Koo Chen-fu and Wang Daohan to reopen negotiations on the content of the 1992 Consensus, but Qian immediately refused.

Since the DPP administration came to power, it has had to face this obstacle, namely the result of constant struggle over the 1992 Consensus. This serious roadblock in the process of normalizing relations is the reason that the ARATS and SEF are unable to resume discussions, and it is the reason that cross-strait relations are unable to move forward. Chinese senior Taiwan expert Li Jiaquan has said that the spirit of the 1992 Consensus was that both sides accepted the one China principle, but this does not really get at its substance. According to Li, just after Chen Shui-bian had taken office as President, he denied the 1992 Consensus on several occasions, and that was his biggest mistake. Since that time, he has become more and more passive in cross-strait relations and his domestic and international policy, painting himself into a corner.<sup>68</sup> Li

Jiaquan's statement confirms Beijing's position: based on the one China interpretation of the 1992 Consensus with a China whose meaning need not be discussed, Beijing tries to demand that President Chen acknowledge Beijing as the central government. If he refuses, Beijing will simply slowly back President Chen and his government into a corner. The reason behind this demand is that every major country in the world acknowledges that China is the PRC.

Since losing the elections, neither the KMT itself nor the pan-blue forces as a whole can understand or are willing to face Beijing's true intentions. They are even naïve enough to believe that they can break the cross-strait stalemate by accepting the one China with different interpretations version of the 1992 Consensus. In a recent meeting with President Chen, KMT Chairman Ma Ying-jeou repeatedly argued that Taiwan must accept this version of the 1992 Consensus in order to "seek good fortune and avoid disaster." President Chen gave a stern response to this comment:

*Chairman Ma just brought up the 1992 Consensus in particular. Now, the problem is that the KMT's version of the 1992 Consensus is "one China with different interpretations," but China has not accepted these "different interpretations." China still maintains that the 1992 Consensus is the one China principle, and so it will not fall into this trap. If Chairman Ma does not believe this, he can ask Honorary Chairman Lien, in his upcoming visit to Shanghai, to ask leader of the PRC Hu Jintao to publicly announce to the rest of the world that China's version of the 1992 Consensus is "one China with different interpretations," not the one China principle. If he permits "one China with different interpretations," I, as the leader of the government, will respect the 1992 Consensus from the meeting in Hong Kong. Ask leader of the PRC Hu Jintao to announce to the world that China accepts a cross-strait consensus of "one China with different interpretations." Otherwise, if the KMT and the CCP do not have a consensus but still tell the world that they do have this 1992 Consensus, the government and I are being kept in the dark, and I believe that this is unfair to us. This is unfair to both sides of the cross-strait, especially the peo -*

*ple of Taiwan.*

Ma Ying-jeou immediately responded by saying that if President Chen were willing to accept one China with different interpretations, the KMT would be glad to accept this as the basis for sending Lien to China to engage in negotiations. But Lien did not appreciate Ma's promise to Chen and asked the head of his own office, Ting Yuan-chao, to explain publicly that Lien still maintained that the essence of the 1992 Consensus was one China with different interpretations, and that this was history, the status quo, and a fact. Taiwan believes that one China refers to the ROC, whereas the PRC believes that one China refers to the PRC. Lien could not possibly ask Hu Jintao to explain the meaning of one China. The problem is that when Lien went to visit Beijing in 2005, he expressed his objections in front of Hu Jintao, saying that the one China with different interpretations concept that the KMT and CCP reached in the 1992 Consensus had unfortunately been twisted. On camera, however, Hu Jintao never expressed any agreement with this statement, and the communiqué that followed the meeting only mentioned the 1992 Consensus; it said nothing of one China with different interpretations, and it did nothing to alleviate the anxiety of the people of Taiwan or of international observers. President Chen indicated that if the 1992 Consensus really was one China with different interpretations, and if that was truly the consensus reached at the Hong Kong meeting, he would fully respect it in his position as the leader of his government. Therefore, in order to break the cross-strait stalemate, or in order to avoid danger, as Ma Ying-jeou said, Lien Chan must ask Hu to speak again, even if Lien had to ask him 1,000 times. As legislator Lin Cho-shui criticized, Ma Ying-jeou's promise to send Lien to ask Hu to admit that the 1992 Consensus was "one China with different interpretations" was equivalent to admitting the 1992 Consensus did not exist.

In the April 16, 2006 Cross-Strait Economic and Trade Forum, held in Beijing, Lien did not ask Hu if the 1992 Consensus could be interpreted as one China with different interpretations. Instead, Hu himself raised the issue and said that the 1992 Consensus was that the mainland and Taiwan belonged to one China. He also said that fourteen years ago, in 1992, both sides reached the 1992 Consensus in a spirit of "seeking common ground while reserving differ-

ences." This response from Hu served only to further clarify that the 1992 Consensus was the one China principle and not one China with different interpretations. A press release later issued by the KMT said that Hu explicitly described the spirit of the 1992 Consensus as being to seek common ground while reserving differences, which would echo the very core of one China with different interpretations. In other words, the common ground is the one China principle, and the differences are the different interpretations.<sup>69</sup> This generous explanation is, at best, wishful thinking on the part of the KMT. If the CCP can describe the one China principle as "seeking common ground," how is it that following former President Lee Teng-hui's speech at Cornell University in 1995, which hinged on the theme "the people are in my heart," and in which he mentioned the "ROC" or the "ROC on Taiwan" over twenty times, the PRC unilaterally dissolved the second meeting with Koo Fu-chen and Wang Daohan and test-launched missiles the following year? In May 2005, James Soong visited the PRC at the invitation of Hu Jintao. While visiting the Mausoleum of the Yellow Emperor, he made a reference to the reign of the ROC, immediately upsetting the Beijing government. As a result, while paying homage to Sun Yat-sen, Soong was forbidden to speak, so that he would never utter the name of the ROC in China. During the opening ceremony of the Cross-Strait Economic and Trade Forum, Lien Chan dared not mention his former position as the Premier of the ROC. He merely glossed over his former position by saying that in 1993 he was in charge of all executive affairs. These examples illustrate that seeking common ground while reserving differences is just a way of putting on a happy face. It cannot become a reality.

It is difficult to know whether the debate over the 1992 Consensus will continue or not. As Su Chi said after admitting that he had created the 1992 Consensus, "I am a scholar who wished to do something to improve cross-strait relations, and I am not interested in fabricating history." While this scholar may sound goodhearted and willing to defuse this problem for the DPP administration, the result of his actions was in fact to give the DPP administration a bad name for nearly six years for causing a rift in cross-strait dialogue. Actually, Su Chi meant what he said: he wanted to use a strategy of ambiguity to handle the one China principle, which is so strongly upheld by the CCP. By creating the term "1992

Consensus," he thought that he could cleverly package his own one China with different interpretations and cause the confused CCP to accept this interpretation. Presumably, the CCP would later echo that the meaning of the 1992 Consensus was in fact "one China with different interpretations." This turned out to be simply unacceptable to those in Zhongnanhai, and sure enough, people soon began to speak of Su's 1992 Consensus, but they spoke of it as the one China principle. Su Chi wanted to be ambiguous, but others were not at all ambiguous on this matter, so his stratagem was quashed. Fortunately, the DPP administration never underestimated Beijing's political IQ and never believed Su Chi's supposedly wise strategy of ambiguity. After years of insistence by the DPP administration that there is no 1992 Consensus, the truth is finally apparent. Those in the KMT and the CCP, or even those throughout the rest of the world, who previously believed Su Chi's 1992 Consensus should give due credit back to President Chen and the DPP government.

## **2. The New "One Law, Two Communiqués" Framework for Taiwan**

When discussing US-China-Taiwan trilateral relations, the US most often describes its China policy as based on the Three Communiqués: the Shanghai Communiqué, the Joint Communiqué on the Establishment of Diplomatic Relations, and the August 17 Communiqué, in addition to the Taiwan Relations Act. China often responds to the US' description by adding the one China principle to the Three Communiqués. Beijing now mimics the language of the US, creating a "one law, two communiqués" framework for dealing with Taiwan in order to realize its ultimate goal of unification. This is another serious challenge for the DPP administration.

The so-called "one law" is the Anti-Secession Law, and the "two communiqués" are the communiqués from Hu Jintao's respective meetings with Lien Chan and James Soong. With little regard to opposition from the international community, China passed the so-called Anti-Secession Law on March 14, 2005. This law explicitly authorizes the State Council and the CMC to use non-peaceful means to solve the Taiwan problem in three situations, representing the hard side of this law. In addition, the Anti-Secession Law pledges to encourage and pro-

mote cross-strait academic, social, and economic exchange policies, representing the soft side of this law. After the Anti-Secession Law was passed, Beijing invited Lien Chan and James Soong to visit Beijing, after which Beijing issued the respective communiqués from those meetings. The one law, two communiqués framework thus originated completely under the leadership of the authorities in Beijing; Lien and Soong were merely playing along. We can elaborate on this point in three different respects:

(1) In essence, these two communiqués completely accept Beijing's Taiwan policy as set forth in the Anti-Secession Law, one China principle interpretation of the 1992 Consensus, adamant opposition to Taiwan independence, and timely national reunification. Article 1 of the Anti-Secession Law states that:

*This Law is formulated, in accordance with the Constitution, for the purpose of opposing and checking Taiwan's secession from China by secessionists in the name of "Taiwan independence," promoting peaceful national reunification, maintaining peace and stability in the Taiwan Strait, preserving China's sovereignty and territorial integrity, and safeguarding the fundamental interests of the Chinese nation.*

Article 5 of that same law states that "Upholding the principle of one China is the basis of peaceful reunification of the country." "In accordance with the Constitution" means in accordance with the Preamble of the Constitution of the PRC: "Taiwan is part of the sacred territory of the People's Republic of China. It is the lofty duty of the entire Chinese people, including our compatriots in Taiwan, to accomplish the great task of reunifying the motherland."

The Lien-Hu communiqué made it clear from the very beginning that supporting the 1992 Consensus and opposing Taiwan independence was the common position of the CCP and the KMT. While this report did not classify the 1992 Consensus as acceptance of the one China principle, it did not classify it as "one China with different interpretations," either. The Soong-Hu communiqué, however, clearly denied one China with different interpretations and upheld the one China principle. The first point in that communiqué states:

*The consensus reached by both sides of the Strait in 1992 should be respected (transcription of the oral remarks made by both sides at the 1992 meeting: SEF - "As both sides of the Taiwan Strait collectively work for national reunification, while both sides uphold the one China principle, each has a different interpretation of the meaning of one China." ARATS - "Both sides of the Taiwan Strait uphold the one China principle and work together for national reunification, but cross-strait negotiations have not touched upon the political meaning of one China.")*

*On the basis described above, in which both sides of the Taiwan Strait express support for the one China principle, namely the "two sides, one China" interpretation of the 1992 Consensus, both sides will work to quickly resume negotiations, respect each other, seek common ground while maintaining differences, and seek pragmatic solutions to the major issues that concern both sides.*

This portion of the report completely scrapped the pan-blue alliance's position that the 1992 Consensus was one China with different interpretations. Although the first paragraph attempts to return to the facts of the 1992 meeting in Hong Kong, and although each side expressed a different interpretation of the one China principle, the second paragraph not only does not respect that difference of opinion, but also adds a note explaining that "both sides of the Taiwan Strait express support for the one China principle, namely the 'two sides, one China' interpretation of the 1992 Consensus." This was not properly discussed, and the more it is discussed, the more unfortunate the situation becomes. Beijing's constant assertion that both sides of the Strait uphold the one China principle appears quite suddenly here. They also invent the term "two sides, one China" as an equivalent to the 1992 Consensus. In reality, "two sides, one China" is just new logic to justify the one China principle. It also reflects Article 2 of the Anti-Secession Law: "There is only one China in the world. Both the mainland and Taiwan belong to one China. China's sovereignty and territorial integrity brook no division." Even the inventor of the term "1992 Consensus," Su Chi, believed that this definition of the 1992 Consensus, which turns it into "two sides,

one China," is really just "a little more one China, a little less different interpretations."

According to the report released by China Times reporter Chu Chien-ling, who observed the meeting between Soong and Hu, "This incident indicates that China is willing to give some concessions under certain preconditions on the issue of Taiwan and China's respective political positions, which the PFP delegation has been quite anxious about. However, China has made absolutely no concessions on the meaning of 'one China.'"<sup>70</sup> This criticism caused Chairman Soong to hastily clarify that two sides, one China was just one China with different interpretations. The official website of the CCP, however, does not state this opinion anywhere. It is no wonder that Shih Ming-teh later said in a United Daily News interview:<sup>71</sup>

Mr. Soong's handling of the "one China with different interpretations" issue was too rushed, putting an issue out in the open that both sides of the Strait should take more time to handle. "Two sides, one China" does not make any sense. If "two sides, one China" is simply "two sides with each accepting one China," why wasn't this expressed in China? Why did Mr. Soong wait to come back to Taiwan to say it?

In fact, in his opening remarks upon receiving Soong, Hu wasted no time in saying that "Chairman Soong and the PFP uphold the 1992 Consensus as the one China principle, oppose Taiwan independence, and stand for the development of cross-strait relations. We greatly affirm and admire this position." After Hu put words in Chairman Soong's mouth from such a strategically advantageous position, Soong was left unable to give a rebuttal. He was completely stopped in his tracks, and so he hastily clarified his position as soon as he stepped off the plane back in Taiwan, but it was too late. This only solidified President Chen and the DPP administration's belief that there was never any "one China with different interpretations" version of the 1992 Consensus. The 1992 Consensus described by the communiqués from the Lien-Hu and Soong-Hu meetings was simply a recitation of the one China principle for Beijing's benefit.

(2) The portions of the Lien-Hu and Soong-Hu communiqués that set the agenda for negotiations on cross-strait issues were simply a continuation of the Anti-Secession Law. The content of three of those issues is compared below, as well as in Figure 3.1.

Article 6, Item 1 of the Anti-Secession Law pledges "to encourage and facilitate personnel exchanges across the Straits for greater mutual understanding and mutual trust." The Soong-Hu communiqué reads:

*To expand cross-strait people-to-people exchanges to offer greater convenience to the people on both sides of the Strait..., ...expand cross-strait exchange of human resources..., ...gather together the wisdom and experience of experts, scholars, and outstanding youth on both sides of the Strait into a Cross-Strait Civil Elite Forum, pooling their knowledge and discussing policy suggestions for the development of cross-strait relations....*

Article 6, Item 2 of this law pledges "to encourage and facilitate economic exchanges and cooperation, realize direct links of trade, mail and air and shipping services, and bring about closer economic ties between the two sides of the Straits to their mutual benefit." The communiqué from the Lien-Hu meeting reads:

*To promote comprehensive cross-strait economic exchange; establish mechanisms for cross-strait economic cooperation to open up comprehensive economic cooperation; establish close economic and trade relations, including the comprehensive, direct, bidirectional Three Links; open direct air- and waterways; increase the flow and guarantee of investment and trade; engage in cooperation in agriculture and fish - ing; solve problems of Taiwanese agricultural product sales in the mainland; improve law and order in exchange... establish stable mechanisms for economic cooperation; and make the collective market issue a top priority for discussions after promoting the resumption of cross-strait negotiations.*

The communiqué from the Soong-Hu meeting reads:

*To actively promote cross-strait flights... work in steps towards the beginning of comprehensive, direct, bidirectional flights by 2006, ...promote the realization of direct cross-strait trade and banking, thus further working towards the normalization of cross-strait economic and trade relations... urge the resumption of cross-strait negotiations, engage in negotiations for long-term, stable mechanisms to make cross-strait trade more convenient and liberalized (a cross-strait free trade zone)... increase cross-strait agricultural cooperation, expand investment in agriculture by Taiwanese businessmen, increase the sales of Taiwanese agricultural products in the mainland... promote direct, bidirectional, cross-strait business investment; promote concrete cross-strait cooperation in service industries such as banking, insurance, securities, shipping, and medicine; and to promote comprehensive cross-strait economic cooperation, and establish stable mechanisms for cross-strait economic and trade cooperation ....*

Article 6, Item 3 pledges "to encourage and facilitate cross-Straits exchanges in education, science, technology, culture, health and sports, and work together to carry forward the proud Chinese cultural traditions." The Lien-Hu and Soong-Hu communiqués do not expressly address this point, but the Soong-Hu communiqué mentions "expand[ing] the cross-strait exchange of human resources." Under the pretense of equal communication established by the KMT and CCP, the Lien-Hu communiqué "invite[s] people from all walks of life to participate in, form, and negotiate measures for close cross-strait exchange," but the goal is not "to bring honor to the outstanding traditions of Chinese culture."

Article 6, Item 4 pledges "to encourage and facilitate cross-Straits cooperation in combating crimes." The Lien-Hu communiqué reads, "...improve law and order in exchange, collectively combating crime." The Soong-Hu communiqué does not address this point.

Article 6, Item 5 pledges "to encourage and facilitate other activities that are conducive to peace and stability in the Taiwan Straits and stronger cross-Straits relations." Neither communiqué responds to this point explicitly, but the Lien-Hu

communiqué says, "promote the good, healthy development of cross-strait relations...", and the Soong-Hu communiqué says, "...collectively defend peace and security in the Taiwan Strait, ensuring the peaceful and stable development of cross-strait relations." However, both take the 1992 Consensus as a precondition for the resumption of equal cross-strait negotiations.

Article 7, paragraph 2 states:

*The two sides of the Taiwan Straits may consult and negotiate on the following matters: (1) officially ending the state of hostility between the two sides; (2) mapping out the development of cross-Strait relations; (3) steps and arrangements for peaceful national reunification; (4) the political status of the Taiwan authorities; (5) the Taiwan region's room of international operation that is compatible with its status; and (6) other matters concerning the achievement of peaceful national reunification.*

The Lien-Hu and Soong-Hu communiqués both focus on "officially end[ing] the state of hostility between the two sides," "map[ping] out the development of cross-Strait relations," and "the Taiwan region's room of international operation that is compatible with its status." The Lien-Hu communiqué also reads:

*Officially end the state of hostility between the two sides, reach a peace agreement, and build a framework for the peaceful and stable development of cross-strait relations, including establishing military mutual confidence mechanisms and avoiding cross-strait military conflicts. ...discuss the issue of Taiwan's international participation, which the Taiwanese people care about, after resuming cross-strait negotiations with Taiwan's participation in WHO activities as a top priority.*

The Soong-Hu communiqué states:

Both sides should officially end the state of mutual hostility through consultations and negotiations, reach a peace agreement in the future, and establish cross-strait military mutual confidence mechanisms, working together to defend peace and security in the Taiwan Strait and ensuring the peaceful and stable

development of cross-strait relations. ...discuss the issue of Taiwan's international participation, which the Taiwanese people care about, after resuming cross-strait negotiations with Taiwan's participation in WHO activities as a top priority.

