



POWER, INTERESTS, AND INTERNAL FACTORS:

An Analysis of Taiwan Issue From the Perspective of Neoclassical Realism

Gent University

FACULTY OF POLITICAL AND SOCIAL SCIENCES

Department of Political Sciences

SANG XIAOCHUAN

To My Parents

ABSTRACT

For mainland China, Taiwan is a very sensitive issue which not only involves its core interest but also impacts its domestic and foreign policy making. Furthermore, with the convergence of US China interests in Asian and world affairs in recent years, it is believed that the most significant difference in their bilateral relations centers on issues related to Taiwan. Last but not least, considering its close relations with Taiwan and its rising tension with mainland China, Japan's role in the Taiwan Issue should not be ignored. This indicates the Taiwan Issue is more than cross-strait relations. But there are few studies about the Taiwan Issue that included China, the US and Japan, and very limited researches about such topic usually did not pay enough attention to internal factors inside all these actors. For that reason, this study uses the foreign policy theory of neoclassical realism to analyze the Taiwan Issue, interpreting each actor's policy evolution in past decades and examining their internal factors' effect on their external behavior, in order to give a clear and persuasive answer to the question: under what circumstance that mainland China may be able to realize its national unification with Taiwan.

Key words: the mainland, Taiwan, the US, Japan, interest, relative power

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Introduction

Since the mid-19th century, Japan has largely increased its military and technological strength through its "Meiji Restoration", transforming itself from an undeveloped feudal country into a member of then imperialist powers. This growing power and the fact it lacked resources stirred up a strong ambition of invasion, which finally led to the Sino-Japanese War of 1894-1895[1]. The defeated Qing government was forced to sign the Treaty of Shimonoseki with the Japanese invaders in 1895, ceding Taiwan and the Penghu Islands to Japan, and paying an indemnity of 200 million tael of silver. Since then, Taiwan became a Japanese colony until the end of the Second World War. Half a century's colonial rule made several foreign countries believe that whether Taiwan should be regarded as a part of China's territory was undetermined, which constituted a potential obstacle to Taiwan's reunification with China.

The fifty years' separation from China's sovereignty has created huge negative impact on Taiwan's return to China's sovereignty, but the real beginning of the Taiwan Issue discussed in this study occurred in the end of the Chinese Civil War, when the Kuomintang (KMT) retreated to Taiwan and the Chinese Communist Party (CCP) was actively preparing a military attack for achieving nationwide liberation. However, the outbreak of the Korean War interrupted the reunification process. The United States abandoned its previous policy of "waiting for the dust falling down"and started to take tough measures, such as sending the Seventh Fleet into the Taiwan Strait, to block Beijing's pursuit of cross-strait unification[2]. Since then, Taiwan is ruled by the authorities in Taipei while the mainland is controlled by the CCP, and the two sides have maintained military confrontation for decades. This separation of Chinese sovereignty and territory which remains unsolved today is the essence of the so called Taiwan Issue.

The Research Question and Its Significance

Because of the "One-China" principle, （which means there is only one China in the world, and both the mainland and Taiwan are parts of China[3]）, the Taiwan Issue has involved China's national sovereignty and territorial integrity, and thus Beijing is bound to take various necessary actions to achieve national unification. This will pose significant influence on Taiwan in the political, economic, cultural, and especially security fields, while the responses from Taiwan, which are reflected in its mainland policy, will also influence Beijing's policy making process. This kind of interaction between Beijing and Taipei constitutes the core of the Taiwan Issue and has obtained much attention from politicians and scholars from both sides across the strait. However, it is noteworthy that the Taiwan Issue also involves other actors. Since sending its Seventh Fleet into the Taiwan Strait, the United States has maintained its intervention in the cross-strait situation to prevent the realization of Chinese reunification, ensuring Taiwan's *de facto* political independence. This is why it is necessary to incorporate the US into the framework of this analysis. In contrast,

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[1] Paine S C M. The Sino-Japanese War of 1894–1895: Perception, Power, and Primacy, 2003[J].
[2] Lin C. The legacy of the Korean War: Impact on US-Taiwan relations[J]. Journal of Northeast Asian Studies, 1992, 11(4): 40-57.
[3] The Evolution of the KMT's Stance on the One-China Principle: National Identity in Flux[J]. Taiwanese Identity in the 21st Century: Domestic, Regional and Global Perspectives (London: Routledge), 2011.

the role played by Japan in the Taiwan Issue usually received less attention because of its ambiguous stance. However, as the colonist that has ruled Taiwan for nearly fifty years, Japan did leave its mark in Taiwan's society and culture which are difficult to be eliminated. Meanwhile, the long term colonization also made Japanese people have a strong and complicated emotion of Taiwan. This historical link between Japan and Taiwan has offered Japan not only the ability to intervene in the Taiwan Issue, but also the willingness to realize such intervention, although these willingness and ability do not seem very obvious in the shadow of the US policies and behaviors.

For the position of each actor involved in the Taiwan Issue, mainland China clearly pursues its reunification with Taiwan, and the United States prefers to pay more attention to keeping peace and stability across the Taiwan Straits, while Japanese own aspirations are hidden behind the US strategy. Compared to these three actors, Taiwan's position has been dramatically changed in past decades by shifting from admitting One China principle and pursuing unification to publicly declaring that the mainland and Taiwan are one country on each side. Consequently, these different positions between mainland China and other three actors made the Taiwan Issue become very difficult to be resolved. Precisely, from Beijing's perspective, all three other actors can be regarded more or less as opponents in its pursuit of reunification. The first is Taiwan. As the target of national unification, it is able to directly impact on the development of Taiwan Issue. The second is the US. As the only superpower with the strength that the mainland cannot match, its intervention in the Taiwan Strait may decide whether Beijing can achieve unification. Last but not least is Japan. Considering its ambiguous attitude towards One China principle, the uncertainty of Japanese behavior in the potential cross-strait conflict is supposed to be taken into account by the Chinese leadership. In such a case, the interaction between mainland China and these three actors has increased the complexity of the Taiwan Issue, and through analyzing such complexity, the propose of this study is to find out under what conditions mainland China may be able to realize its national unification with Taiwan.

Two Taiwan Strait Crisis happened in the 1950s have proven that if Taiwan Issue is not properly resolved, peace and stability across the straits will be seriously damaged by actors' confrontational interactions. After the Korean War, the CCP reconsidered its previous plan of liberating Taiwan by force. In 1954, Mao Zedong declared it was inappropriate that China did not finish its task of liberating Taiwan after the Korean War, requiring that the country should start to make necessary preparations[4]. Within this context, the PLA deployed in Fujian province bombarded the KMT military bases in Kinmen in September of the same year, causing heavy loss of the KMT and even killing two American military advisers[5]. Although the scale of shelling was not large, it shocked Taiwan, the United States, and the whole international community, and then was described as the "Taiwan Strait Crisis" by the west. The initial cause of this crisis was that mainland China wished to show its ability and determination to safeguard national unity and liberate Taiwan by force, which can be regarded as a retaliation against the KMT previous military harassment on the mainland's coastal areas during the period of the Korean War. In essence, what Beijing pursued at that time was to make its own position clear rather than obtaining a military victory, that was why

[4] Wang Bingnan (1985). *Reviewing Sino-US Negotiations of Nine Years*. Beijing: World Affairs Press. p41-42.
[5] Gu Weiwei. (2012). The 1954 Taiwan Strait Crisis and the US Policy towards China. *Theory Research*. 24 (8), p17-18.

there was no large scale landing operations with the shelling. However, the interaction among different actors can lead the situation to deviate from the initial target anticipated by any actor who makes the first move. The shelling soon sparked a strong reaction from both Taiwan and the United States, and led to a rapid escalation of this crisis. The KMT Air Force took immediately retaliatory actions, striking the mainland's coastal areas such as Fujian Province, which then triggered fierce counterattack from the PLA. Meanwhile, the Eisenhower Administration insisted that Taiwan's political independence should not be threatened, discussing whether the US should send its troops to defend Taiwan[6]. Washington's final decision was to seek a cease-fire through the intervention from the United Nations, requesting the KMT to withdraw its army from islands near the mainland and to abandon the Kinmen and Matsu. This could eventually isolate Taiwan from the mainland, and ultimately create "Two Chinas" in the international community[7]. In a word, Beijing's retaliation against the KMT aggravated military conflict across the strait, and its response to the US intervention finally prompted the US to create Two Chinas, which indicated that the mainland's policy raised resistance for its own pursuit of national unification because it failed to predict its opponents' reaction.

After this First Taiwan Strait Crisis, the US stepped up its efforts to intervene in the situation across the strait. The Chinese leaders were unsure that whether the US was prepared to attack the mainland, so they decided to test the real target of the US through limited military actions against the KMT. In August 1958, there was another round of massive bombardment in Kinmen, causing the outbreak of the Second Taiwan Strait Crisis[8]. The mainland's behavior was perceived by Taipei as a signal of occupying Taiwan and getting rid of the US forces in the area, and made the KMT authorities believe that Taiwan and the US should work together to curb such threat. Meanwhile, the US reaction to China's attack was also very strong. Then Secretary of State Dulles believed if the mainland capturing the Kinmen and Matsu, Taipei would suffer a severe blow and there might be a change in Taiwan's public opinion regarding cross-strait relations, which could generate a new government that accepted unification, and therefore damage the entire US strategy of weakening the power and influence of the Soviet Union in the Asia-Pacific region[9]. So Washington not only ordered the Seventh Fleet to take defensive measures, but also provided missiles and other weapons to Taiwan, and even showed signals of preparing nuclear strikes against targets in the mainland[10]. This made the tension much higher compared with the previous crisis. Fortunately, the purpose of this shelling was to test America's bottom line in the Taiwan Issue. In the following shelling, the PLA only attacked the KMT targets, and discovered that the US warships did not fight back or defend their KMT allies, but chose not to engage the PLA. In these circumstances, Beijing realized that the US was trying to avoid direct military conflict with the mainland, just like the mainland also avoided to trigger a full scale warfare with the US. This

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[6] Zhao Xuegong. (2004). The Nuclear Weapon and US Policy towards First Taiwan Strait Crisis. *AMERICAN STUDIES QUARTERLY*. 18 (2), p100-115.

[7] Zhang Shuya. (1993). Ceasefire Case of UN Secturiy Council: US Strategy for Dealing with First Taiwan Strait Crisis. *Bulletin of the Institute of Modern History Academia Sinica* . 22 (6), p63-106.

[8] Zhang Wei. (2007). Comment on Research of Second Taiwan Strait Crisis in 1958. *A survey of research on the key issues of contemporary China history studies : A collection of papers presented at the academic annual meeting on contemporary history of China*. 1 (1), 1.

[9] Macmillan, H (1982). *Macmillan' Memoir (IV)*. Beijing: The Commercial Press（CP）. p538.

[10] Lin Zhengyi (1985). *The US Policy towards China in 1958 Taiwan Strait Crisis*. Taipei: The Commercial Press (CPTW). p74.

prompted Beijing to adjust its hardline policy, resuming ambassadorial talks with the US and easing the tension across the strait.

It should be noted that during these two crisis, mainland China had no intention to occupy Taiwan by force or realize national reunification. But the rapid escalation of crisis has demonstrated that, as long as they failed to accurately predict how would other actors respond to their behavior, the mainland or any other actor involved in the Taiwan Issue could never completely control the development of cross-strait situation. Any actor's tough declarations or measures were likely to cause military conflict, damaging peace and stability across the strait rather than achieving its own goal. Unfortunately, this situation did not change too much in the post Cold War era, but was even intensified because of the changing internal situations of most actors. This can be proved by the outbreak of the Third Taiwan Strait Crisis. In the middle 1990s, when the rise of the pro-independence forces largely changed Taiwan's position, mainland China was becoming increasingly confident because of its rising economic strength, while the US believed certain policies and behaviors would not lead to intensive military conflict like what had happened in the 1950s. Unsurprisingly, these misjudgment of other actor's potential response resulted in another round of cross-strait crisis. What made it worse was, within the context that China maintained a rapid economic growth while the US dominated the global hegemony as the only superpower, the increasing strength of two actors hugely raised the danger of such crisis. Once there is a miscalculation or an accidental firing, the history can easily repeat itself while the scale and intensity of potential military conflict will be much larger.

Therefore, current peace across the strait does not mean that actors involved in the Taiwan Issue can afford to be relaxed. On the contrary, different positions and misjudgments of others' potential reactions can still trigger serious conflict, which may lead to a disastrous consequence. The worst case will be a full scale warfare between the world's only superpower and the world's second largest economy, while both of them are the nuclear powers. In such a case, it is very necessary to research the Taiwan Issue which is characterized by sudden outbreak of conflict, rapid escalation of confrontation, and disastrous consequences.

It is not difficult to realize that serious conflict usually breaks out across the strait when Beijing's pursuit of achieving national unification is facing strong opposition. This means whether there will be a new round of Taiwan Strait Crisis is to a large extent determined by the intensity and form of opposition against Chinese unification, which involves a variety of questions such as what opposition is faced by Beijing's pursuit, what measures Chinese leaders have taken to deal with those difficulties, and how the interaction among actors with different positions will shape the Taiwan Issue. Thus, this study will take into account of research findings made by a large number of scholars, and adopt a theory that can conduct comprehensive analysis on all above questions, in order to provide a persuasive conclusion to the question: under what circumstances, mainland China may be able to achieve its unification with Taiwan.

Research Status of Taiwan Issue

The researches of the Taiwan Issue can be divided into three groups according to which actors they focused on: researches on the cross-strait relations, researches on the US intervention in the

Taiwan Strait, and researches involved Japan.

The cross-strait relations has been given much weight by scholars, who paid most attention to the policy making in mainland China and Taiwan. Usually, this group of scholars admitted that One China principle is very important. For example, Harbin Institute of Technology's Professor Ge Yongping argued that whether political negotiations will be achieved is dependent on the two sides' comprehensive understanding of the concept of One China principle[11]. Taiwanese scholars, in contrast, often had negative opinion about One China principle. For example, Professor Chien-min Chao from National Chengchi University argued that the two sides cannot work together to achieve any agreement on issues related to political implications of "One China", implying that such principle insisted by Beijing is an obstacle for development of cross-strait relations[12]. This kind of argument indicated that many Taiwanese scholars overlooked the fact that One China principle actually involves fundamental interest of mainland China. Meanwhile, there are also debates among western scholars about the principle. For example, Dr. Markus G. Puder from Loyola University once suggested that the case of the co-existence of two Germany could serve as an example for resolving the conflict between the PRC and Taiwan, which in fact identified the two sides across the strait as two independent countries[13]. But other scholars, such as Professor Jianming Shen from St. John's University made it clear that because of the nullification of Japanese Treaty of Shimonoseki, China has completely restored its sovereignty over Taiwan, denying the argument that Taiwan's status is unsettled[14]. In the 1950s, western scholars usually supported the opinion that Taiwan should be recognized as a part of China. For example, Dr. D.P. O'Connell from University of Adelaide argued that a government is only recognized for what it claimed to be, implying that as long as Taipei does not change its title, it is still recognized as a part of China[15]. In the meantime, Professor Quincy Wright from American Society of International Law also made it clear that if "the Japanese surrender constituted a definitive renunciation of Formosa and the Pescadores and that the Chinese occupation constituted definitive re-annexation of these territories by China", the CCP regime should have a legal claim to those islands[16].

Furthermore, Chinese scholars' research about One China principle are often related with how the mainland can achieve national unification. For example, Professor Wang Yingjin from Renmin University of China compared different unification models proposed by scholars and politicians from the two sides, believing that "One Country, Two Systems" based on the One China principle

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[11] Ge Yongping. (2013). The Meaning and Requirement of One China Principle in the View of Jurisprudence. Study & Exploration. 7 (1), 68-73.

[12] Chao C. Will economic integration between mainland China and Taiwan lead to a congenial political culture?[J]. Asian Survey, 2003, 43(2): 280-304.

[13] Puder M G. The Grass Will Not Be Trampled Because the Tigers Need Not Fight — New Thoughts and Old Paradigms for Détente across the Taiwan Strait The Grass Will Not Be Trampled Because the Tigers Need Not Fight [1] —New Thoughts and Old Paradigms for Détente Ac[J]. Vanderbilt Journal of Transnational Law, 2001, 34(May).

[14] Shen J. Sovereignty, Statehood, Self-Determination, and the Issue of Taiwan[J]. Am.u.intl L.rev, 1999(5).

[15] O'Connell D P. The Status of Formosa and the Chinese Recognition Problem[J]. American Journal of International Law, 1956, 50(2):405-416.

[16] Wright Q. The Chinese Recognition Problem[J]. American Journal of International Law, 1955, 49(3):320-338.

is the most realistic option for Beijing and Taipei[17]. However, to achieve reunification, Taiwan's attitude is very important. Before the DPP became the ruling party, scholars had already realized that serious conflict might rise between the two sides, and therefore hoped that both the mainland and Taiwan could adopt a pragmatic attitude in dealing with cross-strait relations to reduce conflict[18]. During this period, many western scholars gave more weight to Taiwan's democratization, believing this generated a new definition of the cross-strait relations. For example, when Lee Teng-hui gradually revealed his pro-independence stance in Taiwan's political transformation, some western scholars such as Professor Jean-Marie Henckaert from Webster University, Geneva, supported the view of pro-independence forces that democratization process had entitled Taiwan to statehood, arguing that the international community should recognize the island as an independent sovereign state[19]. Meanwhile, many western scholars were not optimistic about the effect of "One Country, Two Systems" on resolving the Taiwan Issue. For example, Professor George E. Edwards from Indiana University contended that legal situation of Hong Kong was quite different from that of Taiwan, because Taiwan had lived on its own feet for decades and established a democratic political system[20]. Professor Jonathan I. Charney from Vanderbilt University School of Law and Professor J.R.V. Prescott from the University of Melbourne even argued that while the two sides conducted good-faith negotiations for cross-strait reunification, there was still "an appropriate basis" for Taiwan to claim to statehood[21]. However, Dr. Phil C.W. Chan from the National University of Singapore examined Taiwan's legal status and its meaning for the mainland and the US, arguing that Taiwan's claim to the right of self-determination and to statehood based on its democratization were both defective under the international law. He pointed out that Taiwan's people will be deemed to have the right of self-determination only on the premise that Taiwan has reunited with China[22].

More attention were paid to Taiwan's pro-independence forces. Professor Zhang Wensheng from Taiwan Research Institute of Xiamen University, through analyzing the DPP internal competition and the evolution of its policy towards mainland, pointed out that refusing to accept the 1992 consensus has always been the consensus of various forces inside the party, so whatever statements made by its leader would not change the party's pro-independence position[23]. Scholars have also noted that relations between the rise of the pro-independence forces and the establishment of Taiwan's electoral politics. Professor Alan M. Wachman from Tufts University pointed out that democratization in Taiwan has exerted huge impact on Taiwan's mainland policy through increasing pro-independence forces' power and influence while weakening political

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[17] Wang Yingjin (2008). *A study of the modes of state unification*. Beijing: Jiuzhou Press. p255-270.
[18] Qiu Kaiming. (1998). Taiwan Authorities Should Have a more Pragmatic Concern about Cross-Strait Relations . *Tai Sheng*. 8 (1), p1.
[19] Henckaerts, Jean-Marie, ed. *The international status of Taiwan in the new world order: legal and political considerations*. Martinus Nijhoff Publishers, 1996.
[20] Edwards G E. Applicability of the One Country, Two Systems Hong Kong Model to Taiwan: Will Hong Kong's Post-Reversion Autonomy, Accountability, and Human Rights Record Discourage Taiwan's Reunification with the People's Republic of China[J]. New Eng. L. Rev., 1997, 32: 751.
[21] Charney J I, Prescott J R V. Resolving cross-strait relations between China and Taiwan[J]. American Journal of International Law, 2000: 453-477.
[22] Chan P C W. The Legal Status of Taiwan and the Legality of the Use of Force in a Cross-Taiwan Strait Conflict[J]. Chinese Journal of International Law, 2009, 8(2):455-492.
[23] Zhang Wensheng. (2012). The DPP Remains its Pro-Independence Position. *Liang An Guan Xi*. 1 (1), p44-46.

dominance of the KMT who supported unification[24]. Professor Kenneth Lieberthal from University of Michigan also agreed that electoral politics in Taiwan has largely influenced cross-strait relations since the mainland policy became a prime subject for campaign manipulation[25]. Dr. Lu Chengjun from Peking University argued that the DPP's senior leaders have been dedicating to street struggles and social movements, and after obtaining power, they continued to promote Taiwanese identity and therefore arouse irrational emotion in society, which seriously affected Taiwan's public attitude toward the cross-strait relations[26]. Associate Professor Yong Suhua from Nanjing University of Information Science and Technology made a comprehensive analysis of Taiwan's election culture, and had the similar opinion that elections in Taiwan were too intensive, making most politicians concern about how to use extreme topics to attract voters. Within this context, opposing Beijing's pursuit of unification has become an effective tool utilized by pro-independence parties to obtain social support[27].

There are also analysis focusing on the identity issue which was often used by the DPP in its propaganda against unification. Guangzhou Institute of Socialism's Professor Liu Qiang argued that the outbreak of this identity problem was related to Taiwanese people's visit to the mainland in the late 1990s. Their disappointment and sense of strangeness about their hometown in the mainland and strong familiarity with their current home in Taiwan significantly weakened their previous Chinese identity[28]. It is worth to note that there are also scholars such as Professor S Corcuff from the University of Lyon who researched Taiwanese identity along ethnic lines[29], but most western and Chinese scholars preferred to link the establishment of Taiwanese identity with Taiwan's democratization process. For example, Professor Christopher R Hughes from the London School of Economic and Political Science argued that democratization played an important role in building the so called Taiwanese identity[30]. Professor Shelley Rigger from Davidson College criticized some inaccurate researches that simply recognized Chinese and Taiwanese identity as a dichotomous choice faced by Taiwan's society, emphasizing that what Taiwanese people actually had to choose behind these two identities was reunification and independence[31]. Similarly, Dr. Robert Marsh analyzed the heated public discourse caused by two competing identities in Taiwan's society, and realized that behind the issue of identity there was the confrontation between unification and independence[32]. In such a case, Professor Chu Yunhan from National Taiwan Univeristy pointed out that this process of changing identity in Taiwan was quite difficult to reverse, so its negative impact on Beijing's pursuit of achieving peaceful

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[24] Wachman A. Taiwan: National identity and democratization[M]. ME Sharpe, 1994.
[25] Lieberthal K. Preventing a war over Taiwan[J]. Foreign Aff., 2005, 84: 53.
[26] Lu Chengjun. (2008). Analyzing the DPP's Populism. *Peking University Doctoral Dissertation*.
[27] Yong Suhua. (2003). Taiwan's Election Culture in Recent Ten Years.*Nanjing University Doctoral Dissertation.*
[28] Liu Qiang. (2009). Cross-Straits Interaction and State Identity. *JOURNAL OF THE CENTRAL INSTITUTE OF SOCIALISM*. 4 (1), 13.
[29] Corcuff S. Taiwan's "Mainlanders," New Taiwanese[J]. Memories of the future: National identity issues and the search for a new Taiwan, 2002: 163-195.
[30] Chan G, Hughes C. Taiwan and Chinese Nationalism: National Identity and Status in International Society[J]. 1998.
[31] Rigger S. Disaggregating the Concept of National Identity[J]. The Evolution of a Taiwanese National Identity, Asia Program Special Report, Woodrow Wilson International Center for Scholars, 2003 (114): 17-21.
[32] Marsh R. National identity and Ethnicity in Taiwan[J]. Corcuff, Stéphane, 2002: 144-158.

reunification would become a serious problem[33]. Professor Daniel Lynch from Dalhousie University also admitted that efforts taken by Lee Teng-hui and the following DPP authorities to promote Taiwanese identity while burying Chinese identity were not based on any accurate history but the political motive to separate Taiwanese people from Chinese identity[34]. Professor Teufel Dreyer from the University of Miami, also agreed that the goal of pro-independence forces was to cut off the link between language, culture, and history of Taiwan and those of China. In other words, they were promoting de-Sinification[35].

Other scholars, such as Professor Shao Zonghai, the famous Taiwanese expert on cross-strait relations, argued that the reason that the DPP authorities proposed its theory of "one country on each side" and even attempted to initiate a referendum to realize Taiwan's *de jure* independence, was that rising Taiwanese identity strengthened by the de-Sinification movements had offered sufficient support to those pro-independence leaders[36]. Although then DPP authorities did not achieve their goal of realizing Taiwan's *de jure* independence, Professor Brett Benson from Vanderbilt University and Professor Emerson Niou from Duke University both emphasized that the polling result registered in Taiwan's public opinion polls, which did not support Taiwan's independence, reflected not the heart felt ambition but pragmatism of Taiwanese people. In a word, most people have accepted Taiwanese identity, but they were status quo supporters because they knew the severe consequence they would face if they preferred Taiwan's immediate independence[37].

Based on various researches about Taiwan's pro-independence forces' development and political pursuit, scholars also analyzed how should the mainland deal with the pro-independence forces in order to achieve cross-strait reunification. These studies usually focused on two aspects, which were military deterrence adopted by Beijing to contain separatist movements on the island, and Beijing's cooperation with Taiwan's anti-independence politicians. For example, Dr. John W. Garver from the Georgia Institute of Technology argued that there was a link between political leaders' competition for power that increased military influence on Beijing's Taiwan policy making[38]. The logic behind this argument was that hardline policy could raise the support of Chinese nationalists for the CCP regime. Taiwanese scholars, such as Dr. Wu-ueh Chang from Tamkang University and Professor Chien-min Chao from National Chengchi University, analyzed policy made by China's fourth generation leaders toward Taiwan. They argued that these fourth generation leaders, especially then President Hu Jintao, were taking a "harder but softer" policy to deal with cross-strait relations, showing that China was willing to compromise on issues of great

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33 Chu Y.. (2004). Taiwan's national identity politics and the prospect of cross-strait relations. *Asian Survey*. 44 (4), 484-512.

34 Lynch D C. Taiwan's self-conscious nation-building project[J]. Asian Survey, 2004, 44(4): 513-533.

35 DREYER J T. The Evolution of a Taiwanese National Identity[J].

36 Shao Zonghai. (2004). An Analysis of Chen Shui- bian's"One Country on Each Side"Theory and Its Effects on Cross- Straits Relations. *Taiwan Research Quarterly*. 2 (1), 6.

37 Benson B V, Niou E M S. Public opinion, foreign policy, and the security balance in the Taiwan Strait[J]. Security Studies, 2005, 14(2): 274-289.

38 Garver J W. Face off: China, the United States, and Taiwan's democratization[M]. University of Washington Press, 2011.

concern for Taiwan[39]. But the study of Keyuan Zou, who is the Professor from Lancashire Law School, argued that in order to maintain national unity within the context of the rise of pro-independence forces, the mainland should make it clear its deterrence was completely based on Anti-Secession Law, because the seriousness of law made the threat of using force against separatist movements more credible[40].

Other scholars emphasized the importance of the CCP's cooperation with the pan-blue political alliance, which includes the KMT and other political parties that openly endorsed the One China principle. For example, Beijing Union University's Professor Xu Bodong analyzed the KMT's cooperation with the CCP during the period of the Chen Shui-bian administration from 2000 to 2006, arguing that Beijing can win Taiwanese people's hearts and minds because Taiwan's society has benefited from these cooperation, and therefore reduce Taiwan's social support for the pro-independence stance[41]. The idea that cross-strait cooperation can increase the possibility of national unification is supported by more scholars after the KMT won the 2008 election. For example, Dr. Liu Ge from Tsinghua University concluded in his analysis that cross-strait exchanges and cooperation after Ma Ying-jeou came to power would let people on both sides benefit, and therefore gradually eliminate Taiwanese society's hostility against the mainland, reducing barriers for achieving unification[42]. Professor Zhang Guanhua from Chinese Academy of Social Sciences reviewed the rapid development of cross-strait economic exchanges after 2008, especially the huge income brought by tourists from the mainland, believing Taiwan that has benefited from such exchanges was unlikely to take any separatist actions to provoke Beijing[43]. Dr. Bonnie Glaser and Dr. Brad Glosserman from the China Power Project at CSIS also agreed that the result of Taiwan's 2008 presidential election and Ma Ying-jeou's position of "no independence" has shown that the pro-independence forces in Taiwan was not as strong as it declared to be[44].

But for the cross-strait economic exchanges, western scholars had a relatively negative opinion compared to their Chinese counterparts. As early as in 1992, Professor Emerson M. S. Niou from Duke University and Professor Peter. C. Ordeshook from California Institute of Technology argued that China sought to transfer its economic power into a political leverage over Taiwan[45]. Obviously, most Taiwanese scholars held the same view, such as Professor Yu-Shan Wu[46],

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[39] Chang W, Chao C. Managing stability in the Taiwan Strait: non-military policy towards Taiwan under Hu Jintao[J]. Journal of Current Chinese Affairs, 2009, 38(3): 99-118.

[40] Keyuan ZOU. Governing the Taiwan Issue in accordance with law: An essay on China's anti-secession law[J]. Chinese Journal of International Law, 2005, 4(2): 455-463.

[41] Xu Bodong, Li Zhenguang. (2007). The KMT's Mainland Policy and Its Trend. *Modern Taiwan Studies* . 1 (1), p31-36.

[42] Liu Ge. (2014). Political, Cultural and Social Effect of Cross-Strait Economic Cooperation. *Journal of Anhui Normal University(Humanities & Social Sciences Edition)* . 4 (4), p502-508.

[43] Zhang Guanhua. (2015). Reviewing and Summarizing Experiences of Cross-Strait Economic Cooperation since 2008. *Taiwan Studies*. 1 (4), p23-29.

[44] Glaser B S, Glosserman B. Promoting Confidence Building Across the Taiwan Strait[M]. CSIS, 2008.

[45] Niou E M S, Ordeshook P C, TAN G F. Taiwanese Investment in Mainland China as a Policy Tool[J]. Issues & Studies, 1992, 28(8): 14-31.

[46] Wu Y S. Mainland China's Economic Policy Toward Taiwan: Economic Needs or Unification Scheme[J]. Issues & Studies, 1994, 30.

Professor Tse- Kang Leng[47], Professor Tun-jen Cheng[48], and Professor Steve Chan[49], all believing that the mainland was using economic exchanges to force Taiwan to accept national reunification. Professor Christopher M. Dent from White Rose East Asia Center supported the view that Taiwan's economy was pulled by the PRC economy within the context of burgeoning growth of cross-strait economic exchanges, suggesting that Taipei should concern about its economic security in the face of further economic integration with the mainland[50]. Professor Paul J. Bolt from University of Illinois even declared that Taiwan's businessmen were used by Beijing to impose political pressure on the Taiwan authorities[51].

For the effect of economic exchanges between the two sides, Professor Douglas B. Fuller from King's College London argued that Taiwanese investment played a significant role in China's rapid economic growth, such as training Chinese engineering elites and pushing Chinese technological development[52]. In other words, it was mainland China rather than Taiwan that benefit from the cross-strait economic exchanges. Professor Shu Keng, Professor Lu-huei Chen, and Professor Kuan-bo Huang from Soochow University pointed out that Taiwanese people's perception of economic and cultural exchanges across the strait was not only related to their economic interest, but also largely influenced by their position on the unification and independence issue[53]. Professor Chen-yuan Tung from National Chengchi University, unlike many Taiwanese politicians and scholars who worried about the mainland would use economic threat to force Taipei to give up its current political autonomy and gradually meet Beijing's demand on national unification, argued that economic interdependence actually constrained the mainland's capability to use economic leverage against Taiwan[54]. Professor Phillip C. Saunders added that China's increasingly trade dependent economy would also face huge pressures from the US if it used economic leverage to threaten Taiwan[55]. Dr. Terry Cooke from the University of Pennsylvania also agreed that it was very unlikely that Beijing would impose pressure on Taiwan's economy, because within the context of economic globalization, such behavior might create negative impact on foreign companies and countries, and therefore elicited discontent from the international community toward the Chinese government[56]. Dr. Addison Craig had similar view, arguing that a broad economic sanction was too costly for mainland China because Taiwanese

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47 Leng T K. A political analysis of Taiwan's economic dependence on mainland China[J]. Issues & Studies, 1998, 34(8):132-154.
48 Cheng T. China-Taiwan economic linkage: Between insulation and superconductivity[J]. Dangerous Strait: The US-Taiwan-China Crisis, 2005: 93-130.
49 Chan S. The politics of economic exchange: Carrots and sticks in Taiwan-China-US relations[J]. ISSUES AND STUDIES-ENGLISH EDITION-, 2006, 42(2): 1.
50 Dent C M. Being pulled into China's orbit? Navigating Taiwan's foreign economic policy[J]. Issues & Studies, 2001, 37(5):1-34.
51 Bolt P J. Economic ties across the Taiwan Strait: Buying time for compromise[J]. Issues & Studies, 2001, 37(2): 80-105.
52 Fuller D B. The Cross-Strait economic relationship's impact on development in Taiwan and China: Adversaries and partners[J]. Asian Survey, 2008, 48(2): 239-264.
53 Keng S, Chen L, Huang K. Sense, sensitivity, and sophistication in shaping the future of cross-Strait relations[J]. ISSUES AND STUDIES-ENGLISH EDITION-, 2006, 42(4): 23.
54 Cross-strait economic relations: China's leverage and Taiwan's vulnerability[J]. 問題與研究, 2003, 39(3): 137-175.
55 Saunders P C. Supping with a long spoon: dependence and interdependence in Sino-American relations[J]. The China Journal, 2000: 55-81.
56 Cooke T. Cross-Strait Economic Ties and the Dynamics of Globalization[J]. Cross-Strait Economic Ties: Agent of Change, or a Trojan Horse, 2008: 8-11.

investment toward the mainland would be also seriously damaged[57]. Professor Gerald Chan from the University of Auckland examined the economic and social exchanges across the strait, arguing that Beijing did not always gain advantage in its interaction with Taipei[58]. Furthermore, Dr. Karen M. Sutter from US-China Business Council argued that Taiwan's businessmen would prefer to refrain from any engagement in political issues, implying that businessmen were unlikely to meet Beijing's demand[59]. Dr. Choon Yin Sam from TMC Education Corporation Limited, Singapore, also had a pessimistic view about economic exchanges across the strait, arguing that economic integration between Taiwan and the mainland is almost impossible as long as two sides' authorities fail to reach a political consensus while they are able to exert much influence on business behavior[60]. This kind of opinion has been proved by Professor Yu Yi Wen, who made it clear that Beijing's policies which were beneficial for Taiwan failed to attract Taiwanese businessmen, and the relation between two sides' industries was transformed from a cooperation to a more intensive competition[61]. In general, effects of economic exchanges promoted by the mainland may not be consistent with Beijing's target.

It seems that most scholars agreed that Beijing had few effective measures for promoting unification. For instance, Dr. Alan D. Romberg from the East Asia Program at the Stimson Center in Washington, D.C. argued that in order to maintain peace and stability across the strait, a formal and enduring framework of negotiation for cross-strait relation must be established. But according to his view, this step was very difficult to reach, even though the two sides have made several achievements in the phase of discussing practical issues[62]. Professor Li Yihu from Peking University also noted that sustainable development of cross-strait relations has almost touched the phase of political negotiations, which would inevitably involve how Beijing and Taipei to identify each other, but Ma Ying-jeou did not give any positive response to Beijing[63]. Professor Guo Jianqing from Academy of Social Sciences in Fujian even offered a more straightforward conclusion that Ma Ying-jeou gave more weight to Taiwan's relations with the US and Japan rather than the cross-strait relations, arguing that Beijing can hardly make much progress for achieving cross-strait unification even when the anti-independence pan-blue forces was in power[64]. Some western scholars, such as Dr. Stephen J. Flanagan, believed nationalist sentiment could create negative impact on Beijing's policy making because it gave Chinese military more opportunities to lobby the government to formulate more coercive security policies[65]. But Dr.

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[57] Addison C. Silicon Shield: Taiwan's Protection Against Chinese Attack[M]. Fusion Press, 2001.
[58] Chan G. Diplomacy across the Taiwan strait: From competition to cooperation?[J]. East Asia, 2004, 21(1): 24-39.
[59] Sutter K M. Business dynamism across the Taiwan Strait: the implications for cross-strait relations[J]. Asian Survey, 2002, 42(3): 522-540.
[60] Sam C Y. Economic management in Taiwan and Mainland China: Why and how they have been politicized[J]. Global Economic Review, 2007, 36(1): 69-87.
[61] Yu Y W, Yu K C, Lin T C. Political Economy of Cross-Strait Relations: is Beijing's patronage policy on Taiwanese business sustainable?[J]. Journal of Contemporary China, 2016, 25(99): 372-388.
[62] Romberg A D. Cross-Strait Relations: First the Easy Steps, Then the Difficult Ones[J]. China Leadership Monitor, 2008, 26: 1-31.
[63] Li Yihu. (2014). Significance and Solution of Identifying Taiwan's Status.*Journal of Peking University(Philosophy and Social Sciences)*. 1 (1), p137-144.
[64] Guo Jianqing. (2013). From Old 'Three Noes' to New 'Three Noes': Ma Ying-jeou's Cross-Strait Policy in his Second Term. *Modern Taiwan Studies*. 4 (4), p12-15.
[65] Flanagan, Stephen J. The People's Liberation Army and China in transition /[M]. National Defense University Press, 2003.

Erica Strecker Downs from Rand Corporation, along with Professor Phillip C. Saunders, denied that rising nationalism in China was able to drive the Chinese government to take irrational actions against Taiwan, arguing instead that the Chinese leadership was not constrained by nationalists when dealing with sensitive foreign policies regarding territorial disputes[66]. But they contended this was because Beijing gave more weight to China's economic growth. There were also a few scholars, such as Professor David M. Lampton from the Johns Hopkins University, who seemed to be optimistic that China's foreign policy will become more pluralistic, implying that moderate and liberal views toward Taiwan may become acceptable[67].

In addition to researches that focused on cross-strait relations, a few scholars' studies about the impact of China's rise on the Asia-Pacific region and the world also involved the Taiwan Issue. For example, Professor Zhang Wenmu from Strategic Problem Research Center of Beihang University comprehensively analyzed China's security interests from a geopolitical perspective, concluding that without cross-strait unification, China was not only unable to realize its strategic goal of becoming a maritime power, but even unable to secure its own coastal areas in regional conflicts. He also pointed that if two sides eventually achieve unification, China will be in a very favorable position in resolving territorial dispute with its neighboring countries[68]. But the number of such studies is relatively small. Most scholars concerned about the influence of China's rise on Beijing's options of how to realize its targets. For example, Professor James R Holmes and Professor Toshi Yoshihara from the Strategy and Policy Department at the U.S. Naval War College believed that the growth of Chinese national strength has triggered Beijing's demands for maritime interests, and made Beijing's policy on the relevant issues become increasingly tough[69]. M. Taylor Fravel, who is the associate Professor of Political Science and a member of the Security Studies Program at MIT, also concerned about the territorial disputes between China and its neighboring countries, arguing that the possibility that China may use force to resolve such disputes should not be ruled out. Similarly, his reason is the rising economic strength and political influence of China has made Beijing more confident in protecting its significant interests[70]. But such studies rarely gave any specific analysis about the Taiwan Issue.

There are also a few scholars noticing the situation across the Taiwan Straits is linked to China's internal stability. From their perspective, the separatist movements in the name of ethnic self-determination have posed a serious threat to legitimacy of Chinese government and stability of Chinese society. Professor Yang Mansu from Yunnan University and Professor Zhang Jiadong from Fudan University examined the development of separatism in the world history, analyzing the damage of such movements for the territorial integrity of multi-ethnic countries such as

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[66] Downs E S, Saunders P C. Legitimacy and the limits of nationalism: China and the Diaoyu Islands[J]. 2012.

[67] Lampton D M. The Making of Chinese Foreign and Security Policy in the Era of Reform, 1978-2000[M]// The making of Chinese foreign and security policy in the era of reform, 1978-2000 /. Stanford University Press, 2001:438-439.

[68] Zhang Wenmu (2012). Analysis of China's Security Interests in World Geopolitics. Beijing: China Social Science Press . p166-167.

[69] James R. Holmes and Toshi Yoshihara，Chinese Naval Strategy in the 21st Century: The Turn to Mahan，Routledge，2009，p54.

[70] M. Taylor Fravel. (2007/2008). Power Shifts and Escalation: Explaining China's Use of Force in Territorial Disputes. International Security. 32 (3), 44-83.

China[71]. Analysis of Dr. Zhou Wanghong from Hebei Finance University made it more clear that damage of separatist movements can be intensified when different separatist groups cooperate with each other under certain conditions to fight their common enemy, that is the Chinese government. In such a case, Taiwan's pro-independence forces' activities will obtain support from other separatist groups, and encourage those groups to carry out corresponding movements, forming a domino effect which will lead to social unrest[72].

In a word, the study of cross-strait relations tends to give more emphasis to the role played by the pro-independence forces, offering a detailed analysis about its damage to Beijing's pursuit of unification. The shortcomings of this kind of study are obvious. First of all, they did not pay enough attention to relations among the pro-independence forces, anti-independence forces, and Taiwan society, failing to find the mechanism behind the phenomenon, and therefore give no appropriate solution. Secondly, although scholars who researched cross-strait relations usually emphasized importance of the Taiwan Issue for China's interests, they did not offer a detailed discussion about which interests are involved in the issue. This may lead to the dispute about the priority of Taiwan and other issues in Chinese foreign policy making process. The third problem of these studies is that they ignored influence of other actors involved in the Taiwan Issue, leading to a very inaccurate conclusion that Beijing will be able to achieve national unification as long as mainland China can resolve the negative effect created by Taiwan's pro-independence forces.

For the third problem, a group of scholars have combined Taiwan Issue with the Sino-US relations, offering relatively more convincing conclusions. For example, Professor Jean Garrison from the University of Wyoming reviewed US policy evolution from Nixon to G. W. Bush toward China, analyzing the influence of China's rise on US commitment to Taiwan[73]. Taiwanese scholars, such as Professor Chen-yuan Tung from National Chengchi University, pointed out that in the past, especially during the period of China's third generation leadership, what China concerned most was the negative impact of Taiwan Issue on China's economic modernization. He argued that Beijing did not have sufficient power and its policy for dealing with Taiwan's pro-independence movements actually relied on the US influence on Taipei[74]. Professor Phillip C. Saunders from the National Defense University's Institute for National Strategic Studies in Washington, D.C. , like many other US scholars, emphasized a potential threat to the US interest created by China's pursuit of achieving unification with Taiwan. After analyzing the long term trend shaped by domestic situations in the mainland, Taiwan, and the US, Saunders predicted that conflict among these three actors may lead to future instability in the area[75]. Similarly, Dr. Ted Galen Carpenter from the Cato Institute was also worried about the ultimate outcome of the Taiwan Issue, arguing that there may be an inevitable Sino-American military confrontation in the future because Taiwan,

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[71] Yang Mansu, Zhang Jiadong. (2002). National Separationism and Its Impact. *International Review*. 1 (1), p27-32.
[72] Zhou Wanghong. (2009). Maintaining High Alert on Pro-independence Forces in Taiwan, Tibet and Xinjiang to Follow Each Other. *A Summary of the Annual Meeting of Hebei Social Sciences in 2009*.
[73] Garrison J A. Making China Policy: From Nixon to GW Bush[M]. Boulder and London: Lynne Rienner Publishers, 2005.
[74] Tung C. An assessment of China's Taiwan policy under the third generation leadership[J]. Asian Survey, 2005, 45(3): 343-361.
[75] Saunders P C. Long-term trends in China-Taiwan relations: implications for US Taiwan policy[J]. Asian Survey, 2005, 45(6): 970-991.

China, and the US pursue different goals[76]. Professor Steven Goldstein from Smith College and then Deputy Assistant Secretary of State Randall Schriver analyzed the importance of the Taiwan Relations Act, pointing out that the Congress is able to impose more pressures on the US president if he or she is not upholding the TRA, generating more policies in favor of Taiwan's interests[77].

Some of these studies gave more weight to Taiwan Strait Crisis. For example, Professor Zhang Chunying from Zhongnan University of Econimics and Law pointed out that during the period of the First and Second Taiwan Strait Crisis, the United States invested its main energy in creating "Two Chinas" in the international community, because Washington on one hand wished to obstruct the mainland's military liberation, while on the other hand, refused to get involved in a direct military conflict with the mainland[78]. Stanford University Professor Gordon H. Chang gave a more detailed analysis about the Eisenhower Administration's Taiwan policy making during that period, pointing out that the US internal disagreement between the White House and the US army on how to deal with the mainland's military actions shaped the US actual behavior in the crisis[79]. The Third Taiwan Strait Crisis occurred in 1995-1996 was paid more attentions by western scholars, such as Boston College's Professor Robert S. Ross[80], and University of Arizona's Professor Allen S. Whiting[81], as well as Georgetown University's Professor Andrew Scobell[82]. But their point of views are almost exactly the same, which is how China's dramatic military actions changed its previous image for the international community and seriously damaged regional security and stability. Other American scholars, such as Professor Harry Harding from George Washington University[83], then Chairman of American Institute in Taiwan Richard C. Bush[84], and Professor Joseph S. Nye[85], also worried that the cross-strait relationship was not stable and warning that history could easily repeat itself. According to these US scholars, the Taiwan Strait Crisis is solely caused by China, and Washington must take effective measures to contain Chinese assertive behaviors in the future. By contrast, a small number of Chinese graduate students analyzed the crisis from the perspective of the Game Theory, hoping to find out what kind of interactions between China and the US can better avoid the outbreak of serious conflict. For example, Shen Hexue from East China Normal University used theories and models proposed by Glenn Snyder and Paul Dyson in her analysis and pointed out that China and the US were

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[76] Carpenter T G. America's coming war with China: a collision course over Taiwan[M]. Macmillan, 2015.
[77] Goldstein S M, Schriver R. An Uncertain Relationship: The United States, Taiwan and the Taiwan Relations Act[J]. The China Quarterly, 2001, 165: 147-172.
[78] Zhang Chunying. (2000). Chiang Kai-shek's Five Times Resistance against the US Plan of Separating Taiwan from China. *Liang An Guan Xi*. 12 (1), p22-26.
[79] Chang G H. To the nuclear brink: Eisenhower, Dulles, and the Quemoy-Matsu crisis[J]. International Security, 1988, 12(4): 96-123.
[80] Ross R S. The 1995–96 Taiwan Strait confrontation: Coercion, credibility, and the use of force[J]. International Security, 2000, 25(2): 87-123.
[81] Whiting A S. China's use of force, 1950–96, and Taiwan[J]. International Security, 2001, 26(2): 103-131.
[82] Scobell A. Show of force: Chinese soldiers, statesmen, and the 1995–1996 Taiwan Strait crisis[J]. Political Science Quarterly, 2000, 115(2): 227-246.
[83] Harding H. Toward a Modus Vivendi in the Taiwan Strait[C]//International Conference on" US-Taiwan Relations: Twenty Years after the Taiwan Relations Act," Institute of European and American Studies, Academic Sinica. 1999: 9-10.
[84] Bush R C. The US-Taiwan-PRC Triangle, Mid Year[C]//Annual Conference of the Taiwan Chamber of Commerce of North America, Chicago. 1999.
[85] Nye J. A Taiwan Deal[J]. Washington Post, 1998, 8: C7.

experiencing a variety of different game process in this nearly ten-month crisis, explaining why the tension was finally eased[86].

Based on the analysis of the Taiwan Strait Crisis, scholars made their conclusion about the US position on the Taiwan Issue. The leading expert in Chinese studies, professor David Shambaugh from George Washington University, like many other US scholars, concerned about China's steady military build-up in recent decades, arguing this increasing military capabilities might create negative influence on the peace and stability across the strait[87]. However, while concerning about Chinese potential threat toward Taiwan's security, many US scholars, such as Dr. Michael O' Hanlon, argued that the mainland lacked sufficient military capabilities to take over Taiwan by force[88]. This kind of argument actually revealed that most US scholars are confident in the US relative power to curb Chinese military actions, without prudently examining interests of both countries involved in the Taiwan Issue. For example, Professor Michael S. Chase from the Pardee RAND Graduate School recognized there was a trend that the US government continued to reinforce its support to Taiwan through larger arms sales and stronger statements about coming to aid if the island were attacked by the PRC, and argued that the security cooperation between the US and Taiwan would make Washington well prepared for a future Taiwan Strait contingency while simultaneously imposing more pressures on Beijing[89].

Professor Yu Zidao from Fudan University[90] and Director Pan Jingguo from Party Documents Research Office of the CPC Central Committee[91] both analyzed the fact that the US government did not support Taipei's policy of retaking mainland in the 1950s, pointing out that the US target was only obstructing cross-strait unification rather than starting a direct warfare with the mainland. Professor Pan Zhongqi from Fudan University held the same view that the United States tried to avoid military conflict with the mainland when dealing with cross-strait tensions[92]. Professor Qian Zhenqin and Dr. Wang Jianke from PLA University of Science and Technology analyzed changes in the US policy towards Taiwan since the late 1940s, arguing that such policy evolution was to seek permanent separation between Taiwan and the mainland[93]. In fact, most Chinese scholars agree that current US target is to maintain peace and stability across the strait, which means the US has successfully maintained Taiwan's *de facto* independence while avoiding to get involved in a direct military conflict with the mainland. However, Professor Wu Xinbo from Fudan University argued that opposing any unilateral changes in the status quo is not Washington's real target,

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[86] Shen Hexue. (2013). Analyzing Game between the US and China in Taiwan Strait Crisis during 1995 to 1996. *East China Normal University Master's thesis*.
[87] Shambaugh D. A matter of time: Taiwan's eroding military advantage[J]. Washington Quarterly, 2000, 23(2): 119-133.
[88] O'Hanlon M. Why China Cannot Conquer Taiwan[J]. International Security, 2000, 25(2): 51-86.
[89] Chase M S. US-Taiwan Security Cooperation: Enhancing an Unofficial Relationship[J]. Dangerous Strait: The US-Taiwan-China Crisis, 2005: 162-85.
[90] Yu Zidao. (2006). The Third Taiwan Strait Crisis: Taiwan's Military Counterattack and US Policy. *Military History Research* . 1 (1), p67-82.
[91] Pan Jingguo, Zhang Yin. (2001). Conflict between Chiang Kai-shek's Retaking Mainland and US Taiwan Policy. *Taiwan Studies*. 3 (3), p71-75.
[92] Pan Zhongqi. (2003). Three Problems Faced by Strategic Ambiguity of US Policy towards Taiwan. *World Economics and Politics*. 1 (1), p21-25.
[93] Qian Zhenqin, Wang Jianke. (2008). Five Times Adjustments in US Policy towards Taiwan. *Social Sciences in Nanjing*. 6 (6), p62-69.

believing that US government is actually pursuing Taiwan's peaceful independence[94].

Compared to those studies only focusing on cross-strait relations, scholars who take into account the US position have provided different conclusions on how the mainland can achieve unification. Associate Research Fellow Wu Xianbin from Chinese Academy of Social Sciences clearly argued that the US-Taiwan military relations is the biggest obstacle to the realization of reunification, suggesting that Beijing should appropriately deal with challenges from such military alliance[95]. Dr. Zhang Jincui from Fudan University also pointed out that the United States concerned about the gap of military strength across the strait within the context of China's rise, and tried to improve Taiwan's defensive capabilities through arms sales, which would undoubtedly make it more difficult for Beijing to achieve national unification[96]. It seems that most Chinese officials agreed that the US would take actions to block Chinese pursuit of unification, but there were optimistic views about the degree of this potential intervention. For example, Director Gong Xiaoxiong and Associate Research Fellow Cong Hongquan from of the United Front Work Department of the CPC Central Committee both argued that before taking military intervention, the US government will have to take into account of the facts that China is a permanent member of the UN Security Council and a nuclear power, and most US allies may not be able to offer any effective support for US in such a dangerous warfare. In such a case, the US intervention may be not as powerful as Taiwan has expected[97]. Meanwhile, many Chinese scholars' researches about the US potential intervention give more weight to the attitude of the US society for the Sino-American military conflict, believing that the US society can hardly tolerate the risk of involving in an all-out war with China, which will constrain Washington in making its decision to send troops to the Taiwan Strait[98]. It is noteworthy that American scholars are also very cautious on this subject. For example, Professor Robert S. Ross believed there is not enough evidence that the US must intervene in the conflict across the Taiwan Strait at the cost of damaging Sino-US relations[99]. Professor Thomas J. Christensen from Princeton University also pointed that even if containing the mainland is necessary, the US still faces the problem about how to control the degree of such intervention. Like many other American scholars, he agreed that the current approach adopted by Washington not only works well but also can be recognized as the only realistic option for the US[100]. The RAND Corporation's scholars such as David A. Shlapak, seemed to hold a similar point of view that emphasized the significance of interfering in the Taiwan Straits but did not endorse military actions against China[101].

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[94] Wu Xinbo. (2006). Taiwan Issue: New Situation of Sino-American Interaction. *International Studies*. 5 (5), p6-13.
[95] Wu Xianbin. (2003). The Background and Influence of US-Japan Alliance's Promotion. *Contemporary Asia-Pacific Studies*. 2 (2), p14-20.
[96] Zhang Jincui. (2006). 2006 Report of the Military Power of the PRC and the US new Strategy. *Forum of World Economics & Politics* . 15 (5), p84-90.
[97] Gong Xiaoxiong, Cong Hongquan. (2000). Restrictions on US Military Intervention in Taiwan Issue. *Contemporary Social Science Perspective*. 1 (1), p2-5.
[98] Yu Yongsheng. (2005). Cross-Strait War: A Cost US Cannot Afford.*Liluncankao*. 5 (5), p53-54.
[99] Ross R S. Navigating the Taiwan Strait: Deterrence, Escalation Dominance, and US-China Relations[J]. International Security, 2002, 27(2): 48-85.
[100] Thomas J. Christensen. The contemporary security dilemma: Deterring a Taiwan conflict[J]. Washington Quarterly, 2002, 25(4):5-21.
[101] Shlapak D A, Orletsky D T, Wilson B A. Dire Strait? Military Aspects of the China-Taiwan Confrontation and Options for US Policy[R]. RAND CORP SANTA MONICA CA, 2000.

In general, through analyzing the US impact on the Taiwan Issue, this group of scholars conclude that the mainland's pursuit of national unification will certainly suffer intervention from the United States, and the degree of this intervention will decide whether the unification can be achieved. It is interesting that some Chinese policies toward Taiwan will be welcomed from some US scholars while simultaneously being recognized as a potential threat to US interest by other scholars. Christensen's explanation is there are two competing perspectives to judge the trend in the region. But this study will prove it is actually related to US interests at different levels.

