

“One China” and Relations Across the Taiwan Strait

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Key Points

Relations between China and Taiwan have reached an impasse. Former Taiwan President Lee Teng-hui's statement on “special state-to-state relations” in 1999 triggered the latest round of cross-strait recriminations. Beijing's reply came just before Taiwan's presidential election, in a white paper entitled, “The One China Principle and the Taiwan Issue.” It announced that China was prepared to use force against Taiwan if negotiations on unification are indefinitely postponed.

Both sides would like to find a way out of their respective corners. Taipei can go no further in asserting its separate identity without risking military action by China. New President Chen Shui-bian announced that he would “not push forth the inclusion of the so-called ‘state-to-state’ description in the [Republic of China's] Constitution.” At the same time, as evidenced by Chen's election, Beijing's reliance on the threat of force to influence events is waning. It seems prepared to wait for some further positive steps from Chen that would allay continuing suspicions of his commitment to independence.

This post-election period presents Beijing and Taipei with an opportunity to defuse a potentially explosive situation. They are carefully seeking openings to reduce the level of tension between them and to redirect relations away from confrontation and within the context of a measured assessment of their respective strategic interests.

The United States policy of strategic ambiguity encourages these tendencies and should therefore be adhered to rigorously.

Relations across the Taiwan Strait have reached an apparent impasse. Both China and Taiwan have, in a sense, painted themselves into corners. Yet, aware of the considerable costs that will inevitably be incurred by new and higher levels of tension or conflict, both President Jiang Zemin of China and Chen Shui-bian, the newly elected President of Taiwan, share a vital interest in finding a face-saving way out of their respective dilemmas without compromising their longer term objectives. In the process, each is being influenced and constrained by a number of factors related to politics, economics, and broad strategic interests. Overall, these factors will provide incentives to seek a reduction of tensions, at least in the short term. At the same time, years of mutual mistrust and the stark and growing differences between their respective political and social cultures will continue to affect the prospects for a mutually acceptable resolution of the issues separating China and Taiwan.

The Taipei Corner

Taiwan continues to hold the initiative in relations across the Strait, the terms of which have been largely defined by former President Lee Teng-hui. His highly visible political visit to the United States in 1995, his “pragmatic diplomacy” to develop a network of unofficial relations around the world, and his assertion in 1999 that Taiwan and the Mainland exemplify a special relationship between two sovereign states all convinced Beijing that Taiwan was following a course leading toward independence.

Current President Chen Shui-bian's stance on relations reflects the views of his Democratic

Progressive Party (DPP), pro-independence lineage as well as the influence of Lee Teng-hui, who in effect articulated a politically authoritative definition of “Taiwan identity.” Chen inherited Lee's position, and the requirements of democratic politics in Taiwan and the aspirations of his political base make it impossible for him to repudiate it. By doing so, he would not have been elected and, if he did now, he is unlikely to be reelected. In sum, although mention of the “Special Two State Theory” is

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likely to appear less frequently in Taipei's political lexicon, the assumptions inherent in the formulation will continue to inform thinking about relations with the Mainland.

Chen is also a relatively weak president, having been elected with only 39 percent of the electoral vote. The DPP lacks a majority in the Legislative Yuan and is inexperienced in the business of governance. The political dynamics in the run-up to the Legislative Yuan elections in December 2001 will shape Chen's short-term, political environment. Over the longer term, Chen faces what could be a formidable challenge from former Taiwan Governor and Kuomintang (KMT) member James Soong,

who has organized a new People First Party and announced his intention to run for office in the future.

Chen's actions since his election suggest that he is keenly aware of his vulnerabilities and that he is determined to overcome them. Having campaigned to end corruption, increase government efficiency and responsiveness, reduce the influence of special interests, restore public confidence in public law enforcement, and restore the environment, he has appointed a broadly-based cabinet that embraces members of the KMT and other political interests and oriented it toward dealing with the politically salient domestic agenda that brought him the presidency.

If successful, Chen will likely increase his chances to gain a majority in the legislative elections next year and thereby be able to build the effective political base that will enable him to govern in his own right. Reducing the element of tension in and stabilizing Taiwan's relations with the Mainland will allow him to focus on his domestic agenda. He thus has a clear and strong incentive to move in that direction.