Figure 3.1: A Comparison of the Anti-Secession Law to the Lien-Hu and Soong-Hu Communiqués

Anti-Secession Law	Lien-Hu Communiqué	Soong-Hu Communiqué
<p>Article 1 – This Law is formulated, in accordance with the Constitution, for the purpose of opposing and checking Taiwan's secession from China by secessionists in the name of "Taiwan independence", promoting peaceful national reunification, maintaining peace and stability in the Taiwan Straits, preserving China's sovereignty and territorial integrity, and safeguarding the fundamental interests of the Chinese nation.</p> <p>Article 2 - There is only one China in the world. Both the mainland and Taiwan belong to one China. China's sovereignty and territorial integrity brook no division. Safeguarding China's sovereignty and territorial integrity is the common obligation of all Chinese people, the Taiwan compatriots included.</p> <p>Taiwan is part of China. The state shall never allow the "Taiwan independence" secessionist forces to make Taiwan secede from China under any name or by any means.</p>	<p>Section 1, Article 1 – It is the common position of the CCP and the KMT to uphold the 1992 Consensus, oppose Taiwan independence, strive for peace and stability in the Taiwan Strait, urge the development of cross-strait relations, and protect the interests of the compatriots on both sides of the Taiwan Strait.</p> <p>Section 1, Article 2 – Urging cross-strait exchange and interaction and collectively honoring Chinese culture will help to dispel misunderstandings, increase mutual confidence, and build consensus.</p> <p>Section 1, Article 3 – Peace and development are major trends of the twenty-first century. The peaceful development of cross-strait relations serves the interests of compatriots on both sides of the Taiwan Strait, as well as the interests of the Asia-Pacific region and the world.</p>	<p>Article 1 –To promote the swift resumption of equal cross-strait negotiations on the basis of the 1992 Consensus.</p> <p>The consensus reached by both sides of the Strait in 1992 should be respected (transcription of the oral remarks made by both sides at the 1992 meeting: SEF – "As both sides of the Taiwan Strait collectively work for national reunification, while both sides uphold the one China principle, each has a different interpretation of the meaning of one China." ARATS – "Both sides of the Taiwan Strait uphold the one China principle and work together for national reunification, but cross-strait negotiations have not touched upon the political meaning of one China.")</p> <p>On the basis described above, in which both sides of the Taiwan Strait express support for the one China principle, namely the "two sides, one China" interpretation of the 1992 Consensus, both sides will</p>

<p>Article 3 - The Taiwan question is one that is left over from China's civil war of the late 1940s.</p> <p>Solving the Taiwan question and achieving national reunification is China's internal affair, which subjects to no interference by any outside forces.</p> <p>Article 4 - Accomplishing the great task of reunifying the motherland is the sacred duty of all Chinese people, the Taiwan compatriots included.</p> <p>Article 5 - Upholding the principle of one China is the basis of peaceful reunification of the country.</p> <p>To reunify the country through peaceful means best serves the fundamental interests of the compatriots on both sides of the Taiwan Straits. The state shall do its utmost with maximum sincerity to achieve a peaceful reunification.</p> <p>After the country is reunified peacefully, Taiwan may practice systems different from those on the mainland and enjoy a high degree of autonomy.</p>	<p>work to quickly resume negotiations, respect each other, seek common ground while maintaining differences, and seek pragmatic solutions to the major issues that concern both sides.</p> <p>Article 2 – Resolutely oppose Taiwan independence and work together for peace and stability in the Taiwan Strait.</p> <p>Taiwan independence attempts to damage cross-strait feelings of kinship, is harmful to the development of normal, mutually beneficial, cooperative relations between Taiwan and the mainland, and more importantly, attempts to destroy security and stability in the Taiwan Strait and the Asia-Pacific region. Both sides resolutely oppose any promotion of Taiwan independence activities designed to destroy the status quo, such as "clarification of national titles" or "introducing a new constitution through referendum."</p> <p>The PRC hopes that the leaders of Taiwan will be realistic and carry out the Four Noes and One Without pledge reaffirmed on February 24, as well as the pledge not promote Taiwan de jure independence through constitutional</p>
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		<p>reform. A cross-strait military conflict can only be effectively avoided as long as there is no possibility that Taiwan's development will move it in the direction of Taiwan independence.</p>
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<p>Article 6 – The state shall take the following measures to maintain peace and stability in the Taiwan Straits and promote cross-Straits relations:</p> <p>(1) to encourage and facilitate personnel exchanges across the Straits for greater mutual understanding and mutual trust;</p> <p>(2) to encourage and facilitate economic exchanges and cooperation, realize direct links of trade, mail and air and shipping services, and bring about closer economic ties between the two sides of the Straits to their mutual benefit;</p> <p>(3) to encourage and facilitate cross-Straits exchanges in education, science, technology, culture, health and sports, and work together to carry forward the proud Chinese cultural traditions;</p> <p>(4) to encourage and facilitate cross-Straits cooperation in combating crimes; and</p> <p>(5) to encourage and facilitate other activities that are conducive to peace and stability in the Taiwan Straits and stronger cross-Straits relations.</p>	<p>Section 2, Article 3 – To promote comprehensive cross-strait economic exchange; establish mechanisms for cross-strait economic cooperation to open up comprehensive economic cooperation; establish close economic and trade relations, including the comprehensive, direct, bidirectional Three Links; open direct air and waterways; increase the flow and guarantee of investment and trade; engage in cooperation in agriculture and fishing; solve problems of Taiwanese agricultural product sales in the mainland; improve law and order in exchange, collectively combatting crime; establish stable mechanisms for economic cooperation; and make the collective market issue a top priority for discussions after promoting the resumption of cross-strait negotiations.</p> <p>Section 2, Article 5 – To establish an regular forum for equal communication between the CCP and the KMT, including mutual visits between party members of different ranks, in order to discuss ways to improve cross-strait relations and engage in negotiations regarding issues that relate to the personal interests of compatriots on both sides of</p>	<p>Article 4 – Strengthen cross-strait economic and trade exchange; promote the establishment of stable mechanisms for cross-strait economic and trade cooperation. Cross-strait integration is mutually beneficial, whereas cross-strait separation is harmful; exchange benefits both sides. Both sides are willing to promote real cross-strait economic exchange, and to open up cross-strait relations characterized by positive interaction, on the basis of mutually beneficial cooperation.</p> <p>(1) Actively promote cross-strait flights; urge a successful charter-flight model by Chinese New Year in 2005; achieve holiday and regular passenger charter flights and promote measures for convenient cargo flights, working towards comprehensive, direct, bidirectional flights by 2006;</p> <p>(2) To promote direct cross-strait trade and banking; promote the realization of direct cross-strait trade and banking, thus further working towards the normalization of cross-strait economic and trade relations;</p> <p>(3) To urge the resumption of cross-strait negotiations, engage in negotiations for long-term,</p>
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	<p>the Strait; and to invite people from all walks of life to participate in, form, and negotiate measures for close cross-strait exchange.</p>	<p>stable mechanisms to make cross-strait trade more convenient and liberalized (a cross-strait free trade zone)</p> <p>(4) To increase cross-strait agricultural cooperation, expand investment in agriculture by Taiwanese businessmen, and increase the sales of Taiwanese agricultural products in the mainland. The mainland will offer customs exemptions, inspections, quarantining, and tax exemptions for certain agricultural products (fruit) in order to assist in solving the problem of poor sales of Taiwanese agricultural products during harvest season. Taiwan will ship the products (fruit).</p> <p>(5) To promote direct, bidirectional, cross-strait business investment; promote concrete cross-strait cooperation in service industries such as banking, insurance, securities, shipping, and medicine; and to promote comprehensive cross-strait economic cooperation, and establish stable mechanisms for cross-strait economic and trade cooperation.</p> <p>(6) To promote negotiations to resolve issues regarding the interests of Taiwanese investors, on the basis of mutual benefit.</p>
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		<p>(7) To expand cross-strait people-to-people exchanges to offer greater convenience to the people on both sides of the Strait. The mainland will simplify the procedures for the Taiwanese compatriots to enter the mainland.</p> <p>(8) The mainland will offer the same tuition standards to Taiwanese students studying in the mainland as it does to mainlander students, and it will create a scholarship for Taiwanese students within this year.</p> <p>(9) To expand the cross-strait exchange of human resources. The mainland will relax its policies to encourage Taiwanese compatriots to study in the mainland.</p> <p>Article 6 – To promote the establishment of the Cross-Strait Civil Elite Forum and service mechanisms for Taiwanese businessmen; to gather together the wisdom and experience of experts, scholars, and outstanding youth on both sides of the Strait into a Cross-Strait Civil Elite Forum, pooling their knowledge and discussing policy suggestions for the development of cross-strait relations. Both sides will work together to promote the establishment and perfection</p>
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		of service mechanisms for Taiwanese businessmen.
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<p>Article 7 – The state stands for the achievement of peaceful reunification through consultations and negotiations on an equal footing between the two sides of the Taiwan Straits. These consultations and negotiations may be conducted in steps and phases and with flexible and varied modalities.</p> <p>The two sides of the Taiwan Straits may consult and negotiate on the following matters:</p> <p>(1) officially ending the state of hostility between the two sides;</p> <p>(2) mapping out the development of cross-Straits relations;</p> <p>(3) steps and arrangements for peaceful national reunification;</p> <p>(4) the political status of the Taiwan authorities;</p> <p>(5) the Taiwan region's room of international operation that is compatible with its status; and</p> <p>(6) other matters concerning the achievement of peaceful national reunification.</p>	<p>Section 2, Article 1 – To promote the swift resumption of cross-strait negotiations in order to work together for the well-being of people on both sides of the Strait; to promote the swift resumption of equal cross-strait negotiations on the basis of the 1992 Consensus to discuss issues that both sides are collectively and individually concerned with; to promote the good, healthy development of cross-strait relations.</p> <p>Section 2, Article 2 - Officially end the state of hostility between the two sides, reach a peace agreement, and build a framework for the peaceful and stable development of cross-strait relations, including establishing military mutual confidence-building measures and avoiding cross-strait military conflicts.</p> <p>Section 2, Article 4 - discuss the issue of Taiwan's international participation, which the Taiwanese people care about, after resuming cross-strait negotiations, with Taiwan's participation in WHO activities as a top priority. Both sides will work together to create conditions for seeking a final solution.</p>	<p>Article 1 – To promote the swift resumption of equal cross-strait negotiations on the basis of the 1992 Consensus.</p> <p>Article 3 – Both sides should officially end the state of hostility between the two sides through consultations and negotiations, reach a peace agreement in the future, and establish cross-strait military mutual confidence-building measures, working together to defend peace and security in the Taiwan Strait and ensuring the peaceful and stable development of cross-strait relations.</p> <p>Article 5 – To engage in negotiations regarding the issue of Taiwan's international participation, which the Taiwanese people care about. To discuss the issue of Taiwan's international participation, which the Taiwanese people care about, after resuming cross-strait negotiations, with Taiwan's participation in WHO activities as a top priority. Both sides will work together, seeking common ground while maintaining differences, to find a final solution.</p>
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Source:Adapted from the Anti-Secession Law, the Lien-Hu communiqué, and the Soong-Hu communiqué

(3) The fact that neither Lien Chan nor James Soong were in power at the time they visited Hu Jintao in Beijing means that these communiqués on the so-called meeting "consensuses" should have no binding force over the Taiwanese people. As recent developments show, however, this one law, two communiqués framework is already gradually becoming a curse for Taiwan. For example, the April 2006 Cross-Strait Economic and Trade Forum in Beijing, which was originally scheduled to be held near the end of 2005 in Taipei, was moved to Beijing due to opposition from the Taiwanese government. During his opening remarks, Jia Qinglin, Chairman of the CPPCC, said that "holding this forum marked the realization of the important measures articulated in the communiqué from the meeting between General Secretary Hu Jintao and Chairman Lien Chan." After the forum concluded, Director of the Taiwan Work Office, Chen Yunlin, issued "fifteen new beneficial policies" for promoting economic and trade relations across the Taiwan Strait. He said, "We have actively worked to realize the consensus that General Secretary Hu Jintao and Chairman Lien Chan reached at their meeting last April, and we have adopted a set of measures accordingly." He also said that "we will make our best effort to undertake any work related to the peaceful reunification of the motherland, and through our efforts, we will ensure its successful completion." These Beijing officials, both from the state organs devoted to Taiwan affairs, have clearly explained that Beijing's Cross-Strait Economic and Trade Forum has completely solidified one law, two communiqués. There was also a contingent of the so-called green Taiwan businessmen who stood out on television because they appeared awkward or attempted to hide from the camera. Reminiscent of Hsu Wen-long's actions, they had no choice but to yield in the face of this new curse.

A similar incident occurred when the KMT published an advertisement in the Liberty Times on February 15, 2006. The advertisement stated that Taiwan independence is to be decided by the people. After this advertisement was published, Beijing again brought up the concept of equal communication between the KMT and CCP in order to express its intense dissatisfaction. Beijing said that the KMT's position violated the Lien-Hu communiqué, and it demanded that the KMT give an explanation. This demand forced the KMT to change its rhetoric, saying

that the people of Taiwan were allowed to simply talk about Taiwan independence, as protected by their freedom of speech, and that the KMT's opposition to Taiwan independence had not changed. Chairman Ma Ying-jeou later publicly stated on a number of occasions that the KMT opposed Taiwan independence.

In a speech at Harvard University during a recent visit to the US, Chairman Ma announced his "Five Does" for establishing new cross-strait relations, based on the Lien-Hu meeting. They were: (1) to resume negotiations under the 1992 Consensus; (2) to sign a peace agreement and mutual military confidence building measures; (3) to promote comprehensive cross-strait economic exchanges and build a cross-strait market; (4) to develop a "modus vivendi" to increase Taiwan's international participation; and (5) to strengthen cross-strait cultural and educational exchanges.

Ma Ying-jeou's Five Does brought nothing new to the table and were really a rehash of the DPP administration's own China policies. Besides the 1992 Consensus, President Chen presented ideas in his 2000 "White Paper on China Policy for the 21st Century" that closely resembled the signing of a peace agreement, mutual military confidence building measures, and a provisional framework for cross-strait relations. That white paper stated: "On the subject of dialogue to reach a peace agreement, Taiwan and China should realize a consensus on an ultimate goal and a 'transitional dialogue framework' can be set up to improve the interacting relationship of both sides." This statement was later turned into the second topic of the 2004 referendum: "establishing a framework of interaction for peace and stability." Pan-blue forces vehemently opposed this proposition, yet Ma Ying-jeou's proposition has now gained their approval. It appears that Ma's "fresh" ideas, which were rejected one day, were accepted the next.

The problem is that President Chen's interim framework for dialogue is established on an unpredictable arrangement for ultimate cross-strait relations with the objectives of a stable status quo and the improvement of interactive, bilateral relations, while Ma Ying-jeou's "modus vivendi" takes cross-strait unification as a precondition with the objective of moving gradually towards that unification. It resembles the interim agreement proposed by Kenneth Lieberthal. As Ma

admitted that this concept stems from the content of the Lien-Hu meeting, it would have to be implemented under the 1992 Consensus. Despite Ma's repeated efforts to emphasize the 1992 Consensus as one China with different interpretations, Beijing has never responded favorably to this idea and continues to insist on the one China principle.

Ma, the current leader of the opposition party, urgently seeks to enact policies to realize the content of the Lien-Hu meeting communiqué. If Ma were to win the 2008 presidential election, it would indicate that the majority of the Taiwanese people had been brainwashed by the communiqués from the Lien-Hu and Soong-Hu meetings, Ma's policies, which are designed to make the content of those communiqués a reality, and Beijing's one China principle and anti-Taiwan independence policy. Judging by the recent performance of the KMT, one law, two communiqués is already gradually becoming a curse for the fate of the Taiwanese people.

### ***3. The True Meaning of the 2006 New Year's Message and the Decision to Cease the Functioning of the National Unification Council***

In confronting the new framework of one law, two communiqués, as well as the united front of the pan-blue forces and Beijing, President Chen's DPP government has gradually been marginalized, vilified, and provincialized. For example, in the communiqués from the Lien-Hu and Soong-Hu meetings, Beijing announced a series of preferential policies towards Taiwan, which included a customs duty exemption for several kinds of Taiwanese agricultural products in China. In response to this measure, then Premier Frank Hsieh promptly asked the Taipei Airlines Association to assist in arranging negotiations for a plan for bidirectional, direct, cross-strait chartered flights for passengers and freight. He also asked the Taiwan External Trade Development Council (TAITRA) to assist in arranging negotiations to have Taiwanese produce sold in China. He ultimately dealt with the Travel Agent Association of ROC, Taiwan to arrange for negotiations to have Chinese citizens go to Taiwan on tourist visits. Beijing, however, was not only unwilling to negotiate issues of customs inspection for Taiwanese agricultural products with the TAITRA, which had been authorized by the

Taiwanese government to conduct negotiations, but also allowed at least three agricultural groups controlled by the blue camp to fight over one another for Beijing's favor, and in order to threaten the Taiwanese government to change its negotiator.

In order to correct this alarming turn of events, President Chen announced in his 2006 New Year's Message that on February 27 of that same year he would cease the functioning of the NUC and the Guidelines for National Unification. Furthermore, on the anniversary of his May 20 inauguration, he issued Taiwan's first ever "National Security Report" and carried out the propositions set forth in it. Its primary points are as follows:

#### ***3.1 Reaching a consensus on national identity is the foundation of national security***

The primary reason that today's cross-strait relations affect national security is the fact that cross-strait relations have not been normalized. There are many reasons that cross-strait relations have not been normalized, but the most important reasons are the disputes and antagonism over unification between Taiwan and China, and the differences in national and ethnic identity within Taiwan. These factors have already endangered Taiwan's national security, granting Beijing a large space for action, and have gradually created a domestic united front of opposing independence while urging unification, whose sacred, historical mission is to eliminate the Taiwan nation and realize the goal of national unification.

Focusing on this point, President Chen specified in his "White Paper on China Policy in the 21st Century" that reaching a consensus on national identity is of the utmost importance to developing cross-strait relations. In brief, the consensus on national identity that the white paper seeks is "Taiwan is a nation with independent sovereignty, named as The Republic of China in accordance with the current Constitution. Taiwan is not a part of The People's Republic of China."<sup>72</sup>

Simply speaking, the white paper is a kind of contract between the candidate and the voters. If the voters are willing to trust and accept the pledges put

forth in the white paper, they will vote for that candidate, and when that candidate is elected, it is his duty to carry out those pledges. President Chen has abided by his pledges for the past five to six years. Whether it was the consensus on the three acknowledgements and four recommendations drafted by the Supra-party Task Force,<sup>73</sup> the ten-point consensus reached in the Bian-Soong meeting in 2005,<sup>74</sup> or Chen's New Year's Message, in which he said, "Taiwan is our country, with an area of 36,000 square kilometers. Taiwan's national sovereignty belongs to the twenty-three million people of Taiwan, not to the People's Republic of China," he was consistently promoting this view of Taiwan's national identity and status, and he was consistently searching for the approval of society and the opposition and ruling parties.

President Chen had numerous reasons for bringing up the issue of national identity in his New Year's Message. In addition to the fact that the domestic population had not reached a consensus, after the Anti-Secession Law attempted to solve the so-called "Taiwan problem" through non-peaceful means in 2005, the two main opposition leaders, Chairman Lien and Chairman Soong, independently accepted invitations by leader of the PRC Hu Jintao to visit Beijing, and communiqués were issued following their meetings. They accepted Beijing's version of the 1992 Consensus and the one China principle, allowing Beijing's new one law, two communiques Taiwan policy to find a domestic center of support within Taiwan. This lowered the international level of opposition to the Anti-Secession Law and aggravated the division over national identity. President Chen was deeply affected by this move, and during his New Year's Message he delivered remarks that still resonate now:<sup>75</sup>

*In the current wave of the spreading Taiwan consciousness and the people's desire to manage their own nation, national identity has become a serious, unavoidable issue for all groups of society. If we cannot be sure about our own identity, and if we cannot form a consensus on our national identity, the people of Taiwan will never have the confidence that they should. Thus, we will be unable to unite against foreign forces or stand up on the international stage....without national identity, there is no way to protect national security, and there is no way*

*to protect the national interest. This is why we must uphold Taiwan consciousness and earnestly call on the ruling and opposition parties to look beyond the issues of unification and ethnicity to form a basic consensus on national identity among the people.*

In Taiwan's first "National Security Report," President Chen took this point a step further, expressing his hope that Taiwan could build a national identity on the foundation of the people's will:<sup>76</sup>

*Taiwan's core identity should be established through the collective participation of various ethnic groups. National identity will be established on citizen consciousness through fostering ideas of economic citizenry, political citizenry, and cultural citizenry, which transcends ethnic consciousness and which has been attained through safeguarding Taiwan's democratic achievements and the joint creation of the Taiwan experience. With regard to national identity, at present, the fundamental position is, "The Republic of China is a sovereign and independent country, the sovereignty of this country is vested in the 23 million people of Taiwan, and only these 23 million people have the right to decide on any change to the future of Taiwan." This position sets the foundation for strengthening Taiwan's social and national identity. As for Taiwan's future, no political possibility will be excluded from the options available to Taiwan's people, as long as it is consistent with democratic procedures and values.*

The statement that "The Republic of China is a sovereign and independent country, the sovereignty of this country is vested in the 23 million people of Taiwan, and only these 23 million people have the right to decide on any change to the future of Taiwan" is based on the historical reality that "the ROC is Taiwan." This fact is also the common denominator in Taiwanese society. Through the "National Security Report," President Chen hopes to deepen this idea, turning it into a national consensus and a concept protected by improved national security.

### ***3.2 Promoting constitutional reform and consolidating national identity in order to achieve national security***

Constitutional reform plays a key role in confronting divisions of opinion over national identity and confrontations arising from ethnic identity, which are largely aggravated by Beijing; how to empower the people's will to overcome ethnocentrism; and how to use democracy to build a consensus on national identity. Just as former French Revolution leader and later father of the French Constitution Abbe Sieyes once said, the definition of a nation is "the totality of individuals united by living under a common law." In other words, the law defines the domain of a nation. Whether or not a country contains different ethnic groups with different histories, memories, or hopes for the future, as long as everyone is willing to observe a collectively established body of laws in order to hold together their relationships with one another, and is willing to lead their lives together, that country is a nation. This is a kind of civic nation-state based on the law, and it is the kind of nation based on the will of the people that the "National Security Report" hopes to establish.

The constitution is the most basic law for holding society together as a nation. It gives the people a "social contract" for living together. The current Constitution of the ROC, however, was brought to Taiwan from Nanjing in 1949 by the KMT. Due to historical developments, the people of Taiwan have not yet participated in the process of formulating this constitution. Not only has Taiwan been unable to make full use of the Constitution to form a social contract for the twenty-three million people of Taiwan, but the Constitution has also served as a source of political conflict. President Chen therefore made a special pledge in his second inaugural address to promote constitutional reform in the following four years so that, before the end of his term in 2008, he could give Taiwan and the Taiwanese people a timely, relevant, and viable new constitution. This is his historical responsibility and his pledge to the people.