Compared to a large number of studies about the US influence on the situation across the Taiwan Straits, attentions paid by scholars to Japan's role in the Taiwan Issue is much less. The chief exception are studies focusing on Japan-Taiwan relations. For example, Professor Zhai Xin from Shanghai Jiao Tong University reviewed the history that Japan once wished the US to support the PRC to join in the UN on the premise of maintaining the ROC's status, arguing that Japan's real purpose was creating "Two Chinas" in the international community, and this purpose did not change in the following period[102]. Dr. Gao Shiying from Changchun University of Science and Technology and Professor Chen Jingyan from Jilin University made similar argument, pointing out that Japan formulated a series of policies to ensure its economic relations with the mainland would not damage its political ties with Taiwan. Trying to maintain relations with both sides across the strait at the same time, from these scholars' point of view, was an effort to create "Two Chinas"[103]. By analyzing Japan's policy towards Taiwan in the post Cold War era, Professor Ba Dianjun, who is a famous expert on Japan-Taiwan relations from Jilin University, even argued that Japan has never given up its ambition on Taiwan, believing Tokyo will try to regain its control over Taiwan through deepening its unofficial relations with Taipei[104]. A few scholars, such as Dr. Cai Liang from Shanghai Institute for International Studies, analyzed the political exchanges between Japan and Taiwan after they broke off diplomatic relations, especially the fact that Tokyo and Taipei both established semi official agencies playing the role of diplomatic embassy and increased mutual visits between senior officials, arguing that Japanese politicians actually have already negated the One China principle[105]. Although they have realized that Tokyo is involved in the Taiwan Issue, these studies usually give little analysis on how Japan will affect the mainland's pursuit of national unification.

By contrast, western scholars preferred to give more weight to Japan's security concern in the Taiwan Strait. Professor Willy Lam from Chinese University of Hong Kong argued that Taiwan should be recognized as a key component of both Chinese and Japanese security requirements[106]. Despite China's increasing military capabilities, Professor Robert Sutter from the George Washington University pointed out that in order to defend its interests in relevant sea areas,

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[102] Zhai Xin. (2008). Creation and Failure of Ikeda Administration's 'One China, One Taiwan' Policy. *Contemporary China History Studies* . 6 (6), p81-87.
[103] Gao Shiying, Chen Jingyan. (2011). Japan's China Policy of Separating Economy from Politics in the Post-War era. *Northeast Asia Forum* . 20 (3), p85-91.
[104] Ba Dianjun, Yu Hongyang. (2014). The Political Interpretation of Japan-Taiwan Relations. *Journal of Beihua University (Social Sciences)* . 1 (1), p52-58.
[105] Cai Liang. (2010). Characteristics and Changes of Communication Channels between Japan and Taiwan after Diplomatic Cessation.*Japanese Studies*. 6 (6), p17-28.
[106] Lam W. Beijing's Reaction to East Asia's Changing Alliances[J]. China Brief, 2004, 4(15): 2.

Beijing will try to control the continental shelf and nearby islands such as Taiwan[107]. Professor Mohan Guruswamy, Jeevan Prakshi Mohanty and Ronald Joseph Abraham from the Center for Policy Alternatives, New Delhi, argued that China's inability to resolve the Taiwan Issue has increased Beijing's security anxiety[108]. In such a case, Professor James R. Holmes and Professor Toshi Yoshihara from the U.S. Naval War College argued that China will pursue national reunification in order to exercise successful defense of its maritime interests[109]. Within this context, Dr. Jason J. Blazevic mentioned in his study that Japanese authorities will view the loss of Taiwan's status of "long-standing *de facto* independence" as a serious threat to Japanese maritime lifeline[110]. Furthermore, Dr. Christopher W. Hughes from the ESRC center believed that Japan is inclined to make strong response to this potential threat, which means the Japanese government will take necessary actions to block China's pursuit of reunification[111]. In fact, in the early 1980s, Japan's Comprehensive National Security Study Group pointed out a potential military conflict in the Taiwan Strait was bound to threaten Japan's territorial security and maritime transport[112]. Scholars, such as Dr. Pehrson, Christopher J. from Strategic Studies Institute, United States Army War College, also agreed that China's policies of achieving reunification will damage the status quo across the Taiwan Strait, leading Japan to be at a disadvantage and even incapable of defending its interests[113].

Dr. Euan Graham from the Lowy Institute also agreed that an unified China would have a huge impact on Japan, and he pointed out that even without using force, the mainland can still constitute a heavy blow to both Japan and Taiwan through blockading the sea area near the Taiwan Strait, and that is why Japan has to obstruct such unification[114]. In his study, Dr. Graham mentioned a few Japanese scholars, such as N. Tanaka and H. Takase, hold the opinion that in order to reduce the threat of cross-strait conflict to Japan, Tokyo should unite Taipei to resist Beijing's policies and behaviors[115]. Professor Thomas J. Christensen held similar opinion, arguing that China's coercive policy toward Taiwan and China's domestic anti-Japanese protests have contributed to an improved ties between Japan and Taiwan[116]. Meanwhile, some scholars pointed out that according to Treaties of Security and Safeguard between Japan and United States, Japan is able to intervene in the Taiwan Issue through US-Japan alliance's actions. For example, Professor Zhou Yongsheng from China Foreign Affairs University noted that Japan's political elites have a clear consensus

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[107] Sutter,Robert (2005). China's rise in Asia: promises and perils. Lanham: Rowman & Littlefield Publishers. p64-65.
[108] Guruswamy M, Mohanty J P, Abraham R J. The Rise of China: Perspectives from Asia and[J]. Europe, New Delhi: Pentagon Press, 2008.
[109] JAMES R. HOLMES, TOSHI YOSHIHARA. The Influence of Mahan upon China's Maritime Strategy[J]. Comparative Strategy, 2005, 24(24):23-51.
[110] Blazevic J J. The Taiwan Dilemma: China, Japan, and the Strait Dynamic[J]. Journal of Current Chinese Affairs, 2011, 39(4): 143-173.
[111] Hughes C W. Japan's response to China's rise: regional engagement, global containment, dangers of collision[J]. International Affairs, 2009, 85(4): 837-856.
[112] Comprehensive National Security Study Group, Report on Comprehensive National Security (unpublished government translation), 2 July 1980, p. 58.
[113] Pehrson C J. String of pearls: Meeting the challenge of China's rising power across the Asian littoral[R]. ARMY WAR COLL STRATEGIC STUDIES INST CARLISLE BARRACKS PA, 2006.
[114] Euan Graham. (2006). Japan's post-Cold War SLOC security. In: J. A. A. Stockwin Japan's Sea Lane Security 1940-2004: A Matter of Life and Death?. New York: Routledge. p173-201.
[115] N. Tanaka and H. Takase, 'Piracy and Ship's Safety: A View from the Shipping Industry', in Hamzah and Ogawa (eds), op. cit., p. 173; and Kawamura, ibid., p. 152.
[116] Christensen T J. Fostering stability or creating a monster? The rise of China and US policy toward East Asia[J]. International security, 2006, 31(1): 81-126.

that Japan must provide any necessary support once the United States takes actions in the Taiwan Strait[117]. Assistant Professor Lam Peng-Er in National University of Singapore also believed that Japan's geographic location and the US-Japan alliance have decided that Japan has no choice but to be involved in any serious conflict in the Taiwan Strait and provide support to the US military actions[118]. In fact, compared with Japan's relations with Taiwan, US-Japan alliance obtained more attention from scholars, such as Professor Thomas J. Christensen[119], Dr. Banning Garrett and Dr. Bonnie Glaser[120], as well as the George Washington University's Professor James R. Bailey[121] and so on. But the problem is that all of them focus on the interaction between US-Japan alliance and China in the security field, while Taiwan is only incidentally mentioned.

It is clear that scholars who focus on different topics will provide different conclusions. Those studying the cross-strait relations usually give more weight to the policy evolution in Beijing and Taipei, attributing the making and changing of those policies to political leaders' personal will, and emphasizing that the rise of pro-independence forces in Taiwan has become the largest obstacle to the mainland's pursuit of unification. In these cases, the conclusions offered by these scholars were usually about how to contain separatist movements rather than how to achieve unification. In contrast, scholars who take into account the US impact have paid more attention to the development of Sino-US relations, using the changing world situation in the post Cold War era to interpret the two countries' foreign policy adjustment. Their conclusion is that the US intervention rather than pro-independence forces should be regarded as the biggest obstacle to unification. However, regarding the degree of this possible intervention, scholars do not seem to reach agreement. Some have insisted that the US policy regarding the Taiwan Issue is not so extreme, implying that Washington may not concentrate all its efforts on obstructing the mainland's behavior to take over Taiwan. The last group is scholars who research Japan-Taiwan relations. They usually use Japanese historical and current contacts with the Taiwan authorities and society, and Japanese concerns about its security, to explain Tokyo's policies and behaviors in the Taiwan Issue. But compared with the pro-independence forces and the US intervention, obstruction caused by Japan has not been viewed by these scholars as a serious threat to the mainland's pursuit of national unification, but rather as a secondary variable that may create trouble through supporting separatist movements and being affiliated to the US strategy.

Obviously, these conclusions are oversimplified and insufficient to answer the question that how mainland China can achieve national unification, because they have ignored the fact that there are four actors involved in the Taiwan Issue, which indicates that analysis should not be limited to behavior of two or three actors. These four actors in the Taiwan Issue have formed a structure in which they mutually affect one other. More precisely, mainland China and Taiwan are the core of

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[117] Zhou Yongsheng. (1998). Japan's Diplomacy and Its Relations with the US in the Post Cold War era. *World Economics and Politics*. 11 (1), p66-70.
[118] Peng-Er L. Japan-Taiwan relations: Between affinity and reality[J]. Asian Affairs: An American Review, 2004, 30(4): 249-267.
[119] Christensen T J. China, the US-Japan alliance, and the security dilemma in East Asia[J]. International Security, 1999, 23(4): 49-80.
[120] Garrett B, Glaser B. Chinese Apprehensions about Revitalization of the US-Japan Alliance[J]. Asian Survey, 1997, 37(4): 383-402.
[121] Bailey J R, Chen C C, Dou S G. Conceptions of self and performance-related feedback in the US, Japan and China[J]. Journal of International Business Studies, 1997: 605-625.

this structure, and the United States is the most influential external factor that is close to the core, while Japan temporarily occupies the outmost layer of this structure and seemingly impacts the core through the US strategy. In such a case, to properly answer the research question, it is necessary to analyze all four actors and their interactions, rather than simply using mainland China's conflict with one of the other three actors as the conclusion.

Research Theory of This Study

It is worth to note that above studies have used either personal will of leadership, pressures created by the international structure, or interaction between the authorities and society as their independent variable. This implies that international system, the state, and individual person should be all incorporated into the research in order to provide a persuasive and comprehensive conclusion. Meanwhile, the Taiwan Issue is related to high politics, so realism seems to be more applicable than other paradigms. But this research will analyze policy making of each actor, explaining what they try to achieve and when they try to achieve that, so it should be based on a theory of foreign policy rather than a theory of international politics which focuses on outcomes of state interactions and only includes general assumptions about motivations of individual states. In such a case, options are limited: offensive, defensive, and neoclassical realism. For offensive realism, it tries to use systemic variable to explain state behavior, but ignoring domestic factors leads to the question which offensive realists cannot appropriately answer: why states in similar structural positions do not always act alike[122]. For adherents of defensive realism, although paying attention to domestic level variables, they do not show sufficient respect to the status of relative power, assuming international anarchy is benign and trying to explain most conflict by using internal variables introduced on an ad hoc basis[123]. Apparently, previous studies make it clear that domestic factors play significant roles in the Taiwan Issue, which implies pure systemic explanation may have difficulty to account for the behavior of each actor and thus cannot provide a persuasive conclusion about how to achieve unification. On the other hand, relative material power should be viewed as the dominant factor which shapes the broad pattern of any actor's policy making, because compared with all those domestic factors such as certain political leader's opinion or the rise of certain political force, relative power establishes the basic parameters of foreign policy. The scope and magnitude of an actor's policy is determined by the rise and fall of its relative amount of material power resources, and so that is where analysis of foreign policy should begin. In such a case, the neoclassical realism, which makes relative power as its chief independent variable for interpreting foreign policy making, while at the same time, points out that there is no direct link between relative power and foreign policy behavior because systemic pressures are translated through the unit level intervening variables, is a appropriate theory of foreign policy for analyzing the interaction among all four actors in the Taiwan Issue.

Neoclassical Realism and State Behavior

For internal factors used in explaining state behavior, neoclassical realists focus on the domestic political structure and the perceived relative power of decision makers. The former is the concept

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[122] Gideon Rose, "Neoclassical Realism and Theories of Foreign Policy", World Politics, Vol.51, No.1(Oct. 1998), p150.

[123] Gideon Rose, "Neoclassical Realism and Theories of Foreign Policy", World Politics, Vol.51, No.1(Oct. 1998), p151.

proposed by Zakaria's state-centered realism theory[124]. According to Neorealism, the international distribution of power determines the behavior of individual state, indicating that a country is bound to do external expansion when its relative power rises. However, Zakaria found that this cannot explain why the United States did not accordingly pursue greater political ambitions when its power was quickly rising in the second half of the 19th century. His explanation is that the US domestic political structure limited the government's capabilities to extract and direct resources from the society, which eventually prevented the country from transforming its growing national power at the international level into the state power at the domestic level, thereby inhibiting the US expansion plans[125]. In other words, the reason for a state's irrational behavior is that the change of national power at the international level may not necessarily result in the modification of foreign policy, because in many cases, national power does not transform directly into the state power, while the latter is the real basis on which a government can formulate its foreign policy. State power is the proportion of national power that the government can control for its own purpose through domestic mobilization, which is usually less than the country's overall strength. Therefore, what government concerns is how much national power can be allocated to the foreign policy, which is affected by the nation's domestic structure in the view of Zakaria.

Other scholars, such as Wohlforth, have focused more attentions upon policy makers' perceptions, emphasizing that international distribution of power can drive country's behavior only by influencing the decisions of flesh and blood officials. Considering the fact that political leaders are usually unable to obtain complete information and their capabilities to analyze information are also limited, they may overestimate or underestimate the real national power, and this inaccurate perception may ultimately lead to the deviation of foreign policy from the real requirements of international structure[126]. Once they realize such deviation, the current policies will be modified[127]. Like the concept of domestic structure, the perceived relative power is also used to constitute a new version of the international structure. Precisely, this perceived power can change much more easily and more frequently compared with the country's real national power or its state power, which means that changes in state behavior may be caused by the change of decision makers' perceptions rather than by real change in the international distribution of power. Therefore, it may be appropriate to define the international structure using perceived relative power rather than real relative power[128].

Thus, in this study, all four actors' policy adjustments and potential reaction to external pressure will be analyzed by these two intervening variables proposed by neoclassical realists, establishing a foundation for speculating how they may create a favorable environment for Chinese unification.

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[124] Fareed Zakaria (2001). *From Wealth to Power: The Unusual Origins of America's World Role*. Beijing: Xinhua Publishing House. p54-57.
[125] Zakaria F. From wealth to power: the unusual origins of America's world role[M]. Princeton University Press, 1999,p127.
[126] William C. Wohlforthm， The Elusive Balance: Power and Perceptions During the Cold War, Ithaca: Cornell University Press, 1993, p2-6.
[127] Stephen G. Brooks and William C. Wohlforthm "Power, Globalization and the End of the Cold War: Reevaluating a Landmark Case for Ideas", International Security, Vol. 25, No.3 (Winter 2000/2001), p27-33.
[128] William C. Wohlforthm， The Elusive Balance: Power and Perceptions During the Cold War, Ithaca: Cornell University Press, 1993, p294.

National Interests and the Range of Policy Adjustment

Apart from the reasons for policy adjustment, in order to analyze actors' interactions, it is still necessary to define the range of policy adjustment, which is related to the position each actor insists in the Taiwan Issue. To analyze this range, this study will focus on the relationship between relative power and national interest. There is perennial debate about just how the concept of national interest should be defined and operationalized, and realists have their own answers. According to Morgenthau, the concept of national interest contains two components: one that is logically required and, in that sense, necessary, and one that is variable and determined by circumstances[129]. More precisely, the invariable component of national interest is to protect the physical, political, and cultural entity called the nation, which is described by him as the "minimum features" that will not be affected by time and place. Therefore, it is the fundamental core of national interests and enjoys bipartisan political support in the making of foreign policy[130]. In addition, Morgenthau also believes there is a variable component of national interest, which is dependent on history or culture, including personalities, sectional interests, and public opinion[131].

In fact, Morgenthau's description of the invariable component of national interest, clearly covers today's concept of national security in a broad sense. In Morgenthau's opinion, this component is the most important interest that every country must realize. In contrast, he admits it is difficult or even impossible for science to explain the variable component, and he has never offered any clear explanation about the relationship between these invariable and variable components of national interest[132].

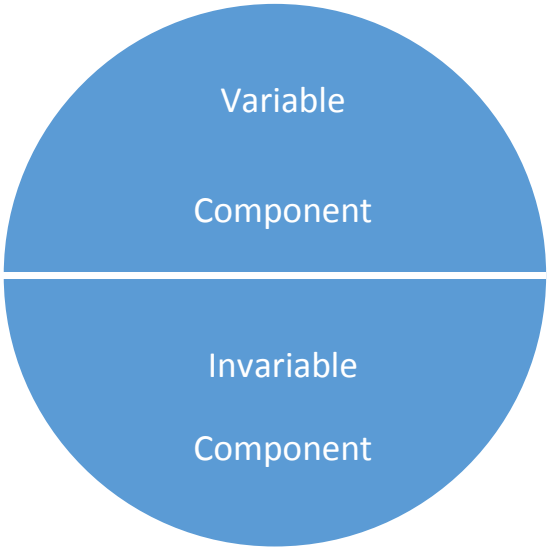


Figure 0.1 Morgenthau's concept of national interest

[129] Morgenthau H J. Another "Great Debate": The National Interest of the United States[J]. American Political Science Review, 1952, 46(04): 961-988.
[130] Morgenthau H J. An Defence of the National Interest: A Critical Examination of American Foreign Policy[M]. Alfred A. Knopf, 1951, p. 172.
[131] Burchill S. The national interest in international relations theory[M]. Palgrave Macmillan, 2005, p. 38.
[132] Burchill S. The national interest in international relations theory[M]. Palgrave Macmillan, 2005, p. 38.

In the view of neorealism, Waltz argues that the country is motivated by a desire for security, and whether the security can be obtained and maintained is determined by the relative power. Countries do not have a personality or any internal need to dominate other countries, but they do have a strong ambition to maximize their relative power, as this is the best way to ensure their security and survival in this anarchic international community[133]. Although national interest does not have a significant status in his theory, Waltz has largely improved the concept by revealing the relationship between relative power and national interests: in essence, the state's capability to achieve security is determined by its relative rather than absolute power. Thus he avoids the problem in Morgenthau's theory that countries pursue absolute power to realize national interest, which may eventually lead the power itself to be perceived as the national interest.

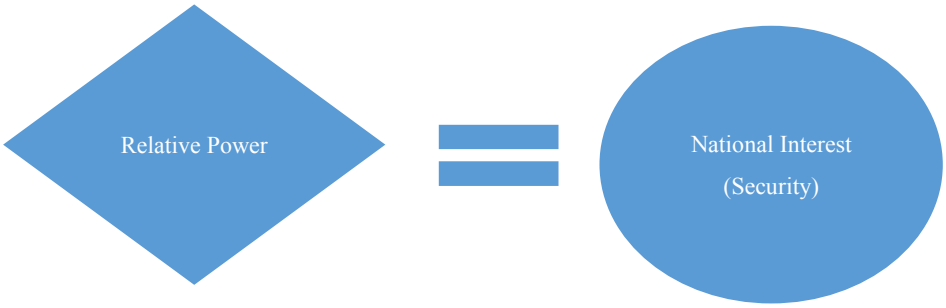


Figure 0.2 Waltz's argument of relations between national interest and relative power

Realists also generate two theories of foreign policy, which are offensive and defensive realism, to better interpret behavior of individual state. From the point of view of offensive realists, security is very scarce and must be recognized as a pressing issue, because the country cannot pursue any other target if it is conquered by its enemy. Therefore, the concept of national interest in offensive realism mainly refers to national security[134]. Similarly, defensive realism also focuses huge attention on national security, admitting that it is a fundamental interest of the country, and even implies that the state has no ambition to pursue other interests, such as overseas economic benefits or leadership in the international affairs once its security has been realized[135].

Indeed, no one can deny that any goals pursued by the state must not conflict with its security, indicating that security has priority over all other interests. But it is still very difficult to make a detailed description about all contents of national interest. In fact, scholars have gradually transferred their focus from the contents to the levels of interest. For example, the Commission on America's National Interests, which was established in 1992, has issued reports that divide the US national interests into four levels as vital interest, extremely important interest, just important interest, and secondarily important interest[136]. Dividing national interests into different levels is

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[133] Burchill S. The national interest in international relations theory[M]. Palgrave Macmillan, 2005, pp. 45-46.
[134] Mearsheimer, John (2003). *The Tragedy of Great Power Politics*. Shanghai: Shanghai People's Publishing House. p44.
[135] Fareed Zakaria (2001). *From Wealth to Power: The Unusual Origins of America's World Role*. Beijing: Xinhua Publishing House. P44.
[136] Commission on America's National Interests. (1996). AMERICA'S NATIONAL INTERESTS. Available: http://belfercenter.ksg.harvard.edu/files/americas_interests.pdf. Last accessed 13th June 2016.

not only better than offering an overly broad definition of national interest which will make the concept too ambiguous, but also successfully avoids the impossible task of listing all the contents of such concept. Therefore, it has actually promoted researches about a country's foreign policy and external behavior.

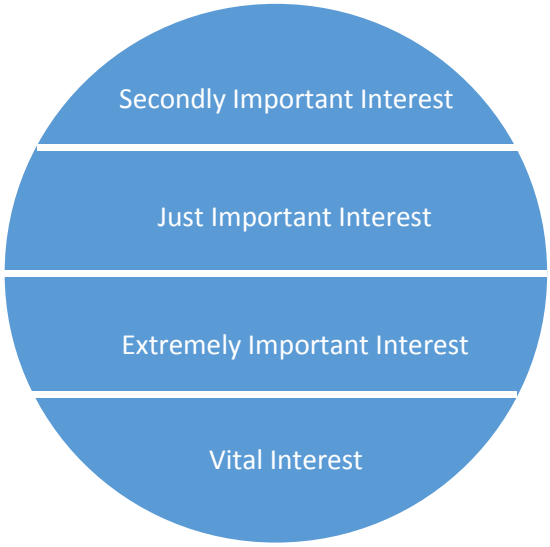


Figure 0.3 the Commission on America's National Interests' idea of dividing national interests into different levels

This method is consistent with previous theories, particularly their emphasis of national security. Precisely, the offensive and defensive realism's argument that no other interests is as significant as security, has revealed that different interests have different status, and the status is more or less equated to the concept of level here, into which national interests can be divided. However, this method used by the Commission on America's National Interests is defective, because it divides national interests into different levels according to each interest's urgency in foreign affairs during particular period. Urgency can be changed by the development of international situation, so one interest may be defined as a "just important interest" at one moment but then becomes a "secondarily important interest" if the tension is eased[137]. Obviously, this flaw is the result of ignoring the significant role of relative power emphasized by Waltz.

Combining all above thoughts of national interest with certain insights of neoclassical realism, the central feature of national interest used by this study will be defined. The most significant difference between neoclassical realism and neorealism or offensive realism is that, according to neoclassical realists, the focus of national interest should not be limited to national security. After admitting that there are other interests, neoclassical realists assume that countries will seek to control or shape their external environment to respond to the uncertainties of international anarchy. Therefore, national security should be put at the most fundamental level while dominating the world occupies the highest level, and between these two ends there are various other interests,

[137] Ni Shixiong (2001). Contemporary International Relations Theory. Shanghai: Fudan University Press . p256.

which are pursued by the state according to its material capabilities[138]. More precisely, when the state's relative power is growing, it will seek greater influence in the international community, but once its relative power falls, the policy makers' ambitions will shrink to the bottom line of maintaining national security and survival[139].

In the process of policy making, national interest becomes concrete target of foreign policy. Adopting external expansion or taking actions to balance the potential threats is determined by what kind of interest the state wishes to realize, and whether such target can be achieved depends on relative power of the state. It is noteworthy that a state can pursue interests at high levels only when interests at fundamental levels have been already realized. Otherwise, the policy makers are overestimating the relative power of their state, which can lead their fundamental interests to be damaged while the high level interests also fail to be realized. In essence, without choosing interest at the appropriate level, targets will be difficult to achieve, and the state will suffer punishment for misunderstanding the systemic pressure created by the international structure.

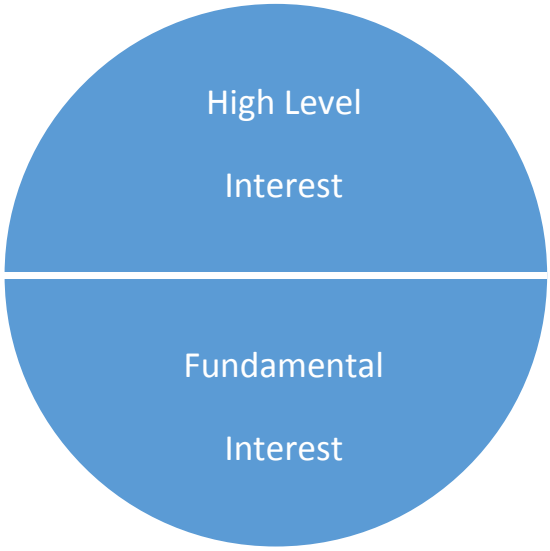


Figure 0.4 Neoclassical realism's concept of national interest

In summary:

1.Interests such as national survival and continuity, sovereignty, and territorial integrity are at the fundamental level, and what Morgenthau called the variable elements of the national interest should be replaced with state's external influence in the international community, in which ruling the world is clearly at the highest level.

2.Each interest's level is determined by the relative power needed to realize it.

3.Achieving a high level interest should be on the premise of realizing fundamental level interest.

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[138] Song Wei (2011). *International Relations Theory: From Political Thoughts to Social Science*. Shanghai: Shanghai Education Publishing House. p131.
[139] Gideon Rose, "Neoclassical Realism and Theories of Foreign Policy", World Politics, Vol.51, No.1(Oct. 1998), p152.

4.Interests involved in specific issues will guide the state's foreign policy and external behavior.

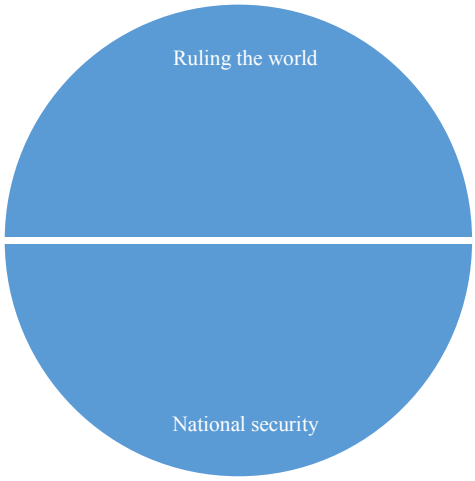


Figure 0.5 the final version of national interest used in this study

It is noteworthy that neoclassical realists have little ambition to clearly define the concept of national interest. As a theory of foreign policy, what neoclassical realism concerns is how to interpret the behavior of individual state. In such a case, its adherents emphasize the importance of relative power, arguing this is the single dominant factor shaping the broad pattern of a nation's foreign policy over time[140]. Furthermore, neoclassical realists make it clear that the concept of power here refers to the capabilities or resources with which states can influence each other. This means that the magnitude of foreign policy is determined by a country's material power resources rather than the interest defined by the state. In the view of neoclassical realists, interest is the goal or preference of the state when making its foreign policy. Its main function is to guide the country's external behavior. More precisely, material power resources determine the objective scope of foreign policy, that is, what kind of target the state is able to achieve, while the interest is the target itself, defining the purpose of the use of material power resources.

Neoclassical realists acknowledge that the state may have myriad ways for defining its interests, and it seems that they do not want to give a neoclassical version of that definition. Rather, scholars point out that no matter how to define interest, the relations among interest, power, and foreign policy are clear, that is, in order to cope with the uncertainties of international anarchy, the state will pursue external influence to the extent that it is able to do so[141]. This perspective makes scholars have more freedom to use the concept of interest to analyze foreign policy making. Indeed, according to Morgenthau's definition, whether the mainland and Taiwan are eligible to have "national interest" may be questioned. The One China principle has insisted that both the mainland and Taiwan are parts of China, which indicates that China's sovereignty should cover

[140] Rose G. Neoclassical Realism and Theories of Foreign Policy[J]. World Politics, 1998, 51(1):144-172.
[141] Rose G. Neoclassical Realism and Theories of Foreign Policy[J]. World Politics, 1998, 51(1):144-172.

these two areas. But the two sides across the strait have not reached any agreement on who is the central government that is able to exercise the sovereignty of the whole China. Thus, it seems that neither the goal of the mainland's policy nor the goal of Taiwan's policy can be regarded as national interest of the whole China, because the interests to be realized by policies formulated by Beijing must be the interests of the mainland, while the policies formulated by Taipei will inevitably seek to realize the interests of Taiwan. However, there is no problem in using the concept of interest to examine whether a particular foreign policy made by Beijing or Taipei is reasonable. This is because, despite the vagueness of the political relationship between the two sides and the significant controversy over the sovereignty of One China, Beijing and Taipei have not denied and cannot deny the reality that the government on each side is controlling the mainland and Taiwan respectively. In such a case, the interests of the region under either government's control will influence that government's policy making. Like Washington and Tokyo, Beijing and Taipei seek to respond to the uncertainties of international anarchy by pursuing largest influence, and therefore the relations among their interest, material power, and foreign policy, are consistent with the neoclassical realist perspective. Even though there is no compromise reached in sovereignty-related issues, interest can still be used to interpret and evaluate policies made by two sides' governments regarding the Taiwan Issue.

It is also noteworthy that the relations between interests' level and relative power implies that states are supposed to achieve or give up some of their interest pursuit if their relative power is changing, regardless whether these states' leaders are willing or aware that they must do so. In such a case, interest is more or less an objective reality that can be used to define the scope of policy evolution within a certain period of time when the relative power does not experience violent fluctuations. More precisely, the reason to analyze the interests of each actor involved in the Taiwan Issue is that the highest level interest involved can be regarded as the eventual target of each actor, determining the tendency of their policy evolution, while the fundamental level interest involved reveals each actor's bottom line which they are very unlikely to relinquish. With the changing perceived relative power, each actor endeavors to achieve the target related to its highest level interest while trying to ensure that its bottom line will not be overstepped. Between the eventual target and the bottom line, there is the scope of policy adjustment. This scope is very important because it actually limits the possible ultimate outcomes of the Taiwan Issue. If all actors' bottom lines are fundamental interests that cannot be compromised, there is little question that the Taiwan Issue will end in a military conflict between actors with different positions. However, if the bottom lines of different actors are related to different levels of interest, then the actor whose bottom line is not related to its fundamental interest has a possibility to soften its position. That means, at least in theory, a compromise can be reached in the Taiwan Issue. Only under this circumstance, the analysis of the conditions for achieving cross-strait reunification will make sense. Meanwhile, the tendency of policy evolution revealed by such scope also plays an significant role in the analysis. As mentioned, it is very difficult to make accurate prediction for actors' potential response in the interaction if the analysis simply focuses on their policies or strategies at a given time without defining their ultimate purpose. In such a case, in order to predict what actions those actors will tend to take under certain conditions, it is necessary to define each actor's ultimate goal. In other words, only when the tendency of each actor's policy evolution is clear, the analysis of unification's conditions will be persuasive.

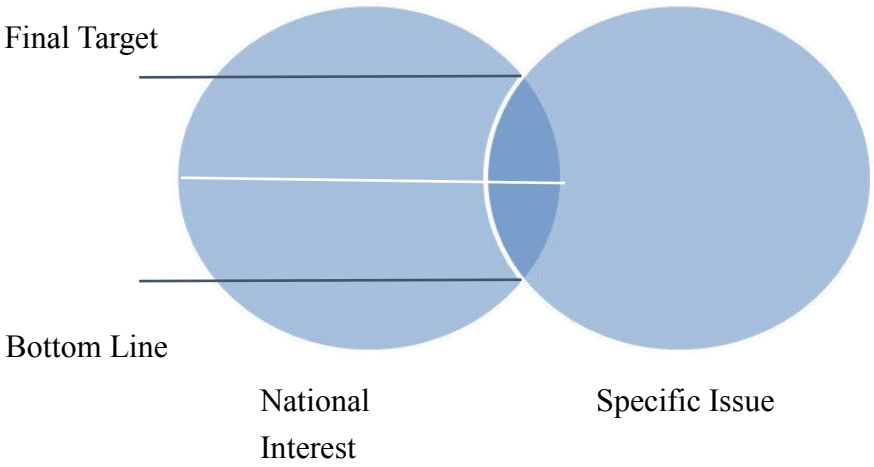


Figure 0.6 identify the policy target by interests involved in a specific issue

Domestic Factors and the Answer to the Study's Question

On the basis of this static analysis, this study is able to examine the conditions for realizing cross-strait reunification. Obviously, within the scope of their policy adjustment, the possibility of achieving unification greatly depends on actors' interactions, which means whether they will formulate appropriate policies that favor Beijing's pursuit of unification. It is noteworthy that the dynamics that may prompt such policy making are inside each actor. Under the premise that relative power does not experience any dramatic changes, these internal dynamics can lead each actor to take audacious actions or make compromise in pursuit of its ultimate goal.

In this study, internal dynamics are generated by those domestic factors which translate the systemic pressures and shape the way how states will respond to their external environment. In this section, the intervening variable used in the analysis is domestic state structure. Compared to political leaders' perception, domestic state structure is more suitable for offering a comprehensive analysis in interpreting state's potential response to external pressure under certain conditions. However, although many neoclassical realists have paid much attention to the role of domestic state structure in the foreign policy making process, they have different point of views about which internal factors can influence the final choice adopted by the state to meet its international challenges.

It is important to notice that domestic state structure concerns not only the political system of the state, but also the relationship between the authorities and its surrounding society. In such a case, unlike Zakaria and Christensen who give more weight to the strength of state, seeking to improve the paradigm's core concept of relative power, Professor Randall Schweller makes a more detailed and comprehensive analysis for domestic state structure itself when examining its impact on the

country's external behavior. In his research about the balance of power, Schweller divides the authorities and society into four internal factors: elite consensus, elite cohesion, social cohesion, and government / regime vulnerability[142]. Although Schweller focuses on why a state does not take necessary actions to contain potential external threats, these four variables have already covered most internal elements of a country or political entity, and can be used to analyze state behavior in most circumstances. Therefore, examining situation of these four internal factors can reveal what response is most likely to be made by each actor when facing various external pressures. On this basis, the conditions for the mainland to achieve national unification, which means that actors are prone to make policies favorable to Beijing's pursuit, are actually equivalent to several specific changes happening in these factors of each actor.

First of all, this study will introduce the historical background of Taiwan Issue, especially certain historical events which led to the emergence of the issue and shaped the issue's development. Because most of these events happened in the interaction between the two sides across the strait, and it is difficult to elaborate them in one chapter when some of them are closely linked with Taiwan while others happened in the mainland, so there will be two chapters for introducing these history, which are Chapter I and III. In such a case, Chapter II will define Taiwan's real stance and why it maintains such a stance through explaining its mainland policy evolution, while Chapter IV will focus on mainland China's interests involved in the Taiwan Issue, using different levels' interests to interpret China's behavior. Apart from that, there are a few events related to the US, but many of them have been more or less mentioned in Chapter I and III, so Chapter V will give more weight to those significant policy adjustment of the United States since the 1950s in order to identify its real targets in the Taiwan Issue. In particular, level of its interests will be defined before this study further analyze its potential behavior toward Chinese pursuit of national unification. In Chapter VI, the study will examine Japan's role in the Taiwan Issue. Considering the fact that Japanese policy has been following the US in the region and there is no sufficient historical event which can reveal the country's stance, this chapter will pay attention to those subtle differences between Japanese and US behavior, and give more priority to its strategy, defining its interests involved in the Taiwan Issue by analyzing the relation between this strategy and China's rise.

Based on these six chapters, the study makes it clear which levels' interests that each actor has involved in the Taiwan Issue. This means their bottom line and final target are clearly identified. For those actors whose bottom line are completely fundamental interests, it is very difficult for the government or society in them to accept any dramatic change in their policy toward Taiwan Issue. But if the interests involved are all at high level, there is the possibility that actor may make adjustment because the cost is much lower compared with giving up fundamental interests such as homeland security or sovereignty. Meanwhile, the final target reveals the tendency of policy evolution so the study can predict actors' potential reaction in their future interactions rather than being confused by their temporary behavior which may not be quite consistent with their real stance in the Taiwan Issue.

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[142] Schweller, Randell (2015). *Unanswered Threats: Political Constraints on the Balance of Power*. Beijing: Peking University Press. p13-15.

Only after revealing the real stance of each actor, the study can analyze the necessary condition for Chinese unification. Otherwise, any conclusion will be easily challenged by a certain statement or policy because these actors may not always explicitly show the target they wish to achieve and sometimes even adopt a policy that seems to be contrary to their real stance. For example, Chapter V mentions that then US government criticized then Taiwan authorities' plan of conducting a referendum for constitutional amendment, containing pro-independence forces' pursuit of promoting Taiwan's *de jure* independence. This behavior was in conflict with US previous policies of blocking Chinese unification. In the face of Washington's various targets in its policy toward Taiwan Issue, the analysis of American potential reaction under certain circumstances may not be able to provide any persuasive conclusion if previous chapters have not revealed the real stance of US.

If the power distribution among all these actors does not experience dramatic change, these stance will be maintained and the Taiwan Issue, according to analysis in Chapter I to VI, does not seem to evolve to any unification. In such a case, in order to find out possible conditions for the mainland to achieve that end, Chapter VII will focus on their domestic factors, examining how these intervening variables may influence systemic pressures and whether they can lead to appropriate changes in actors' policy making. This chapter thus reveals what situation of these domestic factors are needed for create those changes, which can be regarded as conditions for Chinese unification. It should be pointed out that some of these situations of domestic factors in several actors will happen only when certain other situation appears in the US. This means changes in US is the premise of appropriate changes in other actors. In other words, there are two kinds of conditions for Chinese unification: one is the changes which should happen in the US, the other is those changes that will be able to happen in mainland China, Japan, and Taiwan. This is the reason why there is Chapter VIII which examines the possibility of these necessary changes in US by analyzing the US hegemony and under what circumstances the government may adjust its strategy. Precisely, the circumstances that US may adopt a retrenchment, reducing its intervention in the Taiwan Issue, can be regarded as the first order condition for Beijing to achieve national unification. Within that context, other appropriate changes are likely to appear in domestic factors of other three actors, and if Beijing can formulate policies to promote all these changes, it may be able to realize unification eventually.

In general, this study will use policy makers' perceived relative power to interpret each actor's policy adjustments, and define the scope of such policy adjustments by analyzing each actor's different interest involved in the Taiwan Issue, which will reveal their true positions. Therefore, through analyzing and comparing the situations of four internal factors of each actor, this study will offer its conclusion that under which conditions these actors may formulate appropriate policies that makes it possible for mainland China to achieve national unification with Taiwan.

This study may not be the only research which involves all four actors in the Taiwan Issue, but it is one of very few which use neoclassical realism to analyze both domestic and systemic factors of each actor, providing the final conclusion by examining interaction between all four actors and influence of each actor's state, society, and their relations on policy making. In other words, most conclusions of previous researches have been taken into account and revised. Furthermore,

although this study is for answering the question that under what circumstances the mainland may be able to achieve national unification, the analysis can also be used to interpret the real impact of any certain change in domestic or systemic level on the development of Taiwan Issue and predict the potential consequence that can be caused by such change. This means this study provides a useful structure for future research on Taiwan Issue, defining the effect and constraint of most potential independent variables and therefore reducing the likelihood that scholars may reach an inaccurate conclusion when they are confused by certain policy or behavior of any actors. Within this context, this study can be regarded as a first step for improving the application of neoclassical realism, attempting to further elaborate how intervening variables translate systemic pressures and influence the foreign policy making by examining the relations among different factors of certain intervening variable.

Chapter I The Evolution of Taiwan's Policy towards Mainland China since Late 1980s

Mainland Policy between 1949 and 1987: A Continuation of Chinese Civil War

At the end of the World War II, Japanese Emperor Hirohito officially capitulated to the Allies in August 1945, and the official surrender was signed on September 2nd aboard the US warship[143]. Two days later, the Chinese Kuomintang (KMT) government issued a statement, noting that Japan's unconditional surrender meaning the return of Taiwan and the Penghu Islands to China. On September 9th, the Chinese army accepted the surrender of the Japanese army in Nanjing, and in the same evening, then commander of Japanese army in China ordered all Japanese troops in Chinese territory, including Taiwan and the Penghu Islands, to surrender to the KMT government[144]. Within this context, the KMT army arrived in Taiwan in October 1945, and held the ceremony for accepting the Japanese surrender on 25th of that month. After the ceremony, Chinese officials formally announced that Taiwan and the Penghu Islands were to be China's territory again, and all the lands and people would be under the Republic of China (ROC) government's sovereignty[145]. From that point on, more KMT army and civil servants were sent to Taiwan.

In the autumn of 1948, the KMT army was starting to lose the civil war in China. Thus, then ROC President Chiang Kai-shek, who was also the KMT actual supreme leader, decided to make Taiwan, which according to him was a pure land free of communist infiltration, to be the last anti-communist base. In April 1949, the People's Liberation Army (PLA) led by the Chinese Communist Party (CCP) occupied then ROC capital Nanjing, marking the collapse of the KMT authorities in mainland China. On 1st October the same year, the People's Central Government of People's Republic of China (PRC) declared its establishment in Beijing, while most KMT officials and troops had retreated to Taiwan[146]. In such a case, liberating Taiwan became the next target of the PLA. In late October 1949, the PLA successfully captured Xiamen, which is the island locating in the Southeast coast of China, and then launched an attack against the KMT army on Kinmen Island. Had the plan succeeded, the next step would be directly attacking Taiwan and realizing Chinese national liberation. However, due to the lack of experience in landing operations and without strong support from navy and air force, the PLA's plan of capturing Kinmen eventually failed[147].

Afterwards, when preparing for another round of attack, mainland China decided to clear the

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143 Liu Tinghua. (1987). Main Points of Anti-Japanese War Research.*Journal of Historical Science*. 3 (3), p58-62.
144 Liu Xiangnan. (2010). Japanese Surrender on 9th September 1945 .*National Humanity History*. 17 (1), p32-35.
145 Bai Chun. (2002). Surrender Acceptance and Military Takeover in Taiwan's Recovery. *Military History Research*. 2 (2), p83-93.
146 Chassin L M. The Communist Conquest of China: A History of the Civil War, 1945-49[M]. Harvard University Press, 1966.
147 Huang A C. The PLA Navy at War, 1949-1999[J]. Chinese Warfighting: The PLA Experience Since 1949, 2016: 241.

barrier outside Taiwan, occupying all important islands in the Chinese coastal area besides Taiwan, Penghu, Kinmen, and Matsu. This goal was successfully achieved before May 1950[148]. However, because of the outbreak of the Korean War, military operation against Taiwan had to be temporarily suspended, which made two sides across the strait step into a long term military confrontation. During the following decades, even though there were Chinese shelling in Kinmen Island and Taiwan's harassing attacks in Chinese coastal areas, warfare between the two sides with a target to control the whole China has never happened. In other words, the Chinese Civil War was ended.

However, until 1987, the interaction between the Kuomintang and the Communist party was more like a continuation of Chinese Civil War, and the main content of Taiwan's mainland policy was "Recovering the mainland" (*Fan Gong Da Lu*). In May 1950, Chiang Kai-shek clearly proposed that Taiwan's target was "one year for preparation, two years for recovering mainland, three years for sweeping enemies, and five years for achieving victory, thus reviving the Republic of China". Subsequently, the Taiwan authorities regrouped its army, using Kinmen and Matsu as military bases to start harassing attacks in the mainland's coastal areas[149].

This policy was maintained by Taipei until 1958 when the US government strengthened its military aid to Taiwan in return for Chiang Kai-shek's concession of adjusting his "recovering the mainland" into a relatively moderate policy, which was "restoring freedom of the people in the mainland through the Three People's Principle"[150]. But in fact, Chiang did not give up his idea of taking over the mainland by force. When the mainland suffered economic difficulties in 1959, Chiang believed this was the opportunity for realizing his target, and began to make detailed plans such as the KMT army first landing in China's Fujian Province, occupying coastal cities, and then attacking inland areas. It is worth to notice that Chiang's plan was not a simple slogan. In 1962, the Taiwan authorities imposed a special tax on society to raise its military spending. Meanwhile, the KMT purchased a large quantity of arms, announced the extension of its military service time, and gathered its troops in the military base near Kaohsiung, preparing to send them to the mainland[151]. However, this policy did not get support from the United States. Since Chiang proposed his plan of recovering the mainland, Washington repeatedly advised him to be realistic, believing such a military operation was unlikely to be successful, and making it clear that US military aid should not be used to attack the mainland[152]. Although Chiang was reluctant to relinquish this policy, the development of US-China relations showed that the US government would not change its position to support Taiwan's military actions against the mainland. After the US established the formal diplomatic relations with mainland China in the 1970s and broke its diplomatic ties with Taiwan, this policy of recovering the mainland completely failed.

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148 Niu Jun. (2004). Research on Policy Making in Cross-Strait Military Conflicts. *Social Sciences in China*. 5 (2), p37-50.
149 Wang Kan. (2005). The Evolution of Chiang Kai-shek's Retaking Mainland Policy. *Journal of Historical Science*. 24 (6), p125-128.
150 Wu Xinbo. (2000). Concensus of China and the US on the Taiwan Issue.*Pacific Journal*. 6 (2), p62-69.
151 Yu Zidao. (2006). The Third Taiwan Strait Crisis: Taiwan's Military Counterattack and US Policy. *Military History Research*. 11 (1), p67-82.
152 Niu Dayong. (2000). Conflict between Strategy of Kennedy and Chiang Kai-shek. *Journal of Peking University(Philosophy and Social Sciences)*. 4 (4), p172-183.

After Chiang Kai-shek's death in 1975, there was a power transition inside the KMT authorities, and Chiang Kai-shek's son, Chiang Ching-kuo, finally succeeded as the ROC President and the chairman of the KMT. During this period, mainland China began to adjust its policy towards Taiwan, taking active measures to develop cross-straits trade while simultaneously seeking contact and cooperation with the Taiwan authorities. But Chiang Ching-kuo did not give any positive response, believing that the mainland's effort of developing cross-straits relations was a plot of Beijing for achieving unification under communist ideology, and insisting on his "Three Noes policy" of "no contact, no negotiations, and no compromise"[153]. Obviously, this Three Noes policy maintained Taipei's previous position, so it should not be regarded as policy adjustment. During Chiang Ching-kuo's period, compared with his father, the only change in the mainland policy was that he completely relinquished the plan of recovering the mainland, replacing that with a new slogan of "Reunifying China under the Three People's Principles". In March 1981, during the opening speech in the KMT 16th National Congress, Chiang Ching-kuo claimed that reunifying China under the Three People's Principles was the only viable path for making China into a modern country with peace and freedom[154]. The reason of making this small adjustment in the mainland policy is that the Taiwan authorities has become more realistic, replacing its previous military operation with a political counterattack, in the hope that the KMT's ideology would shake the mainland's social stability and win most people's hearts and minds.

No matter the recovering the mainland or reunifying China under the Three People's Principles, Taiwan's mainland policy before 1987 was completely controlled by KMT's top leader who still viewed the cross-strait interaction as a continuation of struggles between the KMT and the CCP during the Chinese Civil War. However, public opinion has played an increasingly important role in the making of Taiwan's mainland policy since the authorities lifted the ban on visiting relatives in mainland China in 1987, while other factors such as economy and culture also became significant driving forces for improving cross-strait relations[155]. In these circumstances, the mainland policy, although it was still essentially under control of the top political leader, gradually became a public policy which was formulated by the Taiwan authorities through guiding and integrating Taiwan's public opinion after 1987.

Evolution of Taiwan's Mainland Policy after 1987

The Start of Cross-Strait Contact: Lifting the ban on visiting relatives in the mainland between 1987-1988

In the middle of 1980s, Taiwan's political situation dramatically changed because of the political reform led by Chiang Ching-Kuo. This reform included a series of measures supported by Chiang, such as ending the Marital Law, lifting the ban on political parties, and reforming the KMT party's workings. Within this context, Taiwan's mainland policy was also adjusted.

The political reform raised the strength of Taiwan's society and led to various kinds of social

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153 Clough R N. Chiang Ching-kuo's policies toward mainland China and the outside world[J]. Chiang Ching-kuo's Leadership in the Development of the Republic of China on Taiwan, 1993.

154 You Zixiang (2006). *Voice of Leaders: Political language Art of Politicians from Two Sides from 1906-2006*. Taipei: Wu-Nan Book Inc.. p371.

155 Yu L. Travel between politically divided China and Taiwan[J]. Asia Pacific Journal of Tourism Research, 1997, 2(1): 19-30.

movements. The most influential one was the strong appeal pushed by the KMT soldiers for lifting the official ban on visiting their relatives in the mainland, which imposed increasing pressures on Chiang Ching-Kuo. More precisely, ever since moving to Taiwan in 1949, the KMT authorities has always emphasized that the ROC is the sole legal representative of China while the PRC should be regarded as a rebel group. This kind of hostile position was usually described by Taipei as "the government will never consort with the rebel group" (*Han Zei Bu Liang Li*), intensifying the separation and confrontation between the two sides across the strait[156]. But people in Taiwan wanted to end this confrontation and change the authorities' hostile position. According to statistics, above eighty percent of the total population in Taiwan were supporting local residents to visit their relatives in the mainland, while simultaneously, other opinions such as allowing people to fly to the mainland directly also received a very high support[157]. This strong public desire then became a powerful weapon used by Taiwan's legislators to criticize the authorities, and finally led to the formal decree issued by the Legislation Yuan (*Li Fa Yuan*) to adjust the mainland policy from previous Three Noes Policy to a more open position towards the mainland.

Consequently, Chiang Ching-Kuo had to reevaluate his old confrontational approach in Taiwan's mainland policy, and let officials in the KMT authorities begin analyzing the issue of local people visiting mainland China[158]. The scope of such analysis was soon expanded and finally involved the whole KMT party and even political and security systems of Taiwan. In August 1987, the decision-making meeting held by then vise president Lee Teng-hui and attended by other senior officials from Taiwan's foreign policy, intelligence, and news agencies, offered its conclusions of this analysis, approving local people to visit their relatives in the so called "occupied area in the mainland". In October, the Executive Yuan (*Xing Zheng Yuan*) formally passed its decision of allowing people to visit the mainland[159]. This can be seen as a great breakthrough in Taiwan's mainland policy, because it was the first legally binding executive decision made by the authorities that started the contact across the strait after nearly forty years' confrontation.

It is also noteworthy that, although this change in mainland policy was pushed by strong public opinion, the whole policy making process, no matter the analysis or the eventual implementation, was completely controlled by Chiang Ching-Kuo personally. In other words, it was still the top political leader rather than the authorities or social groups that played the dominant role in adjusting Taiwan's mainland policy during this period. Moreover, this lifting the ban on visiting the mainland was the start of cross-strait contact, but should not be regarded as the start of formal cross-strait relations, because Taipei's fundamental position towards the mainland was not changed. For example, Chiang Ching-Kuo proclaimed that anti-communism was still the center of the ROC's mainland policy[160]. In such a case, allowing people to visit their relatives in the

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156 Lin G. Taiwan's power reconfiguration and its impact on cross-strait relations[J]. Journal of Chinese Political Science, 2000, 6(1): 17-36.

157 Zhai Haiyuan (1990). *The Influence of Visiting Mainland*. Taipei: Institute for National Policy Research. 20-27.

158 Wang Mingyi. (1993). Ying Kao Zhuan An: Chiang Ching-Kuo's Last Decision. In: Wang Mingyi *The Unsure Strait*. Taipei: China Times Publishing Company. p90.

159 Hickey D V V. Taiwan and Tiananmen: An analysis of Taiwan's policy toward the democracy movement[J]. Journal of Northeast Asian Studies, 1990, 9(3): 3-22.

160 Fan Xizhou. (1988). The KMT's Political Reform and Its Influence on Taiwan's mainland Policy. *Taiwan Research Quarterly* . 2 (2), p61-68.

mainland was only a first step of mainland policy's evolution.

The development of cross-strait relations: one country, two equivalent political entities between 1988-1993

After Chiang Ching-Kuo's death, Lee Teng-hui succeeded as the president and was in charge of further adjustment of Taiwan's mainland policy. After he took office, Lee realized that the political democratization and mainland policy's adjustment have both become major concern for Taiwan's society. Within this context, to strengthen his leadership and to stabilize social situation, Lee preferred to largely promote the adjustment of mainland policy. It is also worth to note that the person who controlled mainland policy making would doubtlessly obtain huge political influence, because this was the most significant and complex policy related to Taiwan's future. That is why Lee was no longer the political puppet during Chiang Ching-Kuo's period but became the real manipulator of Taiwan's political issues after he exercised great control of the mainland policy making process.

When Lee's status was stable, the mainland policy making also entered a new phase that was obviously different from Chiang Ching-Kuo's time. In July 1988, the 13th National Congress of KMT passed the case of "Current Mainland Policy", which was often regarded as the start of KMT's formal policy adjustment towards the CCP[161]. This bill made a prudent evaluation of the policy for lifting the ban on people's visiting relatives in the mainland, arguing that the making of such policy, which was mainly due to humanity concerns, led the authorities to face different kinds of problems in political, law, economic, and security areas. To meet all those challenges, Taipei made a clear statement about the target of its future mainland policy, which was described as "establishing a new China of freedom, democracy, equal prosperity, peace and unification". The Congress also made a distinction between the communist party and the people in the mainland, emphasizing that the future policies would not ignore the conflict between Taiwan and its enemy, while simultaneously, keeping a national sentiment with people in the mainland[162].

The bill did not mention Chiang Ching-Kuo and his father's old position of "Reunifying China under Three People's Principles", stating instead that Taipei pursued to "establish a new China of freedom, democracy, equal prosperity, peace and unification"[163]. This statement was to avoid tensions and conflicts caused by different ideologies of the two sides. More precisely, the "Three People's Principles" was the unique ideology of the KMT, and therefore "Reunifying China under Three People's Principles" can be understood as "the KMT reunifies China", which obviously would never be accepted by Beijing. By contrast, the expression of "freedom, democracy, and equal prosperity" was better adapted to the reality because its ambiguity avoided further provoking the CCP, trying to creating sufficient room for both sides to maneuver in contact.

This 13th National Congress was usually viewed as the real start of mainland policy's evolution,

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[161] Xiao Changle. (1988). The Formulation and Interpretation of Party's Current Mainland Policy. *THEORY AND POLICY*. 4 (7), p13-20.

[162] Chiu H. New International Order and Intra-Chinese (Taiwan-Mainland) Relations, The[J]. Chinese, 1990, 10.