This raises the question of how Chen Shui-bian will deal with the Lee Teng-hui legacy on Taiwan identity. At this time, there is virtually no incentive to push the envelope any further. The next logical step in such a process would be to declare *de jure* independence, an action that would provoke a military response by Beijing, with all of the attendant negative consequences. It is difficult to imagine that Chen would wish to move in this direction anytime soon. Instead, as his inaugural address indicated, he will maneuver within the framework of Lee's formulation to reduce the prospects for military action by China and to garner international support by seeking to establish some basis for dialogue with Beijing. A greater willingness to challenge the cross-strait status quo is unlikely to emerge until after the legislative elections in December 2001, if then.

The Beijing Corner

The approach of the Mainland has always reflected a mix of military and political elements. The basis for the political component resides in the one-country-two-systems model enunciated first by Deng Xiaoping and reiterated many times over the years by Jiang Zemin and other Chinese officials. The one-

country-two-systems formulation reached its apogee after the reversion of Hong Kong to Chinese control in June 1997. As is well known, Taiwan officials have rejected that model on grounds that it is not supple enough to allow for the expression of well-developed historical, cultural, and political identity. In their view, the Hong Kong model is not applicable because Taiwan is a separate state for all intents and purposes.

Beijing's consistent refusal to renounce the use of force in response to a declaration of independence by Taipei represents the military component of the Mainland approach. The February 2000 white paper on Taiwan tried

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inter alia to present a more flexible interpretation of the term *one China*, while also raising the military stakes by asserting that continued refusal to begin political talks aimed at eventual reunification would be cause for military intervention.

Since the visit by Lee Teng-hui to the United States in 1995, the military component of Beijing's approach has received far more emphasis than the political dimension. After that trip, China staged ballistic missile tests and naval exercises to demonstrate displeasure with developments across the Strait. Later, in an effort to influence the Taiwan presidential election of March 1996, exercises and missile tests were repeated on a larger scale.

Despite political initiatives and contacts, since 1996 Beijing appears to have placed an increasingly high reliance on the military component of its overall approach to Taipei. In recent years, this has been evidenced by the deployments of short-range ballistic missiles in Fujian Province opposite Taiwan. In 1995, at the time of the Taiwan Strait crisis, Beijing reportedly had deployed 30–50 missiles along

the coast within range of Taiwan. These deployments are apparently continuing and could reach a level of about 650 by the year 2005. Today, a substantial number of U.S. analysts believe that Beijing considers military force as the only means available to deter Taipei from a declaration of independence and assure reunification. There are also strong indications that the People's Liberation Army (PLA) has been directed to develop the options and capabilities requisite to achieving both objectives. It is now generally accepted that Taiwan is the major motivating force behind the modernization and restructuring of the Chinese military.

Many analysts and strategists consider war between China and Taiwan to be inevitable. But the possibility that China will decide to use military force to achieve reunification, whether or not Taiwan declares independence, requires a measure of examination and reflection. It can be argued that, absent a declaration of independence by Taipei, Beijing has compelling reasons to refrain from military action. Quite apart from the time required to address PLA deficiencies, there are political, economic, and strategic factors that need to be considered.

Jiang Zemin, like Chen Shui-bian, is a weak president, albeit for entirely different reasons. For Jiang and the Chinese Communist Party (CCP) leadership, the highest priority is maintaining national unity and internal stability. Economic development is impossible to achieve without these two conditions. However, both of these priorities are threatened by slowed rates of economic growth, widespread dissatisfaction with government corruption, rising levels of unemployment, and popular reaction against the new dislocations that will inevitably result as the Party implements reforms to comply with World Trade Organization standards.

Use of military force to reunify Taiwan would clearly raise the risk to the CCP leadership. If Beijing uses force and fails to achieve its objectives, China would not only pay a heavy political, economic, and strategic cost,

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Now there are people saying that the three political parties in Taiwan have developed a consensus, that is, “there is one China, with each side having its own interpretation.” This is only Taiwan’s viewpoint, not a viewpoint shared by the Mainland.