In his New Year's Address, President Chen once again said that, regarding constitutional reform, future work would have to be from the bottom up, from the outside in, with the people before the political parties, and by the collective wis-

dom and strength of the people, in order to give birth to a timely, relevant, and viable new constitution in 2008.<sup>77</sup> This is President Chen's way of uniting the twenty-three million people of Taiwan through constitutional reform, by using this basic law to form national identity. In particular, on June 7, 2005, when the first phase of constitutional reform began ahead of schedule and concluded successfully, President Chen indicated in his inaugural address that he intended to eliminate the National Assembly and put referendums into the Constitution. He hopes that the second phase of constitutional reform will be able to turn the clear and present problems of Taiwan's constitutional government; including deciding between a three-branch or five-branch separation of power, presidential system or cabinet system, presidential elections by a relative majority or absolute majority, parliamentary reform and related measures, the abolishment of the provincial government, lowering the voting age, modification of the military service system, protection of basic human rights and of the disadvantaged, and articles relating to the national economy into topics of popular debate. After proposing these reforms to the Legislative Yuan, he hopes to turn them over to the people in the form of a referendum to realize a consensus on constitutional reforms. In this way, President Chen hopes to achieve what he said in his 2004 inaugural address: "The constitutional re-engineering project aims to enhance good governance and increase administrative efficiency, to ensure a solid foundation for democratic rule of law, and to foster the long-term stability and prosperity of the nation."

Another purpose of constitutional reform is to reconcile the division over national identity and build a consensus among society. There has not yet been a majority consensus on the issues of national sovereignty, national territory, or unification versus independence, so President Chen once again clearly stated that these issues were not suitable within the scope of these constitutional reforms.<sup>78</sup> The job of the second phase of constitutional reform is tremendous, and its implications are both vast and profound. There is still a debate in society over whether or not to reform the Constitution, and those in favor of reform come in many different varieties, making further consolidation among these groups necessary. In his New Year's Message, however, President Chen called on everyone to have

more confidence. He said that "nothing is impossible. Whether it is arduous or difficult, one need only believe to have strength and need only be determined to succeed."<sup>79</sup> In this way, he expressed his resolution to reform the Constitution, as this is Taiwan's national goal.

### **3.3 Enhancing Taiwan's defensive capability through arms purchases**

Since taking power, Hu Jintao has made even more versatile use of China's two-handed strategy against Taiwan. The rest of the world commonly believes that Hu's "soft hand is softer" and "hard hand is harder," when in reality, the soft strategy is a myth; the hard strategy is the only true strategy. Beijing's plan to annex Taiwan in order to complete the so-called national reunification has never changed. The hard strategy is to take Taiwan by military force. President Chen pointed out that the PLA, in addition to aiming 800 guided missiles at Taiwan from across the Strait, has put even more effort into strengthening its naval and air forces, ground forces, communications technology, and special forces. This has created a major threat to peace in the Taiwan Strait. On one hand, China utilizes the three warfares strategy against Taiwan in law, the media, and psychology. Through attacks on these three fronts, the PRC is able to put itself in a favorable position in political, military, and diplomatic disputes with Taiwan, breaking down the will of the Taiwanese people to stand up to the enemy, and achieving its ultimate objective of a submissive Taiwanese military that will not fight back. On the other hand, the PLA actively builds up its military capabilities in its mission to prepare for the three stages of war against Taiwan. It has established a clear timeframe for these stages: preparing itself to be capable of responding any time to a war with Taiwan by 2007; readying itself for launching massive and comprehensive assaults against Taiwan by 2010; and making itself capable of taking Taiwan once and for all by 2015.<sup>80</sup>

China's military development in recent years has prompted the US and Japan to state unambiguously that this military buildup has exceeded China's reasonable demand for such weapons and is obviously directed at Taiwan. In light of these developments, President Chen has beseeched the people of Taiwan to face this clear and present threat, and under no circumstances to

maintain any naïve illusions about China's intentions. How to proactively enhance Taiwan's defensive capabilities and how to effectively react to the gradual shift of military power in China's favor are already matters of life and death for national security and peace in the Taiwan Strait.<sup>81</sup> In his New Year's Message, President Chen once again called on the opposition party leaders and the party representatives in the Legislative Yuan to submit the arms procurement budget for discussion. The Executive Yuan would respect the ruling of the Legislative Yuan in deciding how to revise a special or annual budget, but the budget could not continue to be delayed. The citizens should also pay attention to such important matters of national security, observing the process together and proactively urging the executive and legislative branches to carry out their responsibility to national security. If they do not, the delay of the arms procurement budget will not only seriously hinder the process of enhancing military and national defense, but will also cast doubt internationally on Taiwan's commitment to its own defense, causing nearly irreparable damage to Taiwan's national security.<sup>82</sup>

### **3.4 "Proactive management with effective liberalization" ensures economic security**

Beijing's military buildup and its plan and preparations for its three-stage invasion of Taiwan are the so-called hard strategy. Achieving an "economic absorption" effect through cross-strait economic exchange is the soft strategy. The people of Taiwan and China, however, are separated only by one body of water and share the same linguistic and ethnic background. Conveniences of geography and culture have made Taiwanese economic development unable to escape the gravity of post-reform China. In the current wave of globalization, the outflow of industry and outsourcing of certain steps in the chain of production have already become common occurrences in industrialized countries, and Taiwan is no exception. Cheap labor and abundant real estate possess a deadly power of attraction over Taiwanese businessmen who want to invest in China, turning the Chinese economy into a kind of powerful magnet that has become even stronger in recent years.

According to recent government statistics, the proportion of Taiwanese prod-

ucts that are produced overseas has already risen above forty percent, and approximately ninety percent of that quantity is produced in China. Moving production overseas as a way to reduce costs is of course understandable, but relying solely on cheap labor over a long period of time, or waging price wars by overproducing, often causes diminishing returns as competitors grow stronger, and can even create worthless products. For this reason, President Chen doubts whether the trend of establishing factories in China should continue in the long run, or whether it is compatible with the so-called "blue-water strategy." It is putting great pressure on Taiwan's structural unemployment and average salary levels.<sup>83</sup>

President Chen believes that the core value of national security is to protect the nation in order to safeguard its people, and that the ultimate goal of economic development should be prosperity and economic equality. These are both essentials of Taiwan's long-term development, and neither one can be abandoned. Therefore, the 2001 Economic Development Advisory Conference, led by President Chen, reached a cross-strait consensus on economic and trade policy: "proactive liberalization with effective management." The Taiwanese government has acted in accordance with this principle over the past several years. The basic idea behind this principle is that the ultimate goal behind either liberalization or management is always to protect the interests of the whole of Taiwan. In practice, however, those investing in China have blindly focused only on liberalization. The government has not proactively managed the situation, causing Taiwan's interests to fall deeper into China's hands everyday, and causing Taiwan's reliance on China to increase continually. Of course, Taiwan cannot ignore the China market, but globalization should not equal "sinicization." Taiwan cannot completely isolate itself, but it cannot bet all its chips on China, either.<sup>84</sup> Taiwan must maintain the integrity of its economy. While the China market is large and important, Taiwan cannot view it as an only, final, or complete market.

In his New Year's Message, President Chen thus asked Taiwan not to simplify complex economic and trade policies by placing them into the two general categories of liberalization and tightening, or to only strive for proactive liberalization while ignoring the more important effective management. Cross-strait eco-

nomics and trade policies do not seek to serve only the interests of special interest groups or industry itself. Taiwan's greatest interest is rather the sustainable development of its economy. President Chen particularly called on the government to actively uphold the responsibility of management in order to effectively reduce the risks of liberalization. Those in power must keep in mind the long-term development of the country so that they may act as guardians of economic security against future risks. They cannot resort to flattery or opportunism. In light of this point, President Chen turned the idea of proactive liberalization with effective management into "proactive management with effective liberalization." Through this new way of thinking and acting, President Chen hoped to realize the economic development strategy of "cultivating Taiwan while reaching out to the world."<sup>85</sup>

In order to institute this policy, the government held the Conference on Sustaining Taiwan's Economic Development. Before the conference, President Chen stipulated that the conclusions reached at the conference must have a broad focus and historical depth. They must focus on Taiwan's development over the following five, ten, and even twenty years, searching for a niche for Taiwan's long-term economic sustainability. To this end, he chose four indicators to test if this conference could achieve this goal or not: first, would it increase investment in Taiwan? Second, would it create employment opportunities? Third, would it narrow the gap between the cities and the countryside? Fourth, would it reduce the poverty gap?<sup>86</sup>

The purpose of these four indicators was to move Taiwan's economy closer to being a high value-added knowledge economy, to quickly enact a number of vital economic reform measures, to assist the reform and improvement of industry, and to effectively respond to the magnetic power of China. Insisting on a "Taiwan first" consciousness, ensuring that Taiwan held the keys to its economic survival in its own hands, and not allowing China to grow wealthy from Taiwanese investment had created a sudden increase in unemployment and exacerbated social class gaps. In this way, Taiwan would jeopardize social unity and its struggle for a collective goal. In other words, the Conference on Sustaining Taiwan's Economic Development marked an important examination of



Taiwan's overall development and corrected several long-standing structural and systemic imbalances. We hope that this conference found new balances between, on one hand, the promotion of industry and social equality, and on the other hand, increasing prosperity and economic equality and justice. We also hope that it did not merely boil down to the tightening or liberalization of cross-strait economic and trade policies, as many observers criticized.<sup>87</sup>

### **3.5 The four principles seek cross-strait co-existence and co-prosperity**

In regard to cross-strait political relations, President Chen specifically said in his New Year's Day Message that no matter how cross-strait relations develop in the future, that development must be in accordance with the four principles of "sovereignty, democracy, peace, and reciprocity." Chen has always held this position, and so has a majority of the people of Taiwan. Neither the KMT nor the CCP can violate these principles by any means to decide Taiwan's future under undemocratic, non-liberal conditions. Only the twenty-three million people of Taiwan can decide the future of Taiwan through their own free will. Neither the NPC's Anti-Secession Law, with its non-peaceful means, nor the reckless military threats from the PLA can take Taiwan's future away.<sup>88</sup>

This proclamation is completely in line with the President's past thoughts and actions. These words echoed what he emphasized in his second inaugural address: "...then in the future, the Republic of China and the People's Republic of China --or Taiwan and China--can seek to establish relations in any form whatsoever. We would not exclude any possibility, so long as there is the consent of the 23 million people of Taiwan." Regrettably, however, Ma Ying-jeou, the Chairman of the KMT, said in a public interview with the media that unification is the KMT's ultimate goal. President Chen thinks otherwise, however, and said in his New Year's Message:<sup>89</sup>

*I believe that many of my compatriots have a very difficult time identifying with this position, but we can be tolerant of it, and we should be forgiving. After all, Taiwan is a free, democratic society. The position of a political party or an individual is his individual freedom, but that*

*must not take away the freedom that the people of Taiwan have chosen, or else it will violate the basic principle of popular sovereignty.*

In response to President Chen's criticism, Chairman Ma said that the Four Noes and One Without that President Chen emphasized in his inaugural addresses in both 2000 and 2004 would be effective as long as the NUC and the Guidelines for National Unification still existed.<sup>90</sup> Ma's reaction made President Chen decide to seriously consider ceasing the functioning of the NUC and the Guidelines for National Unification. Ultimately, at the conclusion of a high-level conference of the National Security Council on February 17, 2006, he resolved:

*The National Unification Council will cease to function. No budget will be earmarked for it, and its personnel must return to their original posts. The National Unification Guidelines will cease to apply. In accordance with procedures, this decision will be transmitted to the Executive Yuan for notice.*

After making this decision, President Chen went on to say:

*Ceasing the function of the National Unification Council as well as ceasing the application of the National Unification Guidelines does not involve changing the status quo. Instead, they are based solely on the democratic principle of respecting the people's right to determine their own future. As long as the principle of democracy is honoured and the freewill to choose by Taiwan's 23 million people is respected, we will not exclude any possible form of future development of cross-strait relations. We are, however, adamant that no one set preconditions or give an ultimate goal regarding the people's right to choose.<sup>91</sup>*

In other words, to cease the functioning of the NUC and the Guidelines for National Unification was to hand Taiwan and the authority to make decisions regarding the future of cross-strait relations over to the twenty-three million people of Taiwan. In order to grant them such authority, it was necessary to create space to give the people of Taiwan the freedom of choice. However, the presupposed positions and predetermined conclusions of the NUC and the Guidelines

for National Unification deprived the people of a position or policy to make their own decisions. Regardless of which party or state organ they came from, they needed to be halted. This action represented part of the consolidation and deepening of Taiwan's democracy, not the de jure independence that China accuses Taiwan of moving towards.

This decision by President Chen once again echoed his point in his second inaugural address: any future development in cross-strait relations must have the approval of the people of Taiwan. In fact, in regard to what form future cross-strait relations should take in order to serve the interests of the people on both sides of the strait, President Chen always has believed that both sides should pursue a new framework for political integration that could allow for both sides to co-exist and co-prosper. President Chen also believes that of all the frameworks for integration, the EU model best suits sovereignty, democracy, peace, and equality. During a public event in late 2005, he said:<sup>92</sup>

*It is my belief that the process of integration of the European Union was dependent on four principles: first, sovereignty; second, reciprocity; third, democracy; and fourth, peace. We all know that the primary reason that the EU can exist today is that its member states can respect one another and accept one another's sovereignty and independence. Therefore, it is respect and acceptance of sovereignty that has allowed the EU to reach its current state. Second, in this case, reciprocity means that none of the member states of the EU, regardless of their respective sizes, will ever say that they are a country while another fellow EU member is not, or that they are the central government, while another fellow EU member is just a region. If they were to treat one another in such an inequitable manner, the EU would certainly never have made the progress and achievements that it has today, so reciprocity and equality are extremely important principles. Third, the principle of democracy means that the people are the masters of their own destiny, the peoples of all countries are the top priority, and all countries must respect the choices of their people. They must respect their people's right to make decisions out of their own free will. This is*

*the spirit of democracy and the core value of the extremely important principle of democracy. Last is the principle of peace. In solving problems or disputes, we must never violate the principle of peace, which means that we must never resort to force or non-peaceful means. We must solve problems through dialogue and peace. The four principles of the integration of the EU, namely sovereignty, reciprocity, democracy, and peace, are also applicable to solving cross-strait problems and disputes, and they may not be violated or opposed.*

Therefore, while he does not believe that the EU model was the only considerable model for solving cross-strait differences, nor that it was the best model for Taiwan to ultimately adopt, he believes that the spirit displayed in the EU's process of integration deserved serious consideration by Taiwan. This is why, in President Chen's 2004 inaugural address, he called on the leadership of China to seriously consider the EU model of integration for the good of the people on both sides of the Strait. He advocated it as an entirely new paradigm and way of thinking for handling future cross-strait problems.

This view echoes President Chen's New Year's Day Message. Besides just showing his consistent logic, it goes on to show clearly that even if Beijing were to utilize non-peaceful means to realize its goal of unification with Taiwan, as described in the Anti-Secession Law, President Chen would still hold tightly to goodwill, reconciliation, proactive cooperation, and permanent peace. He is willing to respect civilized means, creativity, and world trends in order to solve long-standing cross-strait political problems. With regard to the EU as a model of political integration, not only would it present no conflict with Taiwan's constitutional reform, but it would also reduce envy and suspicion between Taiwan and China, allowing the process of constitutional reform to proceed smoothly and thoroughly solving the current political stalemate caused by the chaos of Taiwan's current constitutional system.

## Conclusion

Although Beijing has challenged the DPP administration's China policy a countless number of times, the above analysis shows that President Chen has held on to the normalization of cross-strait relations as a consistent objective. He has not only held on to clarity in his strategy and principles, but has also enacted a series of policies designed to achieve this objective. Judging from the past several years of his administration, President Chen will continue to strive for this goal. In looking ahead to the future of cross-strait relations, the world can be cautiously optimistic. The reason for this optimism is that peaceful development is a goal shared by both China and Taiwan, and it is in fact the greatest common denominator between them. We can make a bold leap of faith in assuming that the leaders of both countries are rational and willing to work as hard as possible to maintain this collective value and sharing of interests. Taiwan's China policies reaffirm this assumption. In light of the twenty-year timeline for strategic development that Beijing continues to emphasize, it is likely that they will take advantage of the current atmosphere of peaceful development and will not be so cavalier as to completely sacrifice rationality and initiate a war.

The reason for maintaining caution is that cross-strait relations are still relatively dynamic and complex, containing three levels of interactive factors. These include the factors behind China and Taiwan's own personal goals, cross-strait interactive factors, and international factors, in particular the Asia-Pacific strategic landscape, dominated largely by the US. The factors among these three levels are interrelated and are in fact highly interactive. If any one of them experiences a problem, it will affect the whole, and so the world must be cautious.

Being cautious and optimistic is a kind of attitude, and this can only become the predominant attitude in guiding cross-strait relations if there are interactions across all these levels in order to enhance mutual understanding. In addition, if Taiwan and China can put themselves in each other's shoes, each can foster a sense of appreciation for the other's position, and perhaps this historical dilemma can be solved within this generation.

## Notes

<sup>1</sup> Democratic Progressive Party, *Our New Responsibility, Our New Starting Point: 2000 Policy Platform of the DPP*. Taipei, DPP Central Office Publishers, 1999, p. 37.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> National Blueprint Committee, Chen Shui-bian's Campaign Center, "White Paper on China Policy for the 21<sup>st</sup> Century," 2<sup>nd</sup> edition. Mainland Affairs Council, Mainland Policy Documents, Taipei, Mainland Affairs Council Publishing, 2002.04.

<sup>5</sup> *China Times*, 2004.09.30, p. A3.

<sup>6</sup> Chinese scholar Sun Junjian believes that peaceful reunification is a precondition and important indicator of the normalization of cross-strait relations. See Sun Junjian, "Liang An Guanxi Zhengchanghua de Kunjing yu Chulu" ("The Normalization of Cross-Strait Relations: the Dilemma and the Exit Strategy"), from a conference on "International Cross-Strait Politics," Center for Mainland China Studies, Department of Political Science, National Taiwan University, Taipei, 2004.10.23-24.

<sup>7</sup> Democratic Progressive Party, "Resolution Regarding Taiwan's Future." Government Information Office, 1999, <http://www.gio.gov.tw/taiwan-website/5-gp/election/major/major01a.htm>, last viewed on 2006.09.19.

<sup>8</sup> Adapted from Chen Shui-bian, 2000, "Yatai Heping Xin Shiji: Liang An Huanxi Kan Weilai: Chen Shuibian duiyu Lian An Guanxi de Qi Xiang Zhuzhang" ("A New Century of Peace in the Asia-Pacific; Taiwan and China Look ahead to the Future: Chen Shui-bian's Seven Points on Cross-Strait Relations"). Mainland Affairs Council, Mainland Policy Documents, Taipei, Mainland Affairs Council Publishing, 2<sup>nd</sup> edition, 2002.04, pp. 85-87.

<sup>9</sup> Ibid.

<sup>10</sup> Chen Shui-bian, 520 Inaugural Speech, "Taiwan Stands Up: Advancing to an Uplifting Era." Mainland Affairs Council, Mainland Policy Documents, 2000, <http://www.mac.gov.tw/english/index1-e.htm>, last viewed on 2006.09.19.

<sup>11</sup> National Blueprint Committee, Chen Shui-bian's Campaign Center, "White Paper on China Policy for the 21<sup>st</sup> Century," 2<sup>nd</sup> edition. Mainland Affairs Council, Mainland Policy Documents, Taipei, Mainland Affairs Council Publishing, 2002.04.

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

<sup>14</sup> Democratic Progressive Party, "Resolution Regarding Taiwan's Future." Government Information Office, 1999, <http://www.gio.gov.tw/taiwan-website/5-gp/election/major/major01a.htm>, last viewed on 2006.09.19.

<sup>15</sup> Supra-Party Task Force, "Three Acknowledgements and Four Recommendations," 2<sup>nd</sup> edition. Taipei, Mainland Affairs Council, Mainland Policy Documents, Mainland Affairs Council Publishing, 2002.04, p. 1.

<sup>16</sup> Taken from the author's notes.

<sup>17</sup> Taken from the author's notes.

<sup>18</sup> Chen Shui-bian, opening address at the 29th Annual Meeting of the World Federation of Taiwanese Associations. Taiwan Yearbook 2004. *Taipei Times*, 2002, <http://ecommerce.taipeitimes.com/yearbook2004/P087.htm>, last viewed on 2006.09.19.

<sup>19</sup> Taken from the author's notes.