[163] Cheng Jianhua. (1999). Democratic Unification Is Obstructing Unification. *Reunification Forum* . 2 (2), p16-17.

but it focused on ideological claim, rather than actually making changes to the cross-strait relations. In fact, the Taiwan authorities were still quite conservative in changing its previous "Three Noes policy", refusing to lift the ban on Taiwan's direct investment to the mainland or other contact with the communist authorities[164]. This conservative attitude was in conflict with the relatively open position in Taipei's ideological claims. According to many specialists, the open position in ideology was nothing but a concession made by the authorities because of the social pressure it was facing, while the top leader actually maintained previous position in constraining normal contact between people from the two sides. Apparently, this situation could not satisfy people in Taiwan and therefore caused a strong social discontent against the authorities. Due to the circumstance, Lee Teng-hui began to make further breakthrough in the mainland policy making, particularly Taiwan's self-identification in the international community, in order to make more contact with Beijing.

In June and July 1990, Lee held a conference in Taipei to discuss mainland policy with politicians from both ruling and opposition parties, seeking to integrate their opinions towards the cross-strait relations[165]. The conference finally offered a report which stated that most people agreed to accept the reality there were two governments across the strait, admitting that the mainland and Taiwan were both political entities with authorities to govern their own area. But there were different opinions about the definition of One China[166]. Based on these consensus and disputes, the National Unification Council which was established in September of this year issued a programmatic document called "National Unification Guideline" for adjusting mainland policy. This National Unification Guideline confirmed that the final target of Taiwan's mainland policy was to achieve national reunification, and emphasized that the territory of China included both the mainland and Taiwan[167]. It made a clear definition of cross-strait relations as two political entities on equal footing to finish then disputes about sovereignty. In fact, the political entity is an ambiguous description. For instance, Israel was treated by the UN as a political entity before it finished the foundation. It is important to notice that, for a political entity, specialists always paid great attention to whether it would eventually become a country or what kind of country it would become. The National Unification Guideline was very clear on this point, admitting that two political entities were belonging to One China and implying the future trend of two political entities would be realizing their reunification. Based on this, the Guideline then noted the authorities should promote cross-strait contact and reciprocity to reduce misunderstandings and hostility. The previous Three Noes policy was now replaced by promoting high level mutual visit and expanding civil exchanges across the strait.

This statement of "One Country, Two Political Entities" also changed the Taiwan authorities' old position that Taipei was the sole legal government of China while the PRC was only a rebel group. For the first time, Taipei offered Beijing an equal political status in cooperation of dealing with

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[164] Wang Zhaohui. (1993). Analysis of Cross-Strait Economic and Trade Exchanges. *International Economics and Trade Research*. 15 (8), p32-35.
[165] Zhu Tianshun. (1990). Comment on Taiwan's 'National Affairs Conference'. *Taiwan Research Quarterly* . 4 (4), p1-12.
[166] Liu Guoshen. (2006). Impact of Taiwan's Constitutional Reform on Ntaional Unification. *Taiwan Research Quarterly* . 4 (4), p1-8.
[167] Li Qiang. (1991). Analysis of The Guidelines for National Unification.*Taiwan Research Quarterly* . 4 (4), p30-33.

cross-strait issues. In the past, the controversy between the two sides centered on who was the legal representative of China in the international community, but this new position seemed to resolve such problem by changing "one China, one legal central government" to "one China, two governments, two areas, and two equal political entities". Since then, two sides across the strait having equal political status has become a premise in Taiwan's mainland policy. As Lee emphasized, the cross-strait negotiations were equal talks between two governments[168].

Within this context, even though Taipei and Beijing had no official contact, the two semi-official agencies, which were the Association for Relations Across the Taiwan Strait (the ARATS) and the Strait Exchange Foundation (the SEF), have already started their consultations on specific issues in the cross-strait exchanges. Based on these dialogues, the Taiwan authorities realized that it needed to issue more concrete regulations and rules to resolve problems appeared in cross-strait contact. Between July 1987 and September 1993, there were almost 280 regulations promulgated by the Taiwan authorities in areas such as trade, postal service, and personnel exchanges related to mainland China[169]. In 1992, the Legislative Yuan passed "the Act Governing Relations between Peoples of the Taiwan Area and the Mainland Area" in July and put it into practice in September[170]. This was the first systematic act to regulate cross-strait exchanges, which filled the gap in Taiwan's legislation of mainland related issues.

In general, Taipei's policy was adjusted during this period for better contacting and cooperating with mainland China. It is important to notice that within the context of political reform, Taipei had to listen to all kinds of voices from both the authorities and society about the cross-strait issues before making its final decision, even though Lee Teng-hui had already stabilized his political leadership. This indicated that the time that one political leader can control every thing in the formulation of mainland policy has gone.

The subtle shift in cross-strait relations: inching toward a pro-independence stance between 1994-1999

In the view of many western specialists, the sharp change in the relations between Taiwan and mainland China happened in 1995 when Lee Teng-hui made his visit to the US. However, the fact is there have been already a series of setbacks in cross-strait relations since the late 1993 when the authorities started to waver in its previous insistence on the One China principle.

During the period between 1949 and late 1980s, Taiwan's mainland policy has been maintaining this One China principle while declaring that Taipei is the sole legal representative of China in the international arena. However, this principle caused a large number of disputes because two sides had quite different definition of One China, which cannot be resolved in short time. With increasing contacts between the two sides in the mid-1990s, the One China principle was being seriously challenged by the changing cross-strait situation, and Taipei had to give more weight to

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[168] Zhou Sigong, Guo Dehou. (1990). Analysis of Taiwan Authorities' Recent Mainland Policy. *Journal of Shanxi University (Philosophy and Social Science Edition)* . 2 (2), p32-35.
[169] Liu Guoshen. (1997). Taiwan Authority's Mainland Policy and its Legal Problems. In: Chen An *Research of Legal Issues in the Cross-Strait Exchanges*. Beijing: Peking University Press. p33.
[170] Provisions C I G, Matters C I I A, Matters C I I I C, et al. Act Governing Relations Between Peoples of the Taiwan Area and the Mainland Area[J]. Chinese Law and Government, 2005, 38(2): 12-60.

its own legitimacy and survival. Within this context, a series of significant issues such as the establishment of diplomatic relations between the PRC and the Republic of Korea while the latter breaking its relations with Taiwan, which were regarded as the failure of Taipei's then "Pragmatic Foreign Policy", caused sharp criticism from Taiwan's society against the authorities' One China position. In fact, most people criticized it was Taipei's insistence of such principle that led to all those defeats in Taiwan's diplomacy.

In such a case, Taipei made a subtle change in its expressions related to One China principle. Although the KMT authorities, including Lee Teng-hui himself, had been upholding that principle, some politicians began to believe the principle led to misunderstandings in the international community that Taiwan was a part of the PRC. Then Minister of Finance Chiang Pin-Kung clearly argued that the authorities should adopt a "Two China" policy, while regarding the One China policy only as the eventual target[171].

In July 1994, the Taiwan authorities issued a white paper called the Introduction of Cross-Strait Relations, which elaborated Taipei's new view of relations between Taiwan and the mainland[172]. The core of this white paper was hollowing the One China principle and creating a fundamental change in Taiwan's mainland policy, which soon influenced peace and stability across the strait. More precisely, this white paper still seemingly insisted the KMT's old position of One China, but did make a new interpretation of the principle's definition by declaring that "One China" meant a historical, geographic, cultural, and consanguineous China, and declared that the current reality that each side had governing power over its own area should be recognized as two separate legal political entities in the international community. Obviously, the "historical, cultural, geographic, and consanguineous China" only existed in the past, which actually implied that there was no One China in the current reality. Meanwhile, the white paper also stated that Taipei would abandon its competition with Beijing for the status of sole legal representative of China in the international arena. Denying that there was One China in reality and also giving up its own legal position of representing this One China, indicated that the foundation of mainland policy was transformed from One China to "Two Chinas", which was obvious with a pro-independence stance.

Moreover, the white paper even declared that the people in Taiwan would accept either reunification or independence depending on the development of cross-strait relations, which was the first time that pro-independence opinion was included in Taiwan's official document[173]. Then it is not surprising to find that within this context, more and more conflicts appeared in the following cross-strait contact, especially when Taipei used the so called holiday-making diplomacy, transit diplomacy, and summit diplomacy to gradually create the reality of "Two Chinas" in the international arena. These efforts reached the peak when Lee Teng-hui made his visit to the Cornell University in 1995, which therefore caused the Third Taiwan Strait Crisis[174].

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171 Chen Fengxing. Jiang Bingkun: two sides are both sovereign states. the United Daily News. 22nd November 1993.

172 Zhao Yumei. (1994). Comment on Taiwan's White Paper of 'Introduction of Cross-Strait Relations'. *Reunification Forum*. 6 (6), p42.

173 Yu Keli. (1994). Substantive Characteristics of Taiwan's Mainland Policy: An Analysis of 'Introduction of Cross-Strait Relations'. *Taiwan Studies*. 4 (4), p1-6.

174 Ding A S. The Lessons of the 1995-1996 Military Taiwan Strait Crisis: Developing a New

Consequently, the cross-strait relations entered into a low ebb.

However, it is also noteworthy that although the Taiwan authorities made several statements to deny there was One China in the reality, and even ambiguously implied that Taiwan and mainland China were actually two independent sovereign states in the international community like South and North Korea, Taipei only used expressions such as "One divided China", rather than clearly defining the two sides across the strait as two countries in its official statements and documents[175]. In essence, this phase should be regarded as a transitional stage before Taipei openly pursued Taiwan's *de jure* independence.

Pro-independence stance in the mainland Policy: from Two-State Theory to "One Country on Each Side" between 1999-2008

Based on previous efforts of hollowing the principle of One China, the Taiwan authorities finally abandoned this position in 1999 by publicly proclaiming its pursuit of Taiwan's independence. In July, Lee Teng-hui made his Special State to State Relationship statement at a German radio interview, which severely damaged the foundation of peaceful exchanges across the strait and heightened tensions between Taiwan and mainland China[176]. According to Lee, his statement had a strong support from the ROC Constitution which stated that the president, vice-president, and members of Legislative Yuan and National Assembly should be elected by the people in Taiwan. This implied the government only represented the people in Taiwan, and its legitimacy can only be proved by the people in Taiwan. In these circumstances, the authorities had nothing to do with the people in the mainland, and therefore the relations between two sides was not like the central and a local government within one country, but rather international relations between two countries, which at least could be described as a special state to state relationship.

Taiwan's officials, such as then chairman of Mainland Affairs Council Su Qi, seemed to support this change in the definition of cross-strait relations, believing the expression of two equal political entities mentioned by the National Unification Guideline was outdated and could no longer reflect the reality across the strait[177]. He even admitted that the theory of two equal political entities had been adopted only for avoiding disputes with Beijing, and argued that the Third Taiwan Strait Crisis and Beijing's insistence of One China principle as the premise for resuming cross-strait dialogues, forced Taipei to reveal the core of its mainland policy. As many other politicians, Su agreed that only explicitly identifying the cross-strait relations as state to state relations could help eliminate the misunderstanding that Taiwan is a province of the PRC[178].

By this time, all preparations for identifying Taiwan as a distinct sovereign state were finished, and Taiwan's mainland policy explicitly shifted toward a pro-independence stance. In the international arena, Taiwan began to replace its old identity of a political entity with a new identity of an independent sovereign country when dealing with international affairs.

Strategy Towards the United States and Taiwan[J]. The Lessons of History: The Chinese People's Liberation Army at, 2003, 75: 379-402.

[175] Central Daily News, 23rd February 1997.

[176] Jacobs J B, Liu I B. Lee Teng-hui and the idea of "Taiwan"[J]. The China Quarterly, 2007, 190: 375-393.

[177] The United Daily News 15th July, 1999.

[178] The United Daily News 11st July, 1999.

In 2000, Chen Shui-bian won the presidential election, which made the Democratic Progressive Party become the ruling party. Although pursuing Taiwan's independence was in its party platform, the DPP had no experience of governance and faced enormous pressure from mainland China. Therefore, it appeared much more moderate than many specialists had anticipated. By adopting the so called "New Central Line", the Chen Shui-bian administration prudently dealt with the cross-strait relations and avoided further provoking Beijing[179]. During his inauguration speech, Chen seemed to try to ease Taiwan's tension with mainland China by mentioning his promises of "Four Noes and One Without" (*Si Bu Yi Mei You*), which meant that his administration would not declare Taiwan's independence, change the national title from the Republic of China to the Republic of Taiwan, incorporate the doctrine of special state to state relations into the Constitution, or promote a referendum to let the people in Taiwan make preference between unification and independence, and would not abolish the National Unification Council and the National Unification Guideline. In essence, he promised not to change the status quo[180].

However, this seemingly moderate mainland policy elicited increasing debates inside the DPP, and therefore lowered Chen's support from the party, especially from those hard-liners. What made it worse for Chen Shui-bian's administration was that politicians from the KMT and other opposition parties started to visit the mainland and openly endorsed the One China principle, which was the very thing Chen was not able to do as the DPP leader[181]. In these circumstances, the Chen Shui-bian administration formed a cross-party team to integrate opinions from both the DPP and those opposition parties, attempting to establish the so called "Taiwan Consensus" on the cross-strait relations to extricate the authorities from the dilemma. This cross-party team then offered its conclusion of three acknowledgments and four recommendations in 2000, which could be regarded as the DPP authorities' initial interpretation of the cross-strait relations[182]. It admitted that Taiwan was a part of China in a broad sense, while the ROC and the PRC had no subordinate relations, and also suggested that any future changes of the status quo must be approved by the referendum in Taiwan[183]. Based on that, then chairwoman of MAC Tsai Ing-wen stated that the DPP would keep an opening mind when dealing with cross-strait issues and not exclude any possible options.

This was obviously a more flexible position compared with pursuing Taiwan's independence in the DPP's party platform. However, even this flexibility did not exist long enough when the pro-independence forces became stronger. In late 2001, the DPP won the legislative election and became the largest party in the congress. In 2002, the DPP passed the bill of synchronization of the party and the government, to allow Chen Shui-bian to be the president and the party chairman

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[179] Hua Junxiong. (1999). An Analysis of Chen Shui-bian's 'New Central Line'. *Tai Sheng*. 6 (8), p16-17.
[180] Wang Qian. (2004). Interpretation of Two States Theory, 'Four Noes and One Without', and 'One Country on Each Side'. *Sichuan United Front*. 14 (3), p16.
[181] Rigger S. Taiwan in 2002: Another year of political droughts and typhoons[J]. Asian Survey, 2003, 43(1): 41-48.
[182] Li Jiaquan. (2001). Comment on the 'New System' Mentioned by Chen Shuibian in His New Year Speech. *Tai Sheng*. 2 (2), p12.
[183] The United Daily News 21st November 2000.

at the same time, which therefore largely strengthened his political power[184]. Within this context, Chen began to reveal his pro-independence stance by publicly proclaiming that Taiwan was an independent sovereign state, and defined cross-strait relations as "one country on each side". He argued that Taiwan should choose its own way of development and must not be downgraded into a local government like Hong Kong. More precisely, he insisted that only the people in Taiwan can decide Taiwan's fate, especially whether to change the status quo by a referendum[185].

The mainland policy then completely shifted to a pro-independence stance. In order to redefine the cross-strait relations, the DPP authorities started the movement of de-Sinicization by emphasizing that "One China" was only a topic for discussing rather than a principle which could not be violated. Meanwhile, the authorities also stated that Taipei would never accept the 1992 consensus because it would downgrade Taiwan and eventually wipe out the ROC[186]. Apart from that, the Chen Shui-bian administration also promoted idea of Taiwan's independence in areas such as education, history, and culture, to establish the so called Taiwan cultural identity. For example, the local dialects such as Hakka and Min were listed by the authorities as "national languages", while the subject of "modern history of China" was replaced by "modern history of Taiwan" in the Examination of Civil Service[187]. Based on these movements, the DPP focused more attention on the "Name Modification Campaign". During his inauguration speech in 2004, Chen Shui-bian gave the word "Taiwan" an equal status as "the ROC" in his expression, declaring that it was the same for people to use Taiwan or the ROC[188]. In December, he stated all the overseas agencies would change their names into Taiwan Representative Office, and all domestic agencies whose names might be confused with China would also be modified[189]. In these circumstances, the mainland policy was further adjusted from Lee Teng-hui's "special state to state relations" to a more audacious "one country on each side", which could be regarded as another step towards the DPP's final goal of Taiwan's *de jure* independence. This new position then impacted Taipei's concrete regulations and rules when Chen Shui-bian posed many obstacles in the cross-strait exchanges. In fact, since completely abandoning the One China principle, the DPP authorities has already taken a series of actions to restrain Taiwan's business ties with the mainland, such as forbidding people in Taiwan to buy RMB special stock (known as B share) in the mainland, and strictly monitoring Taiwan's investment towards the mainland[190].

The Rapprochement of Cross-Strait Relations: No unification, No independence, and No use of force after 2008

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184 Sun Shengliang. (2002). The DPP's Party Reform and Its Prospect.*Taiwan Studies*. 3 (5), p36-42.

185 The United Daily News 4th Augst 2002

186 Xiao Zhiguang. (2002). Who Is Setting up Premise for Re-starting Cross-Strait Dialogue and Negotiation. *Relations Across Taiwan Straits* . 6 (1), p1.

187 Lingwei H. The basic features and challenges of cross-strait relations in the New Era[J]. American Foreign Policy Interests, 2010, 32(1): 5-12.

188 Chen Shuibian. (2004). *Inguauration Speech.* Available: http://news.bbc.co.uk/chinese/simp/hi/newsid_3730000/newsid_3731100/3731187.stm. Last accessed 4th June 2013.

189 Xie Yu, Liu Jiayan. (2002). The Gradual Independence of Taiwan Authorities. *Taiwan Studies*. 3 (4), p28-35.

190 Xinhua News Agency. (2006). *2001Cross-Strait Relations.* Available: http://news.xinhuanet.com/tai_gang_ao/2006-04/03/content_4378289_3.htm. Last accessed 29th Oct. 2015.

During the whole eight years of Chen Shui-bian administration, the DPP took a variety of actions to adjust the mainland policy in order to achieve Taiwan's *de jure* independence step by step. This process, which was described by specialists as "Salami Slicing", heightened cross-strait tensions and increased the military pressure against Taiwan from the mainland. But this dangerous tendency finally stopped in mid 2008 when the KMT candidate Ma Ying-jeou won the election, who beat his DPP counterpart by more than 2 million votes[191]. The transfer of political power in the island ended the pro-independence force's rule, and therefore caused a great shift in Taiwan's mainland policy.

It is significant to note that, even though it was quite different from the pro-independence stance insisted by the DPP authorities, Ma and the KMT's position about cross-strait relations was not the same as that of Chiang Kai-shek and Chiang Ching-kuo before 1990s. In fact, Ma and his party had made a series of statements about the definition of cross-strait relations since he became the party leader of the KMT in 2005. For instance, Ma once stated that "for our party, the eventual goal is reunification" when he was interviewed by the Newsweek in 2005[192]. But in 2006, the KMT advertised in a pan-green newspaper, declaring that Taiwan's future included many options, and whether accepting the unification should be decided by Taiwan's people, implying that Taiwan's independence was also an option[193]. Nevertheless, Ma revised these controversial statements after he took office and finally made his definition of cross-strait relations much clearer. For the self-identification of Taiwan, Ma emphasized that he was elected to be the president of the Republic of China, rather than the Republic of Taiwan, and he would never agree the expression that "the ROC is equivalent to Taiwan"[194]. In essence, he negated the efforts made by the previous DPP administration for pursuing Taiwan's *de jure* independence. Based on that, it was not surprising to see that Ma identified the relations between Taiwan and the mainland as two authorities both governing parts of traditional territory of China respectively, which meant two sides across the strait both belonged to One China while maintained governance in their own area[195]. This "One China, Two Areas" was almost the same as the 1992 consensus that was interpreted by Taipei as "One China, Different Interpretations", and therefore could be accepted by Beijing. In an interview by El Sol de Mexico in September 2008, Ma stated clearly that two sides were now in a special but not state to state relations, because neither side's Constitution would allow the existence of another sovereign state in the territory[196]. However, it is worth to notice that this shift from Lee Teng-hui's Two State Theory or Chen Shui-bian's "One Country on Each Side" was mainly for repairing Taiwan's relations with the mainland, making the island face less military

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191 Liu Huitao. (2008). New Opportunity for Cross-Strait Relations Development. *Reunification Forum*. 2 (2), p27.

192 Adams, Jonathan. (2005). *'Conditions Aren't Ripe'.* Available: http://www.thedailybeast.com/newsweek/2005/12/25/conditions-aren-t-ripe.html. Last accessed 4th June 2013.

193 People's Daily (Overseas Edition) . (2006). Independence became an option for the KMT?. Available: http://news.xinhuanet.com/tai_gang_ao/2006-02/17/content_4190847.htm. Last accessed 4th

194 Run Tian. (2008). Ma Ying-jeou:'Endorsing 1992 Consensus' and 'I am not President of Taiwan'. *GLOBAL PERSON*. 10 (10), p13.

195 Li Yihu. (2014). Significance and Solution of Identifying Taiwan's Status.*Journal of Peking University(Philosophy and Social Sciences)*. 51 (1), p137-143.

196 Wan Xiangrong. (2010). *Review and analysis of Ma Ying-jeou's mainland policy.* Available: http://www.nbmg.gov.cn/website/newsdetail.aspx?newsid=53. Last accessed 4th June 2013.

pressure while enjoy more economic benefit, rather than for achieving national reunification as Beijing wished. In fact, Ma declared that the reunification issue should be decided by time and history, and even admitted that he did not believe this issue would be resolved during his lifetime. What he really focused on was how to deal with those challenges Taiwan was facing and how to make the current situation stable and better. In other words, he preferred to maintain the status quo, which was usually described as a new Three Noes policy as "No Unification, No Independence, and No Use of Force"[197]. This policy, as Ma explained, meant his administration would neither discuss with Beijing about reunification, nor support Taiwan's independence, while opposing any military option to be used to resolve the Taiwan Issue.

Based on such a position, Ma reassured the 1992 consensus for maintaining peace and stability across the strait, and spent much effort in adjusting concrete regulations in cross-strait exchanges, such as resuming cross-strait dialogues and signing economic cooperation agreement with the mainland. In June 2008, the two sides resumed dialogues between the ARATS and the SEF, which had been suspended for 8 years, and achieved agreements on weekend charter flight and travel of mainland residents to Taiwan[198]. Since then, there have been eight rounds of these talks, achieving a series of agreements on cross-strait cooperation in different areas, such as medicine and public health, nuclear safety, joint fight against crime and so on[199]. Apart from that, the exchanges and cooperation between the CCP and the KMT also played a more significant role. This was different from the KMT leaders' previous visits to the mainland, because now the KMT was the ruling party and therefore any agreement it made with the CCP could really become part of Taiwan authorities' mainland policy. For example, the issue of charter flight was discussed by the two parties and a preliminary compromise was then reached in May 2008, before the ARATS and the SEF began to negotiate about this issue. Meanwhile, Taipei also eased its restrictions on exchanges of officials between the two sides, promoting local mayors and county magistrates to visit mainland China, which was quite rare during the DPP's time[200].

All these increasing exchanges and cooperation between the two sides showed that the KMT administration's strong desire of repairing the cross-strait relations from previous damage. But these changes in the mainland policy, such as defining cross-strait relations as "One China, Two Areas", did not mean that Taipei was back to its early stance of pursuing national reunification. More precisely, Ma Ying-jeou gave more weight to the economic exchanges with the mainland, while repeatedly emphasized that it was not appropriate to consider cross-strait political negotiations under present situation. This explained why all agreements signed by the ARATS and the SEF during this period were only related to economic issues. In such a case, the sequence which was described as "from economy to politics" was more and more questioned because Taipei

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[197] Guo Jianqing. (2013). From Old 'Three Noes' to New 'Three Noes': Ma Ying-jeou's Cross-Strait Policy in his Second Term. *Modern Taiwan Studies*. 4 (4), p12-15.

[198] Li Lei. (2008). Influence of an Opening Mainland Policy on Taiwan's Economy. *Relations Across Taiwan Straits* . 7 (7), p32-33.

[199] Xin Q. Beyond Power Politics: institution-building and Mainland China's Taiwan policy transition[J]. Journal of Contemporary China, 2010, 19(65): 525-539.

[200] Tai Wenxin. (2008). *Taiwan's County Magistrates and Mayors Arrived in Mainland for Commercial Opportunity* . Available: http://paper.people.com.cn/rmrbhwb/html/2008-07/08/content_54968.htm. Last accessed 29th Oct. 2015.

seemed to avoid political issues in its contacts with Beijing. In other words, Taiwan's mainland policy during Ma's period, no matter how well it worked in improving cross-strait relations, did not resolve any fundamental problem in the whole Taiwan Issue, and could be adjusted when the pro-independence forces regain the power.

Maintaining the status quo: adjustment of the DPP's mainland policy before and after 2016

After 2008's election, the DPP's strength and influence were greatly weakened. Tsai Ying-wen, who succeeded as the party chairwoman, did not make any adjustment to the DPP's mainland policy at that time, showing no interest in reviewing the party's radical pro-independence position. This was because the adjustment of mainland policy was not urgent for the DPP which had become an opposition party, and any significant change in its mainland policy might lead to more controversy or conflict inside the party.

But when the DPP won the county and city mayor's election in 2009, Tsai Ing-wen's leadership was consolidated, and she began to show her style in the party's mainland policy making. In May 2010, Tsai said that the DPP "does not rule out a direct dialogue with China to accurately convey the view of Taiwanese people if there is no political precondition"[201]. It seemed that the DPP started to change its image of "opposing everything of China" (*feng zhong bi fan*). In June 2011, Tsai noted that "building a peaceful and stable cross-strait relation is the common responsibility of Taiwan and mainland China. In the future, the DPP will promote more positive dialogues with the Chinese mainland". But she also emphasized that her party would never sacrifice Taiwan's Democracy nor accept the "One China" principle[202]. Like Lee and Chen, she tried to form the so called "Taiwan consensus" through democratic mechanism, and wished to use this Taiwan consensus instead of 1992 consensus as the political foundation for establishing stable interaction with China, which would undoubtedly clash with the One China principle and damage the peace and stability across the strait[203]. In a word, the DPP during this period adjusted its mainland policy to favor contacts with the mainland, but there was no substantive change in the party's pro-independence position.

Even this seemingly moderate attitude did not last long after Taiwan's 2012 presidential election. In July 2014, Tsai argued in an exclusive interview that if the DPP won the 2014 Nine in One election, the mainland would adjust its tough policy toward the pro-independence forces. She even believed that "as long as the DPP wins the 2016 presidential election, China will automatically adjust its stance to adapt to Taiwan's change, and the United States will also adjust its policy due to China's adjustment"[204]. Indeed, the DPP's victory in that year's Nine in One election made the

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[201] chinareviewnews. (2010). *Tsai Ing-wen expressed kind message.*Available: http://www.chinareviewnews.com. Last accessed 6th May 2010.
[202] chinareviewnews. (2011). *Tsai Ing-wen's concern and confusion.*Available: http://www.chinareviewnews.com. Last accessed 17th June 2011.
[203] chinareviewnews. (2011). *Tsai Ing-wen: negotiate with China through Taiwan consensus.* Available: http://www.chinareviewnews.com. Last accessed 23rd August 2011.
[204] Chinatimes. (2014). *Tsai Ing-wen: win the election and China will adjust its position to the pan-green camp.* Available: http://www.chinatimes.com/cn/newspapers/20140710000402-260102. Last accessed 10th July 2014.

party firmly believe it would regain power in 2016 and thus review and adjustment of its mainland policy was no longer important. As some senior party members argued, there was no need to adjust the mainland policy if the party could win the presidential election without changing its position on cross-strait relations.

Within this context, the DPP's stance became tougher. In January 2015, Tsai stated that Taiwan must safeguard its "national sovereignty" and its democratic system, and must obtain public recognition and affirmation when promoting cross-strait relations[205]. She also criticized that then Ma Ying-jeou administration's mainland policy gradually weakened Taiwan's "national sovereignty"[206]. But this hardline stance was adjusted shortly afterwards when Tsai faced pressures from both the mainland and the US. In such a case, she made a more moderate statement in April that the DPP's principle of dealing with cross-strait relations was to maintain the status quo, which she defined as peace and stable development in cross-strait relations[207]. She made it clear that this was the goal that the DPP would achieve after return to power. Although there was no mention of the 1992 consensus nor the One China principle, maintaining the status quo can be regarded as a significant concession made by Tsai Ing-wen and the DPP compared to their previous emphasis on Taiwan's "national sovereignty". But there were also voices that "maintaining the status quo" was too ambiguous and could be only a temporary response to external pressure, like Chen Shui-bian's "Four Noes and One Without". In other words, it needed to be further clarified and tested.

It can be argued that all these statements made by Tsai before the 2016 presidential election were not very significant, because the DPP was still an opposition party during that period. But Tsai's exposition of cross-strait relations in her inauguration speech on 20th May 2016 should be taken seriously, as it can be regarded as the official mainland policy of the Taiwan authorities. The most important adjustment was that Tsai announced the new government would deal with cross-strait affairs on the basis of the Constitution of the Republic of China, the Act Governing Relations between Peoples of the Taiwan Area and the Mainland Area, and other relevant laws[208]. It is noteworthy that "the Constitution of the Republic of China" and "the Act Governing Relations between Peoples of the Taiwan Area and the Mainland Area" are words she and the DPP have always avoided using in the past years, because the Constitution implies that two sides both belong to One China, which is the core of 1992 consensus, while the "Act" also defines the two sides as "one country, two areas", which is completely different from pro-independence forces'

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[205] Chinanews. (2015). *Tsai Ing-wen's "three favor and three insistence" is nonentity.* Available: http://www.chinanews.com/tw/2015/01-30/7019645.shtml. Last accessed 30th Jan 2015.
[206] Chinanews. (2015). *Tsai Ing-wen's "three favor and three insistence" is nonentity.* Available: http://www.chinanews.com/tw/2015/01-30/7019645.shtml. Last accessed 30th Jan 2015.
[207] Zhangzailin. (2015). *Tsai Ing-wen: the principle of dealing with cross-strait relations is maintaining status-quo.* Available: http://www.chinanews.com/tw/2015/04-09/7196646.shtml. Last accessed 9th April 2015.
[208] Chinatimes. (2016). *Two sides should concern how to manage the risk.*Available: http://www.chinatimes.com/cn/newspapers/20161010000624-260310. Last accessed 10th Oct 2016.

two state theory or “one country on each side”. Moreover, these two documents both have statements related to “national unification”. In such a case, the DPP and many specialists thought this expression has released a great deal of goodwill toward the mainland.

However, it is very difficult to understand how will the Taiwan authorities define relations between Taiwan and the mainland based on the ROC Constitution when Tsai Ing-wen clearly refuses to accept the 1992 consensus. There is no question that such consensus is the basis for the two sides maintaining stable contacts after 2008. If Tsai Ing-wen wants to maintain this status quo, but is still reluctant to accept the foundation of the status quo, the future cross-strait interaction may not work as well as it was during the KMT’s period.

All in all, the current DPP's mainland policy has been adjusted to a certain degree compared to that of the Chen Shui-bian administration, releasing much goodwill to the mainland. But without clear definition of cross-strait relations, and within the context of Tsai Ing-wen's refusal to accept the 1992 consensus, it is almost impossible that the cross-strait relations can develop as it was during the KMT’s period, while the likelihood of serious confrontation should not be ruled out.

Chapter II The Political Transformation and the Fundamental Change in the Definition of Cross-Strait Relations

Taiwan's mainland policy during Chiang Kai-shek and Chiang Ching-kuo's period was to seek reunification with the mainland by military actions and to regain the KMT's ruling position in the whole of China. However, since 1987, Taiwan's mainland policy has experienced a series of changes. With cross-strait contacts and the rise of pro-independence forces, a fundamental shift eventually happened in the Taiwan authorities' position on cross-strait issues. Analyzing this evolution of policy will help to define Taipei's true position in the Taiwan Issue after 1987. It is noteworthy that in the previous chapter there were various changes in Taipei's mainland policy after 1987, and it is impossible to give equal attention to every temporary policy's formulation and adjustment during that period. In such a case, before analyzing the evolution of mainland policy, it is necessary to point out which type of policy is directly related to the Taiwan authorities' position.

Three Levels of Mainland Policy

Taiwan's mainland policy includes three different levels. The first and also the most significant level is how the Taiwan authorities defines relations between Taiwan and mainland China, which actually means how to interpret the word "China". This is the core of Taiwan's mainland policy and also a vital question that the Taiwan authorities has to answer. For Taiwan, is it the seat of the ROC government, a normal province of the PRC, or a distinct sovereign state that has nothing to do with the ROC or the PRC? For the Taiwan authorities, an undeniable fact is that the PRC has replaced the ROC as the legal representative of China in the international community since the 1960s. Meanwhile, the Constitution of the ROC insists that there is only "One China" in the world. This makes the government in Taipei in a very hard place. Precisely, the Taiwan authorities on one hand, will not accept any downgrade of the ROC's status in the international community, while on the other hand, also cannot publicly declare Taiwan's *de jure* independence as long as it has not realized constitutional amendment. Consequently, there are many different statements made by the Taiwan authorities regarding the definition of relations between Taiwan and mainland China. As Lee Teng-hui once admitted, one major purpose of mainland policy was to find out an appropriate definition of cross-strait relations[209].

The second level is ideological slogan or basic model adopted by the Taiwan authorities to deal with issues related to mainland China. After answering the questions in the first level, Taipei has to be unambiguous about its plan for resolving the cross-strait issues. For example, during the period of Chiang Ching-kuo, the ideological slogan adopted by Taipei in its mainland policy was "Reunifying China under the Three People's Principles" (*San Min Zhu Yi Tong Yi Zhong Guo*). This was mentioned by Chiang on the 4th Plenary Session of the 11th KMT Central Committee in

[209] Shao Zonghai (1994). *Mainland Policy and Corss-Strait Relations*. Taipei: HWA TAI PUBLISHING CO., LTD . p115.

December 1979, in response to Beijing's statement of peaceful reunification[210]. But since the late 1980s, in order to adapt to the changing domestic and international environment, there has been a decay of ideological influence on Taiwan's mainland policy making. After 1988, senior KMT leaders such as Lee Teng-hui usually preferred expressions like "Cultural and Economic Cooperation" or "Democracy, Freedom and Equal Prosperity" instead of the Three People's Principles when they talked about the reunification issue[211]. It is noteworthy that all these ideological slogans, no matter uncompromising or moderate, were based on the premise that two sides across the strait belong to "One China". This position had been upheld until the mid-1990s when the pro-independence forces began to rise in the island.

Compared with the slogan, the basic model is relatively more specific because it is supposed to answer which kind of political system that Taiwan and mainland China may build together for future cross-strait relations. For example, some politicians and specialists once suggested in the early 1990s that the two sides should achieve reunification through establishing a federation with a strong central government. By contrast, some other scholars who were afraid of the downgrade of Taiwan's status, believed the EU model was more appropriate for the cross-strait situation[212]. It is quite obvious that when these politicians and specialists in Taiwan tried to give clear statement about basic model in mainland policy, they all rejected the idea of Taiwan's independence and were optimistic for the future reunification with mainland China. This was because the first level during that period defined the two sides both as parts of One China.

The third level in the mainland policy are concrete laws and regulations set by the Taiwan authorities for dealing with cross-strait contacts and exchanges. Since local residents were allowed to visit their relatives in the mainland in 1987, the cross-strait contacts have been increased sharply. Especially after the end of Taiwan's Martial Law, people in Taiwan could openly visit, trade, or marry with people from mainland China. Consequently, more and more problems appeared in cross-strait exchanges, and Taipei had to consider about how to regulate those contacts in trade, technology, education, culture and other areas. In such a case, the Taiwan authorities promulgated a variety of rules, laws, and regulations in order to put orders into chaos and maintain the development of cross-strait relations. This level can be regarded as the most concrete part of mainland policy which are often changed. But they cannot violate policies related to first two levels. Precisely, if the first level has defined the two sides both as parts of One China, the concrete laws and regulations in this level are supposed to be beneficial rather than detrimental to the development of cross-strait relations.

Obviously, the core level determines the content of other two levels, and is related to Taipei's true stance in the Taiwan Issue. Therefore, the analysis should focus on the evolution of the core level's policies.

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[210] Zheng Hua. (1999). An Analysis of Taiwan Authorities' 20 Years Mainland Policy. *Relations Across Taiwan Straits* . 3 (3), p5-7.
[211] Du Lifu. (2007). "Constitutional One China" and the Mainland Policy of Taiwan Kuomintang Party. *Taiwan Research Quarterly* . 9 (1), p59-65.
[212] Yang Chuanrong. (1990). Research on Reunification Model . *Taiwan Research Quarterly* . 1 (1), p87-92.

Since the late 1980s, the core level of mainland policy has experienced a fundamental shift from the authorities' previous insistence of One China to publicly pursuing *de jure* independence of Taiwan. Although the KMT took back the office in 2008 and modified the core level back to the One China position, Chiang Kai-shek and Chiang Ching-kuo's pursuit of reunifying two sides across the strait seemed to be completely abandoned.

This fundamental shift was caused by various factors, such as political leader's personal decisions, pushes made by political groups, amendments to the Constitution, changes of political system, shift of public opinion, and so on. All these different factors had one thing in common, that was they were all strongly connected with the process of political transformation in Taiwan. In fact, it is not surprising to realize that the evolution of mainland policy, especially the most sharply change in the core level, happened in the same period of the political transformation from the late 1980s to mid-2008. In such a case, through analyzing the process of political transformation and combining it with the concept of national interest, this chapter will offer an interpretation with sufficient explanatory power for the phenomenon of fundamental change in the core level of Taipei's mainland policy.

A Brief Introduction of Taiwan's Political Transformation between Late 1980s and Mid 2008

The political transformation began in the way of political reform pushed by Chiang Ching-kuo in late 1980s, and was largely promoted by Lee Teng-hui and Chen Shui-bian. Those reform measures in both political and social areas directly influenced the mainland policy making, but many of them were adjusted or even suspended in 2008 when the KMT won the presidential election and redefined the cross-strait relations as "One China, Two Areas" [213].

The Political Reform during Chiang Chingkuo 's Period

When the Chinese Civil War came to its end, Chiang Kai-shek made "the Temporary Provisions Effective during the Period of National Mobilization for Suppression of the Communist Rebellion", which enabled the president to take emergency measures to safeguard the security of the nation and the people, and to be reelected more than two terms. This "Temporary Provisions", in fact, was not very temporary since it has been working as a wartime Constitution for more than 40 years after the National Assembly added it to the Constitution in April 1948[214]. In such a case, the beginning of political transformation pushed by Chiang Ching-kuo in 1987, was targeted at this Temporary Provisions. As Chiang pointed out, the reform which was based on democracy and the Constitution, was to change the KMT's conservative image through effective measures[215]. During this period, the most important reform measures were abolishing the Martial Law and repealing the party ban. In July 1987, Chiang Ching-kuo announced that the Martial Law period

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[213] Yang Zejun and Zhou Rui. (2010). Study of Ma Yingjiu's mainland policy. Forum of World Economy & Politics. 4 (1), 35-36.

[214] Office of the President. (2005). *Constitution of the ROC.* Available: http://english.president.gov.tw/Default.aspx?tabid=434. Last accessed 21st June 2013.

[215] Chen Fengqiang (2000). *Chen Shuibian and the DPP*. Beijing: Qunzhong Press. p55.

was ended, and the authorities also took a series of measures for relaxing restrictions in society[216]. Compared with ending the Martial Law, which was decided and implemented by the authorities, repealing the party ban should be regarded as the compromise between the KMT leaders and the social pressures they faced. With the increasing political movements supported by the non-KMT forces, it has become very clear that the establishment of new political parties in Taiwan was inevitable, even though the KMT authorities still refused to lift the ban. In September 1986, the DPP was founded without permission from the KMT authorities, which largely encouraged other non-KMT forces that were also discontent with the authorities[217]. Within this context, in 1987, Chiang had to give up KMT's previous policy of party ban[218].

The end of Martial Law and the repeal of party ban indicated there were huge changes in the KMT's political dominance and its relations with political oppositions. In fact, the authorities began to make compromise with other political forces when the latter were largely enhanced and becoming stronger. However, the changes in both political and social areas were still far from enough, and further and deeper reform measures were required by the whole society. It is noteworthy that this initial reform also influenced the core level of mainland policy when more and more people started to publicly express their discontent with Chiang Ching-kuo and his "Three Noes" policy, while at the same time, the pro-independence forces were strengthened by extracting support from these discontents[219].

The Constitutional Amendment during the period of Lee Teng-hui and Chen Shui-bian administrations

After Chiang Ching-kuo's death, Lee Teng-hui became the president and continued the reform by making policies which were consistent with Chiang's previous measures[220]. However, the outbreak of the March Student Movement (also known as Wild Lily Movement) forced him to reevaluate the political reform. In March 1990, the fact that Lee was the only candidate of the presidential election triggered fierce criticism from Taiwan's society and therefore caused a large scale mass protest, which was chiefly composed of university students. This revealed the serious conflict between previous reform measures which did not touch the old constitutional system of the ROC, and Taiwan's society which was strongly anxious to achieve democracy[221]. Within this context, in order to respond to the public demand and stabilize the regime, the Lee Teng-hui administration began its constitutional reform. During the ten years from 1990 to the end of Lee's presidency in 2000, there were six amendments in the ROC's Constitution, which firstly led to the repeal of the 'Temporary Provisions' and reduction of restrictions on Taiwan's people, and then

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[216] Li Zhechao. (2008). The political reform during Chiang Chingkuo's period. Capital Normal University. 1 (2), 28-30.
[217] Democratic Prograssive Party. (2006). Main Events of the DPP.Available: http://www.dpp.org.tw/history.php?data_type=大事年表. Last accessed 21st June 2013.
[218] Li Zhechao. (2008). The political reform during Chiang Chingkuo's period. Capital Normal University. 1 (2), 30-31.
[219] Yang Zhenbao. (2001). The Political Causes of Jiang Jingguo's Rigid Stand against the Renuion of China. ACADEMIC FORUM OF NAN DU（PHILOSOPHY AND SOCIAL SCIENCES EDITION）. 5 (1), 21.
[220] Zhang Chunying. (2006). The difference between Lee Teng-hui's constitutional amendment and Chiang Chingkuo's political reform. Proceeding of 'Chinese party and evolution of modern society'. 1 (1),
[221] Xu Heng. (2008). Taiwan s Democratic Political Process Research. Wuhan University of Science and Technology. 1 (3), 17-19.

focused on adjusting the state structure and increasing the power of president[222]. This high frequency of constitutional amendments during this period not only established legal foundation for further political reform, but also made the Constitution lose its seriousness and stability, and even become a tool used by political parties to gain their own political interest. Particularly, the pro-independence forces started to be able to extricate itself from previous restrictions of the ROC Constitution, and gradually raised its influence on both political and social areas by utilizing the democratization process[223].

In 2002, Chen Shui-bian, who won the presidential election two years ago, for the first time mentioned constitutional amendment in his presidency with a relatively moderate stance[224]. However, in 2003 and 2004, he repeatedly announced that then Constitution could no longer satisfy the current and future need of Taiwan, and he wished to establish a new Constitution through referendum[225]. In August 2004, the Legislative Yuan passed its first proposed revision of the Constitution, and on June 7th 2005, the National Assembly approved the Legislature's proposed revision to Articles 1, 2, 4, 5, 8, as well as the addition of Article 12 to the ROC Constitution, which was the 7th amendment since the political transformation started[226]. This amendment made it clear that any change of the ROC territory must be "initiated upon the proposal of one-fourth of total members of the Legislative Yuan, passed by at least three-fourths of the members present at a meeting attended by at least three-fourths of the total members of the Legislative Yuan". This actually implied that the pro-independence forces led by the DPP would be able to change the definition of the ROC territory and largely promote Taiwan's *de jure* independence as long as they could obtain sufficient support in the Congress[227]. After that, Chen again proclaimed many times that he wanted to establish a completely new Constitution for Taiwan, but his real target might be using the constitutional amendment to divert public attention from discontent and criticism against his domestic and cross-strait policies.

Democratization and Localization

The political transformation in Taiwan has impacted on many areas, but to analyze the fundamental shift in the core level of the mainland policy, this study will only pay attention to its influence on Taiwan's political and social areas. More precisely, the political transformation happened first in the political field in the form of democratic reform, which then caused a social change that influenced people's self-identity and their opinions about Chinese culture. In such a case, the study divides the political transformation into the process of democratization in the political area, and the process of localization in social and cultural areas. It is noteworthy that

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[222] Office of the President. (2005). *Constitution of the ROC.* Available: http://english.president.gov.tw/Default.aspx?tabid=434. Last accessed 21st June 2013.

[223] Liu Jinglan. (2006). The Study of Taiwan Politics Transition and It"s Influence on the Inter-coastal Relations. *Northeast Noraml University*. 1 (4), 140-143.

[224] Zhang Wensheng. (2006). Analyses on Chen Shui-bian Pursuing of "de jure Independence" Through the "Constitutional Reform". Taiwan Research Quarterly. 1 (3), 16-24.

[225] Li Jiaquan. (2003). My view of Chen Shuibian's Idea of Making New Constitution through Referendum. Relations Across Taiwan Straits. 12 (1), 17-18.

[226] Office of the President. (2005). Constitution of the ROC. Available: http://english.president.gov.tw/Default.aspx?tabid=434. Last accessed 21st June 2013.

[227] Dang Chaocheng. (2005). Commentary on the political issues in Taiwan in 2004. Taiwan Gong Zuo Tong Xun. 2 (1), 34-37.

democratization and localization in Taiwan had an unique feature, which was their strong connection with the separatist movements, and that was why they can be used to explain how those changes happened in Taipei's definition of cross-strait relations.

The central feature of democratization: enhancing the pro-independence force

Lee Teng-hui and his administration played a very special role in Taiwan's democratization. In addition to largely promoting democratic reform in the KMT old political system through constitutional amendments, his reform measures seemed to give more weight to enhancing the pro-independence forces and gradually denying the "One China" principle, which ultimately caused the fundamental change in the core level of mainland policy.

First of all, the Lee Teng-hui administration established a theoretic foundation for future separatist movement by emphasizing the concept of "popular sovereignty", declaring that democratic politics could never be achieved without popular sovereignty[228]. In essence, sovereignty belonged to people in a specific area, and these people together formed a community[229]. Thus, Lee Teng-hui argued that Taiwan's sovereignty only belonged to the community formed by Taiwan's people, which provided a theoretic foundation for realizing Taiwan's *de jure* independence. However, according to the One China principle insisted by the previous Chiang Kai-shek and Chiang Ching-kuo authorities, the sovereignty of the ROC must cover both Taiwan and the mainland, indicating that sovereignty should belong not only to people in Taiwan but also to those on the mainland. In such a case, Lee's announcement that the ROC's sovereignty was limited in Taiwan and only belonged to Taiwan's people, denied the existence of the mainland within the ROC's sovereignty, actually implying that Taiwan was a sovereign state rather than a part of China[230]. On the base of this concept, the democratization doubtlessly prompted the authorities to approach the pro-independence stance.

Meanwhile, during the process of democratization, Taiwan's state structure was changed in a way that largely enhanced the pro-independence forces. In the early 1990s, the Lee Teng-hui administration began to concern and accept suggestions presented by the pro-independence forces, which had been completely excluded from Taiwan's policy making process[231]. Among those suggestions, the direct popular election of the president and freezing the provincial government should be regarded as the most important issues. In May 1992, the constitutional amendment that required "the president and the vice president shall be elected by the people in the free area of the Republic of China for, at most, two terms of four years each" was passed[232]. No one would deny that the direct election of the president, which was often regarded as a significant symbol of democracy, indicated that Taiwan's political reform has made great progress. However, when considering the cross-strait relations, this progress did have a negative implication that should not

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[228] Wu Daying. (1995). Lee Teng-hui's 'Sovereignty' and 'Popular Sovereignty'. Reunification Forum. 5 (1), 1.

[229] Shen Qingsong. (1993). Intepretation of the Community. Central Monthly. 26 (9), 50-51.

[230]Richard Bernstein and Ross H.Munro (1997). The Coming Conflict with China. Beijing: Xinhua Press. 126.

[231] Liu Guoshen. (2006). The influence of constitutional amendments in Taiwan on national unification. Taiwan Research Quarterly. 4 (2), 4.

[232] Office of the President. (2005). *Constitution of the ROC.* Available: http://english.president.gov.tw/Default.aspx?tabid=434. Last accessed 21st June 2013.

be ignored. That is, if the president of the ROC is elected directly by people in Taiwan, he or she is only responsible for people in Taiwan, rather than representing the interest of all Chinese people. In such a case, the legitimacy of the president and the authorities were shrunken from the whole of China to Taiwan, which was why this reform was strongly supported by the pro-independence forces.

In 1997, the fourth version of the ROC Constitution promulgated by Lee, clearly pronounced that "Taiwan provincial elections shall be suspended; Taiwan province shall have a provincial government and a provincial advisory council; the members of the provincial government, one of whom shall be the provincial governor, shall be nominated by the president of the Executive Yuan and appointed by the president of the Republic"[233]. This change suspended provincial elections and streamlined relevant government organizations in order to resolve the conflict between the Constitution and the actual sovereign area. More precisely, the new version of the Constitution defined the sovereign area of the ROC as Taiwan, Penghu, Kinmen and Matsu,abandoning the mainland area. Therefore, the concept of the "Taiwan province", which clearly showed that Taiwan is a part of China, became outdated and could not be tolerated by the pro-independence forces.

The aim of these changes in Taiwan's state structure was quite clear: to limit the legitimacy of the authorities within Taiwan, Penghu, Kinmen and Matsu, denying that the ROC should represent the whole of China and therefore virtually creating "Two Chinas".

Apart from that, Taiwan's anti-independence forces were continually weakened in the process of democratization. Before political transformation, Taiwan's political issues were totally controlled by the KMT authorities, which upheld the One China principle and defined the cross-strait relations as a relation between free area controlled by the legal government and occupied area controlled by the rebel group. In such a case, the KMT was the major force against any pro-independence ideas and movements. In fact, during the period of Chiang Kai-shek and Chiang Ching-kuo administration, all pro-independence forces were driven out of Taiwan and no pro-independence movement was allowed inside the island[234]. However, in the process of Taiwan's democratization, the KMT's ideology and organization started to be continually weakened. When the political reform started, there was a confusion in the KMT's ideology, influencing the party's cohesion. But Lee Teng-hui paid little attention to this serious problem, taking no measures to help the KMT to adapt to Taiwan's changing political and economic situation[235]. Consequently, only 10,000 new members joined the party in 2001, and it became difficult to recognize which group's interest the KMT represented, implying that the party was losing its social foundation[236]. Meanwhile, more conflicts broke out inside the KMT, while Lee Teng-hui, as the party chairman, failed in resolving these conflicts but rather stirred up more dissension with other senior party members, which finally led to serious split in the party. In 1993,

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[233] Office of the President. (2005). Constitution of the ROC. Available: http://english.president.gov.tw/Default.aspx?tabid=434. Last accessed 21st June 2013.
[234] Tan Yiqing. (2003). Chiang Kai-shek and anti-independence fight. Hundred Year Tide. 5 (1), 54.
[235] Liu Hong. (2000). How Lee Teng-hui damages the KMT. Taiwan Studies. 3 (1), 5.
[236] Wang Ying. (2004). Analysis of reasons why the KMT was weakened during Lee Teng-hui's period. *Modern Taiwan studies*. 5 (1), 16-18.

a few non-mainstream members of the KMT proclaimed their independence and founded the New Party[237]. In 1996 and 2000, other senior party members, such as James Soong, who were dissatisfied with Lee Teng-hui's control of the party's nomination for the presidential election, also left the KMT and founded the People First Party[238]. All these splits largely weakened the KMT's influence on Taiwan's society and therefore led to a decline in its vote share in legislative elections between 1989 and 2001, falling from 60.14% to only 28.56%[239]. In essence, the KMT that started the democratic reform, did not benefit from the process but was recognized by Taiwan's people as an obstacle to democracy. In these circumstances, with declining approval ratings and serious splits inside the party, the KMT gradually lost its dominance in Taiwan's political issues and could not effectively contain the rise of pro-independence forces. Consequently, for the first time in Taiwan's history, pro-independence forces obtained administrative power when the DPP won the presidential election in 2000.

In general, in the process of democratization, the popular sovereignty created a theoretical foundation for separatism, and constitutional amendments established a system supporting the pro-independence movements, while the major anti-independence force was continually weakened and lost its political dominance. Within this context, a series of changes happened in the core level of mainland policy[240]. In 1991, the abolishment of "the Temporary Provisions" transformed the identity of the mainland from "rebel group" to "political entity" and defined the cross-strait relations as "One China, Two Equal Political Entities". But this ambiguous definition did not last long when subsequent constitutional amendments redefined the sovereign area of the ROC from the whole of China to Taiwan, Penghu, Kinmen, and Matsu, which was described by Lee as "the ROC is in Taiwan"[241]. By denying that the mainland was under the ROC's sovereignty, Lee declared that the definition of cross-strait relations must be understood as "One China, Two Countries" to protect Taiwan's status[242]. This definition still admitted that the two sides belonged to "One China", but clearly defined Taiwan as a country rather than the ambiguous "political entity". In 1999, within the context that the KMT was suffering serious internal splits while the pro-independence forces had gained more influence, which indicated that he faced less restrictions from his own party and stronger support from the DPP, Lee Teng-hui made his famous "special state to state relationship" statement in an interview with Deutsche Welle, defining the cross-strait relations as "state to state". Thus, the One China principle was openly denied, and the core of mainland policy completely shifted to a pro-independence stance[243]. Since then, this definition of cross-strait relations was remained and promoted by the following DPP administration until mid-2008.

The essence of localization: promoting the de-Sinification movement

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[237] Tang Yunxuan. (2004). Lee Teng-hui and three splits in the KMT. Fujian Normal University. 1 (1), 32-38.
[238] Tang Yunxuan. (2004). Lee Teng-hui and three splits in the KMT. Fujian Normal University. 1 (1), 48-51,55
[239] Liu Chuanbiao. (2004). The review of 5 legislative elections in Taiwan. Fujian She Ke Qing Bao.
[240] CHENG CHUNG BOOKSTORE (1998). Listen to voice of people. Taipei: CHENG CHUNG BOOKSTORE. 34.
[241] Lee Teng-hui (1999). Taiwan's Claim. Taipei: Yuanliu Press. p63.
[242] Lee Teng-hui and Nakajima Mineo (2000). Asia's Strategy. Taipei: Yuanliu Press. p41.
[243] Zhang Wensheng. (1999). One China principle and definition of cross-strait relations. Taiwan Research Quarterly. 4 (1), 1-5.

The political transformation weakened the power of the KMT and made it unpopular with Taiwan's society. Within this context, the pro-independence forces wished to take advantage of this social discontent to create an appropriate social environment for further advancing their pursuit of Taiwan's *de jure* independence. The major method was to establish the so called Taiwanese identity while cutting off Taiwanese people's ties with Chinese culture by promoting localization in Taiwan's social and cultural areas.