— Tang Shubei, former First Deputy Director of China’s Central Taiwan Affairs Office and Executive Vice Chairman of the Association for Relations Across the Taiwan Strait



[for Taiwan] “one China” is a condition for the future. We emphasize that parity and separate rule characterize the present cross-strait situation, and the two sides are of a “special state-to-state relationship.”

— Chi Su, former Chairman of the Mainland Affairs Council, Taiwan’s cabinet-level organization that directs Mainland policy

but CCP leaders would almost certainly change. On the other hand, if Beijing uses the military option and succeeds in compelling reunification, China would be forced not only to attempt the impossible task of integrating the sullen and agitated population of Taiwan, but also to deal with even heavier and longer-term political, economic, and strategic costs, including a long-term rupture of relations with the United States. Brandishing the military option is useful to Beijing in that it forces Taipei to consider very carefully before making any attempt to alter the status quo. However, the threat of force is not useful as a tool for achieving reunification.

In this broader context, it is arguable that China simply does not possess a useful military option. It also seems likely that the Chinese leadership is becoming increasingly aware of the dangers and limits of its bellicosity and, thus, would now like to place new emphasis on the political dimension of its approach to Taiwan. This means waiting Chen out and trying to influence his behavior.

Beijing's measured and very cautious reaction to Chen's inaugural address is a case in point. Although negative Chinese rhetoric will undoubtedly continue, it has thus far consisted mainly of the reiteration of older themes and contains nothing new. Also, there is a new willingness to articulate a more nuanced concept of what is achievable. Increasingly, Chinese interlocutors acknowledge the great distances between the lives of the people of Taiwan and most of the people of China and admit that reunification is a matter that will span generations.

Although Beijing will not give up its calls for reunification, it appears more willing in the short term to settle for some demonstrated assurance that Taipei remains committed to maintaining the concept of one China in some form. This is almost certainly the reason for Beijing's identifying Taipei's willingness to return to the 1992–93 Koo/Wang formulation of this concept—that both sides recognize that there is one China but have different views of what that means—as a bottom line indicator of Taipei's intentions. That the two sides have somewhat different interpretations of what China's Wang Daohan and Taiwan's Koo Chen-fu actually agreed upon may not necessarily pose an insurmountable obstacle to progress across the Taiwan Strait.

Role of the United States

Relations with Washington must weigh very heavily in the processes now unfolding in Taipei and Beijing. In China's view, war with Taiwan probably also means war with the United States, a war that the Mainland would be likely to lose, and one that would be costly

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and hamper economic progress for years to come. If the issue were to prevent Taiwan independence, Beijing would certainly take the risk and let the chips fall where they may, but there is clearly a preference for a different course. As for Taipei, the new administration there must have been made aware of Washington's concerns and dissatisfactions with certain of the events of the recent past. This awareness will likely become part of Taiwan's emerging consensus against pushing the limits at this time.

The upcoming American presidential election is also a significant short-term factor. Chen Shui-bian's expressed preference for not linking the vote on permanent normal trade relations in Congress with the vote on the Taiwan Security Enhancement Act undoubtedly played well in Beijing. Neither Beijing nor Taipei will have any interest in seeing China, Taiwan, or cross-strait relations emerge as a

major issue in the campaign. Rather, both probably hope to maintain their respective relations with Washington on an even keel through the election and then develop ties with the new administration. Both will therefore prefer to avoid actions that might upset the current presidential race.

Finally, recent events suggest that the long-standing U.S. policy of maintaining strategic ambiguity with respect to China and Taiwan continues to pay dividends. In any calculation about the utility of military action, prudence forces Beijing to consider possible U.S. involvement. Although at the end of the day this may not prevent the Chinese from using force, it does serve to slow down the process by which they might come to such a decision. Similarly, not knowing whether they can count on American support clearly restrains elements in Taiwan who might otherwise move actively to secure Taiwan's independence.

The processes described above will unfold based on assessments of the situation made by China and Taiwan. The fundamental problem is the lack of political will on the part of both Beijing and Taipei, and not the lack of creative ideas. It is important to accept that less is probably better in this case. Washington can have some impact on the margins, but direct involvement will not have a positive effect. This is not to say that U.S. views are unknown to both sides and these views will be incorporated into decisions made by China and Taiwan. It is therefore advisable to maintain a posture of strategic ambiguity.

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