<sup>20</sup> Adapted from the Mainland Affairs Council, "*Chen Shuibian Zongtong Ba Yue San Ri Tanhua zhi Shuotie*" ("President Chen Shui-bian's August 3 Remarks"), 4<sup>th</sup> ed. Mainland Affairs Council, Mainland Policy Documents, Taipei, Mainland Affairs Council Publishing, 2002.09, pp. 82-84.

<sup>21</sup> Chen Shui-bian, President Chen's New Year's Day Message 2004. Office of the President, Press Releases, 2004.10.10.

<sup>22</sup> Adapted from Chen Shui-bian, "*Zongtong Jiejian Ouzhou Taiwan Shanghui Lianhe Zonghui Hui Guo Fangwen Tuan Tanhua*" ("President Chen's Remarks to the Departing Delegation from the Council of Taiwanese Chambers of Commerce in Europe"). Office of the President, Press Releases, 2004.11.11.

<sup>23</sup> Adapted from Liu Pao-chieh, "*Jieshou Guoshi Chuancheng*" ("Accepting the Legacy of History: Chen Shui-bian Hopes for Reconciliation of Differences"). United Daily News, 2004.11.12, p. A2.

<sup>24</sup> Lin Chia-lung, Cheng Yung-nian, ed. "*Taiwan Minzhuhua yu Guozu Xingcheng*" ("Taiwan's Democratization and the Formation of the Nation"), *Nationalism and Cross-Strait Relation*. Taipei, Third Nature Publishing Co., 2001, p. 231.

<sup>25</sup> Democratic Progressive Party, "*Minjindang Fabu Zhuquan Yiti Mindiao Xinwengao*" (DPP press release on sovereignty poll). official DPP website, 2003.09.05, <http://www.dpp.org.tw/>, last viewed on 2006.09.19.

<sup>26</sup> Ibid., p.55.

<sup>27</sup> Ibid., p. 56.

<sup>28</sup> Ibid., p. 55.

<sup>29</sup> Chen Shui-bian, "Cross-Century Remarks." Office of the President, 2000.12.31, [http://www.president.gov.tw/en/prog/news\\_release/document\\_content.php?id=1105497102&pre\\_id=1105497102&menu\\_id=&g\\_category\\_number=145&category\\_number\\_2=145&layer=&sub\\_category=](http://www.president.gov.tw/en/prog/news_release/document_content.php?id=1105497102&pre_id=1105497102&menu_id=&g_category_number=145&category_number_2=145&layer=&sub_category=), last viewed on 2006.10.22.

<sup>30</sup> Democratic Progressive Party, "Resolution Regarding Taiwan's Future." Government Information Office. 1999, <http://www.gio.gov.tw/taiwan-website/5-gp/election/major/major01a.htm>, last viewed on 2006.09.19.

<sup>31</sup> Ibid.

<sup>32</sup> National Blueprint Committee, Chen Shui-bian's Campaign Center, "White Paper on China Policy for the 21st Century," 2<sup>nd</sup> edition. Mainland Affairs Council, Mainland Policy Documents, Taipei, Mainland Affairs Council Publishing, 2002.04.

<sup>33</sup> Adapted from Chen Shui-bian, 2000, "*Yatai Heping Xin Shiji: Liang An Huanxi Kan Weilai: Chen Shuibian duiyu Lian An Guanxi de Qi Xiang Zhuzhang*" ("A New Century of Peace in the Asia-Pacific; Taiwan and China Look ahead to the Future: Chen Shui-bian's Seven Points on Cross-Strait Relations"), 2<sup>nd</sup> edition. Mainland Affairs Council, Mainland Policy Documents, Taipei, Mainland Affairs Council Publishing, 2002.04, pp. 85-87.

<sup>34</sup> Chen Shui-bian, President Chen's Inaugural Speech, "Taiwan's Stands Up: Advancing to an Uplifting Era." Office of the President, 2000, [http://www.president.gov.tw/2\\_special/2004\\_520/subject3.html](http://www.president.gov.tw/2_special/2004_520/subject3.html), last viewed on 2006.09.19.

<sup>35</sup> Chen Shui-bian, President Chen's "Cross Century Remarks." Office of the President, 2000, [http://www.president.gov.tw/en/prog/news\\_release/document\\_content.php?id=1105497102&pre\\_id=1105497102&menu\\_id=&g\\_category\\_number=145&category\\_number\\_2=145&layer=&sub\\_category=](http://www.president.gov.tw/en/prog/news_release/document_content.php?id=1105497102&pre_id=1105497102&menu_id=&g_category_number=145&category_number_2=145&layer=&sub_category=), last viewed on 2006.09.19.

<sup>36</sup> Adapted from Yen Wan-chin, "*Zaiye Shiqi Minjindang Dalu Zhengce*" ("China Policy of the Opposition DPP"). Taipei, Wun-Ching Publishing Group, 2003, p. 142.

<sup>37</sup> Chen Shui-bian, 520 Inaugural Speech, "Taiwan Stands Up: Advancing to an Uplifting Era." Mainland Affairs Council, Mainland Policy Documents. 2000, <http://www.mac.gov.tw/english/index1-e.htm>, last viewed on 2006.09.19.

<sup>38</sup> "*Banglian Zhuzhang, Guomindang Zhongpingwei Fanying Bu Yi*" ("Members of KMT's Central Committee Give Unfavorable Response to Confederation Proposal"). *China Times*, *China Times News Archive*, 2001.07.03.

<sup>39</sup> Chen Shui-bian, taken from the minutes of the question-and-answer session from the 2000.06.20 press conference, 2<sup>nd</sup> edition. Taipei, Mainland Affairs Council, Mainland Policy Documents, Mainland Affairs Council Publishing, 2002.04, pp. 8-20.

<sup>40</sup> Chen Shui-bian, President Chen's inaugural speech, "Paving the Way for a Sustainable Taiwan." Office of the President, [http://www.president.gov.tw/en/prog/news\\_release/document\\_content.php?id=1105495941&pre\\_id=&menu\\_id=&g\\_category\\_number=248&category\\_number\\_2=148&layer=&sub\\_category](http://www.president.gov.tw/en/prog/news_release/document_content.php?id=1105495941&pre_id=&menu_id=&g_category_number=248&category_number_2=148&layer=&sub_category), last viewed on 2006.09.19.

<sup>41</sup> Hsu Hsin-liang's demand was a "new 'one-China' principle, modeled after the EU, dignified, safe, and prosperous." This idea contained three parts: to (1) maintain the ROC system of government unchanged, (2) establish a cross-strait market, and (3) establish a Chinese parliament. See Hsu Hsin-liang's election posters. Former DPP Chairman Shih Ming-teh told the author that he had also suggested the "new 'one China' principle, modeled after the EU" to Hsu Hsin-liang as a way of dissolving the stalemate in the development of cross-strait relations.

<sup>42</sup> Democratic Progressive Party, "Resolution Regarding Taiwan's Future." Government Information Office, 1999, <http://www.gio.gov.tw/taiwan-website/5-gp/election/major/major01a.htm>, last viewed on 2006.09.19.

<sup>43</sup> Adapted from Chen Shui-bian, *The Son of Taiwan*. Taipei, Morning Star Publishing Co., 1999, p. 245.

<sup>44</sup> National Blueprint Committee, Chen Shui-bian's Campaign Center, "White Paper on China Policy for the 21<sup>st</sup> Century," 2<sup>nd</sup> edition. Mainland Affairs Council, Mainland Policy Documents, Taipei, Mainland Affairs Council Publishing, 2002.04.

<sup>45</sup> Adapted from Chen Shui-bian, 2000, "Yatai Heping Xin Shiji: Liang An Huanxi Kan Weilai: Chen Shuibian duiyu Lian An Guanxi de Qi Xiang Zhuzhang" ("A New Century of Peace in the Asia-Pacific; Taiwan and China Look ahead to the Future: Chen Shui-bian's Seven Points on Cross-Strait Relations"), 2<sup>nd</sup> edition. Mainland Affairs Council, Mainland Policy Documents, Taipei, Mainland Affairs Council Publishing, 2002.04, pp. 85-87.

<sup>46</sup> Chen Shui-bian, "President Chen's New Year's Message." Office of the President, Press Releases, 2003.

<sup>47</sup> Initially, when President Chen decided to hold a "defensive referendum," the Mainland Affairs Council was instructed to formulate the questions on the referendum. Question 2, "engage in negotiation with Communist China on the establishment of a 'peace and stability' framework for cross-strait interactions," was first proposed by the author. The author's opinion at the time was that:

1) War cannot truly resolve cross-strait disputes, but China has repeatedly affirmed that it will not abandon the option of using force against Taiwan. In light of this fact, Taiwan not only must have defensive military capabilities, but should also take the initiative in demanding that China open up cross-strait negotiations and sign a framework agreement to maintain cross-strait peace and stabilize the status quo, as well as to advance and expand cross-strait exchange.

2) In fact, men of insight had advocated the signing of a peace framework or conceptual agreement much earlier. For example, Kenneth Lieberthal proposed the "interim agreement" concept. The "Resolution Regarding Taiwan's Future" states that Taiwan and China should engage in comprehensive dialogue to seek mutual understanding and economic cooperation, and that both sides should build a framework for long-term stability and peace. President Chen Shui-bian said in his "White Paper on China Policy for the 21<sup>st</sup> Century" that Taiwan and China should realize a consensus on an ultimate goal, and a transitional dialogue framework can

be set up to improve the interactive relationship of both sides. Both sides may engage in long-term dialogues concerning the feasibility of signing a peace treaty. In 2000, Academia Sinica's Ting Pang-hsin called for Taiwan and China to sign a fifty-year peace agreement. In the recent presidential election, Lien Chan advocated establishing mechanisms for dialogue and sought to open the Three Links and sign a cross-strait peace agreement, all with equality and dignity as preconditions.

3) When the referendum questions were being discussed, the Taiwanese government opposed Lieberthal's "interim agreement" proposal, and thus it ultimately did not become one of the questions for the referendum. Although Chen Shui-bian was a legislator when he proposed the "cross-strait basic agreement," it made its way into the cross-strait debate, but it was deemed unsuitable. Lastly, the author advocated, and President Chen said in his 2003 New Year's Day message, that, "Now, each side has proposed its own blueprint for future development. Therefore, today, I wish to make an earnest call for both sides to strive toward building a framework of interaction for peace and stability and to make this a primary goal at this stage of cross-strait development." This concept was well suited to become Question 2 on the referendum, and it immediately received the approval of those in attendance.

While all elements of society frequently voice their opinions on what kind of a China policy the government should have, society needs to form a consensus. But how does society form such a consensus? The answer must rely on a set of mechanisms that are grounded in the law, or else the people's opinions will be fruitless. A referendum is the most legally effective way of producing a consensus, and it fits the principles of democracy. Not only can it take the lead in forming a societal consensus over whether or not Taiwan and China should sign a framework of interaction for peace and stability, but it can also enable the government to discuss the "mandate of the people" for such a framework agreement. What is even more important is that the consensus formed by the referendum can not only solve the problem of contention over independence versus unification, but it can also live beyond the changing of political parties and the contemporary administration. No matter who is in power, any administration can use the referendum as a basis for engaging the CCP in negotiations and can avoid contention over unification versus independence, or even being labeled a traitor or a sell-out. The referendum can become a long-term part of Taiwan's China policy. See Chen Ming-tong, 2004, "Gongtong yu Huixuan Yitu Da Butong" ("Why the Referendum is not an Attempt to Buy Votes"), China Times, p. A15/Forum, 2004.11.12.

<sup>48</sup> Chen Shui-bian, "Writing History with Democracy and Defending Taiwan with Referendum." Mainland Affairs Council, Mainland Policy Documents, 2004.02.03, <http://www.mac.gov.tw/english/english/macpolicy/c930203e.htm>, last viewed on 2006.09.20.

<sup>49</sup> Ibid.

<sup>50</sup> Mainland Affairs Council, "Minyi Diaocha: Zhonghuaminguo Taiwan Diqu Minzhong dui Liang An Guanxi de Kanfa" ("Public Opinion Survey: Opinions on Cross-Strait Relations of the People of the ROC on Taiwan"), 2<sup>nd</sup> edition. Taipei, Mainland Affairs Council, Mainland Policy Documents, Mainland Affairs Council Publishing, 2004.11, pp. 110-111.

<sup>51</sup> Chen Shui-bian, President Chen's inaugural speech, "Paving the Way for a Sustainable Taiwan." Office of the President, 2004, [http://www.president.gov.tw/en/prog/news\\_release/document\\_content.php?id=1105495941&pre\\_id=&menu\\_id=&g\\_category\\_number=248&category\\_number\\_2=148&layer=&sub\\_category](http://www.president.gov.tw/en/prog/news_release/document_content.php?id=1105495941&pre_id=&menu_id=&g_category_number=248&category_number_2=148&layer=&sub_category), last viewed on

2006.09.19.

<sup>52</sup> Chen Shui-bian, President Chen's National Day Message. Government Information Office, 2004, <http://www.gio.gov.tw/taiwan-website/4-0a/20041010/2004101001.html>, last viewed on 2006.09.20.

<sup>53</sup> Chen Shui-bian, President Chen Presides over a High-Level Meeting of the National Security Council. Mainland Affairs Council, Mainland Policy Documents, 2004.10.10. English version available from the website of the Taipei Representative Office in the UK, <http://www.roc-taiwan.org.uk/press/20060227/2006022702.html>, last viewed on 2006.10.21.

<sup>54</sup> Kenneth Lieberthal & David M. Lampton, "Heading off the Next War." *Washington Post*, 2004.04.12, <http://www.washingtonpost.com/wp-dyn/articles/A4443-2004Apr11.html>, last viewed on 2006.09.17.

<sup>55</sup> Kenneth Lieberthal, "Cong Zhonggong Shiwu Da Kan Deng hou Shiqi Dalu Jingji Fazhan Dongxiang" ("Looking at Trends in Economic Development from the 15th National People's Congress in the post-Deng Era"), paper presented at an international conference. Grand Hotel, Taipei, organized by the Institute for National Policy Research and the Mainland Affairs Council, 1998.02.19-20.

<sup>56</sup> Chen Shui-bian, "Cross-Century Remarks." Office of the President, 2000.12.31, [http://www.president.gov.tw/en/prog/news\\_release/document\\_content.php?id=1105497102&pre\\_id=1105497102&menu\\_id=&g\\_category\\_number=145&category\\_number\\_2=145&layer=&sub\\_category=](http://www.president.gov.tw/en/prog/news_release/document_content.php?id=1105497102&pre_id=1105497102&menu_id=&g_category_number=145&category_number_2=145&layer=&sub_category=), last viewed on 2006.10.22.

<sup>57</sup> Democratic Progressive Party, "Resolution Regarding Taiwan's Future." Government Information Office, 1999, <http://www.gio.gov.tw/taiwan-website/5-gp/election/major/major01a.htm>, last viewed on 2006.09.19.

<sup>58</sup> National Blueprint Committee, Chen Shui-bian's Campaign Center, "White Paper on China Policy for the 21st Century," 2nd edition. Mainland Affairs Council, Mainland Policy Documents, Taipei, Mainland Affairs Council Publishing, 2002.04.

<sup>59</sup> Ibid.

<sup>60</sup> Mainland Affairs Council, "Jingji Hui Liang Zu Zongjie Baogao" ("Final Report of the Cross-Strait Group of the Economic Development Consulting Committee"), 2nd edition. Taipei, Mainland Affairs Council, Mainland Policy Documents, Mainland Affairs Council Publishing, 2002.04, pp. 25-28.

<sup>61</sup> Chen Shui-bian, President Chen's inaugural speech, "Paving the Way for a Sustainable Taiwan." Office of the President, 2004, [http://www.president.gov.tw/en/prog/news\\_release/document\\_content.php?id=1105495941&pre\\_id=&menu\\_id=&g\\_category\\_number=248&category\\_number\\_2=148&layer=&sub\\_category=](http://www.president.gov.tw/en/prog/news_release/document_content.php?id=1105495941&pre_id=&menu_id=&g_category_number=248&category_number_2=148&layer=&sub_category=), last viewed on 2006.09.19.

<sup>62</sup> National Blueprint Committee, Chen Shui-bian's Campaign Center, "White Paper on China Policy for the 21st

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<sup>63</sup> Adapted from Chen Shui-bian, "Yatai Heping Xin Shiji: Liang An Huanxi Kan Weilai: Chen Shuibian duiyu Lian An Guanxi de Qi Xiang Zhuzhang" ("A New Century of Peace in the Asia-Pacific; Taiwan and China Look ahead to the Future: Chen Shui-bian's Seven Points on Cross-Strait Relations"), 2nd edition, 2000. Mainland Affairs Council, Mainland Policy Documents, Taipei, Mainland Affairs Council Publishing, 2002.04, pp. 85-87.

<sup>64</sup> Chen Shui-bian, "Chen Zongtong dui Sanzhi Huiyi Juti Jielun zhong youguan Liang An Guanxi de Tanhua Neirong" ("The Text of President Chen's Remarks on Cross-Strait Relations in his Conclusions at the Sanchih Conference"), 5th edition. Taipei, Mainland Affairs Council, Mainland Policy Documents, Mainland Affairs Council Publishing, 2002.12, p. 31.

<sup>65</sup> Liu Mo and Xiao Zhiguang, "Wei Lishi Liuxia Gongzheng de Zhujiào - 1992 nian 11 yue Liang Hui Gongshi Shiwei" ("Leaving a Just Note for History - November 1992 Consensus of the SEF and ARATS"). 1999, [http://www.gwytb.gov.cn:82/92/jegs0.asp?jega\\_m\\_id=9](http://www.gwytb.gov.cn:82/92/jegs0.asp?jega_m_id=9) (Chinese). Xu Shiquan, "1992 Nian Gongshi: Haixie Haiji Liang Hui Xieshang zhi Huigu yu Pingxi" ("The 1992 Consensus: Reflecting on and Assessing the Negotiations between the SEF and ARATS"). Beijing, 2001, Institute of Taiwan Studies, Chinese Academy of Social Sciences.

<sup>66</sup> [http://www.gwytb.gov.cn:82/zlzx/zlzx0.asp?zlzx\\_m\\_id=702](http://www.gwytb.gov.cn:82/zlzx/zlzx0.asp?zlzx_m_id=702) (Chinese).

<sup>67</sup> China Times, 2006.04.04 and 2006.04.05, "Jiaodian Xinwen" ("Focus News").

<sup>68</sup> Li Jiaquan, "Chen Shuibian de Zui Da Baibi Shi Shenme?" ("What was Chen Shui-bian's Greatest Mistake?"). China Review News, 2006.03.22, available at <http://www.chinareviewnews.com/cm-webapp/doc/docDetail.jsp?coluid=5&kindid=114docid=100113622>.

<sup>69</sup> "Guomindang zhendui 'Liang An Jingmao Luntan' Chengguo Fabu Xinwengao" ("KMT Press Release following the 'Cross-Strait Economic and Trade Forum'"). 2006.04.16, available at [http://www.kmt.org.tw/Content/HTML/Statement/Report/20060417\\_12\\_8158.html](http://www.kmt.org.tw/Content/HTML/Statement/Report/20060417_12_8158.html).

<sup>70</sup> from Chu Chien-ling, "Jiu Er Gongshi Neirong, Dalu Cun Bu Bu Rang" ("China Refuses to Yield over the Content of the 1992 Consensus"). China Times, 2005.05.06.

<sup>71</sup> Adapted from Lo Hsiao-ho, 2005, "Shi Mingde: Zhuquan Wenti Tuo Shi Zui Jia Celüe" ("Shih Ming-teh: Stalling on the Question of Sovereignty is the Best Strategy"). United Daily News, 2005.05.23.

<sup>72</sup> Ibid., p. 72.

<sup>73</sup> These three acknowledgements are: (1) The current status of cross-strait relations is the result of developments in history; (2) the Republic of China and the People's Republic of China neither represent one another nor belong to

each other. As the Republic of China has established a democratic system, any change in status quo must be approved by its citizens through democratic procedures; and (3) The people are the core of a nation, and the purpose of a nation is to protect the security and welfare of its people. With geographic proximity as well as similar languages and cultures, the people on the two sides of the Taiwan Strait should be able to enjoy long-term and common interests. "Three Acknowledgements and Four Recommendations," 2<sup>nd</sup> edition. Mainland Affairs Council, Important Policy Documents, Taipei, Mainland Affairs Council Publishing, 2002.04, p. 21.

<sup>74</sup> Chen Shui-bian and James Soong, "Joint Statement of President Chen and Chairman Soong." Mainland Affairs Council, Mainland Policy Documents, 2005.02.25, <http://www.mac.gov.tw/english/index1-e.htm>, last viewed on 2006.09.20.