It should be pointed out that the concept of localization presented by the pro-independence forces was completely different from the "localization movement" in Taiwan's history before the end of World War II. During that period, localization was the opposite of the de-Sinification, because Taiwan's people fought for protecting their Chinese culture and language from the Kominka movement pushed by the Japanese colonists[244]. The DPP's localization is also different from the economic concept that means certain development mode emphasizing a nation's own features within the context of globalization[245].

The localization promoted by the pro-independence forces rose from the conflict between the KMT authorities and Taiwan's local people, rather than from a necessary fight against external political or economic pressures. More precisely, before Chiang Ching-kuo's political reform, there was a strong social discontent with the fact that political issues were totally controlled by the so called external province natives (*wai sheng ren*). For that reason, Chiang increased the number of local people as government officials[246]. His goal was to absorb local elites into the authorities, thereby ensuring that the KMT would stay in power. In essence, this was a policy easing the tension between internal and external province natives, rather than a movement that influenced the whole society and impacted the mainland policy making. However, in the view of the pro-independence forces, this issue could be utilized to create an appropriate social foundation for future separatist movements. Although the number of internal province natives (*ben sheng ren*) as senior political or military officials had been increased to a level that greatly eased previous tensions, Lee Teng-hui and his successor still gave more weight to this localization process, gradually changing its essence from increasing the political participation of internal province natives to promoting the Taiwanese identity and cultural independence. Since then, the localization has been closely linked with separatism.

For the pro-independence forces, the identity issue was a significant challenge that Taiwan's society had to face when pursuing democracy. They believed that people would not love Taiwan or fight for establishing the democratic system if they did not identify Taiwan as their home country. In other words, the Taiwanese identity was the premise of realizing democratization. This identity issue first appeared in late 1980s when Chiang Ching-kuo allowed local people to visit their relatives in the mainland. Because of nearly forty years' separation and confrontation, few people had experience in dealing with the mainland or knew the real situation there. In such a case, their

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244 Cai Fangbo. (1997). The Kominka movement and its influence on Taiwan during Japanese colonial period. Taiwan Studies. 4 (1), 16.
245 Wang Jianguo. (2006). On the standard and localized international marketing. Anhui University. 1 (2), 15-16.
246 Sun Xiaoyuan. (2004). Political Localization and Taiwan's Political Transformation. Forum of World Economy & Politics. 5 (1), 18.

strong emotions about relatives and old hometown made them overestimate the situation in the mainland, which led to serious disappointment when they arrived there and therefore weakened their Chinese identity[247]. By contrast, when they ended their visit and returned to Taiwan, the familiar daily lives evoked the feeling that Taiwan rather than the mainland was their real hometown. This feeling was the beginning of Taiwanese identity, and what pro-independence forces pursued was to reinforce this feeling, prompting more people in Taiwan to identify themselves as Taiwanese.

During the period that Taipei upheld the One China principle, both internal and external province natives were identified as Chinese, and in the view of most people, "Taiwanese" was equated to "Chinese". For that reason, the Lee Teng-hui administration created the concept of "New Taiwanese", which referred to people who were not Chinese but identified Taiwan as their only hometown and would fight for Taiwan's interests, unlike the "Chinese" who loved Chinese culture and refused to relinquish their pursuit of national unification[248]. In other words, whether a person was "New Taiwanese" depended on whether he or she opposed national unification, or as pro-independence forces implied, whether he or she supported Taiwan's *de jure* independence. In order to promote Taiwanese identity, Lee Teng-hui even defined the KMT authorities as an "external authorities" (*wai lai zheng quan*), equating the KMT with the Dutch and Spanish colonists in Taiwan's history[249]. He argued that the old KMT authorities did not represent the interests of Taiwanese people, implying that only a Taiwanese regime could emancipate Taiwanese people from external authorities' oppression. He even stated that the grief of Taiwanese people was deeply rooted in mainland China because the old KMT authorities always identified themselves as the regime of whole China[250]. In such a case, people who identified themselves as New Taiwanese should boycott external authorities that supported One China, and seek to establish Taiwanese own regime by promoting separatist movements. It is noteworthy that the identity issue has already largely impacted Taiwanese people, shifting their support from unification to independence. By 2004, over 60% of Taiwanese people identified themselves as Taiwanese, which explained why the pro-independence stance in Taipei's mainland policy faced little resistance from the society[251].

After 2000, the DPP became the ruling party and implemented various measures to further improve this localization. Its major target was to cut off ties between Chinese culture and Taiwan's society, achieving independence in cultural area first, and therefore prompt the society to support separatist movements in the political area. During this period, the authorities promoted localization in Taiwan's education, in which language and history were impacted most severely. For language, the authorities raised the significance of Taiwan's local dialect, requiring all primary

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[247] Liu Qiang. (2009). Cross-Straits Interaction and State Identity. JOURNAL OF THE CENTRAL INSTITUTE OF SOCIALISM. 4 (1), 13.
[248] Wei Shijun. (1996). New Taiwanese of Lee Teng-hui. Reunification Forum. 3 (1), 8.
[249] Chen Kongli. (2002). The research mode of 'province, ethnic group and localization' in Taiwan's politics. Taiwan Research Quarterly. 2 (1), 13.
[250] Li Jiaquan. (1994). Analyzing the talk between Lee Teng-hui and Shiba Ryōtarō . Tai Sheng. 7 (1), 5.
[251] T. Y. Wang, and I-Chou Liu . (2004). Contending Identities in Taiwan: Implications for Cross-Strait Relations. *Asian Survey*. 44 (4), 568-590.

schools to provide courses taught in that dialect[252]. After 2000, the Chen Shui-bian administration publicly proclaimed that the local dialect was not a branch of Chinese Min Nan (*Min Nan Yu*), but should be recognized as "Taiwanese"(*Tai Yu*)[253]. In the meantime, the localization in history education was with a more obvious pro-independence stance. According to Taiwan's history textbook designed by the Lee Teng-hui administration, Taiwan historically had no relations with China and thus should be defined as an "ownerless land" (*wu zhu zhi di*), which implied that Taiwan was not a part of China but an independent sovereign state[254]. Based on this, the Chen Shui-bian administration made further changes in history education, separating "Taiwanese history" from "Chinese history", incorporating the "theory of the undetermined status of Taiwan" into the official textbook, and even recognizing Sun Yet-sen as a "foreigner"[255]. All these changes, as Chen admitted, were to liberate Taiwan's history research and education from the restrictions of Chinese influence, and to establish the dominant status of Taiwanese own historical viewpoint[256].

In addition, it is also noteworthy that localization can enhance the pro-independence forces in Taiwan's election when identity was utilized to form widely popular support for those pan green politicians. More precisely, pro-independence forces such as the DPP usually defined Taiwan's election as a fight between "New Taiwanese" who loved Taiwan and "Chinese" who betrayed Taiwan, imposing huge pressures on voters who did not vote for the DPP candidate[257]. In these circumstances, localization gradually defined itself as the only correct political position which should not be questioned.

It is difficult to reverse the effects of these measures promoting cultural independence when pro-independence opinions have been widely accepted by the society. Identifying with a certain culture is the foundation of identifying with certain nation. If Taiwanese people's ties with Chinese culture were completely cut off, it will be impossible for them to identify themselves as Chinese or support national unification. This is why the localization in cultural area was viewed by the pro-independence forces as a necessary stage before Taiwan could finally achieve its *de jure* independence. In fact, according to the DPP's plan, after the democratic political system was established in the democratization, the authorities should emphasize Taiwan's status in the cultural area by using "Taiwan" rather than "China" in official expressions and replacing "China" with "Taiwan" in official departments' titles. With all these preparation, the authorities could try to declare Taiwan's *de jure* independence through a referendum that aimed to change the nation's title from the "ROC" to "Taiwan". It is not difficult to realize that whether this final step can succeed is dependent on Taiwan's public attitudes towards the identity of "New Taiwanese" and Chinese culture. In other words, although the pro-independence forces can use democratization to make itself become the ruling party and formulate policies to promote separatist movements, they

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[252] Zhang Shaoning and Li Lianghua. (2005). The psychological basis and cultural foundation of Taiwan's pro-independence force. Journal of Guangxi Socialist College. 17 (3), 9.
[253] Tian Henian (2007). History of Taiwan Strait. Beijing: SINO-CULTURE PRESS. p326-332.
[254] Ruan Guoying. (1996). Ownerless Land and Mentality of Kominka . Legal Science Monthly. 3 (1), 6.
[255] Dong Wencui. (2005). Pro-independence education irritated everyone. RELATIONS ACROSS TAIWAN STRAITS. 1 (1), 14.
[256] Pan Linfeng. (2004). The de-Sinofication in Taiwan's education. Modern Taiwan studies. 6 (1), 26-30.
[257] Xu Jieling. (2004). Commentary on the presidential election in 2004. Proceeding of Taiwan Study Research Center. 8 (1), 18.

are also constrained by the democratic system, which means they have to concern about the response of Taiwan's society to their pro-independence behaviors. This on one hand explains why they paid so much attention to the localization, largely promoting de-Sinification in Taiwan's society, while on the other hand, also implies that Taiwan's *de jure* independence cannot be easily achieved as long as the society has a pragmatic consideration about Chinese military pressure.

Political Transformation, Taipei's Perception of Relative Power, and Taiwan's Interest

In the process of political transformation, a democratic political system was successfully established while Taiwan's society seemed to have accepted Taiwanese identity and the pursuit of Taiwan's independence. Within this context, the fundamental change happened in the core level of mainland policy. Through the above analysis, it is clear that the democratization enhanced the pro-independence forces while weakening the power of the KMT, and the localization affected Taiwan's public attitudes towards unification and independence by promoting de-Sinification in social and cultural areas. In such a case, no one will deny that the political transformation has generated huge impact on Taipei's definition of cross-strait relations.

Some scholars even postulated that political transformation alone led to this pro-independence trend in mainland policy making before 2008[258]. They argued that the high frequency of election in Taiwan between 1988 and 2002 seriously radicalized the campaign debate, making mainland policy, which was very complex, emotional, and significant for the voters, become a prime subject for campaign manipulation[259]. In these circumstances, the pro-independence forces easily obtained sufficient public support and won these elections when the society was disaffected towards the KMT and accepted Taiwanese identity. As then president of the Taiwan Association for Human Rights admitted, the democratization and pro-independence movements were two aspects of one issue and actually reinforced each other[260]. However, this conclusion that political transformation alone determined fundamental shift in Taipei's definition of cross-strait relations, seems to be provided by Innenpolitik theories which privilege domestic independent variables to account for state behavior. As neoclassical realists point out, the pure unit-level explanations are misguided because they ignore the dominant role played by the relative material power. In fact, if the political transformation is the only independent variable of the change in the core level of mainland policy, it has difficulty accounting for why the Chen Shui-bian administration failed to hold a referendum for achieving Taiwan's *de jure* independence before 2008.

Within the context that political transformation enabled the DPP to extract Taiwan's political and social resources for formulating pro-independence policies, it seems there was few restrictions from political opponents or society on DPP's separatist movements. Then why the DPP could not declare Taiwan's *de jure* independence? Furthermore, the gap between two sides' military power is huge, and separatist words and deeds of the DPP will never be accepted by Beijing, but why the pro-independence forces dared to create the fundamental change in the core level of mainland policy? Indeed, the DPP's behavior seemed irrational when most Taiwanese people agreed that

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[258] Zhao Yong (2008). *Taiwan's Political Transformation and Pro-independence Trend*. Beijing: Central Compilation & Translation Press. p233-236.
[259] Li Li. (2007). Taiwan's Election Culture. *Tai Sheng*. 5 (5), p23-25.
[260] Jia Yibin (1993). *Research on Taiwan's Pro-independence Forces*. Beijing: Tuanjie Press. p142.

separatist activities would inevitably elicit a strong reaction from mainland China. These contradictions indicate that other factors should be taken into account when analyzing Taipei's mainland policy making during the period of political transformation.

More precisely, the pro-independence forces redefined the cross-strait relations not only because the political transformation increased their power, but was also due to the way they perceived relative power. In the modern society, the information dissemination is very efficient, so policy makers are unlikely to ignore the reality of a huge gap between two sides' power. But Taipei was still able to adjust its mainland policy and promote Taiwan's independence, because pro-independence leaders preferred to compare power of Taiwan's allies with that of mainland China rather than compare power between two sides across the strait. This comparison, which was used to interpret the systemic constraint and guide the formulation of Taiwan's mainland policy, is due to Taiwan's limited power and its confidence in its powerful allies' intervention. Among all four actors in the Taiwan Issue, the United States is the only global super power, while mainland China and Japan are both influential regional powers. Compared with them, Taiwan is extremely weak in military, political, and economic areas. In such a case, only based on the estimation of the US or Japanese response to Chinese policy and behavior towards Taiwan, Taipei could figure out Taiwan's interest pursuit and therefore formulate and adjust its mainland policies.

The problem is that Taiwan cannot always accurately predict its allies' specific behaviors. One example is when Chiang Kai-shek believed his "recovering mainland" policy would be implemented within the context that there was serious military confrontation between the US and mainland China, Washington refused to support that plan. This showed that Taipei could hardly realize its policy target if it made a false prediction about what actions its allies would take in the Taiwan Strait. This significant feature remained unchanged after 1987. After all, effects of political transformation was to change Taiwan's domestic state structure, rather than raise the authorities' ability to predict potential US behavior or ability to realize its own targets in the absence of US support. However, according to the pro-independence forces, there is no doubt that the US and Japan's position on the Taiwan Issue, especially about the cross-strait reunification, was quite different from that of China. That means if Beijing tries to take over Taiwan by force, the US and Japan will come to Taiwan's aid without hesitation. Therefore, the magnitude of mainland policy's formulation and adjustment, including the fundamental change in Taipei's definition of cross-strait relations, is shaped by potential activities of the US and Japan that can curb China's military intimidation.

According to this view, Taiwan has common targets with its powerful allies, which are maintaining Taiwan's current *de facto* independence and even supporting Taiwan's *de jure* independence. From the DPP or other pro-independence forces' perspective, the US is far stronger than mainland China, so the latter will have to focus on its own fundamental interests such as safeguarding its coastal area security if it faces military intervention from the US. In other words, Taiwan's interest of maintaining its *de facto* independence is under no real threat. For example, Lee Teng-hui declared on many public occasions that Taiwanese people had no need to worry about the potential military actions from mainland China, because Beijing did not dare to start a

cross-strait war[261].

Thus, the seemingly irrational provocations made by the pro-independence forces against mainland China in political transformation was the result of power comparison between China and Taiwan's allies. More precisely, Taiwan's political leaders believed Taiwan's most fundamental interest of maintaining its *de facto* independence was safeguarded, so it was reasonable for them to try to realize an interest in a relatively high level, which was declaring Taiwan's *de jure* independence. It is noteworthy that Taipei's failure in realizing such interest before 2008 actually reveals that changes caused by political transformation in Taiwan's state structure cannot meet the pro-independence forces' demand, and the authorities may have overestimated the relative power of Taiwan's allies. More detailed analysis about these two facts will be provided by Chapters IV, V, VI and VII.

Conclusion

The relation between Taiwan's political transformation and the fundamental change in the core level of mainland policy is clear. The direct result caused by political transformation was the rise of pro-independence forces. Within the context that there was less constraints from its political opponents and increasing support from society, the DPP eventually became the ruling party and started to use its own perception of relative power to guide the formulation of Taiwan's mainland policy. Even though the Chen Shui-bian administration did not realize Taiwan's *de jure* independence, the impact of political transformation on Taiwan's mainland policy making was maintained. One evidence is that the Ma Ying-jeou administration abandoned Chiang Kai-shek and Chiang Ching-kuo's pursuit of national reunification, only bringing back the KMT's old position of "One China, different interpretations"[262]. With the growing economic and cultural exchanges across the Taiwan Strait between 2008 and 2016, the KMT authorities still had no confidence or interest to touch sensitive political issues with Beijing, because such behavior would make them face strong resistance from both oppositions and society. In other words, effects of political transformation continued to reduce the possibility of a cross-strait political negotiation for unification. But on the other hand, it is worth to note that political transformation which enhanced the pro-independence forces through democratization and localization, did not enable the DPP to realize its pursuit of Taiwan's *de jure* independence. In realty, like the KMT, the pro-independence forces are also constrained by the democratic political system. Although it has regained power in 2016, the DPP cannot let the core level of mainland policy to be seriously changed again if there is not sufficient social support.

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[261] Zhongping News Agency. (2006). *Lee Teng-hui: Mainland has 700 Missiles but Dare not Use*. Available: http://www.chinareviewnews.com/doc/1001/0/3/3/100103388.html?coluid=0&kindid=0&docid=100103388. Last accessed 30th Oct 2015.

[262] Guo Jianqing. (2013). Reasons Why Ma Ying-jeou Avoided Cross-Strait Political Dialgue and Beijing's Solution . *Modern Taiwan Studies*. 2 (2), p9-13.

Chapter III The Evolution of Policy Made by Mainland China towards Taiwan

The Chinese Civil War between 1945 and 1949 ended with the defeat of the KMT and its retreat to Taiwan. At first, the KMT refused to accept its political and military failure, formulating offensive policies such as "recovering the mainland" (*fan gong da lu*) and attempting to regain its power in the whole of China[263]. In the meantime, mainland China also made a tit-for-tat policy known as "Must Liberate Taiwan" (*yi ding yao jie fang Taiwan*) to wipe out the enemy and achieve national liberation, shelling Kinmen islands in 1954[264]. This goal of achieving national unification across the Taiwan Strait was remained in all following Taiwan policies made by Beijing. But this coercive military actions caused a strong response from both the US and Taiwan, which made Beijing realize that its specific measures for realizing unification should be adjusted to adapt to the changing political and security environment in the East Asia area.

Beijing's Policy towards Taiwan During the Cold War

The First Taiwan Crisis and "Peaceful Liberation of Taiwan"

After the Korean War, the KMT authorities did not suspend its military assault in coastal area of mainland China, but rather escalated its attacks in islands near China's Guangdong and Fujian province and even intercepted ships trading with the mainland. This was viewed by Beijing as a serious threat against the security and economic interest of the PRC[265]. Within this context, Chinese official newspaper the People Daily published an editorial on 23rd August 1954, stating that "we must liberate Taiwan", and the People's Liberation Army (PLA) started shelling Kinmen as a retaliation[266].

In these circumstances, the US Joint Chiefs wished to take direct military actions including air strike to help the KMT army to protect Kinmen and Matsu. But such a plan was not accepted by then President Eisenhower, who refused to take the risk of dragging the US into another war with China for a few small islands[267]. Precisely, he wanted to protect Taiwan's security while avoiding warfare with China. For that reason, Washington suggested the KMT army to give up all other islands and retreat back to Taiwan and Penghu Islands, and declared that protecting Kinmen and Matsu was not US permanent duty. The real aim of this advice was to gradually force Taipei to abandon all of its coastal islands, so that the potential contact between Taiwan and the mainland would be cut off and therefore the US could build "Two Chinas" in the international arena[268].

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263 Wang Kan. (2005). Evolution of Chiang Kai-shek's 'Retaking Mainland' Policy. Journal of Historical Science. 6 (6), p125-128.
264 Fravel, M. Taylor. (2008). Power Shifts and Escalation: Explaining China's Use of Force in Territorial Disputes. International Security. 32 (3), p44-83.
265 Mei Yi. (1958). Current Situation across Taiwan Strait. World Affairs. 18 (1), p6.
266 Teng Haijian. (2001). Taiwan policy of the Eisenhower administration and Two Taiwan Crisis. Journal of Zhaowuda Mongolian Teachers College. 22 (5), p30-33.
267 Bernkopf Tucker N. China-Taiwan: US debates and policy choices[J]. Survival, 1998, 40(4): 150-167.
268 Zhang Chunying. (2000). Chiang Kai-shek's Five Times Resistance against the US Plan of Separating Taiwan from China. Relations Across Taiwan Straits . 12 (12), p33-36.

In the face of pressures from the US, Beijing adjusted its hardline policy toward Taiwan. While insisting that Taiwan must be liberated, Chinese leaders stated for the first time that if the US army was withdrawn from the area, Taiwan could be liberated peacefully[269]. This new stance soon elicited a positive response from Washington, which also agreed to resolve then Taiwan Strait Crisis through negotiations[270]. Within this context, the Chinese government officially stated this policy of "peaceful liberation of Taiwan". On May 13th 1955, when speaking on the standing committee of the National People's Congress, then Chinese Premier Zhou Enlai noted that there were also peaceful ways for liberating Taiwan, and "Chinese people are willing to liberate Taiwan peacefully under certain conditions"[271]. Thus, the PLA stopped its attack, and the tension across the strait was largely eased, indicating that China's policy of "taking over Taiwan by force" was finally replaced by a more pragmatic "peaceful liberation".

This change in Beijing's Taiwan policy was mainly based on the concern of avoiding direct military conflict with the US. In the view of Chinese leaders, even though it was important to achieve unification, China could not afford to suffer more damage when there had been already a severer blow on Chinese economic construction caused by the Korean War. Apart from that, Beijing also took into account of the KMT's situation. Although the two sides were in confrontation, it was clear that Beijing and Taipei both upheld the One China principle, which made the US attempt for building "Two Chinas" in the international arena face strong opposition from both sides across the strait. Therefore, under the premise of maintaining the One China principle, it might be possible for the two sides to seek common ground and find peaceful solution to the Taiwan Issue. Furthermore, if Beijing continued to impose more military pressures on Taiwan, the Chiang Kai-shek authorities might relinquish its pursuit of recovering the mainland and accept the US advice, forming "Two Chinas" in the international arena. In these circumstances, the policy of peaceful liberation could be regarded as a positive response to then Taiwan authorities' adherence to the One China principle.

It should be noted that Beijing refused to completely give up military option for realizing unification when adopting this "peaceful liberation" because of the hostility from the US and Taiwan. More precisely, the US continued its intervention in the Taiwan Issue, blocking Chinese pursuit of national unification, while Chiang Kai-shek maintained his slogan of recovering the mainland, indicating that the two sides were still in military confrontation. In these circumstances, Beijing believed it should promote peaceful liberation to work for the best, while keep military option to prepare for the worst.

The Idea of "One Country, Two Systems"

In the late 1970s, a series of changes occurred in China's domestic and international environment, providing Beijing new opportunities and challenges in resolving the Taiwan Issue. Domestically,

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[269] Guo Xitu. (2004). A First Probe into Zhou Enlai's Thinking on Peaceful Liberation of Taiwanese. *JOURNAL OF ZHANG ZHOU VOCATIONAL UNIVERSITY*. 6 (1), p13-20.

[270] Chang G H, Di H. The Absence of War in the US-China Confrontation over Quemoy and Matsu in 1954-1955: Contingency, Luck, Deterrence[J]. The American Historical Review, 1993, 98(5): 1500-1524.

[271] Guo Xitu. (2004). A First Probe into Zhou Enlai's Thinking on Peaceful Liberation of Taiwanese. *JOURNAL OF ZHANG ZHOU VOCATIONAL UNIVERSITY*. 6 (1), p13-20.

after the end of the Cultural Revolution in 1976, the focus of the Chinese government shifted to construction of the socialist modernization, especially the economic development, beginning the process of reform and opening up[272]. In the international arena, since the restoration of China's lawful seat in the United Nations in 1972, a large number of countries have established diplomatic ties with Beijing and acknowledged that the PRC is the sole legal government of China, creating a relatively favorable international environment for Beijing to resolve the Taiwan Issue[273]. Especially in 1979, the normalization of Sino-US relations was realized, and Taiwan was no longer regarded as a sovereign state by the US government.

From the end of the Chinese Civil War to late 1970s, cross-strait tensions was gradually eased when Beijing adjusted its Taiwan policy from liberating the island by force to achieving a peaceful solution. From Chinese leaders' perspective, this implied that changes in its Taiwan policy could lead to changes in cross-strait situations. Therefore, Beijing became increasingly optimistic, and decided to put the national unification on the agenda, putting forward the idea of "one country, two systems". In January 1979, the standing committee of the National People's Congress issued "A Message to Compatriots in Taiwan", formally declaring Beijing's policies of resolving the Taiwan Issue and realizing national unification[274]. This "message" emphasized that Chinese government would consider and respect the reality of Taiwan and opinions of Taiwan's people, and also noted that based on the One China principle, the two sides should start official negotiations to end the cross-strait military confrontation and create a safe environment. It is noteworthy that this was the first time Beijing formally abandoned the expression of "liberation" and declared it would respect Taiwan's current situation in its official document, which should be regarded as a significant change in Beijing's Taiwan policy[275].

In October 1979, when meeting with the president of Japanese Asahi News agency Watanabe Seiki, Deng Xiaoping declared that Taiwan would not change its social system but rather continued its current capitalist way of life after reunification, while its non-governmental exchanges with foreign countries would also be remained as the same. In short, as a local government, Taiwan would enjoy a high degree of autonomy, even including the right of keeping its own army. The only premise was that Taiwan must admit that it was a part of China[276]. This was the first time that Deng Xiaoping clarified his opinion about how to deal with Taiwan's political and social system after unification. It was quite different from previous uncompromising stance that insisted Taiwan's capitalist system must be transformed into socialist system after unification.

In September 1981, the chairman of the National People's Congress standing committee Ye

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[272] Perkins D H. Reforming China's economic system[J]. Journal of Economic Literature, 1988, 26(2): 601-645.
[273] Haiwen Z. Professor Wang Tieya and the Law of the Sea[J]. Journal of the History of International Law, 2002, 4(1): 204-208.
[274] Lijun S. China eyes Taiwan: Why is a breakthrough so difficult?[J]. The Journal of Strategic Studies, 1998, 21(1): 65-78.
[275] NPC Standing Committee. (1979). "Message to Compatriots in Taiwan".*Beijing Review*. 22 (1), p15-17.
[276] Zhang Guojun. (2001). Deng Xiaoping's Theory of China's Strategic Interest. *Journal of Zhejiang University*. 31 (6), p26-31.

Jianying proposed nine principles of cross-strait peaceful unification on behalf of the Chinese government, stating that Taiwan would enjoy a high degree of autonomy as a special administrative region, and could keep its army, current social and economic systems, while Taiwan's people could participate in the country's management[277]. Deng Xiaoping then summarized these principles as "one country, two systems". More precisely, within the PRC, the mainland's socialist system would coexist with capitalist system in Hong Kong and Taiwan for an extended period, working together to make the country prosperous and strong. As a special administrative region, Taiwan would enjoy a high degree of autonomy, such as administrative, legislative, independent judicial power, as well as power to deal with some certain foreign affairs, and the right to keep its own troops. Moreover, the mainland would not send troops or administrative personnel to Taiwan, but officials from the government of the Taiwan special administrative region could serve as the leader of the state administrative institutions.

From liberating Taiwan by force to "one country, two systems", Beijing finally admitted the reality that Taiwan was under the KMT's control, and promised to respect such reality after reunification by providing Taiwan a high degree of autonomy. In such a case, Deng Xiaoping made it clear that bipartisan negotiation between the KMT and the CCP was not talks between the central and a local government which would become "I eat you or you eat me", but rather mutual efforts of the KMT and the CCP to achieve national reunification. It is noteworthy that in these statements, Beijing always refused to define Taiwan as a political entity, because it would lead to the sensitive question of admitting the existence of the Republic of China. Precisely, admitting and respecting the reality that the KMT was ruling Taiwan indicated that the KMT had an equal position as the CCP in the process of national unification, but defining Taiwan as a political entity actually implied that Taiwan had an equal position as the mainland, which could create "Two Chinas" when people regarded the mainland as the PRC and then found they had to regard Taiwan as the ROC. This explains why in the mid-1990s, when the KMT alone could no longer represent Taiwan because of political transformation, Beijing used the expression of cross-strait negotiations instead of bipartisan negotiations, but did not clearly define the identity of the two sides in this negotiation. In fact, Beijing stated that Taipei was not a local government, implying the island almost had an equal position as the mainland, while simultaneously refusing to admit the existence of the ROC, avoiding to create "Two Chinas". In such a case, talks between the ARATS and the SEF was defined as semi-official negotiations.

Challenges facing Beijing's Taiwan Policy in the 1990s: Pursuit of Unification, Rise of Pro-Independence Force, and the US Intervention

The situation in the Taiwan Strait experienced a series of changes in the 1990s. The pro-independence forces were rising with the process of Taiwan's political transformation, promoting separatist activities and therefore creating huge negative impact on the relations between the mainland and Taiwan. Faced by this new challenge, while continuing its effort in achieving national unification, Beijing had to adjust its policy, taking necessary measures to deal

[277] Chen Hongjun. (2007). Historical Contributions of Ye Jianying to the Initiation of the Great Cause of Reform and Opening-up in China. Journal of Chinese Communist Party History Studies. 5 (1), 99-106.

with the pro-independence problem.

The 1992 Consensus and the Development of Cross-Strait Relations

In the late 1980s, although allowing the residents to visit their relatives in the mainland, the Taiwan authorities still maintained Chiang Ching-kuo's "Three Noes Policy", which made it very difficult for Taipei to deal with all those problems appeared in the cross-strait contact[278]. For that reason, the authorities proposed to build an unofficial channel to contact with its counterpart in the mainland, dealing with those issues when Taipei still refused to make political contact with Beijing. In such a case, the Straits Exchange Foundation (SEF) was established in November 1990[279]. The mainland's response was very positive, preparing to set up a corresponding non-governmental organization. In December 1991, the Association for Relations Across the Taiwan Strait (ARATS) was established in Beijing for promoting cross-strait exchanges and discussing relevant issues with the SEF[280].

In fact, the ARATS and the SEF did play a very important role in improving cross-strait relations. In October 1992, there was a meeting between the two agencies in Hong Kong for discussing how to solve the difference between the two sides on defining One China, which was the first face to face encounter of both sides. In the meeting, the ARATS and SEF respectively put forward five different versions of that definition. The emphasis of the ARATS was the One China principle must be unquestioned, and "in the process of seeking national unity, both sides should adhere to the principle of One China", while the focus of the SEF was that the status of Taiwan in the cross-strait relations should not be downgraded, and therefore the slogan that "the two sides should foster a consensus of democracy, freedom and equal prosperity, and together build a unified China" was mentioned in the SEF's expression[281]. Consequently, none of these ten versions was recognized by both sides.

This difference was rooted in the fact that neither Beijing nor Taipei gave the other side a equal position. According to the mainland's "one country, two systems", the Taiwan authorities which was not viewed as a local government in the negotiations, would be still a special administrative region government controlled by the central government after the unification. Similarly, Taipei stopped describing the mainland as "occupied area", but still insisted on the legal status of the Republic of China in the international community. Consequently, this difference led each side to have its own emphasis in the interpretation of the One China principle. On November 10th, the SEF gave a written statement to advise that One China principle could be expressed by each side through oral way as long as it was accepted by both sides. The ARATS immediately replied that it fully respected and accepted the idea of expressing the principle in oral way, and stated its position as "two sides of the Taiwan Strait both adhere to the principle of One China, and seek to achieve the national unification, but the cross-strait practical negotiations would not involve the political

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[278] Cotton J. Redefining Taiwan:'one country, two governments'[J]. The World Today, 1989, 45(12): 213-216.

[279] the SEF. (2013). *History of the SEF.* Available: http://www.sef.org.tw/ct.asp?xItem=48843&CtNode=3987&mp=300. Last accessed 9th Oct 2013.

[280] the ARATS. (2013). *Introduction to the ARATS.* Available: http://www.arats.com.cn/bhjs/200904/t20090417_871060.htm. Last accessed 9th Oct 2013.

[281] Shen Jingwen (2001). *An Account of Lee Teng-hui in Power* . Taipei: INK Publishing Company. p187-188.

implications of One China", which had no essential distinction from Taipei's version[282]. Thus, the two sides reached the 1992 consensus, which according to Taiwan could be described as "One China, different interpretations". More precisely, the mainland focused on "One China", arguing that all other issues could be discussed under this premise, while Taiwan gave more weight to "different interpretations", emphasizing it was not a part of the PRC. This 1992 consensus then became the premise and foundation of all following cross-strait dialogues.

The Third Taiwan Strait Crisis

The 1992 consensus can be regarded as a great achievement made by Beijing for approaching final unification. However, when facing increasing provocations from the pro-independence forces in Taiwan, Beijing had to adjust its policies to a more coercive stance against those threats.

Since the late 1980s, the two sides have made great development in cross-strait economic and cultural exchanges. There were growing numbers of people from Taiwan to visit their relatives in the mainland, and the Taiwanese investment towards mainland China also increased, while at the same time, the negotiation channel between the ARATS and the SEF for dealing with cross-strait practical issues also made the relationship between two authorities more closely. However, this rapid development of the cross-straits relations was not consistent with the US policy. In 1993, the United States in Taiwan Association Chairman Bellocchi made a comment on the KMT mainland policy, stating that the authorities' behavior of largely promoting exchanges with the mainland was too optimistic, showing a disapproving attitude of Washington towards the rapid development of cross-strait relations[283]. Based on this attitude, there were a series of US policies that ignored the concern and interests of the mainland, raising tensions in the area. One example was that the US government approved Lee Teng-hui's visit to the US in May 1995. This decision largely intensified then contradictions between the two sides, and even made the Sino-American relations enter into the most difficult period since 1979[284]. From Beijing's perspective, all these US policies and behaviors supporting Taiwan's pro-independence forces were doubtless interference in China's internal affairs. Therefore, Beijing decided to show Chinese determination to safeguard its national sovereignty and territorial integrity by taking a tough stance towards the Taiwan authorities.

In July 1995, the PLA fired six ground-to-ground missiles to the area 65 nautical miles north of Peng Chiayu, which is an island under Taiwan's control. On August 2nd, there was another round of missile test in China, and on 15th and 25th, the PLA did artillery live-fire exercises[285]. Subsequently, a PLA nuclear submarine was found off the coast of Taiwan, and led Taiwan to enter into combat readiness[286]. In early September, Chinese Beijing, Shenyang, and Jinan Military Region held joint military exercise in the central mountains of Shandong province, while simultaneously, Nanjing and Guangzhou Military Region were renamed as Nanjing War Zone and

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[282] Guo Yongping. (2013). The Meaning and Requirement of One China Principle in the View of Jurisprudence. *Study & Exploration*. 7 (1), p68-73.
[283] Fan Liqing (1993). *Wang Gu Talks*. Beijing: HUA YI PUBLISHING HOUSE. p106.
[284] Xu Hongyan. (2008). Research on Reasons Why US Congress Promoted Lee Teng-hui's Visit. *Journal of Guangzhou Institute of Socialism*. 3 (3), p54-56.
[285] Xie Guojun. (2007). Military Deterrence against Taiwan's Pro-independence Forces: A Review of Military Exercises of PLA in 1995 and 1996. *Global Military*. 6 (6), p16-19.
[286] Zhang Jie (1999). *Cross-Strait Relationship*. Hong Kong: Haixia Press. p82.

Guangzhou War Zone, and also hold a large scale joint exercises in Zhejiang and Guangdong coastal areas. In late November, the Nanjing War Zone held another exercises in the Dongshan island in southern sea area of Fujian province, which could be regarded as a simulation of possible warfare in Taiwan Strait.[287]. Then Vice Chairman of the Central Military Commission Chi Haotian stated that the PLA was ready to complete the holy mission endowed by the party and the people.

All these missiles firings and large scale military exercises with strong nationalistic rhetoric were regarded as real military threats to Taiwan in the eyes of American politicians, and many of them wrote letters to then President Clinton, urging him to express a strong statement against Beijing's behavior[288]. Within this context, an US aircraft carrier combat group was sent to the so called international waters near Taiwan on March 11th, to prevent the use of force and "any wrong judgment"[289]. This was US largest military buildup in the western Pacific region since the end of the Vietnam War. Subsequently, the US Senate passed a resolution, requiring the US government to assess the US defense spending and services that would be necessary to provide Taiwan a full self-defense ability. Beijing strongly protested this US intervention, maintaining the PLA's military exercises in the area. Fortunately, neither the US nor China made any further behavior that could worsen the situation, reducing the possibility of the outbreak of a cross-strait warfare between the two countries. In the end, the US withdrew its aircraft carrier combat group from the sensitive sea area, while the mainland also discontinued its military exercises and missile firings which were targeted at Taiwan[290].

For Beijing, this serious change in its Taiwan policy from previous moderate stance indicated that Chinese leaders realized the difficulty of resolving the Taiwan Issue and were no longer too optimistic about achieving national reunification. Since then, Beijing adopted a relatively pragmatic attitude, taking both the US and Taiwan's pro-independence forces into account when making its policy. In such a case, the following Taiwan policy began to give more weight to deal with these challenges against China's bottom line. But it is worth to note that this coercive policy was not a complete failure. The strong response from the mainland led Washington understand it must be careful when handling this sensitive issue rather than simply asserting that China had no viable option for opposing the US expansive policy towards Taiwan, otherwise it would face the worst case that US might be dragged into an all out war with China if it continued to support Taipei's separatist activities. In these circumstances, the United States reiterated its commitment to those principles established by the Three Sino-US Joint Communiques, declaring it would implement the "One China" policy. More precisely, the US government would not support Taiwan's independence, "Two Chinas" or "One China, One Taiwan", or Taiwan's participation in the United Nations[291]. During Clinton's visit to China in 1998, the two governments agreed to further promote dialogue and cooperation on major international issues, and continue to work

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[287] Yu Keli (2002). *Memoir of the Taiwan Issue*. Beijing: Jiuzhou Press. p980.
[288] Mei Zi (1997). *Recommended Data of US-Tiawan Relations*. Beijing: Current Affairs Press. p421.
[289] Wu Xinbo. (2004). Response and Adjustment : Taiwan Strait Crisis of 1996 and US Policy Concerning Taiwan. *FUDAN JOURNAL*. 2 (1), p54-60.
[290] Scobell A. Show of force: Chinese soldiers, statesmen, and the 1995–1996 Taiwan Strait crisis[J]. Political Science Quarterly, 2000, 115(2): 227-246.
[291] Wu Xinbo. (2004). Response and Adjustment : Taiwan Strait Crisis of 1996 and US Policy Concerning Taiwan. *FUDAN JOURNAL*. 2 (1), 54-60.

together to establish a constructive strategic partnership facing the 21st century[292]. In Shanghai, Clinton publicly reiterated the US "three noes" policy again, which obviously ran counter to the expectation of Taiwan's pro-independence forces[293].

The Focus of Beijing's Policy toward Taiwan in the 21st Century: Opposing Taiwan's Pro-Independence Activities

Lee Teng-hui's Statement of Special State to State Relationship

After the Taiwan Strait Crisis, the Taiwan authorities continued to gradually break the One China principle by making policies that reinforced the pro-independence forces and spread the separatist thoughts in Taiwan's society.

On July 9th 1999, Lee relinquished his previous ambiguous expression and openly declared that the relationship between Taiwan and mainland China should be regarded as "a state-to-state, at least, a special state-to-state relationship"[294]. This statement fundamentally denied the One China principle and also destroyed the basis of cross-strait dialogues, making Beijing believe that future development of the cross-straits relations largely depended on its struggle with Taiwan's pro-independence forces. In such a case, in addition to promoting cross-strait economic and cultural exchanges, Beijing's policy towards Taiwan paid more attention to the anti-independence issues. However, it is noteworthy that Beijing did not take any dramatic military actions against Taiwan like what it did during 1995 and 1996, but only launched a propaganda war criticizing Lee's statement. On July 10th, there was a strong criticism made by the spokesman for the Taiwan Affairs Office in mainland China, who blamed that the Taiwan authorities had walked too far on its way for splitting the country, and emphasized that China firmly opposed any effort of promoting Taiwan's independence or creating "Two Chinas", warning Lee and pro-independence forces to "pull back before it is too late"[295]. On July 18th, then Chinese President Jiang Zemin made a phone call with then US President Clinton, noting that Lee's statement was a dangerous step, and in order to prevent severe consequences from happening, all sorts of separatist activities should be immediately stopped. Clinton gave a positive response in this phone call by reiterating US commitment to the One China policy[296]. Simultaneously, the US media also criticized Lee's statement, describing him as a "trouble maker", and stated that the United States must constrain Taiwan's dangerous provocation, otherwise the next generation of American would have to fight for Taiwan[297]. This strong reaction from China and the reality that he might not receive sufficient support from the US forced Lee to return to the KMT's previous position of "One China, Different Interpretations" up to the end of his presidency.

Doubtlessly, the mainland's reaction to Lee's statement, which included propaganda war and good

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[292] Wang Jisi. (1998). Development of Sino-US Relations: An Analysis of Clinton's Visit to China. *Contemporary Asia-Pacific Studies*. 8 (8), p14-18.

[293] Qiu Kaiming. (1998). Taiwan Authorities Should Have a more Pragmatic Concern about Cross-Strait Relations . *Tai Sheng*. 1 (8), p1.

[294] Chu Y.. (2004). aiwan's national identity politics and the prospect of cross-strait relations. *Asian Survey*. 44 (4), p484-512.

[295] China Daily, 12th July, 1999

[296] China Daily, 19th July, 1999

[297] Cabestan J P. Taiwan in 1999: A Difficult Year for the Island and the Kuomintang[J]. Asian Survey, 2000, 40(1): 172-180.

cooperation with the United States, worked effectively. This adjustment in Beijing's policy from tough military deterrence in previous crisis indicated that Chinese leaders realized the fact that Taiwan's pro-independence force's radical behavior would damage interests of both China and the US, and therefore started to use the US influence to deal with separatist activities.

Beijing's White Paper about the Taiwan Issue

However, this temporary success in opposing Lee's statement could not change the fact that the pro-independence forces in Taiwan had been largely encouraged by such statement and therefore raised the likelihood that the DPP candidate Chen Shui-bian would win the upcoming election. To cope with this uncertainty, Beijing decided to take an unprecedented proactive actions to influence Taiwan's election. On February 21st 2000, the Taiwan Affair Office issued a white paper called "the One China principle and the Taiwan Issue", stating that there was still a serious crisis across the strait, and the Chinese government would uphold its policy of "one country, two systems" and continue to strive for the peaceful reunification. Meanwhile, the white paper also clearly provided three conditions under which Chinese government would use force against Taiwan to safeguard China's sovereignty and territorial integrity: Taiwan was split from China in any name, Taiwan suffered a foreign invasion, and the Taiwan authorities indefinitely refused to achieve reunification through peaceful negotiations[298]. According to the last condition, even if the Taiwan authorities did not explicitly declare its independence, Beijing might still use military actions as long as unification was refused by Taipei.

This white paper actually revealed that Beijing was anxious about the dark future if the DPP became Taiwan's ruling party. In fact, some Chinese leaders even warned that the victory of the DPP could spark off a cross-strait war, arguing that Taiwan's people should carefully choose what path to follow, "otherwise it would be too late for regret"[299]. But all these coercive policies backfired when most people in Taiwan were angry about being intimidated in their election, and such anger led to more support from Taiwan's prominent academic and business people to the DPP[300]. This implied that without using large scale military exercises or missile firings, Beijing's deterrent against Taiwan's independence did not work effectively. This was partly due to the political transformation which had made Taiwan's society gradually accept pro-independence stance and question the credibility of Beijing's military threat. But it is also noteworthy that the white paper's emphasis of the One China principle was widely accepted by Taiwan's opposition parties, such as the KMT, the People First Party (PFP), and the New Part after the 2000 election. In such a case, Beijing could widen its policy options by cooperating with those opposition political parties in Taiwan, and therefore create increasing pressures on the DPP authorities[301].

Chen Shui-bian's "One Country on Each Side" and China's Anti-secession Law

Although Chen Shui-bian was more moderate than many people anticipated at the beginning of his

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298 Taiwan Affairs Office. (2000). *The One China Principle and the Taiwan Issue*. Available: http://english.gov.cn/official/2005-07/27/content_17613.htm. Last accessed 15th Oct 2013.

299 Gartzke E, Li Q. How globalization can reduce international conflict[J]. Globalization and armed conflict, 2003: 123-40.

300 Hai Chao. (2000). Li Yuanzhe supports Chen Shui-bian. *Tai Qing Yao Bao*. 10 (1), 3-5.

301 Zhang Wanming and Liao Zhenyun. (2005). Achievements made by KMT and PFP's visit to Mainland China. *China Law*. 3 (3), p42-43.

presidency, Beijing still did not trust him and expected no progress made by his administration for promoting cross-strait relations. When facing Chen's ambiguous statement such as “Four Noes and One Without, Beijing chose a “wait and see” policy to observe and assess the words and deeds of the Taiwan authorities.

Beijing's judgment was proved to be correct. On August 3rd 2002, in the World Federation of Taiwanese Associations held in Tokyo, Chen Shui-bian openly declared that Taiwan was a sovereign independent state, defining the cross-strait relations as “one country on each side”, and advocated a referendum to decide Taiwan's future[302]. This “one country on each side” statement suffered the same fate as Lee’s two state theory, arousing a strong criticism from the mainland while receiving almost no support from the United States. In these circumstances, Taiwan’s pro-independence forces turned to the social and cultural areas, promoting the de-Sinification to cut off the culture ties between Taiwan and the mainland, which would change the identity of Taiwanese people and establish an ideal social foundation for achieving Taiwan’s *de jure* independence. Meanwhile, the Chen Shui-bian authorities also wished to create a new Constitution to legalize Taiwan's independence through a referendum. Within this context, on May 9th 2004, then Chinese Premier Wen Jiabao stated that the Chinese government would consider the suggestion from the overseas Chinese people about enacting a law for reunification[303]. This was the first time that Chinese leaders publicly discussed the possibility of special legislation on the Taiwan Issue. On March 8th 2005, the Vice Chairman of the National People's Congress’s standing committee Wang Zhaoguo explained the draft of Anti-secession Law, stating that since Chen Shui-bian took the office, the Taiwan authorities had increased all sorts of separatist activities, especially the constitutional referendum, which should be regarded as a serious threat to China's sovereignty and territorial integrity and a significant damage to the prospect of peaceful reunification[304]. According to the Anti-secession Law, if Taiwan’s pro-independence forces cause the fact that Taiwan is separated from China, or if there is any incident leading to such a fact, or the possibility of peaceful reunification has completely disappeared, the Chinese government must take the non-peaceful action and other necessary measures to safeguard Chinese sovereignty and territorial integrity. This draft was then passed by the Third Session of the National People's Congress.

This change in Beijing’s policy implied that the mainland tried to make its military threat more credible by clearly defining its bottom line for separatist activities. Before the Anti-secession Law, Beijing’s coercive policy was usually in a demonstrative manner, that is, when there was provocation made by pro-independence forces, Beijing would respond by taking military exercises or missiles firings to prevent Taiwan from moving to independence. This not only made Beijing in a passive position, but also weakened the intensity of China’s military intimidation when Taiwan found that no direct military attack was included in Beijing’s strong response. It thus reinforced the pro-independence forces’ confidence that the mainland dare not start a cross-strait war, and

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[302] Kuo S H, Nakamura M. Translation or transformation? A case study of language and ideology in the Taiwanese press[J]. Discourse & Society, 2005, 16(3): 393-417.
[303] Zhu Qinsheng & Zhan Shanqin. (2010). Oversea s Chinese and Deliberation s, Legislation and Promulgation of the Anti-secession Law. Contemporary China History Studies. 17 (6), 52-59.
[304]Keyuan ZOU. Governing the Taiwan Issue in accordance with law: An essay on China's Anti-secession Law[J]. Chinese Journal of International Law, 2005, 4(2): 455-463.

such confidence would inevitably lead to more separatist activities. In essence, peace and stability was difficult to be maintained if the mainland cannot use a credible military threat to reduce the likelihood of Taiwan's declaration of its independence. Considering that Beijing has already abandoned the old policy of "liberating Taiwan by force" and pursued a peaceful reunification, it is almost impossible for the mainland to use direct military attack like what it did in the First and Second Taiwan Strait Crisis unless Chinese leaders believe they have no other means to prevent Taiwan from declaring its *de jure* independence. The Anti-secession Law resolved this problem by clarifying Beijing's bottom line and forcing the Chinese government to take non-peaceful actions if that bottom line was overstepped, which made the following intimidation become much more credible viewed by Taiwan.

Apart from the military intimidation, Beijing also adopted a peaceful offensive strategy in its policy against the pro-independence forces. It was usually in the way of strengthening cross-strait exchanges, particularly cooperating with Taiwan's political, economic, and cultural groups that did not openly support Taiwan's independence, to gradually eliminate negative impact caused by de-Sinification on Taiwan's society. Among all these groups in Taiwan, the major target Beijing wished to contact and cooperate with was opposition parties, such as the KMT, the PFP, and New Party in the pan-blue camp. On April 26th and May 5th 2005, the KMT chairman Lien Chan and the PFP chairman James Soong visited the mainland respectively at the invitation of the General Secretary of the CCP central committee Hu Jintao. On July 6th, the chairman of New Party Yok Muming also led a group of his party members to visit the mainland[305]. In his talks with Hu Jintao, Lien Chan clearly stated that the KMT was against Taiwan's independence and against those pro-independence words and deeds, such as constitutional referendum, de-Sinification or "one country on each side", and wished to improve meaningful communication with the mainland under the framework of the 1992 consensus, in order to establish an environment for peaceful development of cross-strait relations. Both the CCP and these opposition parties agreed to strengthen mutual trust and seek peace and stability in the Taiwan Strait, and made it clear that upholding the 1992 consensus and opposing Taiwan's independence was their common position.

By working with these opposition parties, Beijing reduced the possibility that Chen Shui-bian could get cooperation from the pan blue camp to stabilize Taiwan's economic and political situation. In fact, this contact between Beijing and the pan-blue parties did lead to significant changes in Taiwan's political situation. More precisely, those pan-blue parties reached broad consensus with Beijing and largely eased the cross-strait tensions, which enabled the people in Taiwan to reevaluate the radical pro-independence stance and gradually adopt a more pragmatic attitude towards the cross-strait relations. Of course, working with the mainland also meant to enhance the chance for these opposition parties to win next legislative and presidential elections. In 2008, the KMT defeated the DPP, regaining the power in the presidential election, which could be regarded as the most important achievement made by Beijing's cooperation with the pan blue camp.

Beijing's policy of improving cross-strait exchanges after 2008

[305] Li C. Two-level games, issue politicization and the disarray of Taiwan's cross-strait policy after the 2000 presidential election[J]. East Asia, 2005, 22(3): 41-62.

After the election, then chairman of the KMT Wu Poh-hsiung led a delegation to visit the mainland again, discussing with Beijing over the issue of restoring the cross-strait dialogues between the ARATS and the SEF as soon as possible. Within this context, the ARATS sent a letter to invite the SEF to Beijing in June 2008, and the SEF immediately accepted[306]. Subsequently, the two sides gradually established mutual political trust, making the cross-strait relations more peaceful and stable than it was in past two decades.

During this period, high-level officials from the two sides interacted frequently. Many senior pan blue party members started to visits the mainland, while officials from the mainland's National People's Congress, Chinese People's Political Consultative Committee and ministries, as well as provincial and municipal leaders, also led delegations to visit Taiwan. They set up "Cross-Strait Economic, Trade and Culture Forum" and many other communication platforms to greatly promote political exchanges between the two sides. In particular, Xi Jinping and Ma Ying-jeou met in Singapore in November 2015, which was the first meeting between top leaders of the two sides and had great symbolic value to the future development of cross-strait relations. Most Taiwanese people agreed that this meeting was conducive to the peace and stability in the area and even hoped that the two sides could establish a stable meeting mechanism[307]. Meanwhile, Cross-strait consultations was also gradually institutionalized. The ARATS and the SEF conducted eleven meetings and signed twenty three agreements, while China's Taiwan Affairs Office and Taiwan's Mainland Affairs Council also established a communication mechanism, setting up a hot line. After the realization of the "Three Direct Links" (*san tong*), Taiwan has gradually reduced restrictions on the mainland's tourists, students and investment, and therefore the non-governmental exchanges between the two sides were also greatly improved[308].

However, it should be pointed out that although Beijing's policies in this period largely promoted the development of cross-strait relations, there was only one thing could be regarded as its real significant achievement, which was the Taiwan authorities' adherence to the One China principle and their clearly support to the 1992 consensus. In essence, cross-strait dialogues between the ARATS and the SEF, and non-governmental economic and cultural exchanges were blocked by pro-independence forces in Lee Teng-hui and Chen Shui-bian's period, and what Beijing did was only restoring the cross-strait relations back to its previous state rather than making any crucial breakthrough. One proof is that the Ma Ying-jeou administration did not actively improve the construction of military mutual trust mechanism between the two sides. In 2013, when Beijing clearly expressed it hoped to build a military mutual trust mechanism with Taipei, Ma Ying-jeou insisted that two sides should focus on economic issues first, stating that the time for negotiating cross-strait political and military issues had not come yet[309]. In such a case, Beijing still did not realize its desire before the Third Taiwan Strait Crisis, that was improving cross-strait relations from the phase of discussing practical issues to the phase of formal political negotiations. In other

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306 Xiao Yang. (2009). Foundation of Win-win established by Talks between the ARATS and the SEF. *Relations Across Taiwan Straits* . 7 (1), p23-24.
307 Liu Lingbin. (2015). Analysis of the meeting between Xi and Ma:Achievement, Meaning, and Influence . *Modern Taiwan Studies*. 6 (3), p1-7.
308 Liu Shiyang. (2016). Review of Eight Years of Ma Ying-jeou administration. *Reunification Forum* . 2 (2), p28-30.
309 Shi Xiaodong, Chen Yigong. (2013). Research on Building Military Mutual Trust Mechanism across the Strait. *Taiwan Studies*. 5 (3), p6-10.

words, there was no progress made by Beijing in promoting Chinese national reunification.

Under such circumstances, once the political situation in Taiwan was changed, there would be only economic and cultural exchanges suffered the blow before the One China principle, indicating that Beijing's policy did not create enough “protection zone” for Taipei’s stance on opposing independence and insisting the 1992 consensus. If the DPP authorities regain the support of Taiwan’s society for independence and believe that the relative power of its allies is sufficient to protect Taiwan’s security, the core of Taiwan's mainland policy is likely to be changed again. In such a case, the history may repeat itself.

Conclusion

Compared with the Taiwan authorities’ mainland policy which was adjusted for several times in the process of political transformation, the core of China's policy towards Taiwan, which is adherence to the One China principle and pursuing national unification, has never been changed. However, because of the complicated environment across the Taiwan Strait, Beijing’s specific policy towards Taiwan did experience a series of adjustments in the past sixty years. From the military option of “we must liberate Taiwan” to the slogan of “peaceful liberation” for breaking the US plot of manufacturing “Two Chinas”, until finally proposing the “one country, two systems” in the early 1980s to pursue peaceful reunification, Beijing’s Taiwan policy has become more and more mature and flexible to adapt to the changing environment. After accepting the existence of the United States in the Taiwan Issue while facing the rise of Taiwan’s pro-independence forces and increasing separatist activities, Beijing began to shift the focus of its policy from achieving unification to curbing Taiwan’s *de jure* independence by credible military intimidation and effective cooperation with anti-independence political and economic groups in Taiwan, hoping to create favorable foundation for future development of cross-strait relations based on the One China principle.