<sup>75</sup> Adapted from Chen Shui-bian, "Minzhu Taiwan Shengsheng Bu Xi - Zhonghua Minguo 95 Nian Kai Guojinian Dianli ji Yuandan Tuanbai Zhuc" ("A Democratic Taiwan Continues to Grow - Republic of China 2006 National Day Remarks"). Available at <http://www.president.gov.tw/php-bin/prez/shownews.php4> (Chinese).

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<sup>77</sup> Adapted from Chen Shui-bian, "Minzhu Taiwan Shengsheng Bu Xi - Zhonghua Minguo 95 Nian Kai Guojinian Dianli ji Yuandan Tuanbai Zhuc" ("A Democratic Taiwan Continues to Grow - Republic of China 2006 National Day Remarks"). Available at <http://www.president.gov.tw/php-bin/prez/shownews.php4> (Chinese).

<sup>78</sup> Chen Shui-bian, 2004, President Chen's inaugural speech, "Paving the Way for a Sustainable Taiwan." Office of the President, [http://www.president.gov.tw/en/prog/news\\_release/document\\_content.php?id=1105495941&pre\\_id=&menu\\_id=&g\\_category\\_number=248&category\\_number\\_2=148&layer=&sub\\_category](http://www.president.gov.tw/en/prog/news_release/document_content.php?id=1105495941&pre_id=&menu_id=&g_category_number=248&category_number_2=148&layer=&sub_category), last viewed on 2006.09.19. "Zongtong Jiejian Yingguo Guohui Xiayiyuan Waijiao Weiyuanhui Fangwen Tuan" ("The President Receives a Delegation from the Foreign Affairs Committee of the British House of Commons"). Office of the President, Press Releases, 2006.05.17. "President Chen Held a Videoconference with Prominent European Opinion Leaders in Geneva." Office of the President, 2006.05.19, <http://constitution.president.gov.tw/article/article.php?Type=8&rowid=433>, last viewed on 2006.10.25.

<sup>79</sup> Adapted from Chen Shui-bian, "Minzhu Taiwan Shengsheng Bu Xi - Zhonghua Minguo 95 Nian Kai Guojinian Dianli ji Yuandan Tuanbai Zhuc" ("A Democratic Taiwan Continues to Grow - Republic of China 2006 National Day Remarks"). Available at <http://www.president.gov.tw/php-bin/prez/shownews.php4> (Chinese).

<sup>80</sup> Ibid.

<sup>81</sup> Ibid.

<sup>82</sup> Ibid.

<sup>83</sup> Ibid.

<sup>84</sup> Ibid.

<sup>85</sup> Ibid.

<sup>86</sup> Chen Shui-bian, "Key Conclusions of the Panel on Enhancing Business Competitiveness of the Conference on Sustaining Taiwan's Economic Development." MyEGov, 2006.07.28, <http://english.www.gov.tw/e-Gov/index.jsp?catid=233&recordid=97503>, last viewed on 2006.09.20.

<sup>87</sup> Ibid.

<sup>88</sup> Adapted from Chen Shui-bian, "Minzhu Taiwan Shengsheng Bu Xi - Zhonghua Minguo 95 Nian Kai Guojinian Dianli ji Yuandan Tuanbai Zhuc" ("A Democratic Taiwan Continues to Grow - Republic of China 2006 National Day Remarks"). Available at <http://www.president.gov.tw/php-bin/prez/shownews.php4> (Chinese).

<sup>89</sup> Ibid.

<sup>90</sup> Adapted from China Times, 2006.01.02, p. A4.

<sup>91</sup> Chen Shui-bian, President Chen Presides over a High-Level Meeting of the National Security Council. Mainland Affairs Council, Mainland Policy Documents, 2004.10.10. English version available from the website of the Taipei Representative Office in the UK, <http://www.roc-taiwan.org.uk/press/20060227/2006022702.html>, last viewed on 2006.10.21.

<sup>92</sup> Adapted from Department of Public Affairs, Office of the President, "Zongtong yu Zongtongfu Guwen Canxu" ("Remarks by the President at a Banquet with the Advisors of the Office of the President"). Office of the President, Press Releases, 2005.12.23.

Chapter

*Suggested Logic and Policy  
for Taiwan's National Defense*

Taiwan's apparatus for national defense and national security is necessarily much more complex than that of other countries. The primary reason is that the Chinese Civil War caused a political and geographic separation between China and Taiwan such that neither belongs to the other. Now, China uses the advantageous position that it has gained through Great Power Diplomacy to continuously put pressure on Taiwan's international living space, placing Taiwan's international diplomacy on a slippery slope. In addition, in recent years, China has poured all of its resources into its military. China aims an increasing number of missiles at Taiwan, representing a serious, ever-present threat to Taiwan's security. Although the US has continued to sell Taiwan all the arms that Taiwan needs for its defense, China's quick rise has prompted the US to reconsider its own national interests, leaving it no choice but to cooperate with China in economics, diplomacy, and defense. Taiwan has yet again been elbowed aside by China while China continues to acquire advanced weaponry from Russia, and since the EU lifted its arms embargo on China, the balance of power in the Taiwan Strait has shifted in China's favor. In light of current international and political developments, Taiwan must not only carve out a firm foothold for itself, but also consider both its logic and policy on defense.



## Using a Geopolitical Approach to Examine the Factors that Affect the Present State of National Defense and Security

Taiwan's ability to stand firm under tremendous pressure from China for over fifty years is intimately linked to its unique geographic position. Taiwan occupies a central, key location in the "first island chain" of the Western Pacific Ocean. Taiwan controls two of East Asia's major strategic waterways (the Taiwan Strait and the Bashi Strait), giving it a key strategic position in maritime geopolitics. Taiwan plays a pivotal role in protecting order, security, and peaceful development in the Asia-Pacific region, and its own actions influence the balance of power in the Asia-Pacific.<sup>1</sup> In the following sections, we examine Taiwan's national defense and national security from the standpoint of its neighboring countries.

### *1. Changes in the Deployment of American Forces in the Asia-Pacific Region*

China's economic development over the past ten years has allowed the PLA to narrow the gap between its own technological capabilities and those of the US Army, and China's military ambitions are causing great concern among strategic planners in the US. Recent adjustments to US military presence in East Asia are unambiguously a response to China. In August 2004, the US held separate conferences with Japan and South Korea on military deployments in East Asia. These meetings were aimed at preparing to increase Japan's military role and to move the military strategic center further south, in particular to establish a new airbase at Shimojishima on the island of Irapujima. These conferences increased the US' ability to maintain peace and stability in the Taiwan Strait, as well as Taiwan's ability to check the expanding threat of the PLA Air Force and PLA Navy. The US is the world's only superpower, giving it the role and function of a major decision-maker in global security and stability. As such, it is difficult to doubt America's influence in the Western Pacific. As a result of international developments, America's global strategic axis and military presence are gradually shifting towards Asia. Moreover, this shift has produced a positive effect: to

increase Taiwan's national security.

### *2. China and the Treaty of Mutual Cooperation and Security between the United States and Japan*

Under its broader interpretation, the Treaty of Mutual Cooperation and Security between the United States and Japan is designed to make an active contribution to stability in the Taiwan Strait, particularly to legitimize US naval forces in the Taiwan Strait on the premise of keeping shipping lines open. These actions by the US have placed Taiwan even deeper within the Asia-Pacific struggle for hegemony, turning Taiwan into a chess piece in this struggle between the US and China. A "US-Japan alliance plus Taiwan" strategic framework has emerged, which will be able to place greater strategic limits on Beijing, but this framework also creates new variables and challenges for Taiwan's strategic position. In recent years, China has clung tightly to its rising national strength, increasing its national defense budget by double-digit percentages every year. It is making great strides in arms purchases and research and development. Recently, it has been putting large efforts into developing "super-limited warfare," "asymmetrical warfare," and its three warfares. It has also aimed nearly 1,000 missiles at Taiwan, placing the heart of its military might on its southeastern coast, and has been using its great-power status to force other nations to stop selling arms to Taiwan. In the 2005 Anti-Secession Law, China attempts to justify the use of force to invade Taiwan, creating an enormous threat to Taiwan's national defense and national security.

### *3. Japan*

During the "two plus two" meeting in 2005, in order to guard against the threat that they perceived from China, Japan and the US strengthened the Treaty of Mutual Cooperation and Security between the United States and Japan, which proclaims that peace in the Taiwan Strait is the mutual strategic objective of both countries. This was the first time that the US and Japan publicly described the Taiwan issue as a strategic concern, inciting protests from China. At the same time, China's submarine fleet crossed the "second island chain," reaching Guam and Irapujima. Besides just gathering intelligence and conducting hydrological

tests, the fleet's goal was most likely to conduct military training during the tense period of cross-strait relations, specifically aimed at preventing American intervention. The provocative nature of this action and the tense relations between Japan and China indirectly affected Taiwan. From Japan's concept of a "situation in the areas surrounding Japan" to the Joint Statement of the U.S.-Japan Security Consultative Committee, which came out of the 2005 two plus two meeting, we can see that Japan has continued to pay attention to the Taiwan issue and that it has maintained a consistent position in its policy on the Taiwan Strait.

#### **4. Tension between North and South Korea**

In recent years, North Korea has continued to toy with "nuclear politics" and "missile politics." America's denuclearization strategy, South Korea's policy of reconciliation, and Japan's plan to establish diplomatic relations with North Korea have all proven unsuccessful in attempting to bring North Korea into the international community. Instead, Pyongyang has committed one act after another that has astonished neighboring countries. Its military strength not only puts pressure on South Korea and Japan, but also constitutes a threat to the US. Since the North Korean nuclear crisis began in 1993, those countries directly involved, including the US, China, Russia, Japan, South Korea, and North Korea, have engaged in the Three-Party Talks and the Six-Party Talks to seek peace and reconciliation. Despite these talks, North Korea's Ministry of Foreign Affairs publicly admitted in February 2005 that North Korea had nuclear weapons. It even indicated that these weapons were meant to deter an attack from the US, and that it would stop the Six-Party Talks on the North Korean nuclear issue for an indefinite period of time, creating another variable for Asia-Pacific security. While Taiwan is not directly involved in this issue, China, the US, and Japan play interconnected roles. If war breaks out, it will affect security in the Taiwan Strait, so Taiwan needs to pay close attention to this matter.

#### **5. The South China Sea**

Disputes in the South China Sea have existed for a long time, and they affect a wide range of countries, including Vietnam, Malaysia, Indonesia, Brunei, the Philippines, China, and Taiwan. The South China Sea contains vast reserves

of oil and natural gas, as well as large fishing and tourism industries. The controversies over different interests and historical sentiments in the area are extremely complex, and they are intimately connected to the interests of Japan, South Korea, and the US. As Taiwan currently lacks the means and opportunities for international participation, it has been unable to gain the respect and international voice that it should be able to have in disputes in the South China Sea. In some areas, Taiwan has to strike unofficial agreements with China in return for China's support in maintaining the status quo in the South China Sea. In the future, this may create a conflict between member states of ASEAN (the Philippines, Malaysia, Indonesia, Brunei and Vietnam [soon to be a member]) and non-ASEAN states (Taiwan, China, and Japan).

#### **6. ASEAN**

For many years, there have been conflicts among the ASEAN member states, as well as political and economic instability within those states themselves, all of which has directly weakened the international competitive ability of those countries. As a result, recent political thinking has been to put domestic politics before foreign diplomacy and economics before the military. Conflicts among these states include drug trafficking between Myanmar and Thailand, border disputes between Thailand and Laos, strings of bombings by Islamic forces in the border regions of Thailand and Malaysia, and maritime disputes between Indonesia and Malaysia. Examples of political instability in the ASEAN member states include challenges to the governments of Thailand and the Philippines, domestic political strife in Malaysia, ethnic conflict and discrimination against Muslims, the democratic movement in Myanmar, and an economic crisis in Indonesia under the Wahid administration. In 2004, ASEAN decided to admit China, Japan, and South Korea, forming the East Asia Summit. This was the first step by Asian countries towards the EU model. East Asian leaders have already reached a consensus: they hope to turn ASEAN into a common market, similar to the EU, by 2020. They hope that, in the future, ASEAN can connect countries in the region by integrating them into a large economic entity that can compete with the EU and the US to become the world's third largest market. So far, Taiwan has been excluded from ASEAN and the East Asia Summit.

China's swift rise threatens the interests of the US, Japan, and South Korea. While seeking ways to peacefully interact with China, each of these countries has no choice but to prepare for the worst-case scenario: war. Within the rivalry in East Asian, if Taiwan were to take any particular side, it would change the current balance. Therefore, while none of these countries have diplomatic relations with Taiwan, they still maintain unofficial relations with Taiwan as they try to secure their own interests. They seek cooperation with Taiwan in the areas of economics, culture, and even athletics. They also maintain tacit military agreements with Taiwan, upholding a common front, which has kept Taiwan's defense from falling into dire straits or becoming isolated.

From a geopolitical standpoint, while Taiwan's defense goals are "all-out defense" and maintaining autonomy in its national defense, Taiwan has been unable to become independent in the international community (especially in East Asia), and it cannot rely on protection from other countries. Instead, it must remain with the China threat hanging over its head and without diplomatic relations with any of its neighbors. Taiwan's unusual geopolitical strategy is to take advantage of different disputes among other countries in order to display its strength, maintain cooperative relations with other countries, and deter China from acting rashly, reducing the possibility of war as much as possible.

### Threats to National Defense and National Security

Without a doubt, the largest threat that Taiwan faces comes from China. While there has been no real war between the two countries since 1968, the China threat still exists. China's national defense budget has been growing in double-digit percentages every year. On the southeastern coast, China has aimed missiles at Taiwan and has also conducted large-scale military exercises. China has used its "web army" to infiltrate Taiwan's national security, stealing information from Taiwan's national defense websites. In 1996, China conducted missile tests in the waters around Taiwan in an attempt to influence Taiwan's presidential election. China also sends ships to collect information on Taiwan's waters and its military exercises. It sends people as stowaways on ships, through

fake marriages, and through family connections to Taiwan to engage in spying and sabotage. It uses a strategy of "attacking with words and intimidating with weapons," as well as diplomatic isolation, to force Taiwan to submit. It also uses a strategy of economic encirclement to increase its leverage over Taiwan, a strategy of allying with civilians against the government, and depoliticization in order to eliminate Taiwan's status as a sovereign country.

All recent international assessments of current cross-strait relations reflect the opinion that the chance of war breaking out in the Taiwan Strait is now greater than ever before, due to an overabundance of unstable factors. Hu Jintao and Wen Jiabao's rhetoric of "China's peaceful development (or peaceful rise)" and Chinese nationalism have caused a "China threat" panic across the globe. In addition to brutally suppressing the Tibetan and Xinjiang independence forces within its own borders, China has also hurled increasingly harsh statements across the Taiwan Strait. The Anti-Secession Law, recently passed by the NPC, has also been seen by the international media as an omen of war. Within Taiwan, ethnic tension, the ideological debate over independence versus unification, and problems of the constitutional system of government make the future of cross-strait relations difficult to predict. In essence, if both Taiwan and China are incapable of giving up their prejudices and facing the fact of their political separation rationally and in goodwill, they will still have a long way to go to reach peace.

Despite the fact that Taiwan has demonstrated goodwill towards China for years (From May 20, 2000 to December 31, 2004, Taiwanese leaders openly appealed to China to resume cross-strait negotiations a total of 193 times.), China has not reciprocated with such a friendly attitude. China has never stopped putting pressure on Taiwan's diplomatic efforts, and in addition to increasing its stock of missiles aimed at Taiwan from the southeastern coast of China, it has been conducting military exercises to intimidate Taiwan for years. In June 2004, the PLA Army, PLA Navy, and PLA Air Force conducted joint military exercises on Dongshan Island, Fujian Province. China then declared its goal of "taking control of the Taiwan Strait" in the international media. In July, during the annual Han Kuang military exercises, Taiwan canceled the final stage, a missile-launching exercise, and in response, the forces in Dongshan Island suddenly withdrew.

President Chen said that whether or not China was demonstrating goodwill in response to the cancellation of the missile exercise, Taiwan hoped to create a win-win situation in the cross-strait under the principle of peace. However, when responding to whether or not China was reacting to Taiwan's goodwill, Deputy Director of the Taiwan Affairs Office of the State Council, Sun Yafu, said nothing of Taiwan's goodwill. Instead, he merely shouted propaganda at Taiwan, demanding that it stop provoking China. The discrepancy between President Chen's hopes and Sun Yafu's reply should be self-evident.

China's recent actions may diverge from its Taiwan strategy, but it still upholds the policies of one China and one country, two systems. It ultimately wants to "liberate" Taiwan, so it has never given up its plans or preparations to use force against Taiwan. Based on its previous actions and military and technological research and achievements, we can categorize the threats that China poses to Taiwan's defense as follows:<sup>2</sup>

*The PLA (airborne troops, special forces, and amphibious forces) could launch a direct attack on Taiwan's shores.*

*The PLA could launch a missile attack, destroying Taiwan's economy and naval defense capabilities.*

*China could send a hostile air and naval fleet across the middle of the Taiwan Strait.*

*The PLA could mobilize its extensive forces on the southeastern coast and conduct military exercises.*

*The PLA could launch a surprise attack, occupying the surrounding islands that belong to the ROC.*

*China could send its operatives to infiltrate and sabotage Taiwan.*

*The front line of the ROC Army could accidentally open fire on China.*

*The PLA could use "super-limited warfare" or "information warfare"*

*against Taiwan.*

*The PLA could sabotage or invade Taiwan's important military administration facilities.*

*The PLA could interfere with or completely close Taiwan's surrounding waterways.*

Just one of these items would not be enough to prove that China poses a real threat to Taiwan, but previous experience has revealed evidence to support that all of them are possible. In fact, since the end of real cross-strait military conflict in 1968, China has continued to infiltrate and sabotage Taiwan, send its air and naval fleets across acceptable boundaries, and conduct antagonistic military exercises, and recently has even hacked into Taiwan's government computer systems. Moreover, cases of China urging Taiwanese businessmen to betray their country and give up information, using fake marriages, and sending illegal stowaways to infiltrate Taiwan and collect intelligence are frequently reported.

Originally proposed by Jiang Zemin, Chairman of the CMC, the so-called three warfares in the media, psychology, and law represent a new development in the status of the PLA's political work. They are also a new tactic in China's attacks on Taiwan.<sup>3</sup> As a divergence from the PLA's previous military logic, from its original "millet and rifles" to the later "[winning] a local war under high-tech conditions," the three warfares in the media, psychology, and law are directed at people's ideologies. Through advanced equipment, skills, and measures on the battlefield, and through various information technology and broadcasting media, the three warfares are designed to consolidate and elevate one's own political, legal, and psychological image and strength; garner the support of third-party forces; and divide and conquer the spirit, will, and strength of the enemy. This is a proactive strategy to ensure success by strengthening one's own position while simultaneously weakening that of the enemy.<sup>4</sup>

From the release of the book *Super-Limited Warfare* to Jiang Zemin's three warfares proposal and his subsequent actions, China's Taiwan strategy has shown a different logic and form than it previously did. The recent Anti-Secession

Law marked the launch of China's legal war, forcing Taiwan, Japan, the US, and the EU to get involved. In its media war, China uses Taiwanese businessmen as a proxy to set up radio stations, as well as to purchase and run unfriendly radio stations. China plans to establish cross-strait broadcasting, for which it will even offer financial assistance. China National Radio organized the "Taiwan Listeners Association," inviting radio station staff from central and southern Taiwan to China to attend, supposedly to join the association, but in reality to advance China's united front. The CCP's broadcasting strategy against Taiwan is to "enter the island, enter the homes, and enter the minds," attempting to recreate the Hong Kong experience, in which China has already taken control of the operations of the media in its media warfare.<sup>5</sup>

The Anti-Secession law in particular is a mixture of psychological, media, and legal warfare. Its primary objective is to divide Taiwan internally along lines of ethnic identity. On the surface, the effect of this strategy is like a sashimi knife, cutting piece by piece, but with no blood visible just yet. In fact, the damage that this strategy is doing to Taiwan cannot be estimated through shallow observation. Japan and the US have both grown nervous about these developments and their implications for geopolitics in the Asia-Pacific region, as the Anti-Secession Law states that China can close off the Taiwan Strait as it pleases. Any military actions by China against Taiwan will be classified as a domestic matter, and foreign powers are unable to engage in the issue of security in the Taiwan Strait, which has become an issue of noticeable international status. Therefore, in facing these new developments and challenges, Taiwan needs new logic and policy.

## The Logic of National Defense

All defense measures are for the purpose of maintaining a country's national interests and national security. Lao-tzu once said, "Weapons are the tools of fear; a decent man will avoid them except in the direst necessity and, if compelled, will use them only with the utmost restraint."<sup>6</sup> War is a last resort to ensure one's interests and security, and the main purpose of defense is to avoid war. In today's international community, a country must be able to back up its claims. It cannot

rely on negotiations or alliances to avoid war, nor can it rely on economics or politics. It must have strong defense capabilities as its final line of defense.