Chapter IV China's Perception of Relative Power and Its Pursuit of National Interests in the Taiwan Issue

Chinese first generation leaders, such as Mao, believed it was necessary to achieve national unification for reviving the country, and the main strategy was liberating Taiwan by force. However, due to the changing situation at home and abroad, especially the end of the Korean War, Beijing began to replace its tough policy with the idea of peaceful liberation[310]. This was the first time that the mainland's policy was adjusted. It should be pointed out that China's policy toward Taiwan during that period was only related to the way of achieving unification rather than provided clear definition of cross-strait relations. However, the United States began to impose pressures on Chiang Kai-shek, hoping that the Taiwan authorities would abandon Kinmen and Matsu, and therefore the US could build "Two Chinas" in the international community. Within this context, Beijing on one hand used shelling to support Chiang's opposition against the US plan, while on the other hand, clearly stated the "One China" principle in the "Message to the compatriots in Taiwan"[311]. Since then, Beijing repeatedly emphasized this principle in the core level of its Taiwan policy.

The "peaceful reunification, one country two systems" made by the second generation leaders abandoned the expression of "liberation" and made the peaceful approach as the major way for achieving unification. Meanwhile, "one country, two systems" also provided a specific model for reunification which Beijing could put into practice and gather experience after the return of Hong Kong and Macao. On this basis, further adjustments made by Chinese leaders, such as Jiang Zemin's "eight-point proposal" and Hu Jintao's "four-point guideline", were to interpret and improve this model to deal with new challenges appeared in the cross-strait relations[312]. In a word, the core level of Beijing's policy, which is insisting the One China principle and achieving national unification, has never been changed, while the second level, which is the basic model of unification, has been adjusted many times to adapt to the changing situation. All these situations, such as the US military intervention in the Taiwan Strait during the Korean War, Taipei's insistence for the One China principle during Chiang Kai-shek and Chiang Ching-kuo's period, or the Chinese government's focus moving to economic construction after reform and opening up, are usually regarded as direct causes of Beijing's policy adjustment. But in fact, the policy evolution is not determined by these accidental events, but Chinese leaders' perceptions of China's relative power and interests they wish to achieve.

China's Perception of Relative Power in Different Periods

From the late 1940s to the mid-1950s, Beijing's Taiwan policy was very tough, including various degrees of military strikes. After defeating the KMT authorities and forcing it to retreat to Taiwan, the CCP successfully controlled the mainland. As the winner with an advantage in military

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310 Chen Songyou. (2000). From Liberating Taiwan by Force to Peaceful Liberation: Evolution of Mainland's Taiwan Policy in 1950s. Over the Party History. 7 (7), p46-48.
311 Jun N. A further discussion of decision-making in the 1958 shelling of Jinmen[J]. Journal of Modern Chinese History, 2009, 3(2): 147-164.
312 Xin Q. Beyond Power Politics: institution-building and Mainland China's Taiwan policy transition[J]. Journal of Contemporary China, 2010, 19(65): 525-539.

strength, the hypothesis that the CCP had no ambition but would be satisfied with its control over the mainland and allow its old enemy to occupy Taiwan was clearly unreasonable. Within this context, Beijing started its military action to liberate Taiwan. In June 1949, Mao Zedong made a phone call to the PLA general Su Yu, requiring him to pay attention to Taiwan's situation and build front line headquarters while making specific plans for liberating the island[313]. In order to liberate Taiwan, all of its peripheral islands needed to be taken first, that was why the military actions during this period covered the Zhoushan Islands, Hainan Island, and Kinmen Island. As a result, all Chinese coastal islands except Kinmen were captured by the PLA. From Beijing's perspective, using military force to liberate Taiwan was actually to achieve the final victory of the Chinese Civil War, which means the Taiwan Issue during this period only involved the CCP and the KMT. In other words, Beijing's policy was formulated based on the power comparison between the two sides across the strait.

The Change of Relative Power Caused by the US Intervention

However, after the outbreak of the Korean War, the United States formally started to intervene in the Taiwan Issue[314]. This change forced the mainland to reconsider which level's interest should be pursued in the making of its policy toward Taiwan, because now power comparison was between China and the US rather than between two sides across the strait. Even though the confrontation with the Chinese People's Volunteer Army (*Zhong Guo Ren Min Zhi Yuan Jun*) led Washington not to achieve its original objective in Korea, the United States still had the power that was far stronger than that of the PRC. In this case, the US behavior of dispatching fleet into the Taiwan Strait at the beginning of the Korean War made Beijing's previous plan of taking over Taiwan by force too difficult to be realized. Meanwhile, with the US support, the KMT authorities began to launch a series of military assaults in the coastal area of the mainland, not only damaging the mainland's maritime trade with other countries, but also posing a serious threat to the homeland security of the PRC[315]. Apart from that, Chiang Kai-shek repeatedly vowed that the KMT would retake the mainland[316]. Although he denied the KMT would need military support from other countries, the fact that Chiang only made this tough statement after signing the "Mutual Defense Treaty between the USA and ROC" has made it clear that Taiwan's policy shift was based on the changing power comparison across the strait caused by the US hardline intervention.

After the Korean War, there were two policies adopted by the United States in the Taiwan Issue. The first was maintaining a long term split between the mainland and Taiwan like what happened in Germany after the World War II, so that the US could eventually create "Two Chinas" in the international community[317]. The other was using the slogan of anticommunism to unite its allies in

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313 Huang Ping. (2010). From Military Attack to Peaceful Liberation: An Analysis of Taiwan Policy made by Chinese First Generation Leadership.*Journal of Fujian Institute of Socialism*. 2 (2), p73-78.

314 Till G. Maritime disputes in the Western Pacific[J]. Geopolitics and International Boundaries, 1996, 1(3): 327-345.

315 Brands H W. Testing massive retaliation: credibility and crisis management in the Taiwan Strait[J]. International Security, 1988, 12(4): 124-151.

316 Su Ge. (1997). US Mainland Policy and Chiang Kai-shek's Retaking Mainland Policy. *Taiwan Research Quarterly* . 2 (2), p15-24.

317 Zi Zhongyun (1991). *US-Taiwan Relations for Forty Years*. Beijing: People's Publishing House. p67.

the Aisa-Pacific region, to establish an encirclement around the PRC[318]. For achieving these goals, there were voices from the US Congress and the military suggesting the government to use US Air Force to launch air strikes on the mainland, but Washington rejected this plan[319]. In contrast, US government officials suggested to send US troops to assist the KMT authorities in defending islands such as Kinmen and Matsu rather than started an all-out war with China[320]. This revealed the real target pursued by the US was not using its own military strength to help Chiang to retake the mainland, but to avoid Taiwan to be liberated by the CCP. Compared with launching war with China, the cost of maintaining the split between the two sides was obviously much lower. This implied that US might not have sufficient power to overthrow the CCP regime by military action, and Beijing therefore had no need to worry about its own fundamental interest such as national survival, even though it was unable to continue its previous policy of liberating Taiwan by force.

Within this context, Chinese leaders realized they should reduce military pressure on Taiwan in order to block the US attempt of creating Two Chinas in the international community and therefore safeguard the principle that the two sides across the strait belonged to One China. For that reason, Beijing's Taiwan policy shifted to a moderate stance, highlighting the peaceful approach for liberating Taiwan, which can be regarded as a positive response to Taipei's adherence to the One China principle. In fact, without fierce attack from the mainland, the Chiang Kai-shek authorities would have sufficient reason to refuse the US advice about abandoning Kinmen and Matsu[321]. But it was also important to notice that, while adjusting its policy, Beijing did not completely abandon the possibility of using force to achieve unification, because the Taiwan Issue involved Chinese fundamental interests.

The Rise of Beijing's Perceived Relative Power and the "One Country, Two Systems" Policy

The fall of relative power prompted Beijing's Taiwan policy to transform from the hardline position of taking over Taiwan by force to a moderate "peaceful liberation". However, the seemingly more moderate "one country, two systems" policy should be regarded as the result that the mainland's perceived relative power was rising. In the late 1970s, the political ferment came to an end and the Chinese government started the reform and opening up process, focusing on its own economic construction. Meanwhile, the restoration of its legitimate seat in the United Nations and establishing formal diplomatic relations with a growing number of countries also largely improved China's external environment[322]. All these changes implied that the country's national power was rising.

One example was the historic event of establishing the Sino-US diplomatic relations. Since Brezhnev came to power in mid 1960s, the Soviet Union's increasingly tough foreign policy and behavior had made both the US and China feel threatened. Then US President Nixon once admitted that the main reason to improve relations with China in the late 1960s was US worried

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318 China Daily, 11th October, 1954.

319 Ambrose, Stephen (1989). *DWIGHT DAVID EISENHOWER*. Beijing: China Social Science Press . p216.

320 Qian Zhenqin, Wang Jianke. (2008). Five Times Adjustments in US Policy towards Taiwan. *Social Sciences in Nanjing*. 6 (6), p62-69.

321 Liu Shouren. (1995). Research on CCP's Peaceful Liberation Policy.*Military History* . 1 (1), p24-39.

322 Yu G T. Africa in Chinese foreign policy[J]. Asian Survey, 1988, 28(8): 849-862.

about the Soviet Union's threat to security of China and other Asian countries[323]. In the 1970s, the development of Sino-US relations was directly affected by the US stance toward the Soviet Union. When tensions between the two Superpowers was eased, the US attitude toward China would become relatively tough, showing less ambition in establishing formal diplomatic relations with China. But when US-Soviet relations deteriorated, which was the major feature of such relations in late 1970s, the United States would give increasing weight to its relations with China[324]. In these circumstances, when the Soviet expansion in the Third World eventually aroused strong dissatisfaction from the US, making Washington believe the detente between the US and the Soviet Union actually prompted the latter's expansion, the US finally made its decision to largely promote the process of Sino-US diplomatic normalization[325].

During his visit to China in 1978, Brzezinski expressed clearly to Deng Xiaoping that the US would abide the Shanghai Communique signed by the two countries in the Nixon's era, highlighting that US would insist the principle that there is only one China in the world and stating that the Taiwan Issue is China's own affair[326]. To confront the Soviet expansionism, the United States preferred to strengthen its relations with China by making concessions on the Taiwan Issue, such as breaking diplomatic relation with Taipei, abolishing the Mutual Defense Treaty, withdrawing US troops from Taiwan, defining US-Taiwan relations as unofficial relations, and recognizing the PRC as the sole legitimate government of China while regarding Taiwan as a part of China. All of these indicated that Chinese relative power in the Taiwan Issue was rising, and Beijing could pursue interest at higher level when formulating its policy toward Taiwan. Of course, no one will deny that during that period, Beijing had the pursuit of promoting economic development and therefore needed to maintain a peaceful and stable international environment. This was why then Chinese government adjusted its unification model from previous peaceful liberation to "one country, two systems",
Within this context, Chinese leaders made the policy of "one country, two systems", wishing this model would receive positive response from Taipei in formal political negotiations. More precisely, the policy of peaceful liberation adopted by Beijing after the Korean War was more or less a concession in order to oppose US attempt for building "Two Chinas" in the international community, trying to safeguard Chinese fundamental interest such as sovereignty and territorial integrity. By contrast, "one country, two systems" was more detailed as a unification model, indicating that China had a strong confidence during that period for realizing the target of national unification related to high level interests, although for achieving that target, Beijing also had to make compromise with the reality perceived by itself, allowing Taipei to enjoy a high degree of autonomy after reunification. But compared with realizing national unification, this small cost can be accepted by then Chinese leadership.

The Third Taiwan Strait Crisis and Adjustment of Beijing's Perceived Relative Power

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[323] Goh E. Nixon, Kissinger, and the "Soviet Card" in the US Opening to China, 1971–1974[J]. Diplomatic history, 2005, 29(3): 475-502.
[324] Tao Wenzhao. (2001). The Mollification of US-USSR Relatiosn and Normalization of Sino-US Relations. *Journal of Harbin Institute of Technology(Social Sciences Edition)*. 3 (2), p21-29.
[325] Public Papers of the Presidents of the United States :R ichard Ni xon , 1973, p.613 .
[326] Tao Wenzhao. (2001). The Mollification of US-USSR Relatiosn and Normalization of Sino-US Relations. *Journal of Harbin Institute of Technology(Social Sciences Edition)*. 3 (2), p21-29.

When facing dramatic changes in the international environment in the early 1990s, such as the political transformation in Taiwan and the end of the Cold War, Beijing still maintained its optimistic perception of relative power, accelerating its contact with Taiwan and expecting to begin formal political negotiations for national unification. One of the most significant achievement made by these cross-strait contacts is the 1992 consensus, which was reached by the ARATS and the SEF when discussing the definition of One China[327].

The importance of the 1992 consensus was beyond any doubt because it clearly stated that two sides both insisted the One China principle and therefore became the foundation of all following cross-strait dialogues. However, after making this progress, the cross-strait relations soon suffered a series of setbacks. As described in previous chapters, Taiwan's pro-independence forces were growing stronger in democratization and localization during this period, gradually controlling the political and social resources in Taiwan. Their perception of power comparison between the US and mainland China determined Taipei's mainland policy would not be consistent with Beijing's pursuit of unification. Meanwhile, the collapse of the Soviet Union also made China and the US lose their common threat, indicating that the most significant factor which promoted their bilateral cooperation did not exist any more. In such a case, the trend that US made compromise with China on the Taiwan Issue in order to promote Sino-US relations began to be reversed.

In essence, all three actors' perception of reality were inaccurate. Mainland China maintained its optimistic perception of relative power, while the pro-independence forces in Taiwan began to express discontent to the core level of Taiwan's mainland policy, and the US recognized China as a new target instead of the Soviet Union that US should curb by formulating hardline policies[328]. It was not surprising that serious crisis could happen under such situation. In the cross-strait dialogues between the ARATS and the SEF, mainland China wished the two sides to start the formal political negotiations for unification[329]. But the closer relationship with the US made the Taiwan authorities dare to abandon the One China principle. What made the situation worse was, in the face of the growing tensions across the strait, the US government still approved Lee Teng-hui's visit to the US because the Clinton administration believed that mainland China lacked sufficient power to challenge the US and therefore was unlikely to make a too fierce response[330]. These perceptions made each actor overestimate its own relative power, and therefore prompted them to pursue targets related to the interest at too high level, which finally led to the outbreak of the Taiwan Strait Crisis in 1995.

This crisis forced three actors to reexamine their perceptions of relative power and behave in a more pragmatic way, increasing prudence and rationality in their policy making process. In such a case, peace and stability across the strait was promoted. For China, this more accurate perception of relative power prompted Beijing to transfer the focus of its Taiwan policy from starting political

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327 Shiquan X. The 1992 Consensus: A review and assessment of consultations between the association for relations across the Taiwan Strait and the straits exchange foundation[J]. American Foreign Policy Interests, 2001, 23(3): 121-140.

328 Fan Liqing (1997). *Wang Gu Talks*. Beijing: HUA YI PUBLISHING HOUSE. p106.

329 Cheng Jianhua. (1994). Necessarity of Cross-Strait Political Contacts.*Reunification Forum*. 1 (1), p47-48.

330 Xu Hongyan. (2008). Research on Reasons Why US Congress Promoted Lee Teng-hui's Visit. *Journal of Guangzhou Institute of Socialism*. 16(3), p54-56.

negotiations and realizing national unification to a more pragmatic and urgent target of containing the pro-independence forces and their separatist activities. This pragmatism can be found in Beijing's coping strategy for provocation made by pro-independence forces after the crisis, such as Lee Teng-hui's two state theory and Chen Shui-bian's "one country on each side". Facing these two provocations, Beijing did not use the similar show of force during 1995 and 1996, but sent a clear message to the US government and the Taiwan authorities, stating that mainland China would never tolerate the pro-independence forces to split the country[331]. For the US, its previous conviction that China lacked sufficient power to oppose US expansive policy toward Taiwan also evolved into a more sober realization which better defined the US own interests involved in the Taiwan Issue. In a word, Washington learned that although obstructing cross-strait unification was a significant target, involving an all-out warfare with China for supporting Taiwan's *de jure* independence was definitely not consistent with the US interest[332]. This actually indicated that China's relative power was not enough to realize its target of national unification, but was sufficient to safeguard fundamental interest by containing Taiwan's *de jure* independence. That explained why Beijing's stance of opposing Taiwan's pro-independence movements received a positive response from Washington, which declared that the US government understood the sensitivity of the Taiwan Issue and would adhere to its policy of One China, opposing Taiwan's *de jure* independence[333]. For Taiwan, the US reiteration of its One China policy was a heavy blow to the pro-independence forces, making them realize they might have overestimated the power of Taiwan's allies. Meanwhile, the mainland's "Anti-secession Law" also clearly defined Beijing's bottom line, forcing the pro-independence forces to pursue Taiwan's creeping independence instead of immediate independence[334].

The Third Taiwan Strait Crisis has made the three actors become more rational and pragmatic in perceiving relative power and formulating policy, but it is still very difficult to maintain peace and stability in the area because conflict across the strait is rooted in different interests pursued by each actor. In such a case, to understand China's position and its potential reaction to other actors, it is necessary to analyze its interests involved in the Taiwan Issue.

Chinese High Level and Fundamental Interests Involved in the Taiwan Issue

National Unification and Chinese High Level Interests

In the 21st century, as a regional great power whose comprehensive strength is still rising, mainland China wishes to obtain greater political influence and military superiority, making itself become a maritime power. The 18th CCP National Congress in 2012 proposed a new national strategy which clearly stated that China should raise its ability to exploit marine resources, safeguard its maritime rights, and promote the country to become a maritime power[335]. This strategy is targeted at the fact that mainland China has an 18000-kilometer coastline but its naval

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331 China Daily (overseas edition), 19th July, 2003.
332 Wu Xinbo. (2011). Response and Adjustment : Taiwan Strait Crisis of 1996 and US Policy Concerning Taiwan. *American Studies*. 1 (1), p51-53.
333 China Daily, 26th October, 2002.
334 Yu Xiandeng. (2007). Solution of Taiwan Issue and International Law Basis of 'Anti-secession Law'. *Journal of Shantou University (Humanities & Social Sciences Edition)* . 23 (5), p58-63.
335 Jintao H. Firmly march on the path of socialism with Chinese characteristics and strive to complete the building of a moderately prosperous society in all respects[C]//A collection of documents of the 18th CPC national congress. 2012.

power is still relatively weak compared with its economic strength and political influence.

In the early days, the Chinese government's limited financial input was mainly used to strengthen the Chinese Air Force due to the demands of the Korean War, while the Navy was able to take operations only in the offshore area[336]. In the 1980s, when Chinese government stabilized the domestic political environment and promoted the nation's economic construction, Chinese admirals defined the country's naval strategy as "offshore defense" in accordance with Deng Xiaoping's advice[337]. Fighting in the offshore area meant to defend islands and the coastline from an enemy's aggression, which in essence was a homeland defense strategy, while this "offshore defense" expanded the naval defensive scope to the sea area near the First Island Chain, including the Yellow Sea, East China Sea, and South China Sea area. But Chinese naval power during this period was still very weak, because in the face of three island chains controlled by the United States, Beijing was even unable to break through the nearest one. However, when China's comprehensive strength was largely enhanced through the policy of reform and opening up, Beijing started to expand the area of its naval operation from the offshore zone to the ocean, which actually required China to break through the First Island Chain including the Japanese archipelago, the Ryukyu Islands, Taiwan, the Philippines, Malaysia and Singapore. In July 2013, the Chinese Navy passed through the straits near Japan, entering into the Western Pacific for training purpose, which were interpreted as an effort to break the blockade of the island chain[338].

In such a case, it is noteworthy that Taiwan is integral to China's strategy of expanding its maritime power from the offshore area to the ocean, because to a large extent it can determine whether the Chinese Navy can successfully enter into the Pacific and Indian Ocean. Precisely, Taiwan is located in the middle of the First Island Chain. North of it are the East China Sea, the Yellow Sea, and the Bohai Sea, while the Second Island Chain lies 1,000 sea miles east of it. Considering the fact that mainland China is only connected with the Pacific Ocean, and it is blockaded by the US allies in its offshore area, Taiwan can be regarded as the only viable option for mainland China to enter into the Pacific Ocean. In these circumstances, if Taiwan is controlled by hostile forces, it can be used to prevent China from concentrating its navy in a potential military conflict in the sea area[339]. But if Chinese unification is realized, Taiwan can be used as a military base for China to break through the First Island Chain. After reunification, China can effectively control those strategic channels in the East China Sea and South China Sea, and therefore break through the First Island Chain and even impose its influence on those important channels in sea area near the Second Island Chain. This will enable China to launch a deterrent against Japan, provide efficient protection to the Nansha Islands on which China claims sovereignty, and ensure the security of its maritime transportation in the Straits of Malacca. In other words, unification is the fundamental premise for China's strategy of expanding its maritime

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336 Xu Q. Maritime geostrategy and the development of the Chinese navy in the early twenty-first century[J]. Naval War College Review, 2006, 59(4): 46.

337 Liu Zhongming and Sang Hong. (2007). Positive Offshore Defense of PRC. *Ocean World* . 2 (2), p40-44.

338 Chinese Navy. (2013). *China-Russia Joint Military Exercise.* Available: http://navy.81.cn/zelhjsyx.htm. Last accessed 20th Aug 2015.

339 James R. Holmes and Toshi Yoshihara，Chinese Naval Strategy in the 21st Century: The Turn to Mahan，Routledge，2009，p． 54．

power[340].

In addition, achieving reunification with Taiwan can also generate profound influence on China's current economic modernization. Compared with its large land area, China's coastline is relatively short, and most islands controlled by the Chinese government without dispute are not far from the mainland coastline, indicating that the Chinese Exclusive Economic Zone is very small. Among the Chinese surrounding sea areas, the Bohai Sea is almost an inland sea, while the Yellow Sea is shared with North and South Korea, and the East China Sea, although rich in resources, is located between mainland China and the southern islands of Japan, which has caused serious disputes over how to identify the Exclusive Economic Zone for each country. The bigger dispute lies in the South China Sea, where mainland China has claimed sovereignty over all the islands, reefs, and shallows in the sea area of the Xisha and Nansha Islands, but a similar claim is made by Vietnam, while the Philippines and Malaysia also claim sovereignty over parts of the Nansha Islands[341]. The main reason behind this complex situation is the rich natural resources in this region[342]. It is estimated that in the sea area near the Zengmu Reef, there are almost 20 billion tons of oil reserves, and approximately 20 trillion cubic meters of natural gas reserves. Meanwhile, the sedimentary basins located within China's traditional boundaries have oil reserve of over 45 billion tons, and more than 8 trillion cubic meters of natural gas[343]. Furthermore, the South China Sea is also rich in mineral resources: for example, it is the world's most densely populated area of undersea manganese nodules, and also has important minerals such as copper and tin. Moreover, the high temperature in the South China Sea leads the plankton to breed rapidly in the region, making the area very important for marine fisheries[344].

With huge oil and gas reserves, and rich mineral and fish resources, there is no doubt that the South China Sea has great significance for China's future resource demand in its economic development. However, rich resources also made Chinese neighboring countries to be reluctant to relinquish their own territorial claims. For example, from 1981 to 2002, Vietnam exploited 100 million tons of oil and more than 1.5 billion cubic meters of natural gas from the Nansha Islands, gaining USD 25 billion and making the oil in the South China Sea become the largest pillar industry of the Vietnamese national economy[345]. From Beijing's perspective, such behavior clearly constituted a serious obstacle to China's future economic development and therefore significantly threatened China's rise. China may be rich in natural resources, but from the perspective of per capita resources, it still can be regarded as a resource-poor country. More importantly, with the rapid growth of Chinese economy, the consumption of resources is also rising quickly. In such a case, a stable supply of resources is the necessary premise for maintaining Chinese rapid

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340 Liu Hong. (2003). A Geopolitical Interpretation of Taiwan Issue. *Journal of Yangzhou College of Education* . 21 (4), p47-51.
341 Zhu Feng. (2014). Behind Sovereign Disputes in South China Sea. *China Today*. 3 (3), p14-15.
342 Li Pengyuan and Tang Jinrong. (2014). Security of Mineral Resources in South China Sea Disputes. *National Land & Resources*. 8 (8), p22-23.
343 Chen Jie, Wen Ning and Li Xuejie. (2007). Potential and Current Exploration of Oil and Gas in South China Sea. *Progress in Geophysics*. 39 (4), p1285-1294.
344 Christensen V, Garces L R, Silvestre G T, et al. Fisheries impact on the South China Sea Large Marine Ecosystem: a preliminary analysis using spatially explicit methodology[J]. Assessment, Management and Future Directions for Coastal Fisheries in Asian Countries, 2003: 51-62.
345 Chen Jie, Wen Ning and Li Xuejie. (2007). Potential and Current Exploration of Oil and Gas in South China Sea. *Progress in Geophysics*. 39 (4), p1285-1294.

economic growth in the future[346]. This makes the Taiwan Issue have a special meaning for mainland China's economic development when China needs to establish its own offshore base to secure the Nansha Islands in order to protect its interest in the Exclusive Economic Zone. If national unification is achieved, Taiwan, according to its geographic position, is able to play this important role with Hainan Island to enable China to efficiently control the relevant sea area. As a few Chinese scholars have argued, without the return of Taiwan, the Nansha Islands cannot be protected, and Chinese economic interests will be seriously damaged[347].

By now, China has taken no military actions to force its neighbors to give up their control of those islands in territorial dispute with China, or has damaged the security of the so called international navigation. This again proves that Beijing's coercive stance in the Taiwan Issue is not the case here in the South or East China Sea, because unlike those separatist movements which involve fundamental interests, territorial disputes are only related to high level interests. This is why Beijing can formulate relatively moderate policy, promoting cooperation and trying to reach compromise with its Asian neighbors without worrying such behavior will elicit domestic social discontent. In fact, it can be argued that what Beijing tries to do is reducing its own vulnerability in order to respond to the uncertainty of regional security situation rather than using its military build up to establish an influential scope for seeking a great power status in regional affairs. In such a case, compared with using military strength to threaten its neighboring governments, which may lead Southeast Asian countries to strengthen their cooperation against China's rise and require more security from the US, cooperating with Taipei to defend One China's sovereign claim over those islands may be a more realistic option for Beijing.

Although the targets such as reunification or effectively protecting resources in the South China Sea seems unlikely to be realized in the foreseeable future, Beijing's passive position in territorial dispute with neighboring governments will be largely improved if further development of cross-strait relations leads to deeper cooperation between Beijing and Taipei in the South China Sea issue. During the period of Chiang Kai-shek and Chiang Ching-kuo, the Taiwan authorities clearly claimed sovereignty over the Nansha Islands, insisting the One China principle in any territorial disputes involved the South China Sea. They not only made an official statement that firmly opposed Vietnam's sovereignty claim over the Xisha Islands, but also allowed the mainland's warships to pass through the Taiwan Strait in the 1970s when there was a military conflict between mainland China and Vietnam in the Xisha Islands[348]. However, this kind of cross-strait cooperation in opposing foreign country's sovereignty claims in the South China Sea rapidly decayed when the pro-independence forces grew stronger in Taiwan's political transformation. After 1995, the Taiwan authorities gradually abandoned its previous sovereignty claim over the islands in the South China Sea, seldom protesting against Southeast Asian countries' occupation of these islands, and even withdrawing its troops from the Dongsha and Nansha Islands in exchange for these countries' support for Taiwan's independence[349]. But after

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346 Wang Yafei. (2011). Test and Analysis of Dynamic Relations between Chinese Resource Consumption and Economic Growth. *Resources Science* . 33 (1), p25-30.
347 Zhang Wenmu (2004). *Analysis of China's Security Interests in World Geopolitics*. Shandong: Shandong People's Publishing House . p166-167.
348 Li Zhaoxin. (2010). East China Sea Fleet Passed Taiwan Strait. *Modern Ships* . 12 (1), p28-31.
349 Luo Haizhen. (2005). Comparative Studies of Solution Models for South China Sea Disputes . *Peking University*. 1 (1), p38-44.

the KMT regained power in 2008, Taipei reiterated its sovereignty claim over islands in the South China Sea and seriously protested against the behavior of Vietnam and the Philippines in this area[350].

At present, mainland China has established offices in the Nansha, Zhongsha, and Xisha Islands, and has garrisoned on a few of these islands, while Taiwan exercises sovereignty over the Dongsha and Zhongsha Islands, and has also garrisoned on the largest island of the Nansha Islands.

Within this context, if Beijing and Taipei can cooperate more effectively based on the One China principle, jointly safeguarding One China's interests in the South China Sea, Beijing will be in an advantage position in its disputes with neighboring countries, and China's future resource demand will be better secured.

Containing Taiwan's de jure Independence and the Fundamental Interests of Mainland China

Compared with the future maritime power strategy and resource demand in the economic rise which motivates Beijing to achieve cross-strait reunification, preventing Taiwan from moving toward independence is a target more urgent and crucial to the Chinese leadership, because it is related to state sovereignty and territorial integrity, which are obviously fundamental interests of the country.

In the post-Cold War era, national independence movements became confused with ethnic separatist movements, which made issues related to sovereignty and territorial integrity faced by China become more complex. More precisely, the boundary between these two movements was blurring, allowing the pro-independence forces to use national self-determination as an excuse to promote Taiwan's *de jure* independence.

No one could deny that most national independence movements in the end of the World War II were struggles against the colonial rules constructed before the war[351]. A colony is a country that has lost its independence in political and economic areas, and therefore suffered domination and oppression from other countries[352]. It is noteworthy that this is often the result that an independent country was invaded and occupied by another country, which explains why the rise of national independence movements in Asia, Africa, and South America after the victory of the anti-fascist war were regarded as justicial movements and widely supported by the international community[353]. However, before the end of the Cold War, the situation was changed. There were a series of movements under the banner of national independence appearing in many independent countries. Many of them were ethnic conflicts inside multi-ethnic countries, leading minorities to pursue separating from their original homeland and establishing a new sovereign country constituted

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350 Lin Hong. (2010). Cross-Strait Strategic Cooperation in South China Sea Disputes. *Taiwan Research Quarterly* . 9 (1), p67-75.

351 Liu Kui . (2002). National Liberation and Modernization in Colonial Countries. *Social Sciences and Economic Information* . 38 (12), p114-117.

352 Ji Zhai. (1956). Explanation of Nouns in 'Political Economy Textbook'.*Teaching and Research*. 11 (10), p56-60.

353 Zhang Liqing. (2011). Allies' Concern about Colonialism during the World War II. *Journal of Guangxi University (Philosophy and Social Science)*. 33 (1), p119-124.

mainly by minorities themselves. Unlike the colony, these minorities were usually not independent sovereign states, and they were closely linked to the country from which they wished to separate in terms of geography, history, culture, and even language. These differences to a large extent distinguish this kind of movements from national independence against colonial rule, implying their justice is controversial[354]. But the separatists and their external supporters were likely to confuse their behavior with national independence in the propaganda, implying that movements for overthrowing the colonial rule were equated with movements for splitting a sovereign country. Consequently, the behavior of maintaining sovereignty and territorial integrity, the pursuit of achieving national independence from colonial rule, and the separatist activities seeking to split a country, may all be viewed as justicial actions in the international community and receive support from foreign countries or organizations.

A recent example is Crimea. Although the referendum was held by an autonomous republic and its slogan was joining Russia rather than its own independence, the whole event still can be regarded as an ethnic separatist movement in which a group of people with the same background (77% of the residents in Crimea use Russian as their native language) inside an independent sovereign country wished to separate from that country through collective actions[355]. That explains why China adopted a prudent attitude toward the referendum in Crimea, abstaining from voting for relevant resolutions in the United Nations Security Council[356]. Considering the Taiwan Issue, the Chinese leaders would only support the anti-colonial movements for national independence, but definitely oppose any separatist movements in an independent multi-ethnic country. As a few Chinese scholars argued, without the consent of Ukraine, a referendum held by residents in one part of the country in pursuit of national self-determination has doubtlessly damaged the country's sovereignty, territorial integrity, and national unity[357]. Obviously, Beijing will never allow such an incident to happen in Taiwan.

The smell of gunpowder across the Taiwan Strait is not as much as that in Crimea when the latter clearly demonstrated serious confrontation between Russia and the west. But this is perhaps due to the fact that major actors in the Taiwan Issue have preferred to carefully reexamine their perceived relative power after the Third Taiwan Strait Crisis, temporarily reaching an agreement on maintaining peace and stability across the strait. As long as Taiwan's pro-independence forces refused to abandon their separatist ambitions, it is hard to be optimistic about how long this temporary stability can be maintained. In reality, there are no essential differences between Taiwan's pro-independence forces and the other post-Cold War ethnic separatist movements under the banner of national independence. The basic model is first proposing the theory of popular sovereignty, emphasizing that a region's sovereignty belongs to people in that region and only the government elected by these people can exercise this sovereignty. Subsequently, by arguing that both sides across the strait have failed to exercise sovereignty over the whole of China, the definition of "the region" is reduced from the whole of China to Taiwan. And finally, there is the

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354 Yang Mansu, Zhang Jiadong. (2002). National Separationism and Its Impact. *International Review*. 1 (1), p27-32.
355 Zeng Jingjing. (2014). Crimean Referendum: An Analysis based on International Law. *Journal of Social Science of Harbin Normal University*. 9 (4), p30-32.
356 Ding S. China's dilemma in the Ukraine crisis[J]. 2014.
357 He Yang . (2014). Legitimacy of Crimea Joining Russia: An Analysis based on National Self-determination. *Journal of Yibin University* . 14 (10), p59-63.

conclusion that Taiwan's sovereignty should be decided by Taiwanese people, denying Beijing's sovereignty claim over Taiwan and planning to achieve Taiwan's *de jure* independence through a referendum[358]. It is worth to note when the boundary between ethnic separatist movements and national independence movements became increasingly ambiguous, support for the pursuit of Taiwan's pro-independence forces gradually rises in the international community, which has further raised the urgency for mainland China to safeguard its fundamental interest of state sovereignty and national unity.

Moreover, it should be pointed out that if Taiwan's *de jure* independence is achieved, the damage on China's fundamental interest will not be limited in Beijing's sovereignty claim over Taiwan, because other separatist forces in China such as the Tibetan separatists and the East Turkistan separatists, will be encouraged by Taiwan's example and are bound to take more audacious activities. This will largely exacerbate the centrifugal tendencies of many Chinese ethnic minorities and therefore seriously undermine social stability in the country[359]. Consequently, the national interests pursued by mainland China will no longer be promoting economic construction or obtaining great power status through maritime strategy, but rather fundamental interests such as preserving the unity of its current territory.

In extreme cases, the Taiwan Issue can influence the most fundamental interest of China. In the area within 600 kilometers radius around Taiwan, there are approximately one fifth of China's total population as well as a large number of Chinese industrial bases, agricultural bases, and coastal economic development zones. In such a case, Taiwan is able to attack the most developed areas of mainland China, which indicates that if a war breaks out across the strait, the security threat faced by Beijing will be even severer than what it encountered in its past military conflicts with neighboring countries in the 20th century[360]. Although the KMT's old policy of "recovering the mainland" has been completely abandoned, the military threat that Taiwan is able to impose on the mainland is real and should not be ignored. In 2002, when the pro-independence forces was becoming increasingly confident, Chen Shui-bian once ordered Taiwan's Air Force to simulate air strikes against the Three Gorges Dam (*San Xia Da Ba*) in the mainland, and the 2004 "Annual Report to Congress: Military Power of the People's Republic of China" issued by the US Department of Defense also noted that Taiwan could deter the mainland from taking military actions against Taiwan's security by attacking the Three Gorges Dam and other densely populated areas in China[361]. When the two sides remain a stable cross-strait relations, it is very unlikely that the Taiwan military force will launch direct attacks at the mainland's civilian facilities. However, taking into account of Taiwan's geographical location and its military ties with the United States, if there is growing military tensions across the strait, Taipei's ability of posing a serious threat to the most fundamental interest of mainland China can be utilized to force Beijing to make

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358 Liu Wenzong. (2006). International Law Does Not Agree with 'Residents Self-determination' and 'Referendum for New Constitution'. *Reunification Forum* . 4 (4), p8-11.
359 Zhou Wanghong. (2009). Maintaining High Alert on Pro-independence Forces in Taiwan, Tibet and Xinjiang to Follow Each Other. *The Collection of Thesis of the Forth Hebei Province Social Science Annual Meeting*. 1 (8), p114.
360 Liu Hong. (2003). The Geopolitical Interpretation of Taiwan Issue.*Journal of Yangzhou College of Education* . 21 (4), p47-51.
361 Gleick P H. Three Gorges Dam Project, Yangtze River, China[M]//The world's water 2008–2009: the biennial report on freshwater resources. Island Press Washington DC, 2009: 139-150.

concession.

Beijing's Major Targets in the Taiwan Issue determined by Its Interests Pursuit

According to above analysis, China's interests involved in the Taiwan Issue have become very clear. There are high level interests such as maintaining continuous economic growth and increasing external influence by becoming a maritime power, and also fundamental interests including sovereignty, territorial integrity, and even homeland security. In these circumstances, the range of Beijing's policy evolution is between two major target: containing Taiwan's pro-independence forces to safeguard China's fundamental interests and pursuing national unification to realize high level interests. Under current situation, Beijing gives more weight to the first target.

The policy of containing the pro-independence forces can be divided into two parts. First, there is hardline deterrence represented by the "Anti-secession Law", which clearly states that China must use non-peaceful approaches and any other necessary measures to defend its sovereignty and territorial integrity if the pro-independence forces split Taiwan from China or the possibility of achieving peaceful unification has completely disappeared[362]. This coercive strategy not only creates a direct blow to the increasing separatist activities in Taiwan, but also prompts other actors in the Taiwan Issue to avoid overstepping Beijing's bottom line, because it makes China's threat of using force more credible and therefore reduces the likelihood that Taipei will receive sufficient support from society and its allies to declare its independence[363].

But the deterrence is not Beijing's only option for opposing Taiwan's independence. Although credible military threat can prevent pro-independence forces from promoting Taiwan's *de jure* independence, it has little effect on the core level of Taiwan's mainland policy. In these circumstances, another significant part of Beijing's policy is to reduce the influence of pro-independence forces by promoting cross-strait relations in economic and cultural areas. Since China proposed the idea of Three Links in 1997, there has been a rapid development in cross-strait economic exchanges. The trade volume between the two sides was only USD 77 million in 1979, but the number exceeded USD 129 billion by 2008[364]. Meanwhile, the amount of Taiwan's investment in mainland China is also rising. According to Chinese Commerce Department, the mainland has approved 75,146 Taiwanese investment programs by the end of 2007, amounting to USD 45.76 billion and making Taiwanese investment account for about 6% of the cumulative total foreign investment received by the mainland[365]. Apart from that, mainland China has become Taiwan's largest export market since 2007, while Taiwan also became the mainland's fifth largest trading partner[366]. This growing economic exchanges gradually improve mutual trust between the two sides, reducing political transformation's impact on Taiwan's society. Unlike political

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362 Daily C. Anti-secession law adopted by NPC[J]. Retrieved March, 2005, 14: 2006.
363 Wang Gonglong. (2006). An Analysis of US Response to Taiwan's Pro-independence Rethorics. *Party & Government Forum*. 3 (3), p39-40.
364 Zheng Shaohong. (2010). Cross-Strait Agricultural Commodities Trade in the New Situation. *Taiwan Agricultural Research*. 1 (2), p1-6.
365 Zhang Yansheng. (2008). Investment of Taiwan's Manufacturing Industry on Mainland and Its Impact on Taiwan's Economy. *China National Conditions and Strength*. 21 (4), p60-62.
366 Liu Yisheng and Wang Jun. (2010). An Analysis of Establishing Cross-Strait Regional Financial Service Center in Fujian . *Asia-pacific Economic Review* . 1 (1), p137-141.

dialogues, economic exchanges are usually not viewed as official behavior and therefore provoke less resistance from Taiwan's society. This explains why the economic ties between the two sides cannot be completely blocked even during the DPP's period when Taipei changed the core level of its mainland policy. In fact, benefit brought by economic exchanges increased Taiwanese people's resistance against the DPP's policies, which finally became strong support for the pan blue camp's position and led the KMT to regain power in 2008[367]. According to the polling result offered by Taiwan's "China Times" in December 2010, 67 percent of Taiwan's total population believed that "cross-strait relations has been improved", while another survey commissioned by Taiwan's "Global Views Monthly" magazine showed that more than 53 percent agreed that the DPP needed to adjust its cross-strait policy[368]. This means Taiwan's society still preferred to maintain good relations with the mainland rather than completely cut off its ties with China as the DPP wished in de-Sinification process.

However, it is noteworthy that military deterrence and cross-strait exchanges, which did prevent Taiwan from moving toward immediate independence, cannot help Beijing to achieve national unification. In fact, there has been no particular resolution for achieving unification pushed by Beijing's policy since the Third Taiwan Strait Crisis. What Chinese leadership now focus on is how to deal with potential provocation made by pro-independence forces rather than start political negotiations with the Taiwan authorities for reunification. Although it seems that Beijing hopes to win the hearts and minds of most Taiwanese people, there is no statement or official document made by Beijing that clearly describes how to achieve that end. Considering the fact that separatist voices in Hong Kong has made "one country, two systems" less attractive to Taiwanese people, Beijing is actually in an embarrassing situation. For the target related to high level interests, it seems that Chinese leadership should either largely improve this "basic state policy" (*Ji Ben Guo Ce*) or formulate a new unification model that can better adapt to the current cross-strait situation. But the real reason Beijing does not formulate any specific policy toward Taiwan to promote unification is that Chinese leaders have realized external influence from other actors is more significant than Taipei's position. Without necessary changes in the US and Japan's behavior, it is almost impossible for Taiwan to abandon its current *de facto* independence and become a special administrative region of China no matter what policy Beijing formulates to impact Taiwan's behavior. In such a case, for achieving its high level interest, what Beijing needs is appropriate interaction with the US and Japan, not simply development in cross-strait relations.

Conclusion

In general, the Taiwan Issue has involved China's sovereignty and territorial integrity, and the urgency has been largely increased in the post-Cold War era. Meanwhile, it is also closely related to China's homeland security, strategic influence, future economic development, and social stability. Since the pursuit of high level interest must be based on the realization of fundamental interests, it is not difficult to understand that if the target of containing Taiwan's pro-independence forces is achieved by military deterrence and development of cross-strait relations, mainland

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[367] Sun Zhaohui. (2006). DPP Authorities' Cross-Strait Economic Policy.*Journal of Beijing Union University(Humanities and Social Sciences)*. 5 (4), p25-28.

[368] Liu Ge. (2014). Political, Cultural and Social Effect of Cross-Strait Economic Cooperation. *Journal of Anhui Normal University(Humanities & Social Sciences Edition)* . 4 (4), p502-508.

China will gradually give more weight to the target of achieving national unification. However, if Chinese leaders believe China's fundamental interests are still under serious threat, more hardline policies towards Taiwan will be formulated and tensions across the strait will be raised again.

Chapter V The Evolution of the US Policy toward Taiwan Issue: From Swinging Back and Forth to Establishing the Double Deterrence

In its official statement and propaganda, the Chinese government always emphasized that the Taiwan Issue is China's internal affair. In the history, because of the purpose of preventing Taiwan's independence and promoting the reunification, Beijing firmly opposed any behavior to internationalize the Taiwan Issue. From this perspective, a few scholars were inclined to limit their analysis of the Taiwan Issue to the two sides across the strait, studying how those internal factors of mainland China and Taiwan impacted the cross-strait relations. However, the influence of external factors on the Taiwan Issue should not be ignored. As a matter of fact, the complexity of the Taiwan Issue is to a large extent caused by the involvement of foreign countries with different positions and different relative power, which therefore make Beijing and Taipei unable to fully shape the future development of Taiwan Issue. As demonstrated in previous chapters, the pro-independence forces has been using the relative power of the US rather than that of Taiwan itself to determine the scope of its mainland policy, while Beijing also adjusted its policy many times to respond to the US intervention in the Taiwan Strait. In these circumstances, as the most influential factor in the Taiwan Issue, the role played by the United States needs to be comprehensively examined in the research.

Change of Taiwan's Status in the US Foreign Policy after the Korean War

The US policy toward Taiwan is even earlier than the emergence of "Taiwan Issue". In the end of the World War II, the US government started to cooperate with the KMT authorities to promote construction in Taiwan[369]. After Japan surrendered in 1945, the US troops landed on Taiwan with their KMT friendly forces and began to build military bases in the island. Meanwhile, the US was also allowed by Chiang Kai-shek to run business, exploit mineral resources, and make investment in infrastructure construction such as building hydro power stations in Taiwan[370]. It is noteworthy that after the outbreak of the February 28 Incident in 1947, the pro-independence forces started to contact with the US officials, hoping to obtain openly support from the US to realize Taiwan's independence or make Taiwan to be under the United Nations Trusteeship. Some of them even suggested the US to recover Japanese rule over Taiwan[371]. But the US government refused to deal with them because of the fact that pro-independence forces did not have any social or military foundation and were completely dependent on the US to achieve their end. However, there were a few officials in the US government that viewed the idea of making Taiwan under the US trusteeship as a feasible option[372]. This desire of controlling Taiwan, to a large extent, explained the strange behavior of the US government to obstruct Chiang Kai-shek's plan of retreating to

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369 Chen Mingzhong and Chen Xingtang (1989). *Taiwan's Recovery and Situation in the Following Five Years*. Nanjing: Nanjing Publishing House . p73-74.
370 Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. p55-56.
371 Zi Zhongyun (1991). *US-Taiwan Relations for Forty Years*. Beijing: People's Publishing House. p30.
372 Compiled by World Affairs Press (1960). *Compilation of Data of Sino-US Relations*. Beijing: World Affairs Press . p30.

Taiwan and building the island as an anti-communist base within the context that the KMT was almost losing the Chinese Civil War. In January 1949, the US government even publicly protested the KMT authorities' decision of retreating to Taiwan, while simultaneously contacting with then Taiwan Province military commander Chen Cheng, promising that the US would provide financial support to Chen for controlling Taiwan as long as he could separate the island from the rule of the KMT Government[373]. Meanwhile, the Supreme Commander of the Allied Powers MacArthur and then US Secretary of State Dean Acheson also put forward the theory of uncertainty of Taiwan's status on various occasions, arguing that before the peace treaty with Japan was signed, Taiwan was still part of Japan and its final status would be determined by a contract, while the Chinese government was only managing the island on behalf of the Allied Powers[374].

Preventing Chiang Kai-shek from retreating to Taiwan, inducing then Taiwan military commander to resist the KMT authorities, and spreading Taiwan's status was uncertain in the international community, the real purpose of the US was to make Taiwan under its trusteeship[375]. This was because Washington believed that Chiang Kai-shek was unable to defend Taiwan, which would lead the island to be captured by the CCP and eventually become Soviet military base. According to this view, the US State Department submitted a report in January 1949, clearly pointing out that the US target was to prevent Taiwan and the Penghu Islands from falling into the hands of the Communist Party, and the most effective approach to achieve that target was to separate these islands from mainland China[376].

At first, the US government tended to use political and economic means to realize this separation between Taiwan and the mainland. But this plan faced a serious challenge caused by the changing situation in the mainland. Through providing military support to the KMT in the Chinese Civil War, the US government had hoped there would appear a pro-American government in China. But the KMT lost the war and finally decided to retreat to Taiwan. Within the context that the PLA occupied the ROC's capital Nanjing in April 1949, and the PRC was then founded on 1st October, liberating Taiwan became the next target of the PLA. In the face of the CCP's preparation for military attack against the KMT in Taiwan, the US government had to reevaluate its previous policy option. There was little doubt that Taiwan would be captured by the CCP if the US only used political and economic means rather than large scale military forces to assist the KMT. In such a case, Washington had to make its choice between sending US troops to defend the KMT or completely abandoning the island. During this period, regarding these two policy options, there was a debate among US officials. The State Department preferred to give up the KMT, but the military and a few congressmen insisted on providing direct military aid to Taiwan[377]. What these officials disputed, which also determined the US stance in the Taiwan Issue, was whether Taiwan had sufficient strategic value for the United States to take military actions against the CCP. In

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373 Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. p58-59.
374 Li Shian. (1994). Adjustment of US Policy towards Taiwan between 1945 and 1954. *Social Sciences in China*. 5 (5), p182-196.
375 Jones C. United States Arms Exports to Taiwan Under The Taiwan Relations Act: The Failed Role of Law in United States Foreign Relations[J]. Conn. J. Int'l L., 1993, 9: 51.
376 Lu Maoqing. (2000). The US Pursuit of Separating Taiwan from China.*Consultative Forum*. 6 (6), p27-32.
377 Kusnitz L A. Public opinion and foreign policy: America's China policy, 1949-1979[M]. Praeger Pub Text, 1984.

other words, what interests of US were involved in Taiwan.

Despite MacArthur put forward the famous metaphor of "unsinkable aircraft carrier", the result of such debate in the US government seemed to be abandoning Taiwan. In the early 1950, then President Truman issued a statement, making it clear that the United States respected China's territorial integrity and had no intention to occupy Taiwan or formulate any policy that would lead the US to involve in the Chinese Civil War. Most importantly, the United States would not provide military aid or advice to the Chinese army in Taiwan[378]. This announcement of abandoning Taiwan was credible to a large extent. According to the State Department's order, the US Consulate General in Taipei warned that American citizens must evacuate Taiwan as soon as possible, and also implemented relevant evacuation plan[379]. At the same period, Chiang Kai-shek suddenly made a tentative statement to the CCP about carrying out peace talks. After being rejected, he even made a plan of establishing a government in exile in the Philippines[380]. However, after more than a month, the policy of abandoning Taiwan underwent a complete change. The US government replaced its previous policy of "watching and waiting" with military intervention in the Taiwan Strait. It was believed that this significant change was largely due to the Korean War. On June 26th 1950, Truman issued a new statement, declaring that the communism was starting an invasion to an independent state, and the occupation of the Communist Party on Taiwan would threaten the security of the Pacific region[381]. The US government then stated that Taiwan's status was uncertain, and sent the Seventh Fleet to blockade the Taiwan Strait, which actually prevented mainland China from carrying out any military action to achieve reunification[382]. Since then, the US policy towards Taiwan has been shifted from abandoning the island to direct intervention.

To impose pressure on Beijing and therefore influence the war in the Korea Peninsula, the United States urged the Chiang Kai-shek authorities to start military attacks against the coastal areas of the mainland, while simultaneously maintaining public debates in the US society about whether the US should use nuclear weapons to strike China[383]. The change of US policy also meant the enhancement of the US-Taiwan relations. In July 1950, MacArthur and a few US generals went to Taiwan to discuss with Chiang Kai-shek about how the United States and the Taiwan authorities could jointly defend the island[384]. Since the end of August, Taiwan had received military supplies from the United States with the total value of USD 165 million. In May 1951, the US Military Advisory Group was established to improve Taiwan's military integration and training[385]. In a word, Taiwan began to be incorporated into the US strategy in Asia.

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[378] Shi Yinghong. (1995). Reasons Why US Radically Altered Its Far-Eastern Policy in 1950. *Nankai Journal(Philosophy,Literature and Social Science Edition)*. 5 (5), p45-54.
[379] Edwin W. Martin (1990). *Divided Counsel: The Anglo-American Response to Communist Victory in China*. Beijing: CCP History Press . p169.
[380] Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. P65.
[381] Buhite R D. " Major Interests": American Policy toward China, Taiwan, and Korea, 1945-1950[J]. Pacific Historical Review, 1978, 47(3): 425-451.
[382] Charles A. McClelland. (1964). Action Structures and Communication in Two International Crises: Quemoy and Berlin. *Background*. 7 (4), p201-215.
[383] Deng Feng. (2010). A Stiff Gaming: The United States，China and the End of the Korean War. *WORLD HISTORY*. 4 (1), p13-22.
[384] Shen Zhihua. (1995). US Policy Making Process for Occupying Taiwan in Early 1950s. *Contemporary China History Studies* . 5 (5), p24-36.
[385] Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. P72.

It is noteworthy that those measures adopted by Washington, including deterrence against the mainland and military cooperation with the Taiwan authorities, were maintained in the following US policy and became its major way for dealing with the Taiwan Issue. But the target of this coercive policy was to prevent mainland China from taking over Taiwan, rather than starting an all-out war with Beijing to realize Taiwan's objective of recovering the mainland. Considering about the military attack from the mainland, Taiwan began to seek a mutual defense treaty with the United States and ultimately met with the approval[386]. But in 1958, when the PLA started to attack the KMT vessels, the US warships which were sent to the Taiwan Strait to assist the KMT transport preferred not to engage with the PLA[387]. This revealed the US position in the Taiwan Issue was to protect Taiwan through strengthening military cooperation with Taipei and imposing great pressures on Beijing, while simultaneously avoiding direct military conflict with the mainland. This explains why the following US policies to Taiwan can be regarded as a pendulum swinging back and forth between different positions of Taipei and Beijing.

The Swinging of the US Policy in the Taiwan Issue

Three Joint Communiques and the TRA: the Swinging of Taiwan policy before the End of the Cold War

After the Korean War, the US maintained its hardline policy toward mainland China while continuing to improve its relations with Taiwan. However, the US international and domestic environment gradually changed when Brezhnev came to power in the mid-1960s. Faced by the Soviet expansionism while suffering from the Vietnam War and an internal economic crisis, the US was forced to shrink its power in Asia. Meanwhile, China also concluded that compared to the US whose strategic focus was in the west, the Soviet Union was becoming a bigger threat to China's security. Within this context, the two countries started to contact with each other, trying to improve their bilateral relations[388].

With the changing relative power, easing tensions with mainland China and establishing formal diplomatic relations with Beijing became the Nixon administration's appropriate choices. But Chinese leaders such as then Premier Zhou Enlai stressed that the Taiwan Issue was the key for normalizing Sino-US relations when they gave positive response to Washington's signals about improving bilateral relations[389]. This meant if Washington could not change its previous position on the Taiwan Issue, maintaining its political and military relations with Taiwan, it would be impossible for the United States to reach a settlement with China. For that reason, the US government expressed it could adjust its previous military ties with Taiwan, implying to withdraw its troops from the island[390]. Meanwhile, through active contacts with the Chinese embassy staff stationed in Poland, the US successfully resumed bilateral talks at the ambassadorial level in Warsaw, in which the US officials expressed that the US would gradually reduce its military force

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386 Su Ge. (1990). THE MAKING OF THE US-TAIWAN MUTUAL DEFENSE TREATY. *American Studies*. 2 (3), 2.

387 Jiao Hong. (2001). Characteristics and Instruction of Mao's Military Strategy towards Taiwan in 1950s. *Military History* . 12 (5), p50-54.

388 Ross R S. International bargaining and domestic politics: US-China relations since 1972[J]. World Politics, 1986, 38(02): 255-287.

389 Wang Yongqing. (1995). 1969: Turning Point of Sino-US Relations.*Literature of Chinese Communist Party*. 6 (6), p75-80.