During the First Gulf War, as the whole world experienced a "Revolution in Military Affairs," China in particular realized that Mao Zedong's "People's War" was no longer a viable concept. Since that time, China has been rapidly modernizing its military. By putting into effect Jiang Zemin's concepts of "building a highly qualified army" and "strengthening the army through science and technology," thus developing its military rapidly, China strives to achieve its goal of winning a local war under high-tech conditions. Since the beginning of the Iraq War in 2003, the PLA has been even more determined to informationalize and mechanize its forces, assisted by super-limited warfare, asymmetrical warfare, and the three warfares, new strategies rooted in traditional logic. These new strategies represent an unending series of new challenges for Taiwan.<sup>7</sup>

The ROC Army also recognized that war had fundamentally changed after the First Gulf War, and so it initiated a new period of restructuring and growth within its own ranks. The Army's M60A3 Patton tanks and reconnaissance and attack helicopters; the Navy's fleet of Kang Ding (Lafayette) class, Cheng Kung (Perry) class, and Chi Yang (Knox) class frigates; and the Air Force's squadron of F-16, Mirage 2000, and AIDC F-CK-1 Ching-kuo fighter jets are ready for combat, effectively increasing the overall wartime capabilities of the ROC's military. In July 1997, the ROC Armed Forces began the Armed Forces Refining Program. After the Legislative Yuan passed the "two defense laws" (the National Defense Law and the Defense Reorganization Act), it made further adjustments to its national defense organizational plan. In 2004, it began the Armed Forces Streamlining Program, which was followed shortly thereafter by the Revolution in Military Affairs. Having enacted these measures, the ROC Armed Forces have demonstrated that they have the ability to safeguard Taiwan's security over the next few years, but the China threat still looms over Taiwan's head every day. As long as China's national defense budget does not decrease and its missiles remain aimed at Taiwan, Taiwan has no security to speak of. In years past, Taiwan's national defense forces mostly relied on foreign arms purchases, and it modeled its uniforms, training, and principles on the standards of the US Army. In

recent years, however, it has been gradually casting off the logic of the US Army and has been seeking autonomy in its own national defense. This is a positive development, but as Sun Tzu once said, "Thus it is that in war the victorious strategist only seeks battle after the victory has been won, whereas he who is destined to defeat first fights and afterwards looks for victory." Taiwan cannot limit its thinking about defense to immediate gains and losses, and it certainly cannot restrict its thinking to arms packages from the US or European countries. Taiwan must keep its eyes on its future plan if it expects to keep its enemy at bay.

Taiwan's current administration and defense logic face a dilemma. In addition to China's strategy of attacking with words and intimidating with weapons, China also holds a magnetic power over Taiwan's economy, granting various favorable conditions to Taiwanese businesses, attracting investment from Taiwan, and using Taiwanese businessmen as tools for stealing classified information from Taiwan. It is not difficult to see the danger that such measures pose to Taiwan. While the US has pledged to maintain stability in the Taiwan Strait as per the Taiwan Relations Act, the US frequently puts pressure on Taiwan in cross-strait relations and offers no active assistance to Taiwan's international participation, while simultaneously demanding that Taiwan pass the arms bill. Thus, Taiwan finds itself stuck between two major powers, yet it cannot rely on either one for its national defense or national security. Taiwan needs to evaluate the current reality, seize its available opportunities, and demonstrate a proactive spirit and autonomy in its thinking, all in order to avoid falling into the trap of being forced to fight a decisive war. While China has strength in numbers compared to Taiwan's troops and armaments, Taiwan's advantage in defense is the quality of its forces, which is superior to that of the PLA. The quality of Taiwan's military personnel is also higher than PLA's. In an "information war" in the future, Taiwan actually has somewhat of an advantage, and its civil society has collected a great deal of resources that, when necessary, can be transformed into tools for defense. How Taiwan decides to use its current advantages will be crucial in deciding Taiwan's fate on the battlefield.

In recent years, China has been continuously emphasizing that "the first battle is the decisive battle," which reveals a weakness: the lack of depth in Taiwan's

military strategy against the PRC. The PRC expects that it can annihilate Taiwan in one fell swoop, completing its attack before international forces can come to Taiwan's aid. For this reason, in its defense calculus, Taiwan needs to first and foremost consider its actual capabilities so that, in the first stage of conflict with the enemy, Taiwan can ensure that the first battle is not the decisive battle. Taiwan must also use every means possible to avoid leaving its own strategy too shallow and must use the natural advantages in the geography of the Taiwan Strait to lure the PLA into a disadvantageous position, increasing Taiwan's own chances of victory. At the very least, Taiwan must cause a high number of PLA casualties in order to persuade the PLA not to continue fighting.

In his article, "Quanqiuhua Shidai de Guofang Siwei" ("The Logic of National Defense in a Globalized Era"), Li Liming brought up the following principles that Taiwan should hold on to in its defense calculus:<sup>8</sup>

1. Clear "critical capability" in "symmetrical warfare," allowing Taiwan to get the greatest value for its national defense investments: Effective critical capability must be obtained through cautious logic and calculations. However, this does not eliminate the need for the ability to survive after an attack, naval and air strength, or the development of local, medium and long range ballistics and cruise missiles.
2. Using effective deterrence in a "protracted war" in "asymmetrical warfare": The PLA seeks to fight a quick battle to force a quick conclusion, as it does not want to expose its limits or weaknesses in a long battle. Having the ability to wage a protracted war could turn the tables on the battlefield, and so it may decrease the PLA's willingness to initiate a war.
3. A comprehensive strengthening of Taiwan's underground military facilities in order to maintain the ability to carry on a "protracted war" after the initial conflict: Taiwan's underground military facilities should save their energy (apart from the energy needed for their current operations) and develop a comprehensive, active plan of action in order to meet the needs of combat.

4. Redefining the abilities and role of a land battle, and organizing Taiwan's ranks and battle mechanisms to create reliable capabilities for a final battle: Taiwan is surrounded by water on all sides, but those vast waters are the greatest guarantee for Taiwan's national security. For this reason, a land battle would not necessarily be the final stage in a war in the Taiwan Strait. Taiwan needs to redefine the role and capabilities of a land battle and not copy the traditional, large-scale land war model.

These points all focus on responses to the nature of the battle, and they are an extremely important part of Taiwan's current work on defense. Considering Taiwan's present situation, there are certain necessities and possibilities in both symmetrical warfare and asymmetrical warfare. Scholar Lai Yueh-Tchienn said:<sup>9</sup>

*In military affairs and national security, asymmetry is to use different actions, organization, and thinking from that of the enemy in order to increase one's own benefit; and to take advantage of the enemy's weaknesses in order to gain an advantageous position or greater freedom of movement. Asymmetry also implies that whichever side has a weaker strategy will be left open to attack, and that each side will utilize its own advantages and strength to attack the other side's weaknesses.*

Through years of experience with guerrilla warfare, the PLA has grown accustomed to engaging in surprise attacks and nighttime raids. We could say that the PLA is in fact the forefather of asymmetrical warfare. As it already has the absolute advantage of strength in numbers, the PLA need only gain a technological advantage to surpass Taiwan in asymmetrical warfare. As the ROC Armed Forces are inferior to the PLA in both equipment and numbers, in order to secure victory, they must consider how to turn the tables, a problem seen in the majority of wars since ancient times.

In addition to responding in a cross-strait asymmetrical war, Taiwan must also take into account the necessity for symmetrical war. While the ROC Army cannot compete with the PLA in quantity, it cannot afford any oversights in quality. Holding on to its quality is the only way to achieve effective deterrence.

In addition to the principles just described, former Commander in Chief of the ROC Navy, Nelson Ku, also summarized his years of experience with defense affairs, stating his personal opinion on "all-out defense," "humanistic defense," "pragmatic defense," and "efficient defense":<sup>10</sup>

**All-out Defense:** National defense is the concrete manifestation of a nation's total strength. Taiwan's population is highly dense, it lacks strategic depth, and it has no division between front lines and inner territory. All of Taiwan's people must shoulder the heavy responsibility of national defense. It is easy to see where the concept of all-out defense comes from, but the reality of the situation is vastly more complex than that. A psychological environment of firm hearts, a social environment that relies on survival, and a reliable economic environment are all necessary here; not a single one can be left out. Only in this way can all different forms of national strength unite quickly during war to become the backbone of national defense, forming domestic strength while deterring the enemy.

**Humanistic Defense:** No one can doubt that national defense is based on first-rate manpower. We must not be fooled by different kinds of equipment and different quantities of forces. We must consider the investment of human capital as the top priority. The cultivation of human capital for national defense must set a broad vision, an open mind, and independent, exhaustive thinking as its benchmarks. Regardless of the sayings "the general is the first target in battle" and "the soldiers follow their general," without quality commanders, not even the best military equipment can guarantee national security.

**Pragmatic Defense:** National defense holds together a nation's last line of defense for survival. The breaching of that line of defense signals the doom of the nation; that is the greatest practical concern for national defense. The greatest taboos in national defense are bluffing and formalism. The former spoils the atmosphere and corrodes battle capabilities, while the latter creates a bottleneck in the logic and strength of national defense. National policy makers need to recognize that there are no constant conditions in war. Policy makers must make appropriate, rational decisions with flexibility and open minds. They must not divorce themselves from reality or try to fool themselves or those around them.

**Efficient Defense:** Taiwan's national defense is restricted to Taiwan's own natural endowments. It cannot match the enemy in terms of scale. It must safeguard its own survival, and it must continue to improve the efficiency of its resource management. In the area of strategy, Taiwan must strengthen the relationship between its national defense apparatus and its civilian industries, making use of their complementary characteristics. Taiwan must also collect limited resources, develop key products, and build top-notch, decisive weapons for its defense. In the area of defense investment management, Taiwan should make thorough evaluations before spending, monitor closely while spending, and conduct a critical review after spending. Taiwan must adopt a mindset of controlling costs and guiding results in order to produce the largest output possible for every penny that it spends.

All-out defense, humanistic defense, pragmatic defense, and efficient defense all point to one fact: the logic of national defense has to start from practicality. In proposing ideas or drafting policies on national defense, Taiwan cannot stray from reality. Taiwan must also weigh the development and needs of its future military-building efforts. For example, in allocating the national defense budget for such items as personnel costs, program costs, and military investment, Taiwan must distinguish near-term, medium-term, and long-term goals.

Taking the controversial US\$18 billion arms package as an example, we can see that politics has overridden professionalism, turning the arms package into a tool in a political power struggle at the expense of national security. This phenomenon is frightening. Of course, the prices of certain items in the arms package need to be discussed, as high-priced weapons are not guaranteed to be useful or appropriate for Taiwan. However, Taiwan must have defensive capabilities. Purchasing essential weapons to strengthen defense is absolutely necessary. Taiwan cannot afford to have a military "gap." The importance of Taiwan's strategic position is widely recognized, and military defense planning and purchases cannot simply be sacrificed to the bickering of political parties.

Now, in the age of information warfare, the battlefield has changed from real terrain with real guns and bombs into a virtual landscape with advanced technol-

ogy and technological skills. It was discovered in 2005 that United Microelectronics Corp., Taiwan's second largest contract producer of computer chips, had illegally invested in He Jian Technology, a Chinese chip manufacturer, endangering Taiwan's security. Taking the debate that came out of this incident as an example, commentators in Taiwan believe that cutting-edge technology is related to national security. All countries of the world put technology at the top of their national policy priorities. Taiwan began by investing in research and development in technology and then gave that technology to its people to profit from it. Private enterprise, however, must not forget where it came from. Technology needs to have limits, and national security needs to always come first. The development of technology is the lifeblood of the Taiwanese economy. The government and its citizens must work together to strike a balance between these two considerations.

## National Defense Policy Considerations

The world is in a globalized, informationalized era. The definition and scope of Taiwan's national security has surpassed the narrow notion of military security to become a wider, more complex notion of security that includes defense, diplomacy, the cross-strait, finance and economics, technology, psychology, the environment, and crisis management. Taiwan's goal for its national security policy is to maintain this comprehensive security in order to ensure its long-term survival and development, the greatest gift it can give to its people.

Defense policy is the platform for the direction and work of improving the nation's military. It is also the guiding principle for the nation's top leaders in building and using the nation's military might. Politics, economics, technology, culture, and diplomacy, which are all related to defense, must operate in harmony with defense policy. During times of war, defense policy can even become the nation's basic administrative policy. We could argue that defense policy represents "the government's broad course of action and guiding principles in guaranteeing national security."<sup>1</sup>



Defense policy is primarily based on the international and domestic environment, the system of government, national security objectives, defensive weapons, the national interest, the economy, technology, geography, and public sentiment. Given this assertion, a nation's defense policy should include its guiding logic and requirements for improving defense, its objectives in improving defense, increasing armaments for defense, its defense leadership system, and its policy for defense diplomacy.

According to the 2004 National Defense Report, defense policy includes four major issues:<sup>12</sup>

1. The nation's outlook on the international environment
2. The standards and application of specific national objectives, strategies, and the armed forces
3. The process of defense policy making
4. Miscellaneous, frequently encountered issues, such as military strength, troop command, arms procurement, arms control, and civil-military relations

With these four issues, which are based on protecting the national interest, as a starting point, and in accordance with a holistic consideration of Taiwan's international strategy, we can conclude that the current, basic objectives of Taiwan's defense policy are: "preventing war," "defending the homeland," and "countering terrorism."

### The Development of National Defense Policy

In considering these four issues simultaneously, and before achieving these current basic objectives, we need to first understand historical developments in Taiwan's national defense policy. If we do, we will discover that defense policy is intimately linked to developments in its contemporary environment, and this fact can serve as a reference and basis for making future defense policy. We can

divide Taiwan's national policy strategy since 1949 into the following phases:<sup>13</sup>

#### ***Consolidating national defense (1949-1959)***

Under the principle of "ensuring the security of the base of operations and preparing to take back the mainland," building a sound military system, rebuilding the armed forces, devoting effort to improving organization and equipment, consolidating the military's organization, eliminating weaker elements from the military, and improving discipline all served a dual purpose. On one hand, they served to consolidate Taiwan, Penghu, Kinmen, and Matsu as the base of operations for taking back the mainland. On the other hand, they served as active preparations for actually launching the attack to take back the mainland.

#### ***Brief counterattack, long-term preparations for war (1960-1978)***

During this period, China took part in the Korean War and launched two attacks in the Taiwan Strait, helping North Vietnam expand into South Vietnam. China's diplomatic relations with the USSR grew worse, as well. After surviving all these dangerous events, Taiwan's politics and economy were still stable, primarily because "safeguarding the revolutionary base and restoring the national territory of the mainland" was the national objective. Militarily, standing armed forces, vast reserve forces, forces developed behind enemy lines, calling for efficient military development, and making the utmost efforts to remain self-sufficient served as the core of national development.

#### ***Concurrent Offense and Defense (1978-1990)***

During this period, the US broke diplomatic relations with Taiwan, withdrew the Seventh Fleet, and signed the August 17 Communiqué with China. Deng Xiaoping came back into power, enacted his economic reforms, and reorganized the military. Taiwan's defense policy at this time was to refine its troops, as well as concurrent offense and defense. The guiding principle in its strategy was strategic defense. In defending the Taiwan Strait, Taiwan had to stress air defense first, as controlling the skies was the only way to control the sea. Taiwan also maintained a defensive strategy in national defense with an offensive strategy in politics.

***Resolute defense (1991-2000)***

During this period, the world was affected by the Gulf War, beginning a Revolution in Military Affairs. Modernization and technology became the mainstream thought in the military, and Taiwan's primary threat was still China. Taiwan maintained the policies of "resolute defense" and "effective deterrence," as well as the guiding principles of "strategic vitality" and "tactical decisiveness." Taiwan gathered the strength of the three branches of its armed forces to control the air and sea and protect against amphibious invasion (in that order of importance). It actively built up its military forces, and it worked to institutionalize its arms procurement policies, streamline the structure of its military power, establish national defense organizations, and improve missile defense as its top priorities. In this way, it built strong, modernized armed forces based on the principle of "small size, elite quality, and great strength" to ensure security in the Taiwan Strait.

The strategic concepts and guiding principles of this period were defined as "resolute defense and effective deterrence" in 1995. Four years later, due to the increased strength of the new generation of military forces and the increased need for deterrence internationally and in the cross-strait, the military changed its strategic concepts and guiding principles to the more proactive "effective deterrence and resolute defense." With the backing of Taiwan's advanced weaponry, China feared that it would retaliate, deterring China from invading Taiwan. Only when effective deterrence fails or when Taiwan reaches its objectives will it resort to passive, limited defensive capabilities to hold its position and ensure its territorial integrity.

From the above analysis, we can see that Taiwan's defense policy is inextricably linked to two factors: the current international situation and the updating of Taiwan's military equipment. Due to the fact that international developments directly affect Taiwan's national interest, the updating of military equipment is related to defense capability and combat effectiveness. In dealing with developments in the Taiwan Strait, effective deterrence and resolute defense is still Taiwan's optimal strategic concept and guiding principle. When facing the ever-increasing strength of the PLA, the ROC Armed Forces need to work harder in

the areas of arms procurement and weapons research and development. Even if the arms package is blocked in the course of the struggles between the ruling and opposition parties, national security is the responsibility of every citizen. Hopefully, every legislator and every citizen in Taiwan can put the national interest first, and in considering how to protect the national interest, Taiwan will purchase the most urgently needed weaponry to ensure that the balance of power in the Taiwan Strait does not shift in China's favor.

Weapons research and development presents the perfect opportunity to demonstrate Taiwan's autonomy in its self defense and the concept of "integrating the national defense with the people's livelihood." Taiwan must have its own research and development capabilities in order to keep its national defense out of the control of others. The arms package must go together with technology transfer, as well as with Taiwan's plan for coordinating the activities of its industry and military, in order to give the greatest guarantee for national defense and the people's livelihood. This is also the only way to achieve effective deterrence and resolute defense.

**National Defense Tactics**

Since the end of the initial conflict in the Iraq War and the subsequent stabilization of the situation, the US has fallen into a quagmire in Iraq. It is a difficult situation to get out of in the short run. North Korea has announced yet again that it has nuclear weapons, giving both the US and Japan a headache. Through the Anti-Secession Law, China has authorized the PLA to mobilize against Taiwan in the event of a cross-strait incident, representing an attempt to legalize its invasion strategy. These events are all new variables for the situation in the Taiwan Strait.

Faced with a series of plans from China, including attacking with words and intimidating with weapons and the recent transformation of the ROC Armed Forces, the future administration of national defense should move in the following direction:

### 1. Expanding All-Out Defense

In the information age, no act by the government can easily go unnoticed by the people. In the past, when the government of Taiwan put a large emphasis on defense, its status allowed its defense policies to go largely unmonitored. As times have changed, in order to urge the people to understand and identify with the duty of national defense, the government must demonstrate efficient administrative ability and results that yield great benefits for the people as its goals in managing defense. Through transparency and openness of defense information, the government can encourage all elements of society to engage in debate over the duty of national defense. Through a wider variety of sources of information, the government can give more appropriate orders concerning defense and can thus establish a popular consensus, improving the people's faith in the government. Simultaneously, in its operations, the government follows the "Act of All-out Defense Mobilization Preparation," continuing to carry on the work of "all-out defense mobilization preparation," integrating the power of the people, military equipment, and economics, deepening the public's awareness of national defense, and increasing the people's "consciousness of hardship" in order to gain the support and involvement of the public in national defense.<sup>14</sup>

In order to guard against the social panic and economic crisis that can occur during times of emergency, the government, in accordance with the concept of "total all-out defense," actively engages in preparations to mobilize education, morale, manpower, equipment, economics, transportation, sanitation, technology, and the military. These elements are the seeds of the nation's aggregate strength. Through revising related laws and regulations, working coordination meetings, and inter-agency joint exercises, the building of mobilization capabilities will be integrated with various contingent disaster prevention and relief measures, epidemic prevention, nuclear accident prevention, and anti-terrorist measures. Only in this way can Taiwan realize its total national strength, improve its system of all-out defense mobilization to strengthen the mechanisms of the "homeland security network," maintain its strength in battle, and achieve its mission of homeland defense.

### 2. Nationalization of the Military

For an advanced, democratic country with the rule of law, the nationalization of the military is essential. It is non-negotiable. However, in Taiwan's unusual history, it underwent a period that can be characterized by the statements "the national military is the party's military" and "the party leads the military." Therefore, on the road of democratic development, Taiwan needs to work to get back on the right path.