390 Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. P174.

in Taiwan and would not hinder Chinese people on two sides across the Taiwan Strait to peacefully resolve the Taiwan Issue[391]. Within this context, in February 1972, then US President Nixon visited China, and the Taiwan Issue was included in his talks with Chinese leaders. The two countries signed the Sino-US Joint Communique, in which the US officially stated that "there is but one China and Taiwan is a part of China", abandoning its previous position that "Taiwan's status remains unresolved" and adopting an ambiguous expression that can be accepted by both sides across the strait. More precisely, the "One China" here can be understood not only as the PRC, but also as the ROC. In other words, the PRC was not regarded as the only legitimate government of China in this Communique. Apart from that, the US insisted that peaceful solution to the Taiwan Issue was the precondition for US to withdraw its troops from the island, indicating that the US still tried to keep its intervention in the Taiwan Issue by maintaining the US-Taiwan military ties[392].

The real change in the US position on Taiwan Issue happened after Washington established diplomatic relations with Beijing. When Carter took the office, the US began to actively promote the process of normalizing its relations with China. In 1978, then National Security Assistant Zbigniew Brzezinski visited China, accepting China's three conditions for normalizing diplomatic relations. These conditions were that the US must break off diplomatic ties with Taiwan, abrogate the US-Taiwan mutual defense treaty, and withdraw all military forces from Taiwan[393]. On the 1979's New Year's Day, the formal diplomatic relations between the US and China was established, and the Sino-US Diplomatic Relationship Establishment Communique was published, indicating that the US policy to Taiwan has experienced a fundamental change[394]. The previous ambiguous statement that "Taiwan is a part of China" was replaced by officially acknowledgment that "the PRC is the sole legal government of China", while the US-Taiwan relations was defined as "cultural, commercial, and other unofficial relations"[395]. This was, for the first time, that the US Taiwan policy swung to the position of the mainland.

Because of fundamental conflict between Beijing and Taipei in defining the cross-strait relations, the swinging of US policy to one side's position is almost bound to damage the other side's interests. In essence, as long as the fundamental contradiction in the cross-strait relations is not resolved, the swinging of the US policy in the Taiwan Issue will be perceived by Beijing and Taipei as a zero-sum game, in which one side's gains must follow the other side's loss. That is why every time when such a swing occurred, the side whose position was being ignored by the policy always generated a strong reaction, requiring a new swinging of the US policy . Therefore, the formal establishment of diplomatic relations between China and the United States led to a strong dissatisfaction from Taipei. In the meantime, US politicians in the Congress with a

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391 Xia Y. China's Elite Politics and Sino-American Rapprochement, January 1969–February 1972[J]. Journal of Cold War Studies, 2006, 8(4): 3-28.

392 Qimao C. China's new approaches to a peaceful solution of the Taiwan issue[J]. American Foreign Policy Interests, 2003, 25(6): 513-525.

393 Li Qilong. (2003). The C.P.C and the Cross-Strait Relations since 1978.*Journal of the Party School of the Central Committee of the C.P.C*. 1 (1), p15-26.

394 Yu Li. (2008). The US Foreign Policy Making: An Analysis of Sino-American Normalization. *Journal of Zhengzhou University(Philosophy and Social Sciences Edition)* . 41 (1), p32-36.

395 Carl I. Gable. (1979). Taiwan Relations Act: Legislative Re-Recognition .*Vanderbilt Journal of Transnational Law* . 12 (3), p511-531.

pro-Taiwan position also expressed their opposition to the US government, stating that they would take actions to pose an end to the White House's behavior of making serious change in the US policy towards China and Taiwan without discussing it with the Congress[396]. Within this context, in March 1979, the House and the Senate voted respectively in two days to pass the Taiwan Relations Act (TRA), which defines relations between the US and Taiwan after breaking off the diplomatic ties[397]. According to the Taiwan authorities and the US pro-Taiwan politicians, the most significant content of the TRA is the US commitment to Taiwan's security and the definition of Taiwan's international status. The TRA to a large extent negated the Sino-US Diplomatic Relationship Establishment Communique by restoring the previous mutual defense treaty and maintaining the US military alliance with Taiwan, while simultaneously treating Taiwan as an independent political entity with the status of a sovereign state. Thus, the TRA provides legal basis for the US further involvement in the Taiwan Issue, and should be regarded as a swinging of US policy towards Taiwan's position.

Based on the TRA, the US government gave a clear primacy to supporting Taiwan in the early days of the Reagan administration. During his election campaign in 1980, Reagan stated on many occasions that he would rebuild the official US-Taiwan relations if he won the election. After taking the office, the Reagan administration firmly promoted arms sales to Taiwan, insisting to sell advanced weapons to the KMT authorities and declaring that China had no say in the US Taiwan policy[398]. In April 1981, then Assistant Secretary of State Holdridge said that the weapons that United States preferred to provide to Taiwan was entirely based on US own judgment about Taiwan's demand for defense. In May, then President's Counsel Edwin Meese also claimed that the United States would fully implement the TRA, especially the terms of arms sales to Taiwan[399]. The US policy's swinging elicited a protest from mainland China. Beijing argued that arms sales to Taiwan should not be regarded as an ordinary commodity trade, and it was not in line with the non-governmental relationship between the United States and Taiwan, requiring the US to reduce its arms sales year by year and to ensure the sale would not exceed the size in the early days of the Carter administration. Recognizing that the Sino-US relations would experience a serious setback if the issue of arms sales was not resolved, Washington began to negotiate with the Chinese government on this topic. After long bargaining, the two countries both made appropriate compromise, signing the "August 17 Communique" in August 1982. Among all three joint communiques, this is the only one that focuses on the problem of US arms sales to Taiwan[400]. In this communique, the US emphasized the importance of its relations with China and reiterated it had no intention to threaten China's sovereignty and territorial integrity or to build "two Chinas" or "one China, one Taiwan" in the international community. And for the first time, Washington declared that it would gradually reduce its arms sales to Taiwan.

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396 Wu Yanping. (2014). Research on Congress Reaction to Sino-American Normalization during the Carter administration period. *Journal of the Graduates Sun YAT-SEN University(Social Sciences)*. 3 (3), p10-43.

397 Xu Hongyan. (2004). The US Congress and The Taiwan Relations Act .*Modern China Studies*. 11 (5), p110-116.

398 Feldman H. Taiwan, arms sales, and the Reagan assurances[J]. American Asian Review, 2001, 19(3): 75.

399 Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. P220.

400 Feldman H. Taiwan, arms sales, and the Reagan assurances[J]. American Asian Review, 2001, 19(3): 75.

The August 17 Communique largely eased the tension in the Sino-US relations caused by the US arms sales to Taiwan. However, it should be noted that Reagan added an attachment to explain the content of this communique when he signed it, expressing the reduction of the US arms sales was completely dependent on China's commitment of realizing a peaceful settlement of the Taiwan Issue. In other words, as long as mainland China continues its military threats against Taiwan, the US arms sales to Taiwan will not be stopped but remains as a significant part of the US Taiwan policy[401]. To a certain extent, the signing of the August 17 Communique can be regarded as the result that US swung towards the mainland's position in the Taiwan Issue, but the degree of this swinging was not as much as that in the establishment of Sino-US diplomatic relations. Precisely, the United States did not abandon Taiwan or completely stop arms sales when it swung to Beijing's position, but only took a pragmatic response to the sensitive problem which might seriously affect its future bilateral relations with China, while the trend of strengthening US-Taiwan relations did not change too much in this round of policy swinging.

The Third Taiwan Strait Crisis: the Severe Consequence caused by US Policy Swinging in the post Cold War era

When the United States and the Soviet Union agreed to end the Cold War in 1990, the international situation was dramatically changed, and Washington believed there was no need to maintain its alliance with China to defeat the Soviet military threat. Therefore, China was devalued in the US global strategy, which led Washington to formulate tough policy toward China. In November 1991, then President George H. W. Bush made a speech in New York that accused Beijing, Pyongyang, and Rangoon as roots of Asia's instability[402]. After that, then Secretary of State Baker also published an article in Foreign Affairs, criticizing China in areas of human rights, freedom, and nuclear weapon proliferation[403]. Within this context, the US policy continued to swing to Taiwan's position. In 1993 and 1994, the Senate approved a series of amendments, deciding the status of the TRA especially the content regarding types and numbers of weapons being provided to Taiwan was prior to that of the August 17 Communique[404]. Meanwhile, the level of US contacts with the Taiwan authorities was also raised compared with previous stage. Washington began to publicly support Taiwan to join in the international organizations whose members were not limited to nation states and allowed the US officials to meet their counterparts from Taiwan[405]. This swinging of US policy to Taiwan's position obviously harmed the interests of mainland China in the Taiwan Issue and damaged Beijing's diplomatic achievements after establishing diplomatic ties with the US. However, Washington still defined its relations with Taipei as unofficial, indicating that the bottom line in US Taiwan policy and also the most important cornerstone of Sino-US diplomatic relations remained unchanged. For example, according to the TRA, the American Institute in Taiwan (AIT) is an institution dealing with this unofficial relations, and the United States will not support Taiwan's participation in any

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401 Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. P228.
402 Niu Jun. (2005). US Policy Towards Taiwan: Consideration on the History. *Pacific Journal*. 2 (1), p31-42.
403 Chu Yuansheng. (1992). The US New Strategy towards Asia Pacific Region in the Post Cold War era. *Global Review*. 14 (14), p18-19.
404 Zhou Zhongfei. (2000). An Analysis of US Policy for Strengthening the TRA. *Global Review*. 3 (3), p20-24.
405 Shao Yuqun. (2003). The US Congress's Pursuit of Promoting Taiwan's International Status. *Global Review*. 3 (3), p75-79.

international organizations such as the UN that requires its members to be sovereign states[406].

This unofficial relations determined that Taiwan's top leader's visit to the United States, from the perspective of Beijing and even some US officials, should not be allowed by the US government. However, the Congress supported the request from the Taiwan authorities for Lee Teng-hui's visit to the US, lobbying then President Clinton to change his previous stance and approve such visit[407]. In March 1995, after the Cornell University sent an invitation to Lee, a few senators even put more pressure on Clinton, stating that if the government disregarded their request, the Senate would start a new round of discussion about the TRA and therefore create an overall change in the US policy to Taiwan[408]. The State Department, however, opposed to Lee Teng-hui's visit, believing Taiwan's top leader's visit to the United States was against the Three Joint Communiques and the TRA, and was not consistent with the unofficial US-Taiwan relations[409]. There was little question that what the State Department concerned was the potential reaction from the mainland if the US approved Lee's visit, which revealed that the US policy was based on Washington's consideration of both the US-Taiwan and the US-China relationship. Thus, any change in these two relations would certainly lead to changes in the US policy. Within the context that changing international security environment in the post-Cold War era had influenced the Sino-US relationship, as long as there was no significant incident to raise the status of China in the US global strategy, it would not be surprising that US policy further swung to the Taiwan's position, even though there were voices of disapproval inside the US. In May 1995, the US government announced that then President Clinton decided to approve Lee Teng-hui's "unofficial and private visit" to the US in the first week of June, ending the history that no top leader of Taiwan was allowed to visit the US for nearly 20 years[410].

Although Washington realized this behavior would trigger a strong response from the mainland, it did not expect any radical actions such as breaking off two countries' diplomatic relations, believing the reaction might be recalling Chinese ambassador back to China[411]. In essence, from US perspective, allowing Lee Teng-hui's visit would not result in any grave damage to the US national interests because China's relative power could not enable Beijing to take any dangerous actions. However, the US behavior was perceived by Beijing as supporting for the pro-independence forces inside Taiwan, which might eventually lead the cross-strait relations to be defined as "two Chinas" or "one China one Taiwan". Therefore, the mainland decided to take coercive actions in order to respond to the US behavior and to threaten Taiwan's pro-independence forces encouraged by such US behavior.

On July 18th 1995, Chinese official Xinhua News Agency announced that the PLA would test

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406 Yang Jia. (2011). Research on Taiwan's Participation in Inter-governmental Organization. *Hunan University*. 1 (1), p30-48.
407 Xu Hongyan. (2008). Research on Reasons Why US Congress Promoted Lee Teng-hui's Visit. *Journal of Guangzhou Institute of Socialism*. 3 (3), p54-56.
408 Jia Yan, Xin Qiang. (2005). From 'Chinese Bloc' to 'Taiwan Bloc': the Pro-Taiwan Congressman and the US Taiwan Policy. *Pacific Journal*. 5 (1), p37-48.
409 Shu Gangying. (2006). The US Congress and The Taiwan Issue. *Journal of Xiangtan Normal University (Social Science Edition）*. 28 (3), p28-30.
410 Stanton Jue. (2011). Taiwan's Political Evolution since 1979: A Personal Perspective. *Asian Affairs: An American Review*. 38 (4), p188-196.
411 Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. P258.

surface-to-surface missiles firings on July 21st to 28th in the East China Sea. In mid-October, the PLA Naval Force did military exercises in the Yellow Sea, focusing on landing operations. In March 1996, the PLA did missile firings again in the water area near Taiwan's Keelung harbor and Kaohsiung harbor, and then held another round of military exercise in the East China Sea and the South China Sea, still focusing on the landing operations[412]. Unsurprisingly, the United States blamed the PLA's missile firings and military exercises, stating this did not help for maintaining stability across the strait. In addition to this criticism, the US also sent two aircraft carrier battle groups to waters near Taiwan, declaring that the US military force was located in a position from which the US Navy could offer help[413]. However, it is noteworthy that with growing tensions in the region, the US and China had some kind of tacit understanding, avoiding any behavior that might lead to direct military conflict or any tough policy that might lead to further deterioration of the situation. In March 1997, marked by the retreat of the US aircraft carrier fleets, the tension across the strait was largely eased[414].

This was the Third Taiwan Strait Crisis, which generated the highest tension in the Taiwan Strait since the end of the Cold War. It should be noted that China's military deterrence posed a big blow on Taiwan's pro-independence forces. The DPP candidate lost the election in 1996, which led to the outbreak of the DPP's internal conflicts. Many radical forces preferred to leave the DPP to establish new parties but with far less influence. Meanwhile, the DPP also adjusted its cross-strait policy, replacing its previous radical pursuit of Taiwan's immediate independence with a more moderate position of maintaining Taiwan's *de facto* independence under the name of the ROC[415]. More importantly, this crisis largely influenced the US following policies of dealing with sensitive issues such as Taiwan's top leader's visit or US support for the pro-independence forces in Taiwan. There was no doubt that Chinese military exercises reminded the US of the sensitivity of the Taiwan Issue and the serious dangers caused by the pro-independence activities on peace and stability across the Taiwan Straits. Consequently, the Clinton administration began to reevaluate its previous policy swinging to Taiwan's position and reexamine Chinese relative power, promoting pragmatic adjustment in the US policy.

The US Taiwan Policy in the Post Crisis Era

The Taiwan Strait Crisis let the US to be aware of the danger that it might be involved in a direct military confrontation with China once there was a serious conflict between the two sides across the strait. In such a case, the United States began to change its previous indifferent attitude toward the development of cross-strait relations, expressing its support for the cross-strait political dialogue in order to ease the tension between the two sides. Apparently, promoting cross-strait dialogues were in favor of Beijing's position. When then Chinese President Jiang Zemin visited the US in 1997, Clinton clearly expressed that he wished the two sides across the strait to start

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412 Cui Shuren. (2003). *The Analysis of PRC's Military Strategy : A Case Study of China's War Game Toward Taiwan in 1995 and 1996.* Available: http://thesis.lib.nccu.edu.tw/cgi-bin/gs32/gsweb.cgi?o=dallcdr&s=id="G0091921010".&searchmode=basic. Last accessed 18th Aug 2014.

413 Zhou Zhihuai. (1998). The 1995 to 1996 Taiwan Strait Crisis. *Taiwan Research Quarterly* . 2 (2), p1-7.

414 Shen Hexue. (2013). Research on Gaming between US and China in 1995 to 1996 Taiwan Strait Crisis. *East China Normal University Master's thesis*. 1 (1), p29-42.

415 Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. P265.

dialogues. In March 1998, during his visit to Taiwan, the former US National Security Adviser Lake also publicly claimed that the US government strongly supported the cross-strait dialogue, and he even urged Lee to reopen the channels in cross-strait negotiations from which both sides could benefit[416]. The US support for cross-strait political dialogues had specific content than simply making statements. For example, Washington suggested the two sides to sign a interim agreement, which believed by the US could form a 50-year transition stage. During that period, both sides should adhere to the One China principle, and the mainland should clearly claim not to use force to resolve the Taiwan Issue while Taiwan identifies itself as a part of China and would not pursue *de jure* independence, leading the two sides to eventually start their political negotiations regarding unification[417]. However, this seemingly constructive proposal did not generate any real positive results, because the Taiwan authorities was still fully controlled by Lee Teng-hui. The pro-independence forces wanted to end the hostility between the two sides while firmly opposing the One China principle to become the premise of peaceful dialogue. This indicated that Taipei required mainland China neither to continue its military deterrence nor to force Taipei to make any promise to uphold anti-independence position. Thus, it could never accept the US suggestion, but rather created a serious response to the US policy. In July 1999, Lee Teng-hui made the "special state to state relationship" statement in an interview of Deutsche Welle, publicly denying the One China principle and destroying the foundation of cross-strait dialogues promoted by the US policy[418].

Apart from promoting cross-strait political negotiations, the swinging of US policy towards the mainland's position in the post crisis era was mainly reflected in the Clinton administration's efforts to strengthen the Sino-US relations. One example was Clinton's announcement of the US "Three No's" policy. After the Taiwan Strait Crisis, the US government promoted high level exchanges between the US and China, and supported China's participation in the international affairs, believing the US disagreements with China should be resolved by contact and dialogue[419]. These meant US previous position during the post Cold War era was largely changed. More precisely, the US policy swung to Taipei's position in the 1980s was mainly because the external threat from the Soviet Union was weakened, making Washington believe there was no need to take further cooperation with China. But after the Taiwan Strait Crisis, the United States realized that even in the post Cold War era, there were still many common objectives pursued by the two countries in the global security and economic affairs. Thus, In 1996, Clinton proposed that China and the US should build the "Constructive Partnership", publicly stating that the two countries shared common interests on many issues and should establish a good partnership to deal with those issues[420]. When Jiang Zemin visited the United States in 1997, two leaders issued the US-China Joint Statement, declaring that the two countries would work to establish the

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[416] Wu Xinbo. (2004). Response and Adjustment : Taiwan Strait Crisis of 1996 and US Policy Concerning Taiwan. *Contemporary China History Studies* . 4 (4), p51-53.
[417] Zhao Yong. (2000). An Analysis of Interim Agreement,. *Taiwan Research Quarterly* . 8 (1), p53-56.
[418] Ye Youhua. (1999). Taiwan Issue and Lee Teng-hui's 'Two States Theory'. *Journal of the Central Institute of Socialism* . 11 (11), p39-41.
[419] Su Ge (1998). *American China policy and the Taiwan issue*. Beijing: World Affairs Press. p252.
[420] Qi Lemuge. (2009). The Clinton administration's China Policy. *Journal of Inner Mongolia University for Nationalities (Social Sciences)*. 3 (2), p12-15.

constructive strategic partnership[421]. Within this context, Clinton expressed his "Three No's" policy, clearly stating that the US did not support Taiwan's independence, did not support "two Chinas or one China, one Taiwan", and did not support Taiwan to join in any international organization limited to sovereign countries[422]. In June 1998, Clinton publicly reiterated this position during his visit to China[423]. This "Three No's" policy made a satisfactory answer to Beijing's concern of the Taiwan's pro-independence movements, and could be regarded as the maximum swinging of the US policy towards the mainland's position after the normalization of Sino-US relations, forming a serious blow to the provocations made by Taiwan's pro-independence forces.

However, a very significant fact that must be noted in this round of policy swinging was that Washington did not completely ignore the demand of Taiwan when it realized the importance of the mainland, attempting to satisfy two sides at the same time by improving the US-China relations while simultaneously further strengthening its ties with Taiwan. This was because the Taiwan Strait Crisis proved Washington's worry that Taiwan's military strength was not sufficient to counter military threat from mainland China, making the US believe that whether Taiwan was able to effectively curb a military attack from the mainland was completely dependent on how much assistance it could obtain from the US. Consequently, Washington began to deepen its military cooperation with Taipei, regularly inviting Taiwan's military officials to discuss cross-strait situations and Taiwan's armament with their US counterparts, and incorporating Taiwan into the US Theater Missile Defense System (the TMD)[424]. The Taiwan authorities, at first, was not very positive for joining in the TMD because of the concern of huge financial investment, but its attitude soon changed when Clinton publicly declared his "Three No's" policy in 1998. After Lee Teng-hui made his special state to state relationship statement in 1999, the Taiwan authorities showed increasing interest in joining in the TMD, offering a detailed plan for establishing the system in the island and believing the TMD was consistent with the fundamental interest of Taiwan[425].

In addition to deepening the US-Taiwan military cooperation, there were other US behaviors also proved that Taiwan's pro-independence forces did not need to worry too much about the US policy swinging to Beijing's position. In fact, although repeating this "Three No's" policy, the US government did not launch any direct condemnation to Taiwan's pro-independence movements such as Lee's statement, because what the US government pursued was to ease the tension in the area, preventing Beijing from taking more military threat against Taiwan. After visiting Taiwan to discuss Lee's statement with the Taiwan authorities, then AIT chairman Richard Bush publicly declared that he had understood the true meaning of this statement and his respect for Taiwan's leader was increasing, emphasizing that there was no change in the US government's policy

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421 Xi Laiwang. (1998). Promoting the Establishment of Sino-US constructive Strategic Partnership. *Contemporary International Relations* . 5 (5), p2-7.
422 Kau M Y M. Clinton's" Three No's" Policy: A Critical Assessment[J]. The Brown Journal of World Affairs, 1999, 6(2): 15-22.
423 Peterson A. Dangerous games across the Taiwan Strait[J]. Washington Quarterly, 2004, 27(2): 23-41.
424 Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. P277-278.
425 Jia Chaowei. (1999). Why Taiwan Is Longing for Theatre Missile Defense System. *Contemporary Asia-Pacific Studies*. 4 (4), p49-50.

towards Taiwan and that US would faithfully execute the TRA[426]. Compared with this friendly statement, the US attitude toward Beijing was much tougher. Instead of using military exercises or missile firings, Beijing made a fierce criticism against Lee's statement and promulgated a White Paper called "the One China Principle and the Taiwan Issue" in 2000 as a deterrence against Taiwan's pro-independence forces. However, the United States accused Beijing of using inflammatory rhetoric in this White Paper and reiterated the US position that the Taiwan Issue must be resolved by peaceful means, declaring that the mainland's attack on Taiwan would cause incalculable consequences[427].

Refusing to condemn Taiwan's pro-independence statement but criticizing the strong reaction from the mainland even though there was no military exercises or missiles firings, the US has proved that its policy would not swing too much to Beijing's position even there were common targets between the US and China. Compared with previous policy swinging, the US government was attempting to find a balance between avoiding to provoke mainland China in those sensitive issues and firmly safeguarding Taiwan's interests. Therefore, Washington had to reduce the degree of its policy swinging between different positions of Beijing and Taipei. However, as long as the two sides have not reached any agreement on the definition of cross-strait relations, the swinging of the US policy to one side's position, no matter how small it is, will still damage the interest of the other side. For this reason, the US had to clearly define the priority of its own targets in the Taiwan Issue, in order to guide the formulation of its policy responding to different requests from the two sides. In other words, whether the US policy should swing to one side's position should be determined by the US own interests at different levels involved in the issue.

The US National Interests involved in the Taiwan Issue and Its Policy Evolution: From Swinging to Double Deterrence

The US Interests and its Perceived Relative Power in the Taiwan Issue

The fact that US policy towards Taiwan repeatedly swung between different positions of Taiwan and mainland China actually indicated that the US did not clearly defined what interests should be pursued in its policy. But pursuing inappropriate interest does not mean that the US government had no idea what interests were involved in the Taiwan Issue. In fact, American political elites had already confirmed one significant interest was involved in this issue when they shifted position to incorporate Taiwan into the US Asia-Pacific regional strategy, and Washington's concern about this interest was not shaken by subsequent changes in the US domestic and international environment. In these circumstances, this interest should be regarded as the bottom line of US policy towards Taiwan, and therefore can be used to interpret certain US behaviors in the area.

Before the end of the Chinese Civil War, despite realizing Taiwan would fall into the Communist hands if the KMT was defeated, the US did not take effective military actions to defend Taiwan but decided to withdraw itself from Chinese Civil War and wait for the dust to settle. Considering the CCP had obvious advantage in the war, this US policy could be regarded as approving the mainland to liberate Taiwan by force, which completely differed from its previous pursuit of making Taiwan under the US trusteeship. A reasonable explanation for this change was that

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[426] Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. P283.
[427] Campbell K M, Mitchell D J. Crisis in the Taiwan Strait[J]. Foreign Aff., 2001, 80: 14.

interest related to controlling Taiwan was at a too high level. This change in US interest pursuit basically matched US social opinion that there was no need to waste US human and material resources to assist a corrupt and defeated KMT regime, especially when such an intervention might lead the US to be involved in an all-out warfare[428]. Although the Congress and the military were opposed to the policy of withdrawing military support from Taiwan, repeatedly emphasizing the significance of Taiwan in the US strategy, policy makers such as then President Truman and then Secretary of State Dulles still refused to adopt coercive actions to contain the CCP's attack[429]. This indicated that US government had a different perceived relative power compared with the military. Precisely, according to the US policy makers, the US relative power was not sufficient to start a war with the CCP for defending Taiwan. Considering the military strength of the United States was much stronger than that of the CCP, this conclusion seemed implausible.

Nevertheless, according to the neoclassical realism, national interests should be divided into different levels, and realizing a high level interest must be based on the achievement of fundamental level interests. This indicates that a country may have enough strength to achieve a certain target, but should not take action to pursue that target if there are other targets related to relatively fundamental interests have not been realized. For example, a great power may be able to influence the outcome of a small country's election, but if this small country locates in another continent and has nothing to do with the pressures that great power is facing in regional and global affairs, manipulating election in this small country will be meaningless. In other words, it may be possible but not worth to realize a high level interest if there are other interests still under threat. From the US government's perspective at that moment, Taiwan was not related to any important fundamental interests of the US. In such a case, the cost of involving in military conflict or even an all-out war with the CCP only for defending an island which could hardly bring benefit to the US was too high to be accepted, even though the US could eventually achieve military victory. Meanwhile, consuming military power and American human and material resources to intervene in the Taiwan Strait would even lead most countries in the Asia-Pacific region to have negative impression of US, because they only realized their national independence in recent years and were difficult to accept any foreign force's involvement in their neighbor's internal affairs. This implied that a coercive intervention would be even opposed by the US own allies in the region. In these circumstances, the US government concluded that the US power was not sufficient to realize this particular objective.

This policy changed in June 1950 when the Korean War broke out. Since mainland China became an enemy to the US in the Korean peninsula, the US decided to block Beijing's pursuit of achieving national unification, in order to influence the CCP's military operation in the Korean War. Nevertheless, this policy of blocking Chinese unification was remained by the US government even after the Korean War, which revealed that the US government had reexamined its interests involved in the Taiwan Issue and formed a new conclusion that preventing mainland's unification with Taiwan was related to significant US interests. It is worth to note that the Korean War made it clear that the PRC was not as weak as some people had expected, implying that

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[428] Qiao Zhaohong. (2005). The Korean War and Taiwan Issue.*Contemporary China History Studies* . 12 (5), p94-102.
[429] Jia Yan, Xin Qiang. (2005). From 'Chinese Bloc' to 'Taiwan Bloc': the Pro-Taiwan Congressman and the US Taiwan Policy. *Pacific Journal*. 6 (5), p35-46.

Washington's perception of China's power should be raised. Within this context, instead of making a compromise, the US insisted on using coercive actions to intervene in the Taiwan Issue. The reasonable explanation is that US policy makers redefined which interests were involved in this issue and gave Taiwan a higher status in the US strategy.

More precisely, US attention was paid to the CCP and its relationship with the Soviet Union when Taiwan was viewed by Washington as lacking strategic significance. In 1950, the Sino-Soviet alliance was still not established, prompting the US to conclude there was a problem in the Sino-Soviet relations because the Soviet Union tried to separate the northern provinces from China[430]. The Truman administration, which believed the CCP was unwilling to be controlled by the Soviet Union, issued a statement in 1950 that the US respected China's territorial integrity and had no intention to intervene in China's internal affairs or occupy Taiwan, hoping to further alienate the CCP from the Soviet Union by abandoning Taiwan[431]. However, the signing of the Sino-Soviet Treaty of Friendship and the outbreak of the Korean War confirmed the failure of the US attempt, and forced Washington to adjust its military presence in Asia. It is obvious that what US worried about was the Soviet threat, and in order to reduce the influence of Soviet Union, Washington would accept the CCP to take over Taiwan as long as Beijing was not allied with Moscow. Moreover, according to the US, the Korean War was actually caused by the Soviet expansionism, and this war sent a clear signal that if the US did not take effective military actions to contain this expansionism, a domino effect might be triggered throughout the whole of Asia, seriously damaging the US leadership in the Western camp[432]. In such a case, Taiwan was related to significant interests of the US, because Washington believed that the Soviet Union started the Korean War as its first step towards occupying Taiwan and the whole Indochina region. Moscow's real purpose was to use Taiwan as an "unsinkable aircraft carrier" in its offensive strategy, containing the US potential counterattack from Okinawa and the Philippines[433]. All these revealed that in the view of US political elites, what mattered was not Taiwan's geographical location but rather the force which ultimately controlled the island. This was the reason why the US could abandon Taiwan when Washington believed the CCP would prefer diplomatic policy that was different from Moscow's position and therefore the island would not become a military base that might threaten US security interests in the area. In that situation, engaging with the PLA to make the island under US control was regarded as a high level interest. However, within the context that the CCP adopted the policy of "leaning to one side" (*Yi Bian Dao Zheng Ce*), allying with the Soviet Union, the Korean War made Washington believe that Taiwan was bound to be used by the Soviet Union to threaten US security interest and contain US military influence in the Asia-Pacific region if it was taken by the CCP. Thus, in order to prevent Taiwan from falling into the hands of a force hostile to the US, taking military actions to intervene in the situation across the strait was no longer a waste of American human and material resources, but was closely related to safeguarding the US regional security and political influence. In a word, the US policy of blocking Chinese reunification could not be changed as long as Washington believed mainland China would use

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[430] Tao Wenzhao (2003). *File Set of US China Policy*. Beijing: World Affairs Press. p186.
[431] Teng Shuai. (2008). Truman's Strategy of Alienating China's Relations with Soviet Union. *Shidai Wenxue*. 1 (2), p154-155.
[432] Chen Ruixing and Liu Siyi. (2009). An Analysis of Korean War and Taiwan Issue. *Journal of Guizhou Provincial Committee Party's School of C.P.C.*. 14 (2), p46-48.
[433] Zi Zhongyun. (2011). Taiwan Is An Unsinkable Aircraft Carrier of Whom.*National Humanity History*. 6 (6), p57.

Taiwan to threaten the security and other interests of the US and its allies in the region.

Thus, the importance of Taiwan was determined by the degree of confrontation between the US and mainland China. Because of its fear that Taiwan would be controlled by the hostile CCP, the US once preferred to completely split the two sides by forming "two Chinas" or "one China, one Taiwan" in the international community. But on the other hand, once the tension between the US and China was eased, there would be a corresponding decline of Taiwan's status in the US strategy, which led to those concessions made by Washington to Beijing on the Taiwan Issue. This did happen when the US and China both faced security threat from the Soviet Union. Since China was not viewed as a major hostile force, the US policy was adjusted to meet several requests from China, which finally generated three joint communiques. These concessions made by the United States were the result of a decline in its relative power, so its previous target of containing both the Soviet Union and mainland China was unable to be achieved. However, it was significant to point out that decline of US relative power did not affect some certain part of its Taiwan policy. All three joint communiques only satisfied Beijing's specific requests such as breaking US diplomatic relations with Taiwan, but for the mainland's pursuit of realizing national unification, the US government did not make any real concession. Instead, it issued the TRA to reaffirm its commitment to Taiwan's security. This proves that the US bottom line in the Taiwan Issue is to maintain Taiwan's *de facto* independence, because Washington still believes that Beijing is hostile to the US and will threaten US security and other interests in the region if Chinese unification is achieved. This bottom line will not be relinquished unless there is dramatic change in US relative power or US political elites no longer recognize mainland China as a potential threat.

No Unification, No Independence, and No Use of Force: Targets for Safeguarding US Interests

Except for maintaining Taiwan's *de facto* independence to safeguard its security and political influence in the region, are there any other interest at relatively high level that the US wishes to realize in the Taiwan Issue? The answer is positive. But US policy makers' inaccurate perceived relative power once prompted them to pursue a target that US power was not sufficient to achieve, leading to the outbreak of the Third Taiwan Strait Crisis. Based on the lessons learned from this crisis, Washington's perception of relative power and its interest pursuit became more accurate, which finally led to the formulation of three major targets in the Taiwan Issue: No Unification, No Independence, and No Use of Force[434].

The action of sending aircraft carrier battle groups into the Taiwan Strait clearly showed that the US tried to help Taiwan to deal with Beijing's military pressure. However, Washington did not clearly describe what help its warships would provide for Taiwan, refusing to answer the question that whether US military forces would engage with China to protect Taiwan's security if the island was under attack[435]. In fact, the TRA is very ambiguous about whether the United States has a duty to protect Taiwan, and Washington obviously wishes to maintain this ambiguity. On one hand, if the US is unambiguous about coming to Taiwan's aid if it is attacked by the mainland, the worst case may be an all-out warfare between the US and China; while on the other hand, if Washington

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[434] Xin Qiang. (2009). Interests, Strategy and US Taiwan Policy's Dilemma.*Peace and Development*. 1 (1), p21-26.

[435] Pan Zhongqi. (2003). Three Problems Faced by Strategic Ambiguity of US Policy towards Taiwan. *World Economics and Politics*. 1 (1), p21-25.

declares its intervention will be moderate or even completely abandons its security commitment to Taiwan, it will likely lead to an outcome determined by force while making US Asian allies feel insecure and lose confidence in the US. It is noteworthy that in order to maintain its ambiguous position in defending Taiwan, the US has to prevent any serious military conflict from taking place across the strait, which becomes its another significant target known as "No Use of Force". It also should be pointed out that compared with this target, blocking Chinese unification is related to more significant interests. This implies that the US will still use coercive military intervention in the strait as long as it believes that mainland China will achieve its unification with Taiwan, even though this can lead to serious military conflict between US and China.

In those historical events such as the Taiwan Strait Crisis, when the mainland started military deterrence against Taiwan, it seems that the US always preferred to avoid direct military conflict with China, maintaining its position of "No Use of Force". But no one can deny that most of those Chinese deterrence were responses to provocation made by Taiwan or external forces with a pro-independence stance. Precisely, Beijing's pursuit behind these actions was not taking over Taiwan by force but preventing Taiwan from moving toward independence, which did not threaten US fundamental target of "No Unification". In such a case, avoiding direct conflict with China also indicates that US should refuse to use its human and material resources to realize its ally's audacious ambition. Indeed, the crisis has let Washington understand that threat to its target of "No Use of Force" is usually from Taiwan's pro-independence activities rather than the mainland's coercive policy. If the US sends its troops to intervene in the Taiwan Strait, the pro-independence forces will recognize it as an encouragement and therefore creates more provocations against Beijing, which may force Chinese leaders to upgrade its deterrence. Once Beijing's response reaches a certain level, such as shelling Taiwan, the US will have to face the risk of involving into an all-out war with China. Thus, to realize its target of "No Use of Force", the US government has to take necessary measures to curb separatist activities of Taiwan's pro-independence forces. This is why "No Independence" becomes another important target of US Taiwan policy.

It is noteworthy this "No Independence" should not be taken literally. Under the premise of absolutely opposing Chinese unification, the US only conditionally opposes Taiwan's independence. More precisely, this target is against any unilateral steps by Taipei to change the status quo, because Taiwan's unilateral declaration of its *de jure* independence is bound to cause strong reaction from the mainland to Taiwan and therefore threatens US own security and other interests in the region. In other words, if the US government believes its relative power can deter Beijing from taking military actions against Taiwan's independence or is sufficient to successfully defeat China's action with minimal costs, Taiwan's unilateral declaration of its *de jure* independence may be regarded by Washington as acceptable.

Double Deterrence: The Ultimate Version of the US Taiwan Policy

Based on these three targets, the US policy toward Taiwan was improved into its final version during the period of the George W. Bush Administration. This version insisted the US One China policy but containing any tough words and deeds from the mainland in the Taiwan Issue, while simultaneously deepening US-Taiwan relations in both political and military fields but resolutely curbing any radical behavior to promote Taiwan's *de jure* independence. Rather than simply

repeating previous policy swinging between positions of Beijing and Taipei, this policy not only takes both side's view into account, but also imposes deterrence on Beijing and Taipei at the same time, making it clear that Washington will not tolerate any unilateral action to change the status quo.

The deterrence imposed on the mainland focuses on opposing Beijing to take any military action against Taiwan, even there is provocation made by pro-independence forces. Chinese steady military build up in recent years indicates that Beijing is preparing a non-peaceful approach to achieve unification, which leads the US to pay increasing attention to China's military threat to Taiwan's security. The report of "The Military Power of the PRC" published by the US Defense Department in 2005 formally stated that the military balance in the Taiwan Strait was disturbed because mainland China had become more powerful[436]. The 2006 report reiterated this view, declaring that the pace and scale of China's military modernization had endangered the regional military balance, and therefore, according to the TRA, the United States needed to take necessary measures such as arms sales to correct this imbalance in military power and maintain peace and stability in the region[437]. Meanwhile, the US also started to adjust its military deployments in the Asia-Pacific region in order to reduce the influence of China's growing military capabilities over Taiwan, and to ensure that US forces could act in a timely manner to respond to the potential Taiwan Strait contingency. In 2007, the US Navy announced that it would add the "Carl Vinson" aircraft carrier into the Pacific Fleet, thereby doubling the number of US aircraft carriers patrolling in the western Pacific region. In the meantime, four B-2 long-range strategic bombers were also deployed to the US Andersen Air Force Base in Guam, significantly strengthening the US ability to deal with regional military conflict[438].

On the other hand, considering that separatist activities could cause severe damage to peace and stability in the Taiwan Straits, and the United States was likely to be involved in a serious military confrontation with China once the pro-independence forces overstepped Beijing's bottom line, the Bush Administration also imposed pressure on Taiwan to curb such dangerous activities. After Chen Shui-bian proposed a referendum to largely promote Taiwan's *de jure* independence in May 2003, the US government repeatedly expressed its serious concerns about the referendum, reminding the Taiwan authorities that the vote was likely to overstep the red line set by Beijing. On June 23rd 2003, the US State Department spokesman publicly declared that the US hoped each side across the strait would not take any action or make any statement that might further increase cross-strait tensions or add more difficulties in the dialogue, expressing the US opposition to Taiwan's referendum[439]. Subsequently, as Chen was reluctant to abandon the referendum and continued to provoke the mainland, the US government reiterated its One China policy several

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436 US Department of Defense. (2005). *Annual Report to Congress: Military Power of the People's Republic of China.* Available: http://www.defense.gov/pubs/china.html. Last accessed 20th Aug 2014.

437 Zhang Jincui. (2006). 2006 Report of the Military Power of the PRC and the US new Strategy. *Forum of World Economics & Politics* . 15 (5), p84-90.

438 Sun Yan (2009). *Taiwan Issue and Sino-US Relations*. Beijing: Peking University Press. P319-320.

439 Tao Wenzhao. (2004). The Election of the Local Leaders in Taiwan in 2004 and US Policy towards Taiwan . *The Chinese Journal of American Studies*. 4 (1), p39-58.

times, stating that it would not support pro-independence activities[440]. These increasingly tough statements imposed considerable pressures upon the Chen Shui-bian authorities and Taiwan's society, forcing Taipei to change the sensitive topic of referendum, and contributed to the ultimate failure of the referendum. The US government also paid close attention to Taiwan's constitutional amendment promoted by Chen. In January 2006, after Chen mentioned constitutional amendment in his New Year Address, the State Department announced that the US would uphold its One China policy and oppose any action to change the status quo[441]. In June 2006, then AIT chairman Raymond F. Burghardt traveled to Taiwan and expressed the US concern over Taiwan's future political decisions, compelling Chen to promise that he would comply with his "Four Noes and One Without" pledge[442]. When Chen Shui-bian continually promoted Taiwan's constitutional reform, the State Department deputy spokesman Tom Casey reiterated in September 2006 that the United States wanted Chen to comply with his promise, and highlighted that the US opposition to Chen's constitutional reform on sensitive sovereignty topics such as redefining the ROC territory was serious, expressing US dissatisfaction and imposing more pressure upon Chen[443]. Within this context, in March 2007, the activities of Taiwan's constitutional reform were stalled.

Through imposing deterrence on both the mainland and Taiwan, the United States has to a large extent maintained the status quo across the Taiwan Strait[444]. It is noteworthy that the purpose of this policy was to ensure that US interest in the region would not be threatened. Preventing Taiwan's pro-independence forces from provoking Beijing, the US can effectively reduce the possibility that the mainland adopts military approach to threaten Taiwan, thereby avoiding to involve in a cross-strait military conflict. On the other hand, criticizing Beijing's coercive policy towards Taiwan, arranging US own military deployment, and enhancing Taiwan's military strength through arms sales have significantly raised the cost of taking over Taiwan by force, thereby reducing the likelihood that Beijing will use military approach to resolve the Taiwan Issue. In essence, constraining Taiwan realizes "No Independence" while deterring the mainland achieves "No Use of Force". Together, these policies ensure that the two sides across the strait will achieve "No Unification".

The US Potential Target related to High Level Interest in the Taiwan Issue

When the policy of double deterrence has improved peace and stability across the Taiwan Strait while maintaining Taiwan's *de facto* independence, a few details of this policy also provides clues that the US government has a target that is related to a higher level interest. The Korean War has let the US recognize that its regional security and other interest are involved in the Taiwan Issue, but the double deterrence finally achieves "No Independence" and "No Use of Force", which maintains "No Unification" and therefore ensures those interests will not be under threat. However, within this context, Washington still repeatedly emphasizes that Taiwan Issue must be resolved by

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[440] Xiu Chunping. (2004). The US Constraint on Chen Shuibian's Pro-independence Activities. *Relations Across Taiwan Straits* . 2 (2), p30-32.
[441] Wang Gonglong. (2006). An Analysis of US Response to Taiwan's Pro-independence Rethorics. *Party & Government Forum*. 3 (3), p39-40.
[442] Guo Jianping. (2007). Review of Bush Administration's Response to Taiwan's Pro-Independence behaviors. *Tai Sheng*. 1 (1), p50-53.
[443] Guo Jianping. (2007). Review of Bush Administration's Response to Taiwan's Pro-Independence behaviors. *Tai Sheng*. 1 (1), p50-53.
[444] Su Ge (1998). *American China policy and the Taiwan issue*. Beijing: World Affairs Press. p811.

a peaceful approach, implying that the US expects a particular resolution of the Taiwan Issue.

On April 22nd 2004, then Deputy Assistant Secretary of State Daley made a speech in Singapore, reiterating US support for the One China principle, but also stating that the US would not oppose the status quo in the Taiwan Strait being changed, as long as this change was peaceful and accepted by both sides across the strait[445]. Nevertheless, if Taiwan still refuses to abandon its pursuit of *de jure* independence or tries to maintain its *de facto* independence, which means it has no desire to achieve unification with the mainland, this "peaceful change" mentioned by US official can only refer to Taiwan's peaceful independence, because mainland China is forbidden to use force against Taiwan. Further proof about the US real purpose in the Taiwan Issue appeared in 2005. Within the context that cross-strait dialogues between the ARATS and the SEF was not restored, Taiwan's opposition leaders started to visit mainland China and largely improved the communication between the CCP and Taiwan's opposition parties. But Washington did not show any positive support for this progress, reminding Beijing to give more weight to dialogues with the Taiwan authorities led by the pro-independence Chen Shui-bian who had already raised huge tensions across the strait through separatist activities[446]. Even when Chen Shui-bian proposed constitutional amendments in September 2006, the United States still pressed mainland China to start dialogue with Taiwan's elected leader, showing no interest in Taiwan's opposition leaders who shared One China principle with Beijing. This clearly revealed what US truly supported was the dialogue between Chinese leadership and the pro-independence party which attempted to overstep the mainland's bottom line[447]. It is noteworthy that this support for the DPP was not because Chen Shui-bian was then top leader of the Taiwan authorities, because the KMT had largely eased the cross-strait tension and won an increasing public support, showing that it was likely to regain power in the coming election in 2008. In such a case, the US support for dialogue between the mainland and Taiwan's pro-independence forces was actually motivated by its hope that Beijing might make compromises with Taiwan's pro-independence forces, thereby enabling the US to further approach its ultimate goal of Taiwan's peaceful independence.

According to analysis in previous chapters, maintaining the status quo by preventing the mainland from achieving national unification means that Beijing cannot break the island chain to send its military forces into the Pacific Ocean, which implies mainland China will never become a maritime power, thereby ensuring that US political influence and security interests in the Asia-Pacific region will not face any strong threat from China. This indicates that if China is curbed to achieve its high level interests, the United States can effectively safeguard its regional security and political influence. Similarly, the target of realizing Taiwan's peaceful independence, which is related to the highest level US interest involved in the Taiwan Issue, will seriously damage China's most fundamental interests such as sovereignty, territorial integrity, and even homeland security.

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445 Fan Haiquan. (2004). *New Change in the US Taiwan Policy.* Available: http://www.chinanews.com/n/2004-04-29/26/431288.html. Last accessed 20th Aug 2014.
446 Wu Xinbo. (2006). Taiwan Issue: New Situation of Sino-American Interaction. *International Studies*. 2 (5), p6-13.
447 Lin Gang. (2008). Influence of US on Peaceful Development of Cross-Strait Relations. *Taiwan Research Quarterly* . 2 (3), p1-6.

The situation can even further deteriorate if CCP regime's legitimacy is questioned, because Beijing's inability to safeguard China's sovereignty and territorial integrity will be viewed by various domestic and international anti-communist forces as a signal that they can incite social discontent against the rule of the CCP. This may lead to the collapse of the PRC and establishment of a new regime which has no strength or ambition to challenge US power and influence in Asian and world affairs. Apparently, for the United States, a China that is beset with a variety of internal and external problems is much better than a China that fails to become a maritime power but still keeps its national strength rising. If CCP regime's legitimacy is seriously challenged, the US can even promote a peaceful evolution in China, making US own values and ideologies become the consensus of Chinese society, which will doubtlessly enhance the US global hegemony. It is noteworthy this target related to US high level interest is to a large extent based on Washington's judgment that mainland China ruled by the CCP is a hostile force that threatens US interests. Because of this judgment, preventing Taiwan from falling into CCP's hands is necessary, while the target of transforming the mainland into a pro-American state after the collapse of the hostile PRC is also understandable.

Conclusion

In general, since recognizing Taiwan's strategic status, the US policy towards the Taiwan Issue had swung between different positions of Beijing and Taipei for several times as the international environment was changing. This swinging was due to the fact that Washington had to take into account of Chinese potential response when handling its Taiwan Issue, trying to find a balance point that could maximize the US interests. However, this swinging between different positions is only a passive reaction. Once Washington's perception of relative power is inaccurate, leading the degree of its policy swinging to be too large, the side whose interest is harmed will make a strong response and therefore shake cross-strait stability, damaging US own interests in the region. In these circumstances, based on the lessons learned in the Third Taiwan Strait Crisis, the United States began to revise its Taiwan policy, replacing previous policy swinging between different positions of Beijing and Taipei with a more efficient policy of double deterrence to realize three important targets, which are "No Unification, No Use of Force, and No Independence". Although Washington opposed any unilateral change in the status quo, its high level interest in the Taiwan Issue has determined that it actually pursues not only the continuous separation between the two sides across the strait, but also the eventual peaceful *de jure* independence of Taiwan. Another important fact needs to be noticed is that none of US interests involved in the Taiwan Issue belongs to the fundamental level. Even after redefining Taiwan's strategic value, those US interests threatened by the cross-strait unification are neither the nation's homeland security, nor the country's sovereignty or territorial integrity. More precisely, the security interest concerned by Washington when it largely raised Taiwan's status in the US regional strategy, is not US own homeland security, but the security of US military bases and US allies in the Asia-Pacific region, which indicates that the US intervention in the Taiwan Strait is to protect its regional influence. In these circumstances, for the United States, the interests under threat and the interests to be achieved are all at the high level, which makes it different from other three actors in the Taiwan Issue.

Chapter VI The Role of Japan in the Taiwan Issue

Compared with the United States which paid little attention to Taiwan's strategic value until the outbreak of the Korean War, Japan's concern about Taiwan appeared much earlier. After the Sino-Japanese War between 1894 and 1895, the defeated Qing Dynasty was forced to sign the "Treaty of Shimonoseki" (*Ma Guan Tiao Yue*), ceding Taiwan to Japan[448]. Since then, Japan has kept its colonial rule over Taiwan for fifty years until Tokyo surrendered in the end of the World War II. This long colonial rule not only made Japan have a far reaching influence on Taiwan that no other country can match, but also generated a strong emotion in Japan's elites and society about Taiwan, which is rarely found in other cases of colonist and its colony. Moreover, Japan and Taiwan are both in East Asia, which has determined that Japan will deal with the Taiwan Issue from a perspective that may be essentially different from the US.

Evolution of Japanese Policy towards Taiwan

Japan's Taiwan Policy during the Cold War: Following the US Strategy and Maintaining Japanese Own Ambitions

After Japan surrendered in 1945, according to the Cairo Declaration and the Potsdam Proclamation, Taiwan and the Pescadores were returned to China, ending Japanese fifty years colonial rule in the area. But Japan's relations with China became complex when the PRC was founded in 1949 while the KMT retreated to Taiwan. In such a case, Japan had to concern that how to deal with its relationship with the mainland and Taiwan in the post-war era[449]. However, its identity as a defeated nation constrained Tokyo's foreign policy option. Although Beijing sent signals that it wished to establish economic and cultural cooperation with Japan, Tokyo was unable to give any positive response because it was under US military occupation and could not decide its own foreign policy making[450]. Precisely, Japan's only choice was following American strategy of supporting Chiang Kai-shek and opposing the CCP. In 1951, the US and Japan signed the "Treaty of Peace with Japan", so the US military control was ended and Japan returned to the international community[451]. Then Prime Minister Shigeru Yoshida sent a letter to the US envoy Dulles, saying that Japan was prepared to establish political relations with the ROC government and had no intention to sign any bilateral treaties with the CCP regime on the mainland[452]. In April 1952, the Japanese government signed a peace treaty with the Taiwan authorities, which was criticized by Beijing because the latter believed this behavior violated the Cairo Declaration and the Potsdam Proclamation by ignoring that Taiwan belonged to China[453]. In such a case, this treaty can be regarded as the beginning of "Taiwan's status remains unresolved" theory maintained by Japan in its following policies toward Taiwan. In 1960, the "Treaty of Mutual Cooperation and

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448 Liu Jiangyong. (1995). The Japan-Taiwan Relations in 100 Years after Signing Treaty of Shimonoseki. Japanese Studies . 6 (6), p9-32.
449 Liu Wenzong. (2003). Unshakeable Fundation Established by the Cairo Declaration for One China Principle. Taiwan Research Quarterly . 4 (4), p6-8.
450 An Shaokai. (2012). Research on non-Government Trade between China and Japan before Normalization of Relations. Yanshan University. 1 (1), p14-22.
451 Ma Lin. (2012). Comparative Analysis of US-Japan and US-Korea Military Alliance in the post Cold War era. China Foreign Affairs University. 1 (1), p7-14.
452 Wang Jian. (2007). Leng Zhan Hou Ri Tai Guan Xi De Yan Bian. JAPAN STUDIES. 4 (1), p48-52.
453 Yoshihide S. Taiwan in Japan's security considerations[J]. The China Quarterly, 2001, 165: 130-146.

Security between the United State and Japan" was signed in Washington, which allowed the US to use Japan's facilities and territory[454]. It is noteworthy that the geographical scope covered by this treaty included all areas ruled by the Taiwan authorities, so this was the first time that Japanese government showed its position in the Taiwan Issue, which was cooperating with the United States to intervene in those issues related to Taiwan's security. During his visit to the US in 1961, then Prime Minister Ikeda told then US President John F. Kennedy that preventing a country with a large population like China from joining in the UN was not realistic, suggesting that US and Japan should promote PRC's participation in the UN under the premise that Taiwan's status would not be influenced[455]. This suggestion actually meant Japan wished to build "Two Chinas" in the international community, which therefore received strong protest from both Beijing and Taipei. Consequently, Japan failed to establish political connection with the mainland because Tokyo had already recognized Taipei as the official regime of "China". In such a case, Japanese policy makers preferred to separate political and economic issues, comprehensively enhancing Japan-Taiwan relations while simultaneously improving Japanese economic ties with mainland China[456]. In the following period, the Japanese government continued this policy, attempting to gradually establish formal diplomatic relations with mainland China as long as it would not damage Japan's relations with Taiwan. This implied that Japan-Taiwan relations was always put in the first place when Japanese political leaders formulated their policy towards mainland China, because this was consistent with the US position.

Since establishing diplomatic ties with Taipei, for nearly 20 years, Japan's policy seemed to have been following the US strategy, recognizing the Taiwan authorities as China's legal regime, maintaining close political and economic relations with Taiwan, supporting Chiang Kai-shek's offensive policy against the mainland, and openly supporting the US intervention in the Taiwan Strait to block Chinese reunification. It should be noted that, the fact that Japan was unable to formulate its foreign policy independently but had to follow the US regional strategy does not mean that Tokyo's Taiwan policies during this period were contrary to its real position, because it has never abandoned its ambition for Taiwan. For example, the anti-communist political forces inside Japan not only strongly supported the hostile policies promoted by the US to blockade the mainland, but also wished to realize their wildest ambition of taking Taiwan back under Japanese rule through continually deepening Japan-Taiwan relations. Before Sino-Japanese normalization, a few Japanese politicians even publicly declared that Taiwan should return to the Japanese territory in the form of a Japan-Taiwan federation or a united kingdom of Japan and Taiwan, restoring the situation in the colonial era[457].

In the 1970s, the international situation experienced significant changes. The US began to contact with mainland China and normalize the two countries' diplomatic relations, in order to cope with the security threat from the Soviet Union. Nixon's visit to China shocked the world, forcing the

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[454] Jaime M. Gher. (2001). Status of Forces Agreements: Tools to Further Effective Foreign Policy and Lessons to be Learned from the United States-Japan Agreement. USF. L. Rev. . 37 (1), p227.
[455] Zhai Xin. (2008). Creation and Failure of Ikeda Administration's 'One China, One Taiwan' Policy. Contemporary China History Studies . 6 (6), p81-87.
[456] Gao Shiying, Chen Jingyan. (2011). Japan's China Policy of Separating Economy from Politics in the Post-War era. Northeast Asia Forum . 20 (3), p85-91.
[457] Ba Dianjun, Yu Hongyang. (2014). Interpretation of Japan-Taiwan Relations' Evolution. Journal of Beihua University (Social Sciences). 15 (1), p52-58.

Japanese government to immediately adjust its foreign policy and start negotiation with Beijing, which effort finally led the two countries to establish formal diplomatic relations in 1972[458]. Like what happened in the process of normalizing diplomatic relations with the US, the Taiwan Issue was also an important part in Beijing's talks with Tokyo, implying that accepting the One China principle was the premise for establishing diplomatic relations. In such a case, the Japanese government seemed to abandon its previous pursuit of building two Chinas in the international community, but did not completely accept the One China principle like what the US did. For the PRC's declaration that "Taiwan is a part of Chinese territory", the response of the Japanese government was "Japan fully understands and respects Chinese position", rather than conceding or accepting this position[459]. Obviously, this attitude was not as good as the US statement that "Chinese people on both sides of the Taiwan Strait believe that there is but a single China, and Taiwan is a part of China", which accepted the One China principle and was only ambiguous about whether this "China" meant the PRC or the ROC. This subtle difference between Tokyo and Washington's response to the One China principle revealed that Japan was clear about its own interests involved in the Taiwan Issue and preferred to pursue its own targets rather than simply following the US policy. More precisely, Japan's behavior seemed to be consistent with the US strategy only because Tokyo believed its own interest pursuit would be achieved by US policy, otherwise the policy made by Tokyo would be more or less different from the US.

Japan's Taiwan Policy in the Post Cold War era

Japan began to upgrade its relations with Taiwan in the post Cold War era. After breaking their diplomatic relations, Japan still maintained information exchanges with Taiwan and strengthened political ties through non-governmental organizations like the Japanese Interchange Association and Association of East Asian Relations, which consisted of government officials and politicians[460]. In the 1990s, the Taiwan's Association of East Asian Relations was renamed as the Taipei Economic and Cultural Representative Office in Japan, exercising the function of an embassy although its identity was still an unofficial institution[461]. Meanwhile, the Japanese Association in Taiwan also made itself more like an official agency, largely promoting communications and sharing information between Japanese and Taiwan's politicians[462]. Consequently, the relationship between Japan and Taiwan was greatly improved when their politicians' formal and informal visits became more frequent[463].

Meanwhile, there were also increasing contacts between political parties from Japan and Taiwan. Since the 1990s, the ruling and most opposition parties in Japan all established their pro-Taiwan political organizations to keep close contacts with Taiwan's political parties, playing significant

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458 Johnson C. The Patterns of Japanese Relations with China, 1952-1982[J]. Pacific Affairs, 1986: p402-428.
459 Shen Dingl i. (2009). Sino-US Relations and Sino-Japanese Relations in Northeast Asia. Contemporary Asia-Pacific Studies. 2 (1), p5-19.
460 Wu Libin. (2013). Japan's Pursuit of Alianating Two Sides across the Strait. Relations Across Taiwan Straits . 8 (5), p28-29.
461 Yang Yunzhong. (1996). Japan-Taiwan Relations Has Entered into the New Phase of Focusing on Political Exchanges. Japanese Studies . 3 (3), p24-37.
462 Cai Liang. (2010). Characteristics and Changes of Communication Channels between Japan and Taiwan after Diplomatic Cessation.Japanese Studies . 6 (6), p17-28.
463 Ba Dianjun. (2009). Research on Japan's Taiwan Policy in the post Cold War era. Jilin University. 1 (1), p48-50.

role in promoting Taiwan's "pragmatic diplomacy" and resolving the political problems between Japan and Taiwan. Among these organizations, the Japan-Taiwan Parliamentary Friendship Group established by the Democratic Party of Japan in 2000 was relatively moderate in the formulation of Japan's policy towards Taiwan. Its main purpose was to support Taiwan's return to the international community. By contrast, other organizations such as the Japan-Taiwan Parliamentary Friendship Alliance which consisted of the Liberal Democratic Party members, not only negated the One China principle, but even improved their contacts with the pro-independence forces and provided openly support to separatist activities like referendum promoted by the DPP[464]. It is noteworthy that Japanese government never publicly opposed any of these pro-Taiwan organizations' behavior. Considering the fact that members of these organizations came from both ruling and opposition parties which had sufficient influence to lobby the government, the behavior of these organizations actually reflected Tokyo's true position in the Taiwan Issue.

Compared with the development in its relations with Taiwan, Japan's ambiguous position of "respects and understands" One China principle did not experience any change after the Cold War. In the Third Taiwan Strait Crisis, China once wished that Japan could make a clear declaration that it did not support Taiwan's independence, but the Japanese government's response was that Japan's position was always based on "the Sino-Japanese Joint Statement", which indicated that Tokyo refused Beijing's demand and still maintained its "respects and understands" position[465]. Considering the fact that the Japanese government continually deepens its relations with Taiwan while Japan's domestic political forces have directly or openly negated the One China principle, this "respects and understands" position actually reveals that Tokyo does not support Beijing's pursuit but rather wishes Taiwan can achieve its *de jure* independence. But Japan also understands once there is a serious military conflict in the Taiwan Strait, its own interests are bound to suffer huge damage and Taiwan's *de facto* independence may be ended. This is why Japan also emphasizes that Taiwan Issue should be resolved by peaceful approach. The former Prime Minister Yasuhiro Nakasone once proposed five principles to guide Japanese policy making, which focused on opposing China to use military actions to resolve the Taiwan Issue[466]. Faced by the Chinese Anti-secession Law, the Japanese government also expressed its opposition, arguing that Beijing should use peaceful solution such as dialogue to deal with Taiwan Issue[467]. Obviously, this position of opposing any military pressure from mainland China against Taiwan is nearly identical to the US target of "No Use of Force", attempting to avoid Japan's own fundamental interests to be damaged.

Two Significant Features of Japan's Taiwan Policy

Like the United States, Japan's interests are involved in the Taiwan Issue, and its Taiwan policy can create profound impact on the cross strait situation. However, it is noteworthy that Japan's

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[464] Ba Dianjun. (2009). Research on Japan's Taiwan Policy in the post Cold War era. Jilin University. 1 (1), p56-66.

[465] Lin Zhibo. (2004). Japan: Another Barrier for Chinese Unification with Taiwan. Available: http://www.people.com.cn/GB/guandian/1036/2653446.html. Last accessed 18th Sep. 2014.

[466] International Herald Leader. (2004). Japanese Previous Prime Minister's Autobiography Revealed the Process of Sino-Japan Normalization. Available: http://japan.people.com.cn/2004/7/6/200476173237.htm. Last accessed 18th Sep. 2014.

[467] Zakaria F, Liu M, Caryl C, et al. Does the future belong to China[J]. Newsweek, 2005, 145(19): 25-40.

Taiwan policy has some unique features that are different from the US.

First of all, unlike the United States, Japan's Taiwan policy is relatively stable, rarely showing any obvious swinging. In the post Cold War era, with the changing international situation, Japan started to formulate Taiwan policy based on its own interest pursuit. Even though these policies often seemed to follow the US strategy in the Asia Pacific region, they should be regarded as Japan's own choices. One proof is that Japan usually did not follow US steps when the latter's policy was swinging to Beijing's position. More precisely, compared with its burgeoning relationship with Taiwan, Japan almost never formulated any policy that could be regarded as favoring the mainland's position while damaging Taiwan's interest. This stability in Japan's policy, which doubtlessly makes Tokyo's position more hardline than the US in the view of Chinese leadership, is due to fact that Japanese fundamental interests are involved in the Taiwan Issue. In other words, refusing to make compromise with Beijing while insisting on effective intervention in the Taiwan Issue only because Tokyo believes its fundamental interests are threatened by Chinese unification.

Secondly, compared with mainland China and the US which both make their positions on the Taiwan Issue very clear, Japan's policy usually attracts much less attention from the international community. Beijing's pursuit of national unification and opposition to Taiwan's independence are always clear and have never changed since the end of the Chinese Civil War, causing widespread concern in the international community. The swinging of US policy is also very obvious and Washington rarely hides its real intention, which makes it possible to identify the US position through analyzing its policy evolution. By contrast, Japan's policy entirely followed the US steps during the Cold War, and when Tokyo gradually obtain autonomy in foreign policy making, its Taiwan policy still seems to be consistent with the US strategy in significant events. In such a case, it is often regarded by the international community as a part of US strategy. Moreover, Japan's Taiwan policy is relatively moderate compared with US influential behavior in the Taiwan Strait. In the post Cold War era, although its domestic political forces often explicitly supported Taiwan's pro-independence forces, the Japanese government has never publicly negated the One China principle, and it has no policy like arms sales that can directly affect the security situation in the Taiwan Strait. Even during the Third Taiwan Strait Crisis when Japan's own safety was influenced by Chinese military deterrence, the Japanese government still did not take any coercive intervention such as sending warships to the strait[468]. This seemingly moderate stance cannot easily arouse Beijing's serious concern and also leads the international community to pay little attention to Japan's Taiwan policy. Consequently, the role played by Japan in the Taiwan Issue sometimes seems to be ambiguous.

To understand Tokyo's targets in the Taiwan Issue, one should examine Japan's cooperation with the US. Precisely, if Japan closely follows the US steps, it can be concluded that the target pursued by Washington also more or less meets Tokyo's interest demand. But if there is a subtle difference between US and Japan's policy, Tokyo's words and deeds should be carefully analyzed because

[468] Scobell A. Show of Force: The PLA and the 1995-1996 Taiwan Strait Crisis[J]. The Walter H. Shorenstein Asia-Pacific Research Center, Freeman Spogli Institute for International Studies, Working Paper, 1999: 1-24.

this difference usually indicates that US policy may not achieve Japan's target and Tokyo has to take certain behavior to safeguard its own fundamental interests. Meanwhile, according to the analysis in the previous chapter, the reason that US opposes mainland China's pursuit is that Washington believes China is a hostile force and thus Taiwan will be utilized to threaten American political influence and security interest in the Asia-Pacific region if Beijing achieves unification. Similarly, to understand Japan's own interests involved in the Taiwan Issue and its real targets which often hide behind its cooperation with the US, it is also necessary to analyze Japan's attitude towards China. In fact, its official "respects and understands" and its domestic political forces' openly support for the pro-independence movements in Taiwan have revealed Japan's serious concern about its neighbor's rapid economic growth and increasingly military capabilities. This concern as well as potential and real conflicts in the Sino-Japanese relations are keys to explain what interests Tokyo believes are involved in the Taiwan Issue and therefore what policy it should formulate.

Japanese Strategy of Normal State and Its Conflicts with the Rise of China

Specialists have recognized there are a large number of conflicts between Japan and China when the two regional powers try to achieve their targets in various regional and global affairs in economic, political, and security areas, which makes a few scholars believe that Japan and China are actually in a "structural contradiction"[469]. Considering the fact that most of these conflicting targets pursued by the two countries are included in their national strategies, this "structural contradiction" may indicate that Tokyo and Beijing are playing a zero sum game. In fact, from Japanese political leaders and scholars' perspective, China's growing power is threatening Japan's strategy and Tokyo thus should take effective measures to contain its neighbor's rise[470].

Before the Meiji Restoration, the external environment concerned by Japan's national strategy was the East Asian regional order dominated by China. But when this environment was dramatically changed because of the decline of China and the rise of the Western powers, Japan chose a new strategy of external invasion, wishing to destroy the old East Asian regional order and replace it with the so called "Greater East Asia Co-Prosperity Sphere" dominated by Japan[471]. But its invasion failed when the Allied Forces won the Second World War in the mid-1940s, and Japan became a defeated country which could not decide its own policy making but had to follow the US strategy during the period of the Cold War. In the post Cold War era, Japan's external environment faced another round of changes. As the only superpower, the United States began to adjust its strategy in the Asia-Pacific region, while mainland China rose rapidly after adopting the reform and opening up policy, regaining its status as an important regional power[472]. It is not difficult to realize that before the Meiji Restoration, the country Japan concerned most when making its strategy was China, and this country became the United States until the end of the Cold War. But the new situation in the post-Cold War era forced Japan to take both countries into account in its strategy making. Meanwhile, Japan's internal situation especially its economic strength was also

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469 Gong Cunlei. (2006). China's Rise and the Constructive Conflict between China and Japan. *Journal of Northeast Asian Studies*. 4 (4), p36-39.
470 Mochizuki M M. Japan's shifting strategy toward the rise of China[J]. The Journal of Strategic Studies, 2007, 30(4-5): 739-776.
471 Shi Guifang. (2010). Asianism and Japanese Invasion. *Military History* . 8 (3), p38-41.
472 Xiao Xi. (2010). Transformation of East Asian Order and Policy of China and US. *Jilin University Journal Social Sciences Edition*. 1 (1), p34-41.

quite different from that in the previous period. In these circumstances, it is not surprising that Japan wished to make a new strategy.

This new strategy is to transform the country into a "Normal State", which means the Japanese government should dominate its internal affairs and enjoy equal rights as other countries in the international community, particularly the right of self-defense against aggression[473]. The concept of Normal State was put forward in 1993 by Mr Ozawa, who believed that Japan had already become a world economic power and should become an international great power in the future, and for that reason, the country should be transformed into a Normal State[474]. This concept was soon widely accepted by most Japanese politicians and supported by the society, becoming the mainstream political view of most Japanese people and therefore dominating the country's policy making in the post Cold War era[475]. According to Japanese elites, becoming a Normal State means that Japan will play a more significant role in maintaining world peace, requiring Tokyo to change its passive defense strategy and break the constraints imposed by its post-war system, while simultaneously promoting multilateral diplomacy in the Asia Pacific region to safeguard regional security and prosperity[476].

In fact, the reason that Japan has such a strong will to become a Normal State is it lacks many significant rights enjoyed by other countries because of the constraints imposed by both the Article 9 of the so called "Peace Constitution" and the "Enemy State" clause of the UN Charter. Therefore, breaking these constraints is the major content of its Normal State strategy[477]. More precisely, the strategy consists of two aspects: maintaining and enhancing Japanese current economic strength, and obtaining political and military strength that Japan has lacked since the end of the World War II. Both aspects are directly related to mainland China.

Economic Strength of Japan

During the period of the Cold War, Japan maintained a rapid economic growth and became the most developed country in Asia. In the 1970s, Singapore, South Korea, Hong Kong and Taiwan also experienced fast economic development and became the so called Newly Industrial Economies (NIEs) known as the "four Asian tigers"[478]. In the 1980s, China and the Southeast Asian countries such as Thailand also started their process of economic modernization, which differed from Japan and the NIEs because of different industrial foundations and economic development levels. In the view of Japanese experts, the situation that Japan and its Asian neighbors were in different stages of economic modernization formed an ideal model for the international division of labor in East Asia. In this model, Japan was the leading force and the NIEs were at the second level that closely followed Japan, while China and the ASEAN countries

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473 Fang Guangshun and Li Xiangnan. (2008). Japan's Normal State Strategy and Its Constraints. *Japanese Studies* . 11 (1), p60-64.
474 Jia Fuqiang. (2012). Japan: Anormal 'Normal State'. *Japanese Studies* . 17 (1), p99-104.
475 Wang Xinzhu. (2013). Research on Japan's Normal State Strategy in the post War era. *Jilin University*. 1 (1), p31-44.
476 Zhao Chunyan. (2013). Practice of Japan's Strategy for Political Power and Its Impact on Sino-Japan Relations in the 21st Century. *Lanzhou University*. 1 (1), p28-38.
477 Hughes C W. Why Japan could revise its constitution and what it would mean for Japanese security policy[J]. Orbis, 2006, 50(4): 725-744.
478 Yang S Y. A DCC analysis of international stock market correlations: the role of Japan on the Asian Four Tigers[J]. Applied Financial Economics Letters, 2005, 1(2): 89-93.

were considered to be the most backward countries that could only accept technology transfer from the more advanced Japan and NIEs, concentrating on labor-intensive industries[479]. This was the famous "Flying Geese" model, which emphasized the leadership position of Japan in leading the entire Southeast Asian economic development. However, the rapid economic rise of China in the 1990s broke this model and ultimately challenged the leading position and future plans of Japan in East Asia[480]. In fact, the viability of this Flying Geese model greatly depended on the hypothesis that countries in the model would stay in different stages of economic modernization. But when China maintained a long term rapid economic growth, while its huge domestic market and cheap labors attracted considerable foreign investment, it could no longer be regarded as a small "goose" following Japan. Instead, with increasing economic strength, China was viewed by more and more countries as the new leading force in the region's economic affairs. This situation was clearly contrary to Japan's expectation of using its remarkable economic growth and advanced technology to gain a great power status and even leadership in East Asian political and security affairs, and therefore caused a serious anxiety in Japanese society, especially when Japan's own economic development entered a period of stagnation after the burst of its economic bubble in the 1990s[481].

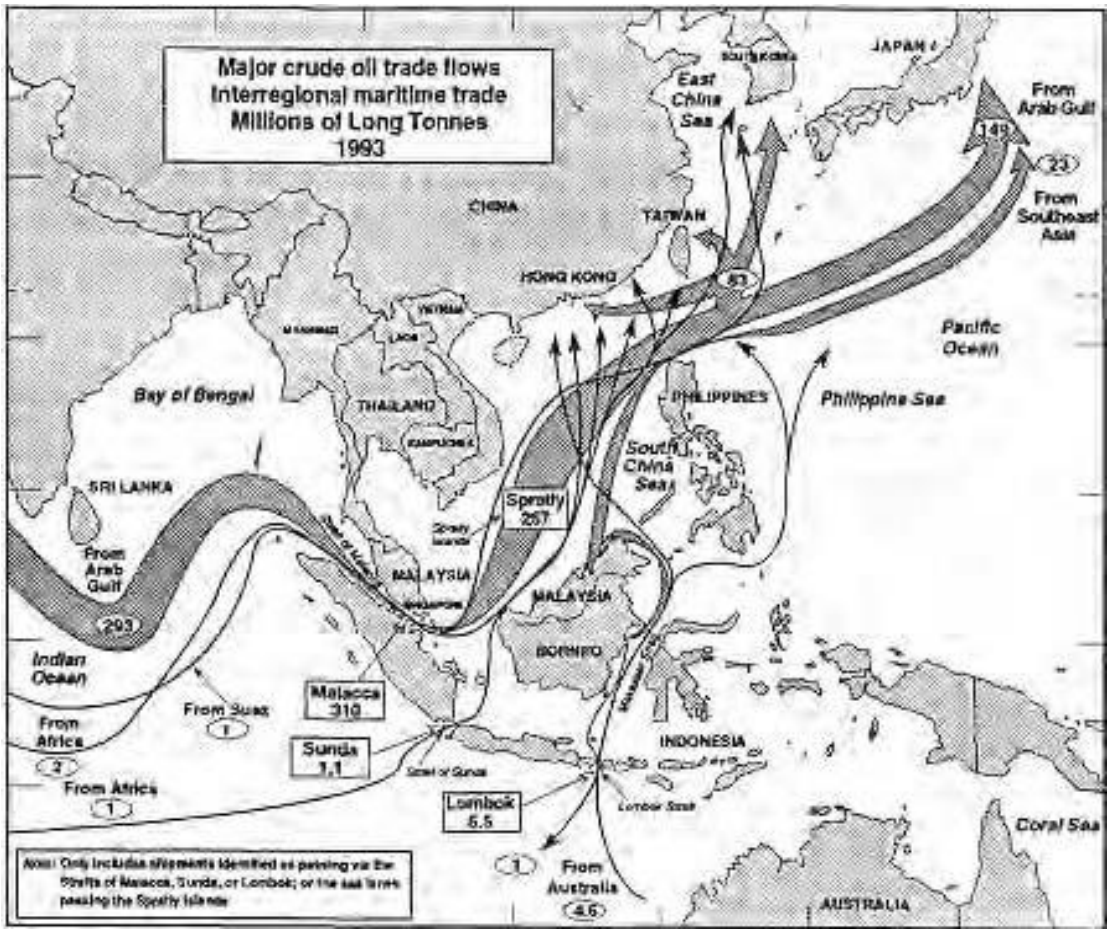
Apart from that, Japan's identity as a maritime state also indicates its pursuit of leadership position in Asia is likely to be influenced by China's rise. The pattern of a maritime state's economic development is quite different from that of self sufficient continental countries such as mainland China. Due to its limited resources, the maritime state usually needs to seek and maintain overseas supplies of raw materials through expansion, and sell its products to overseas markets, which means that Japan must import cheap resources from other countries and then sell its expensive industrial products to the international market[482]. Obviously, this pattern of economic development such as the Flying Geese model, requires the Japanese government to ensure the safety of the country's marine trade. That is why according to Japanese officials and scholars, the safety of Japan's sea route is a matter of life and death for the nation's prosperity and development[483]. In fact, there are a large number of strategic commodities needed by Japanese economic development, such as oil, natural gas, and iron ore are largely dependent on imports, while shipping is Japan's major way of importing raw materials and exporting its manufactured goods[484]. Therefore, any long-term interference on Japan's sea lanes will seriously harm Japan's industrial production, leading to economic recession and even weakening the government's ability to provide public services, which may cause social unrest.

Among Japan's maritime transport routes, the most important one may be that connects Japan with

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479 Hu Junwen. (2003). Theory of Flying-geese Model and Japan's Industry Upgrade. *Asia-Pacific Economic Review*. 4 (1), p23-26.
480 Jin Xide. (2002). Sino-Japan Relations in the post Flying-geese Model era. *World Economics and Politics*. 8 (8), p16-21.
481 Wu Xiaoguang. (2009). Japan's Neo-conservatism Foreign Policy and Its Negative Influence on Sino-Japan relations. *Northeastern University*. 1 (1), p31-38.
482 Wang Xiuping. (2011). Developmeng and Main Content of Japan's Maritime State Theory. *Reform & Openning*. 4 (4), p22.
483 Li Zheng. (2010). Research on Security of Japan's Maritime Lifeline.*Productivity Research*. 5 (5), p200-202.
484 Wang Bing. (2005). Japan's Strategy of Resource Import. *Foreign Investment in China*. 8 (1), p24-26.

Europe, the Middle East, and Southeast Asia, because a large part of oil imports to Japan are transported through it[485]. This route, however, also passes through some narrow waterways which are close to areas with political instability or even serious regional conflict, such as the South China Sea and the Taiwan Strait. Considering the territorial disputes in the South China Sea and the potential cross-strait conflict, China as the regional great power with growing political and economic influence and increasingly military capabilities, is viewed by Japan as the potential biggest threat to Japanese maritime transportation.



Map 1 Oil shipment routes and volumes through Maritime Southeast Asia.
Source: Graham E. Japan's Sea Lane Security: A Matter of Life and Death?[M]. Routledge, 2005, p30.

Japan's anxiety is understandable, especially when China has also realized the significance of those channels for its own economic development and maritime strategy. As detailed in previous chapters, China wishes to transform itself into a maritime power, expanding its defense zone into the Pacific Ocean. Former Deputy Commander of the Chinese Navy Zhang Xusan once declared that Chinese naval operations should cover areas from Sea of Japan to the Strait of Malacca, and emphasized that the Chinese maritime defense zone should incorporate the First Island Chain, which consists of Indonesia, the Philippines, Japan, and Taiwan[486]. This indicates that Beijing will

485 Li Zheng. (2010). Research on Security of Japan's Maritime Lifeline.*Productivity Research*. 5 (5), p200-202.
486 Zhan J. China goes to the blue waters: The navy, seapower mentality and the South China sea[J]. The Journal of Strategic Studies, 1994, 17(3): 180-208.

take great effort to break the First Island Chain to open its route into the ocean. But this behavior is bound to influence sea areas where all those maritime channels pass through such as the Bashi Channel and the Strait of Malacca. In these circumstances, China's pursuit of becoming a great maritime power is in conflict with Japan's Normal State strategy when both countries seek to control those significant maritime channels. In other words, it is very difficult for Tokyo to accept its powerful neighbor to become a maritime power because Japan's maritime lifeline will be under mainland China's control.

Tokyo's Pursuit of Increasing Japan's Political Influence

Compared with maintaining and raising its economic strength, Japan's strategy of Normal State pays more attention to Tokyo's demand for political and military power, trying to transform the country into a influential political power in the international community with sufficient military strength that can dominate regional and some global affairs.

In the post Cold War era, the fact that Japan had become a great economic power but without a matched political status in the international community prompted the Japanese government to adjust its relations with foreign countries and improve its capabilities to intervene in regional and global affairs. It should be noted that, although it seemed that Japan wished to become a global political power, its policies to a large extent still focused on East Asia, trying to promote its relations with its neighboring government.

Within the context that China signed the "Treaty of Amity and Cooperation in Southeast Asia", which was perceived by some scholars as an attempt to reshape the regional order, Japan also formulated a series of policies to increase its influence on Asian countries[487]. In 2002, then Prime Minister Junichiro Koizumi proposed to establish the "East Asia Community" which included Japan, China, South Korea, the ASEAN, Australia, and New Zealand, hoping to largely improve Japanese cooperation with the ASEAN and therefore weaken China's economic influence over these Southeast Asian countries[488]. In 2008, Japan signed Free Trade Area agreement with ASEAN countries and also joined in the Treaty of Amity and Cooperation in Southeast Asia[489]. Meanwhile, a few Japanese scholars suggested that Japan should unite with maritime states in the Western Pacific region such as the Philippines, Indonesia, and Australia to form a "strategic arc" led by Japan[490]. The idea was soon supported by political leaders like then Foreign Minister Aso Taro who argued in 2006 that Japan should establish an "Arc of Freedom and Prosperity", which was written in Japanese "Diplomatic Blue Book 2007" as a "new Japanese diplomatic pillar"[491]. According to Aso, in order to promote universal values such as human rights, freedom, democracy, and market economy in the international community, it was necessary to strengthen Japanese relations with democratic countries in Southeast Asia, Central Asia, and Eastern Europe,

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[487] Shambaugh D. China engages Asia: reshaping the regional order[J]. 2006.

[488] Sun Cheng. (2002). Japan's Proposal of East Asian Community.*International Studies*. 5 (1), p43-47.

[489] Wong L F. China–ASEAN and Japan–ASEAN relations during the post-cold war era[J]. The Chinese Journal of International Politics, 2007, 1(3): 373-404.

[490] Tian Qingli. (2011). Research on the Perception of other and Japan's Perception of China. *JAPANESE STUDIES*. 6 (1), p71-84.

[491] Xinhuanet. (2007). *Fukuda's Containment Policy towards China.* Available: http://news.xinhuanet.com/world/2007-11/12/content_7055532.htm. Last accessed 28th Oct 2014.

promoting these countries' exchanges with Japan. This plan of building an "Arc of Freedom and Prosperity" indicated that Japan was seeking to increase its political influence in Asia and even Eastern Europe through assisting local countries' economic development and promoting universal values. If this plan worked, it would form a stable international environment for Japan's economic development, and might even bring Japan a leadership position in regional affairs[492].

This kind of policies which are targeted at the leadership position in regional affairs will inevitably arouse serious concern from mainland China even other regional powers may not generate strong response. Precisely, the United States is the only super power and it is not an Asian country, so it may not be directly threatened by regional unrest, which makes it less fragile than Asian countries when facing changes in regional political and security situation. Russia, which spans two continents, believes its core security and development issues center on Europe, and therefore pays relatively less attention to East Asia. Although South Korea plays an irreplaceable role in dealing with issues related to the DPRK, there is little doubt that its influence on Asia is still limited compared with those great powers. Similarly, despite the active role played by the ASEAN in regional economic cooperation, its relatively weak economic and military strength have determined it cannot obtain dominant power in regional affairs. By contrast, China and Japan are both great powers in East Asia with significant influence on regional affairs, while their development and security are also largely dependent on their relations with neighboring countries and regional stability. In these circumstances, it is not a surprise that the two countries are sensitive to the policy and behavior of each other which may change the regional political or security situation. In fact, most scholars agree that Japan and China are engaging in a competition for regional leadership position[493].

In the view of Japan, a rising China doubtlessly has undermined its target to become the leading country in regional affairs and a global political power. Through economic cooperation with Southeast Asian countries, actively dealing with the DPRK nuclear issue[494], holding the Boao Forum[495], replacing the United States as Africa's largest trading partner after holding the China-Africa Cooperation Forum[496], and participating in multinational military operations fighting against Somali pirates[497], China has proved its great power status in the political, economic, and security areas. Its growing international influence further raises its confidence in dealing with regional and global affairs. In September and October 2013, Chinese President Xi Jinping put forward a new economic cooperation plan known as "the Silk Road Economic Belt" ("the Belt") and "the 21st Century Maritime Silk Road" ("the Road"), which would use multilateral cooperation between China and countries along the roads to develop Chinese economic partnership with these countries, and therefore build a community of shared interests, destiny, and

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492 Hosoya Y. The Rise and Fall of Japan's Grand Strategy: The "Arc of Freedom and Prosperity" and the Future Asian Order[J]. Asia-Pacific Review, 2011, 18(1): 13-24.
493 Terada T. Forming an East Asian community: a site for Japan–China power struggles[J]. Japanese Studies, 2006, 26(1): 5-17.
494 Zhu Feng. (2006). Chinese Mediation and the Six-Party Talks. *Journal of Foreign Affairs College*. 2 (2), p23-30.
495 Howard J. Transcript of the Address to the Boao Forum, China[J]. 23rd April, 2005.
496 Wenping H. The balancing act of China's Africa policy[J]. China Security, 2007, 3(3): 23-40.
497 Barrowclough A. China sends navy to fight Somali pirates[J]. The Times, 2008, 26.

responsibility, featuring mutual political trust, economic integration, and cultural inclusiveness[498]. More than 60 countries and international organizations have already given positive responses to this plan, which indicates that the Belt and the Road may become the world's longest economic corridor[499]. In such a case, this ambitious plan is regarded as a Chinese version of the Marshall Plan by many western scholars[500].

By contrast, Japan's plan of expanding its political influence in Asia and Europe through multilateral economic cooperation, such as the "Arc of Freedom and Prosperity", received little positive response. Its suggestion for building an East Asian Community even backfired because this concept reminded Japan's neighboring countries which had suffered Japanese invasion during the World War II of then Japanese slogan: "the Greater East Asia Co-Prosperity Sphere"[501]. For Japan which achieved economic modernization much earlier than China, these different results in pursuing regional leadership position are hard to accept and makes Tokyo believe that China's rise has become a major obstacle for Japan's target of obtaining more political influence and becoming a great political power. Within the context that these two countries lack mutual trust, this competition for greater influence in the international community and dominance in regional affairs leads to intensified rivalry between Japan and China in various political and security issues. Consequently, Japan prefers to contain rather than cooperate with China when Tokyo is seeking political influence.

Changing the post War System and Obtaining Military Power

Compared with its pursuit of political influence which received few positive response from the international community, Japan's effort to amend its Peace Constitution in order to acquire military power has aroused more serious concern of the United States, China, and other neighboring countries in East Asia.

The Constitution was established when Japan was occupied by the US after World War II. Its major aim was to transform the fascist Japan into a peaceful democratic country. According to this Constitution, the right of belligerency is not recognized and only a narrowly defined Self Defense Force (SDF) rather than traditional military is allowed. In Article 9 of the Second Chapter, the Constitution clearly stated that "Aspiring sincerely to an international peace based on justice and order, the Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as means of settling international disputes" and "In order to accomplish the aim of the preceding paragraph, land, sea, and air forces, as well as other war potential, will never be maintained. The right of belligerency of the state will not be recognized"[502]. Under these restrictions, Japan preferred to leave its security issue to the United States, focusing on its own economic development in the post war era and eventually becoming an economic power.

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498 Kennedy S, Parker D A. Building China's 'One Belt, One Road'[J]. Center for Strategic and International Studies. Retrieved from http://csis. org/public ation/building-chinas-one-belt-one-road, 2015.

499 Swaine M D. Chinese views and commentary on the 'One Belt, One Road'initiative[J]. China Leadership Monitor, 2015, 47: 1-24.

500 Dingli S. China's 'One Belt, One Road'Strategy Is Not Another Marshall Plan[J]. 2015.

501 Bao Xiaqin. (2004). Japan's Concept of East Asian Order and Forming East Asian Community. *Global Review*. 8(4), p53-59.

502 MINISTRY OF DEFENSE. (). *THE CONSTITUTION OF JAPAN.* Available: http://www.mod.go.jp/e/d_act/d_policy/dp01.html. Last accessed 8th Nov 2014.

Although this Peace Constitution contributed a lot to Japan's rapid economic growth after the World War II, from right wing politicians' perspective, it undoubtedly prevented Japan from becoming an influential military power. These politicians started to challenge the Peace Constitution in the 1950s, but due to the strong domestic and international pressures, their activities of amending Constitution did not achieve the end[503]. However, when Japanese international and domestic situations both changed in the post Cold War era, Tokyo began to believe its Constitution should be amended, trying to remove those constraints imposed by its post war system on its defense policy making.

This actually implies that the Constitution should match the country's strategy. Precisely, the Peace Constitution was completely consistent with Japanese strategy in the post war era which focused on economic construction rather than security issues. In other words, those restrictions imposed by the Constitution helped Tokyo to better achieve its target of becoming an economic power. But if these restrictions are no longer appropriate for the strategy in the new period, political leaders and elites will tend to reevaluate the Constitution and try to amend certain clauses.

Before Mr. Ozawa formally proposed the concept of Normal State, then Yasuhiro administration had already argued that Japan should become a political power, seeking a political status matched to the country's increasingly economic power in the 1980s. The major method was to strengthen the power of the Prime Minister and the Cabinet through internal political reform, while improving US-Japan relations to raise Japan's status in the international community[504]. This was a significant adjustment in Japan's previous strategy of focusing on economic issues, although its target was ambiguous and gave more weight to the US-Japan alliance rather than clearly defining what kind of path Japan would follow in the future. This adjustment, including the rearmament promoted by the Yasuhiro administration, soon faced restrictions of Japan's Three Non-Nuclear Principles and its "Special Defense" policy based on the Peace Constitution[505]. This made Japanese politicians realize if they wished to transform the country into a political power or a Normal State, they needed to amend the Constitution first. This explained why there were a large number of constitutional amendments which were promoted by different political parties and covered almost all issues related to the Constitution, such as Article 9 and the security issues emphasized by the Liberal Democratic Party (LDP), the human rights clause advocated by the New Komeito, and more broad topics raised by the Democratic Party[506]. These amendments, which not only focused on the country's sovereignty and security, but also involved issues in legislative, administrative, local autonomy and other areas, were efforts to transform Japan into a Normal State.

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503 Sun Lingling. (2007). Japan's Constitutional Amendment and National Conservatism. *Contemporary Asia-Pacific Studies*. 3 (3), p3-11.
504 Wang Xiaoying. (2008). Research on Nakasone Yasuhiro's Concept of Political Power. *Northeast Normal University*. 3 (1), p14-25.
505 Wang Xiaoying. (2008). Research on Nakasone Yasuhiro's Concept of Political Power. *Northeast Normal University*. 3 (1), p14-25.
506 Xu Wansheng. (2008). Japan's Constitutional Amendment in post Cold War era and Its Influence. *Contemporary Asia-Pacific Studies*. 6 (1), p67-82.

No matter how many areas were involved, the core of these amendments was whether Article 9's restrictions on the Self Defense Forces could be removed. In November 2004, then LDP Secretary General Taku Yamasaki proposed an amendment that was targeted at Article 9, stating that in order to maintain international peace while defending the country's sovereignty, independence, and homeland security, Japan should keep its navy, army, air force, and other related organizations under the high command of Japanese Prime Minister[507]. On November 22nd 2005, the LDP held its 50th anniversary and officially announced its amendment bill, which declared that Japan should break those restrictions of the existing Constitutional system and become a political and military power, arguing that Japan's military strength must be clearly defined and improved by new development[508]. This actually indicated that Japan should maintain an army with the Prime Minister as the supreme commander. On this basis, the LDP further suggested that Japan could use military power to achieve its political goals in the regional and global affairs, promoting Japanese Self Defense Forces' overseas operations.

In order to obtain military power, the US-Japan alliance is bound to be further strengthened, because domestic Constitutional Amendment alone is unlikely to raise the country's military influence in a relatively short period of time. In 1951, the US and Japan signed the "Security Treaty between the United States and Japan". In 1960, the two countries signed the "Treaty of Mutual Cooperation and Security between the United States and Japan", which clearly stated that the US forces could use facilities and areas in Japan[509]. This treaty subsequently became the significant foundation on which Tokyo formulated its security policy, but it is in conflict with the Constitution. For example, if the United States is attacked outside the Japanese territory, should Japan defend its ally? According to Article 9's prohibition of overseas military operations, the answer should be negative. However, the treaty implies that Tokyo may be able to remove this restriction on Japan's collective self defense, which is doubtlessly consistent with Japan's new strategy of Normal State. This explains why the US-Japan alliance rather than the Peace Constitution is playing an increasingly fundamental role in the formulation of Japan's security policy.

Recognizing that Constitution's restrictions can be weakened by Japan's military cooperation with the US, Japanese political leaders have taken more efforts to strengthen the US-Japan alliance. In April 1996, the two countries made the "US-Japan Joint Declaration on Security Alliances for the 21st Century", emphasizing the necessity of maintaining their military alliance and declaring they would further develop the alliance in the post Cold War era[510]. On this basis, in September 1997, Tokyo reached an agreement with Washington by forming the "The New guidelines for Japan-US Defense Cooperation"[511]. Within this context, while continuously promoting the Constitutional

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507 Xu Wansheng. (2008). Japan's Constitutional Amendment in post Cold War era and Its Influence. *Contemporary Asia-Pacific Studies*. 6 (1), p67-82.

508 Xinhuanet. (2005). *The LDP Tries to Replace the Beams and Pillars.*Available: http://news.xinhuanet.com/comments/2005-11/24/content_3826560.htm. Last accessed 15th Nov 2014.

509 Nie Hongyi and Xiao Tiefeng. (2007). Development of US-Japan Alliance and Its Impact on Security of Asia-Pacific Region. *Contemporary Asia-Pacific Studies*. 8 (8), p39-45.

510 Ministry of Foreign Affairs of Japan. (2014). *US- Japan Joint Declaration on Security Alliances for the 21st Century.* Available: http://www.mofa.go.jp/region/n-america/us/security/security.html. Last accessed 18th Nov 2014.

511 Ministry of Foreign Affairs of Japan. (2014). *The New guidelines for Japan-US Defense*

Amendment inside the country, then Koizumi administration began to send the SDF troops to the Indian Ocean and to Iraqi territory after 2001, raising the status of military power in achieving Japan's political targets[512]. In May 2003, the Japanese National Diet passed three bills about how to deal with possible military attacks from abroad. Since then, Japan will respond not only to an actual attack but also to an "anticipated" attack, while the SDF will be deployed more efficiently in those contingencies[513]. All of these changes largely eased restrictions on the SDF, transferring Japan's role in its military cooperation with the US from defending itself to supporting US overseas military intervention by directly participating in combat alongside US troops. Meanwhile, Japan's Constitutional Amendment was also promoted by the development of US-Japan alliance. After Japan began to send its troops overseas, the US requested Tokyo to further exercise collective self defense that was clearly banned by the Constitution. But Prime Minister Abe gave a positive response, declaring it was necessary for Japan to research the definition of collective self-defense[514]. In a conference, Abe repeated that Japan should discuss how to exercise collective self defense because this was very important for improving the US-Japan alliance[515]. This showed that Tokyo wished to utilize the US pressure on improving two countries' security alliance to promote its own Constitutional Amendment, removing more restrictions of its post war system and therefore increasing its military power.

However, this close relationship between increasing Japan's military strength and improving the US-Japan alliance also means that the Normal State strategy in the security area is quite different from that in economic and political areas. Precisely, Japan's dependence on this military alliance will forces Tokyo to remain consistent with US behavior in security area, which obviously contradicts Normal State's feature of independent policy making. In fact, it is difficult to believe the targets pursued by a Normal State will be always the same as those of another country. This explains why a few scholars described Japanese behavior of simultaneously pursuing both independence and dependence as schizophrenia[516]. During the post Cold War era, Japan and the US had common targets on many issues, but there was still subtle difference in their policies when Tokyo thought its own interest would be damaged if it followed the US steps. In such a case, once the behavior of US-Japan alliance fail to realize or even threaten Japan's interest, Tokyo will have to make a choice between following US steps to further increasing its military strength and independently formulating policy to better safeguard its own interest.

The Contradiction in the Sino-Japanese Relations and Its Impact on the Japanese Position in the Taiwan Issue

The conflict between Japan's Normal State strategy and China's rise in the economic and political

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Cooperation. Available: http://www.mofa.go.jp/region/n-ameri. Last accessed 18th Nov 2014.

[512] XU Wan-sheng. (2007). On the Japanese- American Union and Japan's Dispatching Soldiers Overseas. *Journal of Nanchang Hangkong University*. 12 (1), p7-12.

[513] Li Xiushi. (2003). "The Right of Collective Self-Defense" and the Change Direction of Japan's Defense. *CONTEMPORARY INTERNATIONAL RELATION*. 6 (3), p14-18.

[514] Li Daguang, Jiang Can and Weng Yongbin. (2014). Who Is the Target of Guidelines for Japan-US Defense Cooperation. *China Economic & Trade Herald*. 36 (24), p25.

[515] Xinhuanet. (2013). *Abe Stated It Is Necessary to Exercise The Right of Collective Self-defense.*Available: http://news.xinhuanet.com/2013-12/18/c_125875334.htm. Last accessed 30th Nov 2014.

[516] Yang Guang. (2010). The Enhancement of US-Japan Alliance and Its Influence on Regional Politics in East Asia. *Issues of Contemporary World Socialism* . 14 (1), p92-98.

domains are relatively obvious because Tokyo's policies in these areas reflect its own ideas. By contrast, Japan's behaviors in the field of security is usually regarded as a product of the US-Japan alliance. Thus, the security conflict between Japan and China sometimes hides behind the Sino-American conflict in East Asia. However, whether these conflicts between Japan and China are obvious or not, they all can influence the Taiwan Issue.

In the economic field, the failure of Flying Geese model is irreversible, and China's pursuit of controlling Japanese maritime lifeline cannot be accepted by Japan. If maintaining the Flying Geese model is related to high level interest such as leading the whole East Asian economic development, maritime channels falling into the hands of a neighboring country which does not have a harmonious relationship with Japan is doubtlessly related to fundamental interests, because it may determine whether Japan can continue its economic construction and maintain its social stability. This indicates that Japan is unlikely to make concession on the issue but will definitely oppose China to control the relevant sea areas. It is noteworthy that although these maritime channels are significant for both countries, China's situation differs from that of Japan because of the First Island Chain. Precisely, Japan's maritime lifeline is to a large extent under the control of it allies, which implies that Japan's fundamental interest is safeguarded as long as the situation is not changed. By contrast, China's economic, political, and even security interests may be easily damaged under the current situation, like what happened in 1993 when the Chinese cargo ship "Galaxy" was stopped by US warships in the Indian Ocean for three weeks[517]. In a word, China tries to change the current situation while Japan firmly opposes such behavior. Once Beijing believes Chinese relative power is sufficient and tries to break the First Island Chain, there may be a serious confrontation between the two countries.

Within this context, Taiwan is involved in the conflict because China will obtain its route to the Pacific Ocean and can take effective actions to resist the potential military threat from the US and its allies if it achieves national unification. In other words, if Beijing tries to change the situation, it will have to take over Taiwan. In such a case, it is almost impossible that Tokyo will have a positive attitude towards Beijing's pursuit of cross-strait reunification. It is also noteworthy that Taiwan Strait is in the Japan transportation lane, which indicates that the mainland's coercive behavior in this area can still threaten Japan's maritime lifeline even Beijing is trying to prevent Taiwan from declaring independence rather than taking over the island by force. For example, the mainland's missile firings during the Third Taiwan Strait Crisis aroused serious concern of Japan, especially when some missiles fell in the waters only 60 km away from Japan[518]. In such a case, Japanese security analysts and the SDF officials explicitly expressed their worries about the the Taiwan Issue, highlighting that Chinese military actions near Taiwan would seriously affect the safety of Japanese territory and its significant sea lanes[519]. Despite arguing that the Chinese Navy's technical strength is weak compared with that of Japan, the SDF still worries about China's increasingly missile capability, especially when this capability is more and more used in

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[517] Yang Zhen and Zhou Yunheng. (2011). US-China Conflict in Maritime Power. *Contemporary International Relations* . 3 (2), p6-11.

[518] Euan Graham. (2006). Japan's post-Cold War SLOC security. In: J. A. A. Stockwin *Japan's Sea Lane Security 1940-2004: A Matter of Life and Death?*. New York: Routledge. p173-201.

[519] Comprehensive National Security Study Group, *Report on Comprehensive National Security* (unpublished government translation), 2 July 1980, p. 58.

Beijing's policy toward Taiwan. Kyorin University professor Hiramatsu Shigeo further argued that even though China might not use the similar show of force during 1995 and 1996, it still had the ability to impose indirect military pressure on Japanese ships or blockade maritime routes in the South China Sea to create a serious blow to both Japan and Taiwan[520]. In these circumstances, some Japanese scholars declared that China's rising military power and various aggressive actions in disputed areas would definitely damage Japan and Taiwan's interests, and in order to deal with this threat, Japan should strengthen its military cooperation with Taiwan to establish a joint defense system because neither Japan nor Taiwan could ensure its security alone[521]. All these concerns and statements indicate that in the view of Japanese political leaders and elites, Chinese unification will seriously threaten Japan's fundamental interests and must be obstructed.

Compared to its involvement in Japanese fundamental interests such as safeguarding maritime lifeline, maintaining social stability, and protecting homeland security, the role of the Taiwan Issue seems relatively unimportant in the conflict between Japan's pursuit of becoming great political power and China's rise. However, maintaining Taiwan's *de facto* independence and even helping the island to realize its *de jure* independence is the best option for Japan to contain China's rise. If it successfully blocks the cross-strait unification, Japan will not only safeguard its fundamental interests, but also weaken China's political influence, because without breaking the First Island Chain, China can hardly become a maritime power while its coastal area will be still under threat, and Beijing will be at a disadvantage in territorial dispute with neighboring countries.

More importantly, the Taiwan Issue is related to China's sovereignty and territorial integrity, which implies China's status in regional and global affairs will suffer a serious blow if Japan can help Taiwan to realize independence. Indeed, a country that fails to protect its own sovereignty and territorial integrity is very unlikely to earn respect from the international community, and therefore can never become the leader in regional or global affairs. Moreover, no matter what outcome it will eventually achieve, Tokyo's intervention in the Taiwan Issue is an active participation in regional affairs and therefore can raise its political status in the view of other Asian countries. In such a case, the Taiwan Issue has become an effective tool utilized by Japan to pursue more political influence in East Asia, and thus Tokyo's targets are not only obstructing unification, but also promoting Taiwan's independence. According to the military strength of the US-Japan alliance, using active intervention to block Chinese unification and maintain Taiwan's *de facto* independence may not be too difficult, but realizing the island's peaceful independence is impossible to be achieved in the short term[522]. Considering it is related to Japan's high level interest such as political influence, promoting Taiwan's independence should be regarded as a target that Tokyo wishes to achieve rather than its bottom line.

The fact that the Japanese pursuits of maintaining economic power and increasing political power are in conflict with the rise of China has made Japan prefer to utilize the Taiwan Issue to curb

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[520] Euan Graham. (2006). Japan's post-Cold War SLOC security. In: J. A. A. Stockwin *Japan's Sea Lane Security 1940-2004: A Matter of Life and Death?*. New York: Routledge. p173-201.

[521] N. Tanaka and H. Takase, 'Piracy and Ship's Safety: A View from the Shipping Industry', in Hamzah and Ogawa (eds), op. cit., p. 173; and Kawamura, ibid., p. 152.

[522] Ding Zhaozhong. (2008). Changes of Japanese Pro-Taiwan Politicians after the Normalization of Sino-Japan Relations. *International Forum* . 10 (4), p46-49.

China's development. This implies that Japan may first focus on its conflict with China in economic and political areas before realizing that the Taiwan Issue is a part of this conflict. However, in the military area, the US-Japan alliance through which Japan promotes its military buildup and expands its military influence is directly linked to the cross-strait situation from the very beginning. In February 1960, the US and Japan made adjustments to their security treaty, adding the clause that Japan had a duty to provide facilities for US military actions in the Far East Area[523]. According to the official explanation, the "Far East" was the area from the north of the Philippines to Japan and its surrounding areas, including the South Korea and the ROC. This means that the US-Japan military alliance would take actions to protect the Taiwan Strait, which was clearly targeted at the mainland's pursuit of taking over Taiwan by force[524]. In the 1970s, after normalizing diplomatic relations with China, the United States and Japan abandoned this clause of "Far East Area". But when facing Chinese rapid economic growth and increasing comprehensive strength, Washington and Tokyo formed a new version of Far East clause in their security treaty in response to potential military threat from China.

In September 1997, the Guidelines for US-Japan Defense Cooperation clearly stated that the alliance would exercise defense cooperation in the event of "peripheral situation"[525]. The definition of this "peripheral situation" was quite ambiguous and Japan refused to clarify whether it included Taiwan, only declaring that the "peripheral situation" was not a geographical concept and would be identified according to the situation[526]. However, this expression could not cover Japanese domestic political forces' attempt to intervene in the Taiwan Issue and cause a permanent split across the Taiwan Straits. In 1997, then Chief of the Cabinet Kajiyama Seiroku publicly declared that the application scope of US-Japan defense cooperation doubtlessly incorporated Taiwan, and even argued that once a conflict occurred between the Chinese mainland and Taiwan, Japan should not refuse to provide support when the US started to intervened[527]. In the following years, Japanese politicians, including senior officials from the ruling party, stated on various occasions that the scope of "peripheral situation" included Taiwan. At first, the Japanese government usually preferred to reiterate that "peripheral situation" was not a geographical concept when facing these statements, but this attitude was rapidly changed in recent years. In 2005, then foreign minister Nobutaka Machimura made a speech in the United States, declaring that the Taiwan Issue was always a significant part of the US-Japan security treaty, and Japanese policy towards Taiwan has never been changed since the establishment of the US-Japan alliance[528]. In these circumstances, as long as the military alliance exists, Japan will have to be involved in the potential conflict across the Taiwan Strait if it continues to increase its military power by

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[523] Liu Dong. (2007). Research US-Japan Alliance and Situation across Taiwan Strait. *PLA University of Foreign Languages*. 1 (1), p15-23.
[524] Li Guangmin. (2006). Research on Clauses of US-Japan Alliance related to Taiwan. *Japanese Studies* . 6 (6), p70-82.
[525] Ministry of Foreign Affairs of Japan. (). *The New guidelines for Japan-US Defense Cooperation.* Available: http://www.mofa.go.jp/region/n-ameri. Last accessed 18th Nov 2014.
[526] Yin Yanjun. (1997). Evolution of Japanese Policies for Intervening Taiwan Strait. *Japanese Studies* . 6 (6), p17-28.
[527] Zhou Yongsheng. (1998). Japanese Foreign Policy and US-Japan Security Alliance in the post Cold War era. *World Economics and Politics*. 11 (1), p66-70.
[528] People.cn. (2005). *China Expresses Strong Protest against Japanese Prime Minister's Statement about Taiwan.* Available: http://www.people.com.cn/GB/paper1787/14679/1303446.html. Last accessed 8th Dec 2014.

strengthening this alliance.

Conclusion

Obstructing unification is not only the target of Japan's policy in the Taiwan Strait, but also the bottom line of the United States, implying that joint military actions taken by the US-Japan alliance in the Taiwan Strait may be Japan's major way of intervening in the Taiwan Issue. Considering the Japanese government's ambiguous position of "respects and understands" to the One China principle and its domestic political forces' openly support for Taiwan's pro-independence forces, it can be concluded that the US target of "No Independence" is not accepted by Japan. In such a case, the repeatedly emphasis made by Japan that the Taiwan Issue must be resolved peacefully is not entirely equated to the US target of "No Use of Force" which pursues stability across the strait, but should be regarded as Tokyo's attempt of creating appropriate foundation for Taiwan's *de jure* independence. It is noteworthy that Japan's relative power is lower than that of the US and even may be not sufficient to safeguard its own fundamental interests alone. This indicates that Tokyo's attempt to achieve the target related to high level interests while not worrying that its bottom line will be overstepped is probably based on the similar reason that Taipei dares to provoke Beijing, which is comparing power of the US-Japan alliance rather than that of Japan itself with that of China. In other words, it is the perception that fundamental interests are safeguarded by its powerful ally leads Japan to give more weight to promoting Taiwan's independence. However, there is still a possibility that US policy will not realize Japan's target but even damage some of its interests, and Tokyo will have to make a difficult choice between achieving its target alone and contracting its interest pursuit.

Chapter VII The Future of the Taiwan Issue: Perception of National Interests and Internal Restriction

By analyzing the policy evolution of all four actors in the Taiwan Issue, it is clear that each actor has its own expectation about how the issue will be resolved, while at the same time trying to ensure its bottom line will not be overstepped.

Table 7.1 Each actor's targets and relevant interests in the Taiwan Issue

Actor in Taiwan Issue	**Interest under Threat**	**Bottom Line**	**Interests to be Realized**	**Eventual Target**
Mainland China	Homeland security, sovereignty, territorial integrity	Preventing Taiwan from claiming *de jure* independence	Becoming a maritime power, increasing political influence	Achieving national unification and breaking through the First Island Chain
Taiwan	current *de facto* independence	Opposing cross-strait unification	Recognized by the international community as an independent sovereign state	Realizing its *de jure* independence
The United States	Security (of its base and allies), and political influence in the Asia-Pacific region	Opposing cross-strait unification	Enhancing global hegemony and containing potential challenges	Helping Taiwan to realize *de jure* independence, and promoting peaceful evolution in mainland China
Japan	Homeland security, social stability, and economic interests related to its maritime lifeline	Opposing cross-strait unification	Obtaining regional leadership position and increasing its military power to become a Normal State	Helping Taiwan to realize *de jure* independence, and incorporating it into Japan's sphere of influence

The relationship between relative power and these targets related to certain interest pursuit clearly defines each actor's real position in the issue, interpreting their behavior in the system level. However, in order to predict possible changes across the strait, especially how the mainland can achieve its national unification with Taiwan, it is necessary to analyze each actor's potential reaction to certain external pressure, which requires to pay more attention to the domestic level, examining actor's domestic state apparatus and its relations with the surrounding society. It should

be noted from the table 7.1 that each actor's interests involved in the Taiwan Issue are not at the same level. For the mainland and Taiwan, if their bottom line are overstepped, fundamental interests such as sovereignty are bound to be seriously damaged, causing a series of disastrous consequences to the authorities and society. Compared with the two sides across the strait, Japan's situation may be a little better. Although its fundamental interests will be also threatened if Beijing achieved unification, there is still some room for maneuver before the worst case taking place. At least, China's breaking the First Island Chain or obtaining more influence on significant maritime channels is not equated with directly damaging Japanese homeland security. But the US is the one in the most advantageous position, because none of its fundamental interest is under obvious threat. Considering that Chinese Navy is still unable to challenge US military presence in the region, it seems that the US military base and its allies are facing very limited dangers as long as the status quo is maintained. In these circumstances, attitudes of these actors' elites and society toward potential changes in the Taiwan Issue will be quite different. This actually implies that appropriate situations under which Beijing may realize unification will not appear unless these attitudes experience certain changes. For that reason, a comprehensive analysis about how each actor's authorities and society respond to the external pressure is necessary.