The ROC Armed Forces are the country's military, and at the same time are the key force in ensuring national and social stability. The military must adhere to the Constitution and other national laws in order to uphold the standards of conduct between the military and the government in its work of protecting the nation's people. Article 138 of the Constitution states that "The land, sea, and air forces of the whole country shall be above personal, regional, and party affiliations, shall be loyal to the state and shall protect the people." Article 139 states that "No political party and no individual shall make use of armed forces as an instrument in the struggle for political powers." Thus it was written from the very beginning that the military needed to be nationalized. In reality, however, it has been consistently impossible to achieve this goal. By public demand, Article 6 of the National Defense Act further emphasizes the nationalization of the military and stipulates the kinds of actions that military personnel should not take. Article 6 states that "The ROC Armed Forces shall remain neutral from individual, regional and party affiliations in accordance with the Act. Active servicemen are forbidden to undertake the following activities: 1. assuming positions offered by political parties, political groups and electoral candidates; 2. forcing active servicemen to join or help political parties, political groups, and electoral candidates; [and] 3. establishing within military units to promote partisan spheres, party platforms and other propaganda activities. Any violation in this regard is subject to the MND's disposition by law." This article effectively codifies the nationalization of the military.

As we can see from the 2004 presidential election, the instances of military personnel taking part in party work, holding party positions, and publicly engag-

ing in political activities are far fewer than in the past. However, instances of mobilizing old KMT veterans to vote for specific candidates still exist. In order to truly nationalize the military, Taiwan must eliminate mechanisms of clientelistic exchanges between the military and the parties.

Thus, as Taiwan makes great strides in democratization, the rule of law, and liberalization, the military still needs to demonstrate a great deal of progress in adopting the logic of democracy and the rule of law. Maintaining a neutral, detached position, and focusing entirely on its mission to safeguard national security and social stability will turn nationalization of the military into a consensus among the military and the people. In this way, it will no longer be affected by politics or political parties, allowing Taiwan's soldiers to receive praise and approval for their military and defense achievements.

### **3. Civilian Control of the Military**

The President is the commander-in-chief of the Army, Navy, and Air force. The Minister of National Defense is a civil servant, managing all national defense affairs. The President must obtain the approval of the Legislative Yuan to declare war or make peace. Emergency orders must also be ratified by the Legislative Yuan, so within its constitutional system of government, Taiwan has established a system of "civilian control of the military." This institution is a necessity for Taiwan, and it embodies the essence of the two defense laws. It is crucial in maintaining a system of amicable civil-military relations and maintaining a large professional military staff. Only such a system could allow a civilian Minister of National Defense to control the military administration and ensure that defense policy remains consistent. Taiwan began working towards this goal with the passage of the two defense laws in 2000. Taiwan's unusual historical situation kept civilians out of military affairs in the past; all national defense affairs were administered by those in active military service or those who had previously been in the military. There are still some limitations in attempting to create a civilian-controlled military in just a number of years, but Taiwan needs time to adjust. What the country needs most now is for both the ruling and opposition parties to train civilians to be skilled in national defense affairs, including elected officials, schol-

ars, high-level civil servants, and top business managers in order to turn national defense into a topic that everyone can understand and participate in. All future defense policies should go through a process of rational discussion, gathering the wisdom of different people to reach a consensus. Civilians should decide defense policy, and the military should carry it out.<sup>15</sup>

Furthermore, most of the Ministers of National Defense have historically taken their positions after retiring from the military, a phenomenon common in undemocratic countries. The government needs to rectify this situation in the future, allowing civilians to determine the defense policies that will be beneficial to the national interest and national security. But in producing civilian Ministers of National Defense, Taiwan needs to consider both its historical background and democratic experience. Even when the US first began the process of nation building, it did not immediately have civilian Ministers of Defense. Moreover, Taiwan currently faces a China that commits wanton acts of military aggression, constantly builds up its military, and aims missiles at Taiwan's shores, not to mention that China has publicly declared again and again that it will not give up the use of force against Taiwan. Therefore, even if Taiwan cannot have a civilian Minister of National Defense in the short run, it must enact reforms to require civilians to participate in and understand national defense affairs.

The riders attached to the two defense laws required the Ministry of National Defense to increase its civilian staff to one third of the total staff by the end of 2003. The purpose of this measure was to allow the military to modernize and professionalize; give the Minister an adequate, professional staff and the authority and responsibility to manage national defense affairs; allow a greater number of outstanding public servants to participate in defense policy making; and maintain consistency and sustainability within the Ministry. In addition, when the President and the Minister of National Defense are handling crises, whether in a national security meeting or at the Tactical Command Center, both must respect the limits of their authority and engage only in making preparations before war, guiding the war during its course (initiating the war, war goals, the nature of the war, the scale of the war, and ending the war), and post-war policy, such as peace-making and demobilization. During war, they must respect the profession-

al knowledge and obligations of the military in handling tactics, logistical support, and troop assignment.

#### **4. Military Mutual Trust Mechanisms**

Taiwan's national security is intimately linked to cross-strait relations. In remarks from February 2004, President Chen Shui-bian stated that the future development of cross-strait relations should revolve around the "one principle (the principle of peace) and four major issue areas (the establishment of negotiation mechanisms, exchanges based on equality and reciprocity, establishment of political relations, and prevention of military conflicts)." In his National Day remarks on October 10, 2004, he went on to propose "officially ending the state of hostility in the Taiwan Strait," "establishing cross-strait military confidence-building measures," "reviewing cross-strait armament policies," and "formulating a Code of Conduct across the Strait." Based on the content of these statements, he promoted the peace and stability framework for cross-strait interaction to become one of Taiwan's most fundamental policy positions. In the May 17 Statement of 2004, China mentioned that it would be willing to establish "cross-strait military mutual trust mechanisms" with certain conditions.

Cross-strait military mutual trust mechanisms must be established on a foundation of mutual trust. The goal of such mechanisms is to offer cross-strait dialogue and communication, conflict reduction, crisis management, an increase in the number of methods of building mutual trust, and ending the state of hostility, thus creating a win-win situation of peace in the Taiwan Strait. With regard to concrete measures, both sides should start from Track 1 in order to avoid unnecessary confusion, but they need not reject Track 2. With regard to the necessary tools, both sides should consider the need for a gradual approach, including, for example, a hotline and regular meetings. Coming into actual contact is also necessary for both sides in maintaining an atmosphere of military mutual confidence aided by pragmatic and thorough planning.

In the near term, both sides must focus on "building mutual good faith and reaching common ground while preserving the uniqueness of both sides," increasing mutual interaction, understanding each other's goodwill, and resolving

each other's different opinions. Only in this way can they reach the medium term goal of "establishing regulatory institutions and enhancing mutual trust," signing agreements on humanitarian aid and measures to prevent military accidents or conflict, removing weapons aimed at each other, and agreeing to partially demilitarize the region. In the long term, both sides should establish a "code of conduct in the Taiwan Strait" and draw up an "emergency procedure" to create standards for all cross-strait interactions.<sup>16</sup>

Establishing military mutual trust mechanisms does not mean that Taiwan could stop building its defenses or avoid the threat of war. Taiwan would still have to maintain the basic weapons of effective deterrence and resolute defense to ensure that cross-strait negotiations are free of intimidation. It seems that a lot of variables have been added to the establishment of cross-strait military mutual trust mechanisms, particularly since the NPC passed the Anti-Secession Law, but this fact only serves to further highlight their importance.<sup>17</sup>

#### **5. Arms Procurement and Maintaining Autonomy in National Defense**

With a new generation of ROC Armed Forces now on active duty, Taiwan should begin planning a third-generation military. Taiwan purchases the majority of its new generation of advanced fighter planes, tanks, battleships, armor-piercing guided missiles, and guided anti-ballistic missiles from abroad. These purchases are also greatly affected by cross-strait relations and other diplomatic relations, and China's constant pressure on Taiwan makes them a particularly sensitive issue. While Taiwan may be able to acquire some advanced weaponry in the short run, in an age when countries around the world make every effort to develop weapons, Taiwan's research and development in defense technology cannot afford to sit still. Taiwan should invest manpower and money into establishing autonomy over its own national investment, controlling key technology and product components, and ensuring that future weaponry is self-sufficient. Currently, Taiwan's most important task is to continue research and development of its previous military equipment, such as the AIDC F-CK-1 Ching-kuo jet fighter, the Tien-kung SAM missile, and the TC-2 Sky Sword II missile in order to increase Taiwan's autonomy in its own defense technology production. Taiwan

must prepare for its defense needs twenty years in advance, planning a new generation of weapons and military forces. The development of information technology moves at an especially quick pace, including hacking and surveillance systems. Constant change is the nature of today's weaponry, and Taiwan must keep its finger on the pulse of this change in order to hold together its defense capabilities.

The Chung-shan Institute of Science and Technology shoulders most of the responsibility for defense technology and weapons research and development in Taiwan, and it has a record of significant achievements. Unfortunately, recent changes in government policy and defense budget cuts are causing the Institute's manpower and funds to wither day by day, rendering its research achievements less than astounding. With future interference from China and its Great Power Diplomacy, Taiwan will face significant obstacles and difficulties when it tries to purchase advanced arms, whether they be from the US, the EU, or other countries, making Taiwan's own research and development continually more important. Taiwan cannot rely entirely on foreign countries for its defense needs; arms production must be self-sufficient, and Taiwan must adopt an integrated strategy for domestic research and development, coupled with foreign arms purchases. To accommodate the third generation of forces, after cutting the number of troops as per the Armed Forces Refining Program and cutting personnel costs, the national defense budget should be adjusted accordingly. In order to maintain autonomy over national defense, the Chung-Shan Institute's budget in particular should not be cut again, but should rather receive a level of support fitting for its mission.<sup>18</sup>

In addition, organizational adjustments, increases in the quality of personnel, reforms in the system of mandatory military service, terrorism response mechanisms, and unified tactical training are all important issues in national defense today. The dimensions of defense affairs are complex, of which the most important factor is the military threat from China. All of Taiwan's current policies and actions relating to defense are measures aimed at dealing with China's military threat. Taiwan is not competing with China in building up its military, but Taiwan must earnestly call on the ruling and opposition parties to take national

security seriously and fully support the promotion of defense measures and policies. At the same time, the only way to create a win-win situation for both Taiwan and China in future political negotiations is a framework of peace, mutual benefit, and equality.

Notes

<sup>1</sup> Lou Yaoliang, "*Diyuan Zhengzhi yu Zhongguo Guofang Zhanlüe*," ("Geopolitics and China's National Defense Strategy"). Tianjin, Tianjin People's Press, 2002.06, p. 186.

<sup>2</sup> Shen Ming-shih and Tsai Cheng-ting, "*Yingxiang Wo Guo Junshi Zuzhi yu Binli Jiegou Guihua Yinsu Fenxi*," ("An Analysis of Factors Affecting Taiwan's Military Organization and Force Structure Plan"), *Taiwan Defense Affairs*. Vol. 3, No.2, Winter 2003/2004, p. 110.

<sup>3</sup> Shen Ming-shih, "*Xin Shiji Gongjun dui Tai Feiwuli San Zhan - Xinli Zhan, Yanlun Zhan, Fal, Zhan*" ("The People's Liberation Army in the New Century and the Non-Violent Three Warfares against Taiwan - Psychological Warfare, Media Warfare, and Legal Warfare"), *Xin Shiji Guojia Anquan yu Guofang Siwei*, (National Security and National Defense Logic for a New Century). Tseng Chang-rui, ed., Chou Mao-lin, and Hu Rui-tan, Taipei, National Open University Publications, pp. 157-171.

<sup>4</sup> Shen Weiguang, *New Thought of War*. Beijing, Xinhua Publishing House, 2002.01, pp. 15-24.

<sup>5</sup> Zhu Jinping, *Yanlun Zhan (Media Warfare)*. Beijing, China Yanshi Press, 2005.05, pp. 258-286.

<sup>6</sup> Lao Tzu, *Tao Te Ching*, Stephen Mitchell, trans. New York, Harpers Collins Publishers, 1988, Ch. 31.

<sup>7</sup> Wang Wenrong, *On the Third Modernization of the PLA*. Beijing, PLA Publishing House, 2005.02, p. 129.

<sup>8</sup> Li Liming, "*Quanqiuhua Shidai de Guofang Siwei*" ("The Logic of National Defense in a Globalized Era"), *Junshi Guofang (Military Defense)*. Taipei, Foundation of National Development and Research, 2004.01, pp. 93-118.

<sup>9</sup> Lai Yueh-tchienn, "Meiguo Buduichen Zhanzheng zhi Yanjiu" ("America's Asymmetrical Warfare"), *Kejiyu Guofang Yantaohui Lunwenji* (Technology and National Defense Conference Papers), 2003.04.

<sup>10</sup> Nelson Ku, *Guofang Maidan Zhi Duoshao*, (How Much do You Know about National Defense?). Taipei, Commonwealth Publishing Company, 2003.12.

<sup>11</sup> Su Chin-chiang, *Taiwan Strait Security in the Era of Globalization*. Taipei, Yang-chih Publishing, 2003.09, p. 2

<sup>12</sup> Ministry of National Defense, *2004 National Defense Report*. Taipei, edited by the Ministry of National Defense, 2004.12., p. 57

<sup>13</sup> Su Chin-chiang, op. cit. pp. 3-18.

<sup>14</sup> Su Chin-chiang, op. cit.

<sup>15</sup> Hung Lu-hsun, *Junshi Zhengzhixue: Wenwu Guanxi Lilun (Military Politics: a Theory of Civil-Military Relations)*. Taipei, Wunan Publishing, 2002.09, p. 361.

<sup>16</sup> Chen Pi-chao, *Liang An Jianli Junshi Huxin Jizhi zhi Yuanze yu Zuofa (The Principles and Procedures of Cross-Strait Military Mutual Trust Mechanisms)*. Special report for the Mainland Affairs Council, 2000.11, p. 85.

<sup>17</sup> Weng Ming-hsien and Wu Chien-te, *Liang An Guanxi yu Xinxin Jianli Cuoshi (Cross-Strait Relations and Confidence Building Measures)*. Taipei, Huali Books Co., 2005.09, p. 515.

<sup>18</sup> Shen Ming-shih, *Zhanlüe Zongheng (Horizontal and Vertical Strategy)*. Taipei, Shih-Ying Publishing, 2005.01, p. 176.

## Chapter

# *Reshaping the National Security Logic of a Democratic Taiwan*

## Reflecting on Taiwan's National Security

During the 2000 presidential election, Taiwan crossed the historical threshold of its first transfer of power between political parties, moving even further forward in the development of its democracy. The DPP, the opposition party that had long been the driving force of the democratization movement, won the election, not only ending over fifty years of authoritarian rule by the KMT and creating a democratic political spirit of "party alternation in power," but also fundamentally changing the shape of cross-strait relations. Simply speaking, the nature of the situation in the Taiwan Strait was changed from "KMT-CCP relations" into "cross-strait relations." The Chinese Civil War view of history had met the fierce challenge of Taiwan's democratization.

In the context of the ROC, party alternation in power has been a peaceful process of deconstructing and reconstructing the framework of rule. This process covers a number of different areas, including politics, economics, society, and cross-strait relations. After coming to power, the DPP administration brought forth a style of governance different from that of the past authoritarian system of the KMT. Its new policy ideas and administrative principles, and even an all-new vision for national development, are vastly different from those of the past. Not only did this constitute a major breach of the bureaucratic system of government, which had grown accustomed to over fifty years of KMT rule, but it was also a democratic baptism for the twenty-three million people living in Taiwan.

However, the democratization of the ROC did not just occur overnight. From the abolishment of martial law and the election of the second National Assembly



to direct presidential elections, the ROC on Taiwan had undergone its first wave of democratization. The transfer of power in the new millennium marked the second wave of democratization. The historical mission of the DPP administration, as proclaimed by President Chen in the book *The First Voyage of the Century: Reflections on Taiwan's First Alternation of Political Power*, is to "consolidate democratic values and make democracy more meaningful," to give substance to the form of Taiwan's democracy, and to give sovereignty to the people and all of Taiwan.<sup>1</sup> Simply put, once the ROC began its democratic transformation in 1986, it would be another ten years before it would enter the "democratic consolidation" phase, in 1996. The point of the second wave of democratization was to establish a civil society and reforge the political community. Achieving these goals, however, is a serious challenge in the process of deepening democratic reforms. In particular, in order for a political community to exist, its members must forge a strong sense of community, comprised of individual identities and the willingness to work together through the good and the bad. This is the only way to protect the security of such a political community, and it is also a comprehensive view of national security. However, the older, security-oriented view on maintaining this political community in the ROC is no longer suitable within the context of current trends of overall national development. The older view is in desperate need of growth and improvement. In particular, it needs to establish a new outlook on national security and a consciousness of the necessity for the people to have psychological defenses.

During the era of authoritarian rule, political strongmen used the educational and propaganda offices of the state to forcefully instill the people with those leaders' view of national security and the threats that national security faced. Who is the enemy? Where is the enemy? What means does the enemy use to jeopardize the existence and security of the country? How should Taiwan counter this enemy? The leaders of Taiwan's past used to dictate the answers to these questions. While this top-down style of "anti-communist education" received criticism and even opposition from a small minority, as well as created a "white terror" and a certain amount of unjust imprisonment, the whole country did, after all, unite in the atmosphere of "resent the communists, hate the communists," allow-

ing the ROC to stand tall for several decades on its "base for anti-communist restoration" in Taiwan.

Along with the democratization and liberalization of politics in Taiwan, as well as the end of authoritarian rule, the national security agenda and perceptions of threats that the leaders of the past had established were also cast aside. Various kinds of political thinking and criticism not only blossomed in Taiwanese society, but there was freedom of speech, liberalization of the government, and also strong guarantees for human rights. This was progress, and it allowed Taiwan to enter the community of newly democratized countries around the world, transforming its image in the international community and earning it a great deal of welcome and approval. However, the concept of national security is gradually growing weaker in the face of various kinds of criticism.

Even more surprising is the fact that since Taiwan's democratization, "national security" is viewed as a conservative, negative term. Those who claim that Taiwan should consider its national security when making policies on cross-strait exchange end up suffering criticism from other members of society. Even when the government takes such reliable actions as proactive liberalization with effective management in trying to strike a balance between economic interests and national security in cross-strait exchange, it is often criticized as the "rule of ideology." Furthermore, recent feelings of serious political enmity have caused issues of national security to be brushed aside and have caused the threats to Taiwan's national security to be ignored. But does a country not need national security? Are democratic countries immune to national security threats? Does Taiwan not face threats from abroad? The answer to these questions is surely no, and now Taiwan needs to bring back national security.

National security is a fundamental issue in a country's survival and development, and all countries must take national security seriously. Without a doubt, Taiwan cannot accept the notions of national security and the sources of foreign threats that were introduced by the political strongmen of the past. However, Taiwan must not think that it does not face any threats to its national security at the moment, nor can it allow its consciousness of national security to slip away.

Taiwan cannot accept the notion of the Chinese Civil War period that a false, communist government is plotting the demise of the nationalists, but it cannot ignore the fact that Beijing recently passed the Anti-Secession Law, applying the "Taiwan independence" label to Taiwan and authorizing non-peaceful means to achieve its goal of unification with Taiwan. What kind of national defense does Taiwan need as a democratic country? What is the source of the threat to Taiwan's national security? How can Taiwan destroy this threat and ensure its national security? These issues are certainly open to discussion. The government can present its position, as can civil society. Ultimately, however, both must reach a consensus in order to collectively protect Taiwan's national security. This is the way in which democratic countries ensure their national security.

## National Security and National Survival and Development

### 1. The Definition of National Security

Anyone can talk about national security, but what does it really mean? What is its nature? Opinions differ, even to the extent that they can cause great controversy, but there is no doubt that national security is a lasting objective pursued by all nations.

The term "national security" was first coined in August 1945 by US Secretary of the Navy James Forrestal during a Senate hearing.<sup>2</sup> The Greenwood Encyclopedia of International Relations explains the significance of national security as the ability of a nation to protect its domestic society from foreign threats. The US military and the Inter-American Defense Board explain security in a broader sense, but in a sense that still focuses primarily on military security. This explanation includes four important elements: (1) Vigilance: The military shall protect against espionage, observation by foreign powers, sabotage plots, harassment, and surprise attacks, and shall adopt measures to ensure its own survival; (2) The defense of security: Having enacted protection and defense measures, the military shall be capable of taking actions to effectively defend

against incursions by the enemy; (3) Confidentiality: The military shall prevent unauthorized persons from having access to sensitive national defense information; (4) Protection: The military shall protect supplies and supply facilities so as to avoid attacks, arson, theft and plots of sabotage by the enemy.<sup>3</sup>

David A. Baldwin has also offered a set of evaluative standards for national security: (1) security for whom; (2) security for which values; (3) how much security; (4) from what threats; (5) by what means; (6) at what cost; and (7) in what time period.<sup>4</sup>

National Security can be divided into "traditional security" and "non-traditional security." In the past, traditional security focused on national survival. This was a common concern for human society, and it dealt with military strength and threats and the use and control of weapons, among other factors. In order to achieve its objective of national survival, no country could afford not to actively increase and update its stock of weapons. As a result, arms competition became the central consideration in pursuing security. Since the end of the Cold War, this competition has gradually relaxed. However, as problems of resources, the environment, societies with increasing populations and disease, and economics continue to intensify, a non-traditional concept of security that revolves around people has gradually been incorporated into thinking about national security.

While national security is an abstract concept, whether it be traditional or non-traditional security, its goal is to ensure national survival. To expand the field of security studies in the post-Cold War era, as well as to avoid equating national security with military security, the scope of national security has increased accordingly.<sup>5</sup> More specifically, national security includes six important points: (1) national survival shall not be threatened; (2) territorial integrity shall not be violated; (3) security of the livelihood and property of the people; (4) the integrity of political independence and sovereignty shall maintain the normal functioning of the government; (5) maintaining a normal economic system and normal development; and (6) ensuring that the nation's traditional way of life suffers no interference or control from foreign forces.<sup>6</sup>

Defending national security does not stop at building military strength; even more important is that the people contribute all their support and strength. Therefore, helping the people to understand contemporary issues in national security, give further support, participate in building national security, and build a consensus on national security are essential conditions for defending national security.

## **2. National Security and the National Interest**

With changes in the environment and differences among the perceptions and goals of political actors, there are bound to be different interpretations of what national security is. However, it remains constant that the goal of national security is to protect the national interest. Thus, we can argue that the core concept of national security is the national interest, and we must first have a thorough understanding of the national interest in order to truly understand national security. But what is the national interest? While opinions differ, Donald Nuechterlein's concept and four-dimensional analysis of the national interest is widely accepted, as explained below:<sup>7</sup>

### **2.1 The Core Interest (or Interest of Survival)**

Ensuring that a country does not face domestic or foreign threats, and that it maintains its survival, is the core element of the national interest. When this core interest is threatened, nations will often resort to war to resolve the situation. This interest is the most important of all, and it is composed of three elements:

#### **2.2.1 The Integrity of Territory and Sovereignty**

Maintaining the integrity of a country's territory and sovereignty is the primary task of national security. The Ministry of National Defense's 2004 National Defense Report states that ensuring national survival and development is the top priority of Taiwan's national interest, and that defending the integrity of national sovereignty is currently the primary objective of Taiwan's national security.<sup>8</sup> Beijing has proclaimed time and time again that Taiwan is a part of China, and that the integrity of China's territory and sovereignty shall not be violated. In US-China relations, China continues to emphasize that the Taiwan problem is the

core, fundamental problem between China and the US.

#### **2.1.2 The Security of the People's Livelihood and Property**

The security of the people's livelihood and property relates to national security, and the 2004 National Defense Report lists "safeguarding people's safety and welfare" as Taiwan's second national interest.<sup>9</sup> When this security is threatened, national security is threatened, and nations will often go to war to protect this security. For example, since the September 11 events, the US has gone to war in Afghanistan and Iraq as measures of protecting the security of the people's livelihood and property against terrorism.

#### **2.1.3 The Normal Functioning of the Government**

In order to guarantee national security, the government must be able to function normally. If subversion or insurrection jeopardizes the normal functioning of the government, it will affect the national interest and national security. Nations often view popular movements as significant threats to security. They think that civil strife is just as harmful to the national interest and national security as foreign aggression is.

### **2.2 An Important Interest: the Normal Development of the Nation's Politics, Society, and Economy**

The normal operations and development of a nation's politics, society, and economy are an important interest for that nation. People have the right to choose their leaders and political system and have the right to make decisions, but they also have the right to have a say in the normal development of their society and economy. The 2004 National Defense Report lists "defending liberty, democracy, and human rights" as Taiwan's third national interest.<sup>10</sup> China's 1996 missile tests in the Taiwan Strait attempted to influence Taiwan's first presidential election, representing a threat to Taiwan's normal political development. As waterways are the lifeblood of Taiwan's economy, China aimed its missile tests close to Keelung Harbor and Kaohsiung Harbor in order to close off Taiwan's shipping routes, negatively affecting Taiwan's economic development.

### 2.3 A Key Interest: the Choice and Development of Culture and Values

Every country has its own culture and values, making this a key national interest that nations must value and protect. For example, when countries enter the WTO, they often request that their weaker national industries be protected. Japan chose to protect its rice industry, not for economic reasons, but rather to protect Japan's rice culture.

### 2.4 The Peripheral Interest: the Sustainable Development and Sustainable Operations of a Nation's Politics, Society, and Economy

A country must have sustainable political, social, and economic development in order to ensure the sustainability of its national security; otherwise, its national security will be threatened. However, this interest is relatively less urgent, marginalizing it in relation to the core interest, hence we term it the "peripheral interest." From the ROC's point of view, China is currently the largest threat to Taiwan's national development and sustainable operations, and it threatens Taiwan's peripheral interest.

### 3. The Traditional View of National Security

In traditional security studies, the primary actor is the state. Domestically, the state must defend the people's liberty and rights through laws and standards, as well as define the rights of groups and individuals. Internationally, the state must prevent any possible affronts against its citizens by foreign countries. Therefore, a sovereign state must be able to clearly distinguish what is domestic from what is foreign, or to recognize "us" from "them." From a realist perspective, the state has not only played the most important role among all political entities, but has also been the most important protector and provider of security.

The traditional view of national security in the Cold War era held that "to maintain peace, you must prepare for war." In this view, the international system is anarchic, and all countries interact and compete for their own survival and interests. In this situation, no country can guarantee its security forever. Attacks by foreign militaries constitute the primary threat to national survival and development, so a country must have a strong, developed military in order to have a

sense of security. It was this view that influenced the countries of the Cold War era to engage in an arms race.

### 4. A New View of National Security

In the post-Cold War era, military strength is no longer the optimal method of guaranteeing national security. As countries around the world now value liberty and democracy, as well as emphasize economic development, the international community's definition of security has grown out of its narrow scope from the Cold War era. The meaning of security has expanded to include new views on politics, economics, and the military. In the traditional model, the nation-state was the unit of analysis in the international system, military strength was the backbone of security, and security threats came primarily from foreign powers. This model is no longer applicable to international relations in the post-Cold War era. National and international security are no longer at the heart of security studies, and the new areas that security studies are currently exploring are becoming more and more important.<sup>11</sup> While a number of concepts in security studies are still vague and indefinable, besides national security considerations, caring for people, society, and other groups, as well as fulfilling their security needs, has become the crux of contemporary security studies.

#### 4.1 Comprehensive Security

Faced with a variety of complex security issues in the post-Cold War era, the traditional view of security is no longer sufficient, so we must adopt a new view. In many different new views of security, the Asia region has developed a unique concept of "comprehensive security." Comprehensive security emphasizes the diverse aspects and conditions of security. In addition to military security, we must include a number of non-military types of security, such as economic, social, environmental, and cultural security.<sup>12</sup> Today, national security threats do not come from overseas alone; a number of threats stem from domestic factors, and their importance and urgency may be greater than the threats of the past. Therefore, national security must focus on the needs of nations in different stages of development in order to open up a greater, more inclusive space for thought.

## 4.2 Human Security

The United Nations Development Programme's 1994 Human Development Report points out "four essential characteristics" of human security:

*4.2.1 Human security is a **universal** concern. It is relevant to people everywhere, in rich nations and poor. There are many threats that are common to all people - such as unemployment, drugs, crime, pollution and human rights violations. Their intensity may differ from one part of the world to another, but all these threats to human security are real and growing.*

*4.2.2 The components of human security are **interdependent**. When the security of people is endangered anywhere in the world, all nations are likely to get involved. Famine, disease, pollution, drug trafficking, terrorism, ethnic disputes and social disintegration are no longer isolated events, confined within national borders. Their consequences travel the globe.*

*4.2.3 Human security is **easier to ensure through early prevention** than later intervention. It is less costly to meet these threats upstream than downstream. For example, the direct and indirect cost of HIV/AIDS (human immunodeficiency virus/acquired immune deficiency syndrome) was roughly \$240 billion during the 1980s. Even a few billion dollars invested in primary health care and family planning education could have helped contain the spread of this deadly disease.*

*4.2.4 Human security is **people-centered**. It is concerned with how people live and breathe in a society, how freely they exercise their many choices, how much access they have to market and social opportunities - and whether they live in conflict or in peace.<sup>13</sup>*

Human security is concerned with how people survive and choose their lifestyles, and how they interact and survive in an environment of competition, conflict, and cooperation. Under this premise, human security's primary consideration is how to avoid a lack of the essential elements of survival and develop-

ment that humans need. Second, human security considers how to avoid various kinds of threats to life. Third, human security considers how to protect health security, including illness, nutrition, and medical care. Fourth, human security considers environmental security, including deforestation, desertification and salinization, acid rain, river pollution, air pollution, and destruction of the ozone layer. Fifth, human security considers security for people, including human rights protection, the soundness of the judicial system, and care for women, children, and the disabled. Sixth, human security considers social security, including benefits and protection for households, social groups, and indigenous people. Seventh, human security considers political security, such as whether or not political activities are interfered with, and freedom of speech and information.

## Calling for a New View of Taiwan's National Security

Now that we understand the concept, meaning, and evolution of national security, as well as its importance for national survival, the author hopes to offer a few thoughts that others may expand upon. The author calls on Taiwan's civil society and government to show collective wisdom to shape a national consensus and to construct a new view of Taiwan's national security together. This new view of national security should contain the following key factors:

### 1. Taiwan's National Interest

Taiwan stands in a difficult international position. On one hand, the immense threat from China will not yield an inch in the face of Taiwan's image as an independent country, its security, or its interests. On the other hand, while in a difficult environment, Taiwan needs to find a path that can accommodate its domestic and international needs in order to also guarantee its economic and security interests. Therefore, only by offering a clear definition of the national interest, as well as by seeking a balance, can Taiwan face reality and create policies for its long-term national interest.

In light of the national interest, the current national security objective of the ROC government is to check and deter military invasion and political assimilation

by the PRC. Its core concerns are the security of the livelihood and property of the twenty-three million people of Taiwan; ensuring the integrity of Taiwan's sovereignty and of the territory of Taiwan, Penghu, Kinmen, and Matsu, which it has enjoyed since 1949; and the effective implementation of the constitutional system of government. In this way, Taiwan can consolidate and continue to develop the "Taiwanese values" of a democratic government, liberty, human rights, peace, and development.

## **2. Taiwan's Overall Development Objective**

Taiwan's overall development objective is to become a normal country and to survive and continue to develop in the twenty-first century. The people of Taiwan need a living space characterized by stability, prosperity, confidence, and dignity. However, as it moves toward its goal of normal national development, Taiwan is rife with all kinds of abnormal elements left over from the authoritarian rule of the past, obstacles in the path to becoming a normal country. These obstacles include the abnormal functioning of the political system, abnormal economic competition, abnormal developments in social relations, abnormal use of the environment and the nation's territory, and abnormal developments in cross-strait relations. Cross-strait relations are abnormal as a result of the fact that, on one hand, China cannot see the complexity of its relationship with Taiwan. China clings to a power-struggle mentality from the Cold War and the logic of the Chinese Civil War, and thus it cannot adopt an empathetic stance towards Taiwan and effectively handle cross-strait relations. China has designs to take away Taiwan's sovereignty, and it refuses to relinquish the use of force against Taiwan. On the other hand, the KMT, which ruled Taiwan for a long period of time, has taken a vague stance on Taiwan's national status, rendering Taiwan unable to react to China's self-proclaimed one China principle in the international community. Taiwan's international living space finds itself constricted by China time and time again.

Taiwan needs to mold itself into a state that can welcome the new logic and reality of international competition. Taiwan also needs to engage in exchange with the major countries of the world, including China, in order to build normal

relations. Domestically, Taiwan needs to create an environment of national development that is just, secure and comprehensively normalized. In order to achieve these objectives, Taiwan needs to develop an efficient, thrifty, modernized government in which everyone can cooperate; healthy national and social security systems, an environment of transparent economic competition; a humanistic, equal-opportunity educational system; and an equal-opportunity, lively, innovative social environment. It is even more imperative for Taiwan to have just and strict, but impartial, police and judicial systems and an environment in which everyone can live and work happily together.

## **3. The Primary Source of the Threat to Taiwan's National Security**

The primary source of the threat to Taiwan's national security is the CCP regime and the Beijing government. The Anti-Secession Law, passed by the NPC in 2005, still defines Taiwan as part of the sacred territory of the PRC. The PRC believes that it has not yet been able to "reclaim" this bit of its "territory." The PRC views this situation as a "problem" left over from the Chinese Civil War in the previous century, and it uses this reasoning as a rationalization for annexing and ruling Taiwan, Penghu, Kinmen, and Matsu, severely impeding the normalization of cross-strait relations. In addition to continuing to bearishly intimidate the Taiwanese people and threaten peace and stability in the Asia-Pacific with its sinister forces, China also does everything it can to "wipe clean" all of Taiwan's diplomatic relations, isolating and suffocating Taiwan's international living space. Economically, China plays up the concept of the "China market" on a grand scale in order to attract high technology and investments from various industries. Politically and socially, China takes advantage of the shortcomings of Taiwan's party politics, social diversity, and freedom of the press and freedom of speech in order to promote a divisive united front against the Taiwanese people. China encourages Chinese nationalism and speaks of the peaceful rise of China, denounces the values of a democratic Taiwan, badmouths Taiwan's economy, and "criticizes Taiwan while threatening the use of force." Through this multi-barreled strategy, China hopes to use war to force negotiations, promote unification with the Three Links, and use peace to induce surrender. Internationally, China uses a strategy of one country, two systems and peaceful unification to wantonly

spread the idea of opposing independence while urging unification throughout the ethnically Chinese societies of the world. The objective of these various actions is nothing more than to annex Taiwan, Penghu, Kinmen, and Matsu, destroy the ROC government, and establish a unified China under the CCP.

In addition, due to recent, domestic political and social developments, Taiwan's national interest is splitting apart, even to the point of losing a consensus. In particular, the concept of national security has not only failed to be further clarified, but has actually been increasingly obfuscated. For example, while Taiwanese businessmen in China maintain a relationship with China that basically serves their own interests, they often neglect matters of Taiwan's own national security, sometimes even conflicting with Taiwan's China policy. While both the ruling and opposition parties reject Beijing's one country, two systems formula, the two sides continue to debate whether "relations between two countries" or "relations between two political entities" better serves Taiwan's national interest. To the average citizen of Taiwan, which represents the source of the threat to national security: the CCP regime or the 1.3 billion people under its rule? If Taiwan and China are one, should economic and trade relations continue to be as intimate as they are now? If Taiwan and China are separate, and if Beijing were to attempt to damage cross-strait economic and trade interests, could those 1.3 billion people stand together with Taiwan to stop Beijing from attacking Taiwan, thus ensuring their own economic interests? In facing these issues from the past and the military threat from China, these complicated factors come together, revealing the key to solving future cross-strait political and military conflict. That key is not an international strategy (such as seeking more weapons or strong support); rather, it is to first to seek common ground in Taiwanese society on the basis of a consensus of perceptions of Taiwan's security, looking for the areas that everyone can understand and accept, and then to increase cooperation between the ruling and opposition parties upon this foundation. Only in this way can Taiwan move closer to dissolving the political plan and military threat from across the Strait. In addition, the government should use every means possible to clarify national security and the core interest. This process of consensus-building is currently extremely important; without it, the people will be unable to

unite, and they will not know what to fight for.

#### **4. The Core Logic of Taiwan's National Security**

Currently, the core logic of Taiwan's national security is that, on the basis of a "complex national society," Taiwan must develop towards comprehensive security. This is different from the traditional view of national security, in that Taiwan must pay attention to the individual, NGOs, and the role of international organizations, which at the same time stresses Taiwan's relevance to other nations. In defining security, Taiwan should pay more attention to the importance of low-level government. In its analysis, Taiwan should pay attention to economic, environmental, political, social, and military security. In recognizing threats, Taiwan should pay attention to both domestic and international threats.<sup>14</sup>

Democracy is Taiwan's greatest achievement, a collective asset of the twenty-three million people of Taiwan and the object of Taiwan's national security protection. The values of democracy outweigh individual and party interests. Consolidating and deepening democracy, expanding Taiwan's democratic experience, and becoming a model of democracy for the ethnically Chinese world is the foundation that Taiwan relies on for survival and a responsibility that the ruling and opposition parties must work together to uphold.<sup>15</sup>

Notes

<sup>1</sup> Chen Shui-bian, *The First Voyage of the Century: Reflections on Taiwan's First Alternation of Political Power*. Taipei, Yuan Shen Chuban She (Yuan Shen Publishing), 2001.

<sup>2</sup> Research report commissioned by the Ministry of National Defense, *Ershiyi Shiji Zhonghuamninguo Guofang Zhengce - jiu Liang An Guanxi, Jiti Anquan ji Quanguihua Mianxiang Tantao (The ROC's National Defense Policy in the Twenty-First Century: Looking at Cross-Strait Relations, Collective Security, and Globalization)*. Taipei, Ministry of National Defense, 2002.

<sup>3</sup> Chen Fu-cheng, *Guojia Anquan yu Zhanl, e Guanxi (National Security and Strategic Relations)*. Taipei, Shih-ying Publishing, 2000, p.14.

<sup>4</sup> David Baldwin, "The Concept of Security," *Review of International Studies*, 1997, 23(1).

<sup>5</sup> Craig A. Snyder, *Contemporary Security and Strategy*, New York: Routledge, 1999.

<sup>6</sup> Adapted from Tung Li-wen "Guojia Anquan yu Liang An Qingshi Fenxi" ("An Analysis of National Security and the Situation in the Cross-Strait"), *Jiushier Nian Gaodeng Kaoshi San Ji Jichu Xunlian Kecheng Jiangshou Cankao Da Gang (Instructor's Manual for the 2003 Civil Service Level Three Senior Examination Basic Curriculum)*. Taipei, National Civil Service Institute, 2004.

<sup>7</sup> Donald Nuechterlein, 1979, "The Concept of National Interest: A Time for New Approaches," *Orbis*, Vol. 23, No.1, pp. 73-79.

<sup>8</sup> Ministry of National Defense, "Part 2: Defense Policy and Military Strategy," *2004 National Defense Report*. Taipei, Ministry of National Defense, ed., 2004. For the full text of Part 2, see <http://report.mnd.gov.tw/eng/e2-0.htm>, last viewed on 2006.10.25.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

<sup>11</sup> Lee Wen-chih, "Yatai Anquan Tizhi Jiangou de Nanti, Fangxiang yu Taiwan Zhanl, e de Sikao" ("Constructing a System for Asia-Pacific Security: Dilemmas, Direction and Strategic Considerations for Taiwan"), *Guoce Jikan (Journal of National Policy)*. Taipei, Institute for National Policy Research, 1995, Issue No.123. For the full text, see [http://www.inpr.org.tw:9998/inprc/pub/journals/120-9/m123\\_1.htm](http://www.inpr.org.tw:9998/inprc/pub/journals/120-9/m123_1.htm) (Chinese), last viewed 2006.10.24.

<sup>12</sup> Cheng Tuan-yao, "Xinxing Anquan Guan yu Liang An Guanxi - Shehui Jiangoulun yu Liang An Guanxi: Lilun yu Shijian de Duihua" ("The New View of Security and Cross-Strait Relations - Social Constructivism"), *Dangdai Sichao Xilie Zuotan* ('Contemporary Trends of Thought' Discussion Series). Institute of International Relations,



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National Chengchi University, 2001. For the full text, see [http://iir.nccu.edu.tw/newact/e\\_Wã\[âQhâ¿.htm](http://iir.nccu.edu.tw/newact/e_Wã[âQhâ¿.htm) (Chinese).

<sup>13</sup> Lin Bi-jaw, "*Quangiuhua yu Renlei Anquan*" ("Globalization and Human Security"), paper presented at conference entitled "*Renlei Anquan yu Ershiyi Shiji Liang An Guanxi*" ("Human Security and Cross-Strait Relations in the Twenty-First Century"). Research Division IV, Taiwan Research Institute, 2001. For the full text, see <http://www.peaceforum.org.tw/filectrl/20010914.doc> (Chinese).

<sup>14</sup> Liu Fu-kuo, "Comprehensive Security and National Security: An Analysis on the Applicability of the Concept of Security in the Asia-Pacific," *Issues & Studies*. Vol. 38, No. 2, p. 26.

<sup>15</sup> Chen Shui-bian, "*Chen Zongtong dui Sanzhi Huiyi Juti Jielun zhong youguan Liang An Guanxi de Tanhua Neirong*" ("The Text of President Chen's Remarks on Cross-Strait Relations in his Conclusions at the Sanchih Conference"). Taipei, Mainland Affairs Council, Mainland Policy Documents, Mainland Affairs Council Publishing, 5<sup>th</sup> edition, 2002.12, p. 31.

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