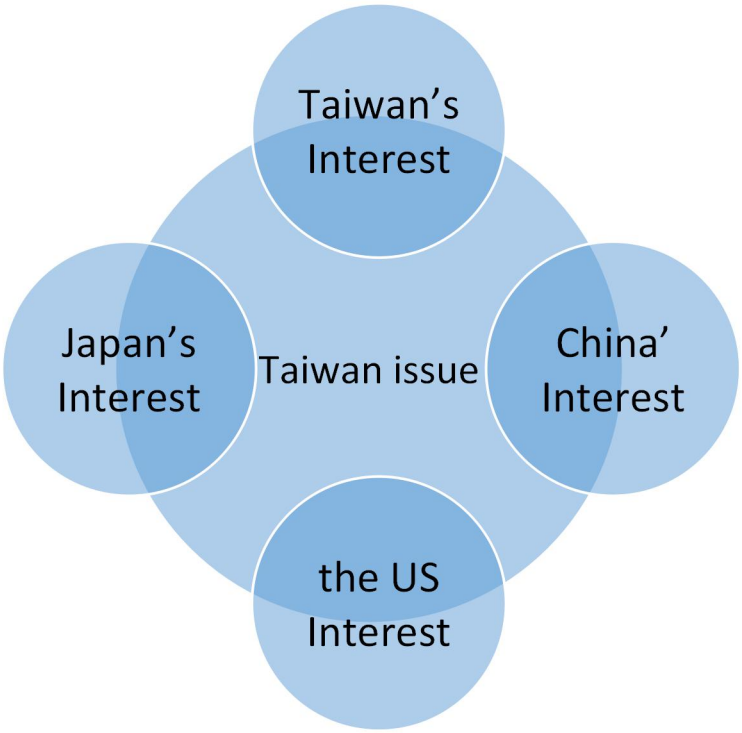


Figure 7.1 Each actor's interests in the Taiwan Issue are not at the same level

Identity Construction and Political Competition

To interpret state external behavior by analyzing its internal factors is the major research method of neoclassical realism, and some scholars have argued that this method is very suitable for researching the situation across the Taiwan Strait, believing that internal factors can explain why

serious security tension can break out within the context of increasing interactions among mainland China, Taiwan, and the United States[529]. For example, to refute the argument that maintaining the economic interdependence between countries can bring peace, scholars such as Jennifer Sterling Folker have noted that there are other variables of more importance in affecting bilateral relations, especially the joint function of state internal political competition and identity construction[530].

The identity construction and domestic level's political competition are related to each other. Establishing an identity actually means to draw a border between a particular person and others, and a number of people share one identity means to form a group[531]. Within a group, the most important thing is how the group's resources are allocated, because controlling allocation of resources is equivalent to controlling the group's decision making. Meanwhile, considering the fact that one group can be divided into several subgroups, it can be inferred that the most common phenomenon inside a group is the competition among its subgroups for the power of allocating the group's resources. Similarly, inside a country or a political entity, there are competitions for the power of national decision making among diverse political forces[532]. The more intensive this competition for controlling the resource allocation is, the worse the cohesion of the group will be. This is why the group has to constrain its own internal competitions. The most effective way is to strengthen the identity, improving the group's internal unity. Recognizing there are other groups which have evident difference compared with this group can largely promote the construction of this group's identity, implying that a group's establishment and behavior are inseparable from the existence of other groups and their behaviors[533]. In these circumstances, the group's identity construction, competition for power within the group, as well as the interaction between different groups are linked together, explaining why there are conflicts between two countries with economic interdependence.

According to this view, whether the Taiwan Straits can maintain peace and stability depends on the competition of internal subgroups for national decision making and the construction of identity in each actor involved in Taiwan Issue, rather than the development of economic and trade relations between any two actors. This makes the analysis of the Taiwan Issue more simplistic. There are two subgroups inside each actor, which may be not two political parties or the government and the Congress, but should be two political forces with opposite positions on the formulation of foreign policy. From David Sanger's point of view, one of these two subgroups is the so called "Boeing camp", who takes a moderate position and focuses on the economic benefit, hoping to promote economic interdependence with other countries. The other subgroup is the containment camp, who believes the former is too naive to notice the potential threats created by

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529 Jennifer Sterling-Folker. (2009). 4. In: Lobell S E, Ripsman N M, Taliaferro J W. Neoclassical realism, the state, and foreign policy. Cambridge: Cambridge University Press. p99.
530 Jennifer Sterling-Folker. (2009). 4. In: Lobell S E, Ripsman N M, Taliaferro J W. Neoclassical realism, the state, and foreign policy. Cambridge: Cambridge University Press. P104.
531 Franke Wilmer, The Social Construction of Man, the State, and War: Identity, Conflict, and Violence in the Former Yugoslavia (New York: Routledge, 2002), p. 69.
532 Jennifer Sterling-Folker. (2009). 4. In: Lobell S E, Ripsman N M, Taliaferro J W. Neoclassical realism, the state, and foreign policy. Cambridge: Cambridge University Press. P113.
533 Iver B. Neumann, Uses of the Other: 'The East' in European Identity Formation (Minneapolis: University of Minnesota Press, 1999), p. 35.

other countries, suggesting that government should take necessary actions to curb those threats[534]. When there are fluctuations in the bilateral relations, the subgroup with hardline position is likely to exaggerate the external pressure, obtaining more support from society to win the internal competition. This process is often accompanied with the reconstruction and strengthening of the national identity, which will reinforce social stability and unity, paving the way for the formulation of more tough foreign policies. It should be noticed that changes in the external situation, according to Folker, is the result of internal competition in another country, indicating that internal competition in one country will not only decide its own foreign policy making, but also affect other countries' external behavior[535].

This kind of argument has two problems. First, it ignores the fact that the effect of external pressure has already existed inside countries when political competition and identity construction are influencing the formulation of the country's foreign policy. In essence, the internal factors are constrained by external pressures rather than determine the policy making alone. Another problem is that the argument assumes that the Taiwan Issue only has two situations, which are peace when there are economic exchanges among each actor, and military confrontation when internal situations of one or more actors are changed. This means that it is either status quo or serious conflict, which has almost completely ruled out the possibility of finding appropriate conditions for cross-strait unification by analyzing domestic factors.

Internal Situations that Determine Each Actor's Position: An Analysis Based on Schweller's Theory of Four Domestic-Level Factors

This idea of using identity construction and its impact on domestic subgroups' political competition to interpret the formulation of foreign policy and even the state interaction does not examine all aspects of a country's internal situations. Indeed, identity and political competition are only parts of domestic political and social situation. By contrast, Schweller's theory for interpreting unbalancing can provide a more comprehensive analysis. This theory divides internal situations into four factors, which are elite consensus, elite cohesion, social cohesion, and government / regime vulnerability[536]. Elite consensus and cohesion can be regarded as the domestic political situation, and social cohesion covers most situation of society related to policy making, while regime vulnerability examines the relationship between state and society. Although Schweller's study seems to focus on external threats which are not appropriately balanced, these four factors have incorporated almost all international situations that can influence state behavior. Therefore, if analyzing elites and society's perception and reaction for various forms of external pressures, it is possible to explain most rational or irrational behavior of each actor in the Taiwan Issue in the post Taiwan Strait Crisis era.

Elite Consensus

This factor examines whether elites have the same perception of external pressure. Specifically,

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[534] David Sanger, "Interview," Frontline Special: Dangerous Straits, Exploring the Future of US–China Relations and the Long Simmering Issue of Taiwan. First aired October 2001, available at: www.pbs.org/wgbh/pages/frontline/shows/ china/interviews/sanger.html

[535] Jennifer Sterling-Folker. (2009). 4. In: Lobell S E, Ripsman N M, Taliaferro J W. Neoclassical realism, the state, and foreign policy. Cambridge: Cambridge University Press. P124-125.

[536] Schweller, Randell (2015). Unanswered Threats: Political Constraints on the Balance of Power. Beijing: Peking University Press. p13-15.

elites need to consider about the following questions:

Is there any external threat?

Do they have the same perception about the degree of this threat?

Can they reach an agreement about what measures should be taken to deal with the threat?

Can they accept the domestic political risks and costs caused by these measures[537]?

These questions can be summarized as whether elites can reach agreements on how to define and deal with external pressure.

According to previous chapters, it is clear that China's position on the Taiwan Issue is always opposing the separatist movements and promoting national unification. It is, therefore, hard to believe that Chinese political elites have any serious differences in their perception of such issue. Considering that almost no sign of unification has appeared by now, most elites agree that fundamental interests are doubtlessly facing serious threat from pro-independence forces in Taiwan and foreign intervention. Regarding the degree of these threats, Chinese elites' perception has evolved with changing international and domestic situation, which can be found in Beijing's policy evolution from seeking to take over Taiwan by force to focusing on containing separatist movements[538]. This change indicates that the degree of threat perceived by the elites has been raised, causing the government to take more effective measures to safeguard its interests. In essence, elites have realized that they should give more weight to fundamental rather than high level interests, and adopted a series of coercive policies such as promulgating the Anti-Secession Law as credible deterrence. This clearly shows that the mainland will take all necessary actions to oppose Taiwan's pro-independence movements[539]. It is noteworthy that the Anti-Secession Law also defines Beijing's bottom line, so the mainland will have almost no room to retreat if Taiwan formally declares its *de jure* independence. This means political elites have also reached consensus to accept the possible cost of tough measures.

Attitude of American political elites toward the rising China is complex. Primarily, many politicians believe that the United States should take a tough stance to curb the threat from China against the US global hegemony. But there are also many political and business elites who believe that the two countries can achieve a win-win cooperation because they have common interests in economic and security fields[540]. In such a case, disagreement between the US internal containment camp and the Boeing camp is quite obvious. However, it should be noted that when facing the Taiwan Issue, the US political elites have a clear consensus on opposing Beijing's pursuit of national unification because they all agree that if Taiwan falls into the hands of a hostile regime, a number of US interests in the region is bound to be seriously threatened[541]. US elites also have adjusted their perceived degree of the potential threat posed by the mainland's pursuit, realizing

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537 Schweller, Randell (2015). Unanswered Threats: Political Constraints on the Balance of Power. Beijing: Peking University Press. P54.

538 Tung C. An assessment of China's Taiwan policy under the third generation leadership[J]. Asian Survey, 2005, 45(3): 343-361.

539 Ji Y. China's anti-secession law and the risk of war in the Taiwan Strait[J]. Contemporary Security Policy, 2006, 27(2): 237-257.

540 Montgomery E B. Contested primacy in the Western Pacific: China's rise and the future of US power projection[J]. International Security, 2014, 38(4): 115-149.

541 Gilley B. Not so dire straits: how the Finlandization of Taiwan benefits US security[J]. Foreign Aff., 2010, 89: 44.

that Beijing's determination and strength against Taiwan's independence are both stronger than Washington once expected. This new recognition prompted the elites to identify their targets in the Taiwan Issue as "No Unification, No Use of Force, and No Independence", avoiding to use military intervention while strengthening US security ties with Taiwan, such as arms sales, to contain the mainland's pursuit[542]. This implies that US elites refuse to accept the cost of involving in a full scale military conflict with China. By contrast, on the premise of "No Use of Force", current measures to maintain Taiwan's *de facto* independence and to prudently promote Taiwan's *de jure* independence are rarely opposed by the mainstream of politicians, indicating that there is no dramatic disagreement among American elites on these measures' costs.

Like mainland China and the United States, it seems that Japan's political elites also have clear consensus when dealing with the Taiwan Issue. As detailed in the previous chapters, most Japanese politicians share a common position on recognizing Taiwan as a sovereign state while the Japanese government insists on respecting rather than accepting Beijing's One China principle[543]. In essence, compared with Washington's clear anti-independence rhetoric, Japanese elites are more inclined to see the realization of Taiwan's *de jure* independence. It should be noted that, because of the Normal State strategy, mainland China will be regarded by Japan's elites as a threat to Japanese fundamental and high-level interests even without the Taiwan Issue[544]. However, Tokyo's measures to deal with external pressures are almost all realized through the US-Japan alliance, which implies that elites' perception about the degree of such threat may be dramatically changed under certain circumstance[545]. Precisely, the military alliance with US has made elites more confident in defeating external threats, which may lead them to underestimate the degree of threat; meanwhile, dependence on the alliance also largely reduce the dangers and costs that the Japanese government may have to undertake. Within this context, elites that represent different classes or interest groups are more likely to reach a consensus. But once the alliance's behavior is not consistent with Tokyo's targets, the current consensus on the degree of threat, measures, and the cost will face serious challenge.

Compared with elites of other three actors, Taiwan's politicians are far from reaching any significant consensus. In this island, elites can be divided into two opposing groups: the pan blue camp represented by the KMT and the pan green camp represented by the DPP. Although both camps more or less agree that there is a pressure from the mainland, it is clear that they did not accurately realize the degree of this threat until the Third Taiwan Strait Crisis. Within the context of developing cross-strait contact and strengthening security ties with the US, Taiwan's elites had a consensus before 1995 that the mainland could not be an urgent threat. This perception was completely changed by Beijing's missiles firings and military exercises, and now most elites have to admit that certain decisions made by Taipei will provoke Beijing and lead Taiwan to face

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542 Freeman Jr C W. Preventing War in the Taiwan Strait: Restraining Taiwan: And Beijing[J]. Foreign Affairs, 1998: 6-11.
543 Peng-Er L. Japan-Taiwan relations: Between affinity and reality[J]. Asian Affairs: An American Review, 2004, 30(4): 249-267.
544 Mochizuki M M. Japan's shifting strategy toward the rise of China[J]. The Journal of Strategic Studies, 2007, 30(4-5): 739-776.
545 Peng-Er L. Japan-Taiwan relations: Between affinity and reality[J]. Asian Affairs: An American Review, 2004, 30(4): 249-267.

serious threat[546]. However, there remains difference between two camps regarding the degree of such threat. This is mainly because Taiwan's politicians prefer to use the strength of the US rather than Taiwan itself to compare with that of mainland China, believing that the US will not sit by if Taiwan suffers a military attack from the mainland[547]. The problem is that US tries to avoid its own involvement in a military conflict with China, so it is ambiguous about to what extent it will defend Taiwan. This is where difference emerges. More precisely, the pan green camp, especially those hardliners, tends to believe that no matter what change happens in the core level of Taiwan's mainland policy, the US will always keep its commitment to Taiwan's security, defending the island by using its powerful military forces in a timely and effective manner[548]. By contrast, the pan blue camp elites' attitude is relatively more cautious and pragmatic, emphasizing that Taiwan's security is bound to be seriously damaged once Taipei oversteps Beijing's bottom line, because the US is not willing to engage in a full scale warfare with mainland China to support Taiwan's *de jure* independence[549]. In essence, the degree of threat perceived by pan blue elites is higher than that perceived by the pro-independence forces.

This differences on threat's degree indicates that elites are difficult to reach consensus on how to deal with the threat. Most elites agree that Taiwan should continually strengthen its security ties with the US, preserving Taiwan's status in the US Asia-Pacific strategy. But elites from the pan blue camp also emphasize that Taiwan should not provoke the mainland, and according to the ROC Constitution, Taipei should support the One China principle and oppose Taiwan's *de jure* independence[550]. This measure will never be accepted by the pan green camp not only because they are confident of US military aid, but also because they cannot afford the cost of such measure. For the pro-independence forces, accepting One China principle and abandoning their separatist pursuit is equivalent to requiring the pan green parties, such as the DPP, to exercise self-denial. According to its party platform, realizing Taiwan's *de jure* independence is the key element of constructing the DPP's identity. Without this position, the DPP will find it has no essential difference from the KMT[551]. Obviously, such a huge cost has determined that the pan green parties will never accept the measure proposed by the KMT. Similarly, for the pan blue camp, completely accepting the pro-independence forces' measure and abandoning the One China principle will also lead to serious divisions inside the pan blue parties as their own identity are almost destroyed. In general, Taiwan's elites have very limited consensus on the threat and coping measures, unlikely to reach any further agreement because their different position on One China principle is irreconcilable.

Elite Cohesion

For elite cohesion, there are two extreme situations. One is that elites are divided into two completely opposing camps, which are defined by Schweller as the camp with extreme

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546 Christensen T J. Posing problems without catching up: China's rise and challenges for US security policy[J]. International security, 2001, 25(4): 5-40.
547 Swaine M D. Trouble in Taiwan[J]. Foreign Affairs, 2004: 39-49.
548 Dumbaugh K. Taiwan-US political relations: New strains and changes[C]. LIBRARY OF CONGRESS WASHINGTON DC CONGRESSIONAL RESEARCH SERVICE, 2006.
549 Ross R S. Taiwan's fading independence movement[J]. Foreign Affairs, 2006: 141-148.
550 Chu Y, Lin J. Political development in 20th-century Taiwan: State-building, regime transformation and the construction of national identity[J]. The China Quarterly, 2001, 165: 102-129.
551 Wu Y S. Taiwanese elections and Cross-Strait relations: mainland policy in flux[J]. Asian Survey, 1999, 39(4): 565-587.

nationalism and the camp in league with a foreign enemy[552]. The other is that most political elites belong to one dominant party, so they share same identity and work for the same target. The former situation means there is no possibility for elites to reach any compromise, while the latter situation implies that there may be no dissenting voice in the policy making process. Schweller believes that elites' situation in most countries lies somewhere between these two extremes, which means elites may be in different camps but they are still able to reach a compromise.

To analyze elite cohesion, following five questions should be taken into account:

Is there any competition for political power among elites?

Will some elites cooperate with external forces that is threatening the country to enhance their power?

Do elites have consensus on the degree of threat faced by different interests?

Do elites differ over the question which country they should ally with?

Do elites can reach a consensus that which target is worth for them to use scarce resources?[553].

This concept does look like elite consensus, but it is noteworthy that there is a very significant difference between them. For elite consensus, the key question is whether elites agree there is external threat, and on such basis, they can debate about how to deal with the threat. In other words, their consensus is established by their perception of the reality. But for elite cohesion, the point is whether domestic political competition is given higher priority compared with that external threat. This implies elites may agree there is an external threat, but when discussing how to deal with that threat, they will consider whether certain measures can help them to obtain more power or whether using scarce resources will be only beneficial to their opponents' victory in the election. Thus, a strong elite cohesion means the government tens to take effective measures to respond to international challenges while a weak cohesion among political elites usually implies the policy options for the government are very limited.

Mainland China's stance on the Taiwan Issue has never changed, indicating that there is no dissenting voice among elites against Beijing's pursuit of national unification. Although there is political competition among Chinese elites, this competition usually has little impact on Beijing's Taiwan policy, because the Taiwan Issue is related to the most fundamental interest of the country and can even affect the CCP regime's legitimacy and survival. Thus, no elite dares to abandon or question the pursuit of national unification[554]. Some western scholars even argue that Chinese political competition can lead Beijing to give more weight to coercive measures rather than peaceful exchanges because hardline policy will receive more support from the society[555]. In these circumstances, it is almost impossible for Chinese elites to cooperate with external forces which seek to block unification, because that will weaken rather than raise their power. It is also clear

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552 Schweller, Randell (2015). *Unanswered Threats: Political Constraints on the Balance of Power*. Beijing: Peking University Press. P63.

553 Schweller, Randell (2015). *Unanswered Threats: Political Constraints on the Balance of Power*. Beijing: Peking University Press. P63.

554 Zhao S. China's pragmatic nationalism: is it manageable?[J]. The Washington Quarterly, 2005, 29(1): 131-144.

555 Garver J W. Face off: China, the United States, and Taiwan's democratization[M]. University of Washington Press, 2011.

that as long as the pro-independence forces refuse to abandon their separatist pursuit, the threat facing Chinese fundamental interests such as homeland security and national unity is hard to be ignored. According to China's increasingly strong response to provocations made by the DPP, this threat has obviously prompted elites to reach a consensus on how to use scarce resources[556]. Furthermore, elites also have little disagreement on who can be regarded as Beijing's ally in the Taiwan Issue, because there is a basic request that the country or group must support the One China principle and oppose Taiwan's independence. Many countries may meet the request and have created a seemingly appropriate international environment for Beijing to safeguard its interests, but they usually cannot provide any effective aid to China for opposing Taiwan's independence. For other three actors, Taiwan's pro-independence forces and Japan cannot meet this request, while the US double deterrence policy contains pro-independence forces' dangerous behaviors, making Washington become a temporary ally of Beijing under certain circumstances. By contrast, the pan blue camp, which publicly support One China principle, is doubtlessly the most reliable ally of Beijing when Chinese elites try to safeguard fundamental interests, but it is also noteworthy that this ally shows little interest in promoting national unification[557]. In essence, if each actor maintains its current situation, Beijing actually has no ally for achieving its eventual target.

Compared with China, political competition among American elites is more obvious, and this competition does influence the US policy regarding the Taiwan Issue. One example is the Clinton Administration's compromise with the Congress to allow Lee Teng-hui to visit the US, which is viewed as an effort to reduce resistance against his own reelection[558]. However, a more important reason that Clinton made that decision is then US government's inaccurate perception of relative power made it underestimate Chinese potential reaction towards Lee's visit[559]. In other words, the role played by internal political competition in formulating hardline policy toward China may be not decisive. Meanwhile, the fact that Washington never openly supports Taiwan's *de jure* independence but tries to avoid involving in any direct military conflict with China has indicated that the US does not have sufficient power to realize its eventual target and still needs necessary support from its allies to deal with potential pressures caused by Chinese military deterrence[560]. There is little question that US efforts in strengthening its military alliance with Japan and in improving political and security ties with Taiwan has shown who are the US allies in the Taiwan Issue. Considering that Chinese national unification may damage US security interests and political influence in the Asia-Pacific region and even threaten US global hegemony, elites should have little disagreement on how to use the country's scarce resources. The problem is those threats are often caused by Taiwan's pro-independence forces' activities that oversteps Beijing's bottom line, which implies that Washington may have to make its choice between deterring the mainland from attacking Taiwan and curbing Taiwan's audacious behavior of promoting its *de jure*

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556 Lieberthal K. Preventing a war over Taiwan[J]. Foreign Aff., 2005, 84: 53.
557 Bellows T J. The anti‐secession law, framing, and political change in Taiwan[J]. Asian Journal of Political Science, 2005, 13(2): 103-123.
558 Lin G. The changing relations across the Taiwan Strait[J]. Interpreting US-China-Taiwan Relations: China in the Post-Cold War Era, 1998: 138-9.
559 Lampton D M. China and Clinton's America: have they learned anything?[J]. Asian Survey, 1997, 37(12): 1099-1118.
560 Medeiros E S. Strategic hedging and the future of Asia‐pacific stability[J]. The Washington Quarterly, 2005, 29(1): 145-167.

independence. In other words, if certain behavior seemed harmless enough by US is proved to be changing the status quo, American elites may have disagreements on which target should be given priority.

In recent years, the political competition in Japan was fierce, which has led to frequent changes of Prime Minister in the government[561]. However, this competition seems to have little impact on Japan's position on the Taiwan Issue. According to the content of Constitutional Amendments promoted by most political parties and the words and deeds of various pro-Taiwan organizations, political competition has caused no obvious disagreement among elites on Japan's Taiwan policy, and the situation that some elites may make a huge compromise with Beijing to obtain power is very unlikely to happen[562]. No one will deny that a few politicians have been maintaining a relatively friendly stance toward China, wishing to develop bilateral economic exchanges and trying to ease current tensions between the two countries. But there is no evidence that these politicians' position on Taiwan Issue is different from those who are more hostile to China's rise. In fact, like the situation facing American elites, abandoning support for Taiwan's independence and cooperating with Beijing cannot help Japanese politicians to win their political competitions. Meanwhile, threat to most Japanese interests involved in the Taiwan Issue is caused by the mainland's pursuit of achieving national unification. The more influence that mainland China has on Taiwan, the more seriously that Japan's fundamental interests are threatened. In such a case, elites have no need to debate on the usage of the country's scarce resources but just focus on opposing China's policy and behavior for prompting unification. Apart from that, continuously strengthening the US-Japan alliance proves that Japanese elites have no disagreement on choosing their ally[563]. And it is noteworthy that the powerful ally has reduced the possibility of using too much Japan's own scarce resources, which is also beneficial to the country's elite cohesion.

The cohesion of Taiwan's elites is much "lower" compared with other three actors. First of all, internal political competition has direct and serious influence on Taiwan authorities' mainland policy making, especially the definition of cross-strait relations. In the political transformation process, the pan green politicians usually used mainland policy as a prime subject for campaign manipulation, obtaining high support rate by promising to promote Taiwan's independence, while the pan blue politicians were criticized by these pro-independence forces for "betraying Taiwan" because they upheld the One China principle[564]. This intense competition leads Taipei's position to be seriously changed when the power is transferred between these two opposing camps, which doubtlessly creates huge negative impacts on the stable development of cross-strait relations[565]. According to the DPP, the KMT and other pan blue parties' cooperation with the mainland should be regarded as bartering away Taiwan's sovereignty. In fact, this kind of cooperation did enhance the KMT's chance to win the 2008 and 2012 elections, which made Taiwan look like the first

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561 Zhao Yuanping. (2012). Research on the Frequent Change of Japanese Prime Minister. *China Foreign Affairs University*. 1 (1), p24-41.
562 Blumenthal D. The Revival of the US-Japanese Alliance[J]. AEI Asian Outlook, 2005.
563 Xinbo W. The security dimension of Sino-Japanese relations: warily watching one another[J]. Asian Survey, 2000, 40(2): 296-310.
564 Lin C. The political formation of Taiwanese nationalism[J]. Memories of the Future: National Identity Issues and the Search for a New Taiwan, 2002: 219-241.
565 Wu Y S. Taiwan's domestic politics and cross-strait relations[J]. The China Journal, 2005 (53): 35-60.

extreme case mentioned by Schweller. However, it is noteworthy that the KMT is also constrained by the electoral system, which means all their concessions to Beijing have to be tested by the ballot box. In such a case, they cannot meet Beijing's demand for reunification, because if they satisfy Beijing on that point, they will lose the majority of Taiwanese people and therefore suffer a defeat in the election. Moreover, the argument that KMT's true position is in line with Beijing's pursuit is inaccurate and even misleading because there is only limited consensus between Beijing and the KMT on opposing DPP's pursuit of Taiwan's *de jure* independence. For example, the KMT has a different interpretation of the One China principle, insisting that One China means the ROC and its legal representative is the ROC government[566]. In these circumstances, it is almost impossible for KMT to accept Beijing's "one country, two systems" because that will transform Taipei into a local government. This is why the KMT showed little interest to start political negotiation with Beijing but focused on maintaining peace and stability across the strait during the period of the Ma Ying-jeou administration. In a word, no matter as the ruling party or the opposition, the KMT prefers to cooperate with the mainland mainly for opposing the pro-independence forces' words and deeds. It may benefit from this cooperation in its political competition with the DPP, but such cooperation has never overstepped Taiwan's bottom line of maintaining its current *de facto* independence, and whether this cooperation can help KMT to win political competition is also seriously questioned after the DPP won Taiwan's presidential election in 2016[567].

This intense competition does not hamper two opposing groups in Taiwan to reach a consensus on choosing Taiwan's ally. Both the KMT and the DPP agree that US-Taiwan relations is the most significant part of Taiwan's diplomatic issues, and the formulation of Taiwan's mainland policy should be based on the power comparison between the US and China, believing that US will defend Taiwan[568]. Meanwhile, Taiwan's interests which are under threat, such as *de facto* independence and security, are all fundamental interests. As a political entity that has not realized its own *de jure* independence and is not recognized by the international community as a sovereign state, there is no high level interest that Taiwan needs to concern. But even within this context, Taiwan's elites still have not reached agreement on how resources should be used because of their different opinions about the degree of threat to different fundamental interests. Obviously, the pan green camp tends to spend more resources on seeking Taiwan's *de jure* independence, while the KMT insists that more efforts should be taken to maintain a stable cross-strait relations. However, regardless of how much resources are used in safeguarding Taiwan's security, what actually contains the mainland's threat is the US military intervention. This implies that Taiwan's elite cohesion may be largely raised if Washington adjusts its commitment to Taiwan's security. Without the powerful ally's effective protection, elites from different camps will eventually reach a consensus on the degree of threat to Taiwan's security and agree to spend Taiwan's scarce resources in maintaining peace and stability across the strait.

Government Vulnerability

The government / regime's vulnerability, according to Joe D. Hagan's view, refers to the

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566 Ross R S. Taiwan's fading independence movement[J]. Foreign Affairs, 2006: 141-148.
567 Chang A C. The 2016 presidential and legislative elections in Taiwan[J]. Electoral Studies, 2016.
568 Chen E I. The Security Dilemma in US-Taiwan Informal Alliance Politics[J]. Issues & Studies, 2012, 48(1).

possibility that the government leader has to step down[569]. This factor examines, as Schweller noted, the relationship between the state and the society in a particular moment, especially the social cost the government has to face when making tough foreign policy. More precisely, this cost determines whether political leaders can receive broad support from society in the policy making process, extracting and directing enough national resources to put their foreign policy into practice. The extreme situation is a hardline policy that requires huge material and human resources arouses strong social discontent and finally leads the current leader to step down.

According to Schweller, the analysis of the relationship between regime and society should focus on three important issues: the society's perception of regime's legitimacy, the degree of social support to the government's policy, and the regime's ability to resist social constraints or interference.

After Beijing adopted the policy of reform and opening up in the late 1970s, several western scholars believed that the legitimacy of the CCP regime was facing seriously challenge[570]. However, there are also studies suggesting that the current Chinese government enjoys "a moderately high level of affective support", which means that citizens' support for the regime's legitimacy is not declining[571]. Compared with them, a more common view is that challenges facing the CCP regime's legitimacy have been moderated by the strong nationalist sentiment in China's society, which is closely linked with the government's ability in maintaining rapid economic development and improving people's standard of living[572]. This view implies that once the economic growth slows down, the social support for the government will also decline and therefore the regime's legitimacy will be more and more questioned. The reality may be even more complex. For example, it is clear that Chinese economic fluctuation is not the reason why there are dissidents who seem discontent with the rule of the communist party and separatist forces which are planning ethnic separatist activities. However, although there are voices questioning the regime's legitimacy, it seems that society remains firm support for Chinese government's hardline policy of opposing Taiwan's independence. This may be because the strong nationalism in Chinese society can never tolerate Taiwan's *de jure* independence and maintains a high expectation for achieving unification[573]. Within this context, most tough measures adopted by

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569 Hagan J D. Regimes, Political Oppositions, and the comparative analysis of foreign policy[J]. New directions in the study of foreign policy, 1987: 346.

570 Ding X L. The decline of communism in China: legitimacy crisis, 1977-1989[M]. Cambridge University Press, 2006.

571 Chen J, Zhong Y, Hillard J, et al. Assessing political support in China: Citizens' evaluations of governmental effectiveness and legitimacy[J]. Journal of Contemporary China, 1997, 6(16): 551-566.

572 SCHUBERT* G. One-Party Rule and the Question of Legitimacy in Contemporary China: preliminary thoughts on setting up a new research agenda* Gunter Schubert, Ph. D., is Chair Professor of Greater China Studies at the Institute of Chinese and Korean Studies, University of Tuebingen, Germany. His research focuses on political and social developments in Greater China, local governance reform in the PRC, cross-Strait relations, Chinese and Taiwanese nationalism and East Asian regionalism. He can be reached at gunter ...[J]. Journal of Contemporary China, 2008, 17(54): 191-204.

573 Friedman E. Chinese nationalism, Taiwan autonomy and the prospects of a larger war[J]. Journal of Contemporary China, 1997, 6(14): 5-32.

the government to deal with the Taiwan Issue can easily receive positive responses from the society. This is why some western scholars with a pro-Taiwan stance have argued that Chinese nationalism will threaten Taiwan's political independence and undermine peace and stability in the region[574]. Apart from this high social support for Beijing's Taiwan policy, it is also noteworthy that when facing natural disasters or major accidents, the Chinese government can always react in a timely manner by sending troops to perform rescues without assistance from the society. This phenomenon indicates that the government's control of social resources is so strong that there is almost no need to conduct large scale social mobilization. Considering CCP's absolute leadership over the PLA, as well as state owned enterprises' control of the country's economic lifeline, it can be concluded that the Chinese government is not vulnerable to social interference when formulating tough foreign policy.

However, there is also negative impact created by society on Chinese government's Taiwan policy making. Although many scholars believed that economic growth has replaced communist ideology as the foundation of maintaining social support, Chinese leaders still emphasized their regime is legitimate because the party is the representative of most Chinese people and defender of Chinese national interests. This indicates that the regime's legitimacy will be seriously damaged if the society believes Beijing fails to safeguard significant interest. In such a case, the government is forced to take necessary actions to prevent Taiwan from declaring independence, rather than constrained by society in extracting human or material resources. Faced by rising nationalism, Beijing does not need to use Taiwan to strengthen social support, but has to concern uncontrolled nationalist behaviors which can constrain its policy options. This is often ignored by western scholars who believe that Beijing has promoted and benefited from the development of nationalism[575]. For example, Christensen once argued that since the Chinese Communist Party is no longer "communist", it must be more "Chinese"[576]. Allen S. Whiting also stated that whether Chinese nationalism would be confident, assertive, or aggressive, is dependent on the Chinese government's perception of its own vulnerability[577]. But the fact is that society plays a more significant role than government in the rise of nationalism. Whenever the society believes that China's national interest or dignity is damaged, it will generate and promote a strong protest, without considering whether the movement is consistent with government's target. This usually makes Beijing in a dilemma when dealing with the Taiwan issue. If the government does not respond positively to nationalist behavior, it will face the risk of being perceived by the society as too soft. But satisfying the nationalist demand by formulating tough policy toward Taiwan and its allies is likely to intensify the conflict and create more tensions across the strait. Neither will promote Beijing's pursuit of national unification.

As a country that has tried to prompt other countries to copy its own democratic political system, the US government's legitimacy is very unlikely to be questioned by its domestic society, although its foreign policies are usually tougher than those of other actors. When analyzing the degree of

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574 Friedman E. Chinese nationalism, Taiwan autonomy and the prospects of a larger war[J]. Journal of Contemporary China, 1997, 6(14): 5-32.
575 Zhao Shuisheng. (1995). China's Pragmatic Nationalism: Is It Manageable?. *The Washington Quarterly*. 29 (1), p132.
576 Thomas Christensen. (1996). Chinese Realpolitik. *Foreign Affairs*. 75 (5), p46.
577 Allen S. Whiting. (1983). Assertive Nationalism in Chinese Foreign Policy.*Asian Survey*. 23 (8), p913-933.

social support for US hardline policy, it should be mentioned that unlike the mainland, Japan, or Taiwan, the US is the only actor in the Taiwan Issue that has experienced warfare with other countries in past decades. These coercive policies have doubtlessly consumed many social resources and even caused a large number of casualties, which finally led to a decline in approval rating of then US government[578]. But in the face of increasing social protest, Washington did not withdraw its troops until realizing its target of overthrowing those hostile regimes, which seemingly indicated that the US government was not restricted by the social pressure. However, when examining how much burden a hardline policy can impose on society and how strong a social restriction can be aroused by that burden, the relative power still needs to be taken into account. Precisely, those enemies' strength have been proved to be far weaker than that of the United States, so the government's demand for social resources did not reach the degree that would cause fierce opposition from US society. In other words, the government could afford the cost to achieve its targets in those wars and therefore did not impose too much burden on the society. But the situation will be completely different if the US decides to take military actions against China to defend Taiwan, which will force the US government to extract far more social resources compared with what it needed in previous warfare and is bound to raise the degree of social protest. According to the history that Washington has always tried to avoid to involve in any direct military conflict with China since it began to intervene in the cross-strait situation in the 1950s, it seems that US elites are not sure about the government's ability to resist such fierce social constraint. In a word, the US government is not vulnerable to the social constraint when making tough foreign policies, but this is mainly because it can afford the cost of achieving those targets which did not impose tremendous burden on the society.

For Japan, the situation is only slightly different. As one of the earliest Asian countries that have accepted the western democratic system, the legitimacy of Japanese regime has never been questioned by its domestic society in the post war era. But the public does not seem to support the government's security policy related to constitutional amendment. Every time when Tokyo preferred to abandon its Peace Constitution by taking various efforts to promote Japanese overseas military actions, there was always strong protest from the Japanese society[579]. But these protests did not pose any substantial effect on the relevant government decisions, which seemed to indicate that Tokyo's policy making was not constrained by the domestic social pressure. However, the fact is that almost all Japanese hardline policies were put into practice through the actions of US-Japan alliance, which means that most cost has been imposed on Japan's powerful ally rather than its own government or society. In these circumstances, the Japanese government did not need to conduct any social mobilization, which explained why those protests were not strong enough to become serious constraint[580]. This means as long as the US-Japan alliance exists, the Japanese government will not be vulnerable to domestic social interference. In other words, without US-Japan alliance, the Japanese government's tough foreign policies are bound to arouse stronger social protest because elites will have to use large scale mobilization to extract more resources

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[578] Li Weijian. (2007). The Readjustment of U.S. Middle East Policy After the Mid-term Election: Possibility and Limitation . *Arab World Studies* . 1 (1), p14-20.
[579] Hughes C W. Japan's post-war security trajectory and policy system[J]. Adelphi Papers, 2004, 44(368-369): 21-40.
[580] Fouse D B. The role of antimilitarism in postwar Japanese political legitimacy[D]. University of Hawaii at Manoa, 2002.

from the society, which may provide more opportunities for the society to constrain the state's external behavior.

After the 1980s, Taiwan successfully established its own democratic political system in the political transformation, which made the authorities' legitimacy face few problems compared with previous authoritarian regime. To a certain extent, Taipei even has a better situation than Tokyo because political transformation has led most Taiwanese people to abandon their Chinese identity and wish to maintain Taiwan's *de facto* independence, which means society usually supports the authorities' stance on opposing Beijing's pursuit of unification[581]. The problem is, within the context that Taiwan relies on US military intervention rather than its own social resources to contain China's pressure, the current situation that Taiwan's society has not created any serious constraint on Taipei's stance is not very meaningful. In fact, considering that social forces especially undergraduate students have forced the government to make concessions in several domestic policies by large scale demonstration or even intruding into government building, the Taiwan authorities is actually very vulnerable to social constraints[582]. Even though the democratic political system has been established for years, its authority is not fully respected by the society. Social forces seem to believe they have the right to refuse the outcome of democratic government voted by themselves, which means they can challenge or oppose policies made the government as long as they are not content with these policies. And social forces, especially young people of new generation tend to use large scale of manifestations rather than patiently choosing a representative to propose certain policy in the congress to achieve their end, forcing the government to make concession by adjusting or even abandoning its previous policies to satisfy the society. This is why then KMT authorities' policy for developing cross-strait economic cooperation faced so strong opposition that the Ma Ying-jeou administration had to give up the negotiation with Beijing about cross-strait service trade agreement[583]. Taiwanese people argued that they did not benefit from this kind of policy, criticizing that the current distribution of economic benefit in society was unfair and therefore they had no motivation to support Taipei to promote cross-strait economic exchanges. Furthermore, the society also worried that these cross-strait economic cooperation will raise the influence of the mainland on Taiwan's economy, making Taiwan more dependent on the mainland and therefore seriously damaging Taiwan's *de facto* independence. In the face of this strong social opposition, most policies made by then KMT authorities for promoting economic exchanges with the mainland such as cross-strait economic cooperation framework agreement (ECFA) cannot be completely put into practice, and this also implies Beijing's effort for raising its influence on Taiwan's economy only generated very limited effect for winning over hearts and minds of Taiwanese people. But this strong social restriction does not mean the society provides sufficient support to pro-independence forces' pursuit of realizing Taiwan's *de jure* independence. Compared with those hardliners in the pan green camp, most Taiwanese people are relatively pragmatic about the security threat from the mainland, and the only reason that no political leader has stepped down due to his or her dangerous provocation against Beijing is that Washington does

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581 Huang L L, Liu J H, Chang M. 'The double identity'of Taiwanese Chinese: A dilemma of politics and culture rooted in history[J]. Asian Journal of Social Psychology, 2004, 7(2): 149-168.
582 Rowen I. Inside Taiwan's Sunflower Movement: Twenty-Four Days in a Student-Occupied Parliament, and the Future of the Region[J]. The Journal of Asian Studies, 2015, 74(01): 5-21.
583 Wang Min. (2016). Review the Economic and Trade Relations between the Two Sides in 2015. *Modern Taiwan Studies*. 1 (3), p14-17.

not adjust its commitment to Taiwan's security. In such a case, there is little question that the society is able to force Taipei, even when it is controlled by pro-independence forces, to make significant change in its definition of cross-strait relations if Washington changes its position. In essence, for both Japan and Taiwan, regardless of whether there is true social support for their tough policies, the relationship between the authorities and society has not been severely tested. Therefore, both regimes' abilities to resist social interference are questionable.

Social Cohesion

The last factor is social cohesion, reflecting the ease with which individuals or subgroups within the society can be united. It is usually believed that this factor will be largely enhanced when there is external threat[584]. Precisely, when facing serious external threat such as an invasion, people will tend to put aside their conflicts with each other and their discontent with the government, uniting together to resist the aggression. This implies that even if there is no real external threat, the authorities can still reduce social discontent and therefore stabilize political situation by "creating" a foreign enemy through propaganda[585].

However, external threat does not always play the role of increasing social cohesion. Sometimes they may exacerbate existing conflicts within the society, leading to more disagreements among different subgroups and even serious social unrest. Therefore, whether an external threat can enhance social cohesion is conditional on certain situations. In the view of L. A. Coser, the first situation is the degree of social cohesion before the external threat appears[586]. In other words, whether the identity construction in this country is stable. Although subgroups in the country have their own group identity, members of those subgroups must agree that national identity is their most significant and supreme identity, otherwise the social cohesion will be very weak if people first identify themselves as members of a subgroup rather than citizens of the country. For example, members of ethnic minorities or from the bottom layer of society who believe that they have been treated unfairly or even oppressed, may regard a serious external threat as their opportunity to improve their own situation. Consequently, these people may openly oppose the government to take active measures to balance the external threat, making it difficult for elites to conduct social mobilization. Meanwhile, a few subgroups are reluctant to actively resist external threat also implies there is another situation should be taken into account before arguing whether the external threat can enhance social cohesion, which is the influence area of external threat in the society. It is not difficult to understand that an external threat influencing the whole society or parts of the society or only a few certain subgroups, will lead to different reactions from subgroups in the society. If it is confirmed that the enemy's purpose is to destroy the whole country or enslave everyone in the society, most subgroups including those who believe they have been treated unfairly will have no alternative but rise up against the enemy for everyone's own survival[587]. By contrast, if certain subgroups believe the threat has no direct impact on them, or their own situation is unlikely to become worse if the country fails to defeat the aggression, they

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584 Simmel G. Conflict: Translated by Kurt H. Wolff. The Web of Group-affiliations. Translated by Reinhard Bendix,(by) Georg Simmel. With a Foreword by Everett C. Hugues[M]. Free Press, 1964.
585 Schweller, Randell (2015). *Unanswered Threats: Political Constraints on the Balance of Power*. Beijing: Peking University Press. P59.
586 Coser L A. The functions of social conflict[M]. Routledge, 1956, p92-93.
587 Schweller, Randell (2015). *Unanswered Threats: Political Constraints on the Balance of Power*. Beijing: Peking University Press. P61.

may give no positive response to state's mobilization. And finally, the relationship between the external threat and the social cohesion is also influenced by society's confidence in defeating this threat[588]. If the enemy is too powerful and makes most people believe their resistance is useless, the society may not oppose a temporary surrender as long as the cost is acceptable. But excessive confidence in defeating an external threat is also not good for enhancing the social cohesion. The prospect that the threat will be easily defeated can hardly prompt subgroups to put aside their disputes and unite together to fight against the enemy. This is similar to the situation in international relations: without common security threat, reaching compromise and promoting cooperation with other countries will become less necessary. In such as case, the state may wish to maintain the social confidence in defeating external threat at an appropriate degree in order to enhance the social cohesion.

For China, its humiliating history of suffering foreign invasions and ceding territory and paying indemnities, its past military conflicts with the US and several neighboring countries, and a series of unexpected events such as the collision between a US spy plane and a Chinese jet fighter over the South China Sea in April 2001, have all contributed to increasing society's perception of threats[589]. In these circumstances, Chinese society is bound to be very sensitive to any new conflict breaking out in the Taiwan Strait, which means its social cohesion will be largely enhanced by external threat. In fact, China's public attitude toward the US and many other great powers is not moderate, and there is a strong resentment against those injustices caused by the US and its allies which have damaged Chinese interests. The only exception may be separatist forces inside the mainland, who regard military conflict between China and an external threat as their best opportunity to achieve ethnic separation, believing they will not suffer any negative influence[590]. However, the words and deeds of these separatist forces are usually not accepted by most subgroups in the society but actually raise their fears about the potential consequence they will have to face if those separatists achieve their end. In other words, separatist activities have reinforced the social cohesion. Meanwhile, although Chinese people have a keen ambition for national reunification, they also agree that the US and its military alliance with Japan are more powerful than China. In such a case, they will put aside their disagreements and unite together when there is a military conflict breaking out in the Taiwan Strait.

Because of the competition between the two countries in economic and political areas, Japanese society is very hostile to the rising China, recognizing its powerful neighbor as one of Japan's major security threats. Although there is a strong voice in Japanese society that disapproves of abandoning the Peace Constitution and promoting rapid rearmament, most people have never questioned their national identity. Meanwhile, considering that Japan's maritime lifeline will be affected if the mainland tries to achieve unification by force, politicians who support Taiwan's independence will easily make the whole society believe it is under the influence of such threat,

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588 Schweller, Randell (2015). *Unanswered Threats: Political Constraints on the Balance of Power*. Beijing: Peking University Press. P59-60.

589 Kaufman A. The "Century of Humiliation" and China's National Narratives[J]. Testimony before the US China Economic and Security Review Commission, Hearing on "China's Narratives Regarding National Security Policy," March, 2011, 10.

590 Shichor Y. Blow up: internal and external challenges of Uyghur separatism and Islamic radicalism to Chinese rule in Xinjiang[J]. Asian Affairs: An American Review, 2005, 32(2): 119-136.

and therefore largely enhance the social cohesion[591]. However, it is also noteworthy that society's perception may be adjusted, because what Beijing really tries to realize is national unification and capability of better defending China's coastal security, rather than attacking Japanese territory or threatening its social stability. This indicates that influence caused by China's coercive actions on Japan's society may be limited, and cross-strait unification will only lead interests of specific subgroups in Japan's society, especially those with strong stance on supporting Taiwan's *de jure* independence, to be threatened. In such a case, it is difficult to predict the cohesion of Japan's society will be reinforced to what extent. Furthermore, the situation of Japanese society's confidence in defeating potential threat from China is also ambiguous, because such confidence is more or less dependent on the US-Japan alliance rather than Japan's own strength. This may lead to excessive confidence of Japanese people, making them believe that the mainland's military action will be quickly contained by the US-Japan alliance, and therefore contribute little to enhance the social cohesion[592]. However, if Washington's target differs from that of Tokyo when dealing with military conflict with the mainland, raising the security pressure facing Japan, the society's confidence will be reduced, which may reinforce the social cohesion. In essence, compared with influence of threat or the identity construction in the society, the US position plays a more important role in shaping Japan's social cohesion.

Social cohesion in Taiwan has been weakened but then continuously strengthened in the identity reconstruction process promoted by political transformation. More precisely, the de-Sinification movements tried to replace the previous Chinese identity with Taiwanese identity, which effort weakened Taiwan's social stability. But with more and more people identifying themselves as Taiwanese rather than Chinese, social cohesion was raised again. However, it is also noteworthy that the existence of pan blue camp which upholds the One China principle and the fact that Taiwan's society refuses to take risks to declare *de jure* independence because of its pragmatism both imply that there remains a little room for Chinese identity. In fact, there have appeared political forces which not only oppose Taiwan's independence but even openly support the cross-strait unification. For example, the Chinese Unionist Party once waved the PRC national flag in its group activity in Taipei in 2016, surprising the pro-independence forces and the whole Taiwan society within the context that the DPP has already won the presidential election[593]. This kind of behavior has never been observed in the period of political transformation, implying that social cohesion has not been reinforced by Taiwanese identity to the extent that can provide sufficient support expected by the pro-independence forces. Meanwhile, Taiwanese identity is also related to subgroups or individual person's perception of influence of unification. What the mainland wishes to realize is territorial integrity, rather than avenging its old enemy in the previous civil war, which means there will be no massacre in Taiwan's society even the PLA is facing strong protest. Thus, the real influence on Taiwan's people is the change of their identity and the negation of their regime's legitimacy. Within the context that most people have accepted

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591 Jiang Wenran. (2004). The Japanese Assessment of the 'China Threat'. In: Ian Storey，Herbert Yee *The China Threat: Perceptions, Myths and Reality*. London: Routledge Curzon. p152-167.
592 Finnegan M. (2009). *Managing Unmet Expectations in the US-Japan Alliance*. Seattle: National Bureau of Asian Research. p1-26.
593 VOA. (2016). *Five-Starred Red Flag (the national flag of the People's Republic of China) Appeared in Taipei.* Available: http://www.voacantonese.com/a/news-5-stars-flags-raised-in-downtown-taipei-20160627/3395120.html. Last accessed 28th June 2016.

Taiwanese identity and regard Taiwan as an independent sovereign state, the whole society is influenced by the threat of unification, and therefore the social cohesion will be further raised by the mainland's coercive actions. Like Japan, Taiwan's society is confident that China's military actions will be eventually defeated by the US[594]. But considering that it is the nearest to the mainland compared with the other actors, it is impossible for Taiwan to completely avoid damage caused by military conflict with China, which should also enhance its social cohesion. However, this confidence is very fragile because of Taiwan's limited power. Unlike Japan which may be able to defend its own interest even without US support, Taiwan's *de facto* independence will definitely disappear if there is no US intervention when Beijing decides to take over the island by force. This means US action to defend Taiwan must be very effective, otherwise the island's confidence in defeating external threat will be seriously shrunk even in a low intensity of military conflict, and the society may gradually recognize the unification as an outcome not extremely unacceptable. There may be more subgroups taking the same position as Chinese Unionist Party, abandoning resistance and accepting the Chinese identity. In general, Taiwan's current social cohesion seems high but also very dependent on the US behavior in the potential cross-strait military conflict.

Compared with the mainland, which has to deal with separatist problems, and Taiwan, which has experienced identity reconstruction, the US has a more stable national identity supported by its society. It is hard to believe that members of those subgroups which protest certain policies of the US government may give up their national identity. Meanwhile, it may be not easy to analyze American society's perception of external threat's influence, because the country's fundamental interests are not under such threat in the Taiwan Issue. Compared with other three actors, the worst situation that US will face if it does not successfully resolve the Taiwan Issue is not disastrous. More precisely, if Taiwan falls into the hands of a regime that is hostile to the United States, it may threaten US security interests and political influence in the Asia-Pacific region, but Washington has no need to worry about its maritime lifeline, sovereignty and homeland security, or downgrade of its regime's political status. In fact, although the mainland's high level interests, such as breaking through the First Island Chain, are likely to be achieved if it has realized national unification with Taiwan, the Chinese Navy still has to face the Second Island Chain and is unable to pose a direct threat to US homeland security[595]. In these circumstances, the influence caused by this external threat in the Taiwan Issue on the US society is significantly less than that caused by terrorist attacks. Therefore, the mainland's coercive actions may play a very limited role in enhancing US social cohesion. Moreover, as the only superpower in the world, the US power is far stronger than that of the rising China, which also makes US society have sufficient reason to believe that their country will achieve the final victory in any military conflict with China. Consequently, the public and social subgroups are unlikely to unite together as they did when facing a terrorist threat. In other words, unlike Taiwan whose social cohesion may be strengthened by external threat but is very vulnerable to the changing international situation, the US social cohesion is too stable to be largely reinforced by Chinese pursuit of national unification.

Under What Circumstances China May Achieve Reunification

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[594] Ross R S. The stability of deterrence in the Taiwan Strait[J]. The National Interest, 2001 (65): 67-76.

[595] Wong E. Chinese military seeks to extend its naval power[J]. New York Times, 2010, 23.

After analyzing situation of elites and society in each actor, it is not difficult to realize that if the mainland wishes to successfully resolve the Taiwan Issue, safeguarding its fundamental interests and realizing its high level interests, certain changes need to occur in each actor's internal factors. The combination of these changes are the circumstances under which the mainland can achieve national unification.

Certain Changes that Need to Occur in China, Japan, and Taiwan

It is clear that Chinese political elites have a stable consensus on the Taiwan Issue, especially the dangers caused by pro-independence movements and the necessary measures to deal with such dangers. They also have little disagreement on potential price they need to pay for those necessary measures. Meanwhile, Chinese elites cohesion limits the effect of domestic political competition on the formulation of China's Taiwan policy. In fact, the Chinese leadership have a relatively comprehensive understanding of the Taiwan Issue's sensitivity and significance, so they will never compromise with external forces by abandoning China's pursuit of unification, and there is also few dispute among them on how to use resources to deal with threats to different interest, especially when facing provocations made by Taiwan's pro-independence forces. But under current situation, the mainland is facing both external and internal challenges to its pursuit. The external pressure comes from the fact that Beijing has no reliable ally in the Taiwan Issue. Although the pan blue parties such as the KMT firmly oppose Taiwan's *de jure* independence, they either show no interest in achieving unification or cannot provide efficient support to Beijing. Considering the fact that the DPP won the 2016 election, the governing ability of the KMT is questionable, which makes it unlikely that the KMT can improve the cross-strait relations to the phase of formal political negotiations. Moreover, the US, Japan, and Taiwan have a common target that is opposing Chinese unification to safeguard their own interests. In other words, Beijing is in confrontation with all other actors when trying to realize its high level interest. Because it is not realistic for the mainland to raise its own military strength in a short time to the level that can defeat the alliance of all other three actors, it may be advisable for Chinese leaders to take necessary actions to weaken the influence of that alliance. That does not mean to completely split the alliance, which is almost impossible, but to utilize existing disagreements among those three actors (because their interests involved are at different level), formulating appropriate policies to promote certain changes in their internal variables and therefore reducing their coercive behavior against Beijing's pursuit, or even gradually prompting them to adjust their position.

Compared with this external challenge which has not created further deterioration since all sides realized the importance of maintaining peace and stability in the area after the Taiwan Strait Crisis, domestic political and social pressures facing the Chinese government may be more urgent. Despite the strong nationalist sentiment which is enhancing the social cohesion and offering a high degree of social support for the government's hardline policy, and the CCP's control of the army and state owned resources which largely reduce the impact of social restrictions, the regime's legitimacy and survival remain as the core concern of Chinese leaders because there are various problems that can seriously threaten the social stability and even the viability of CCP administration.

The focus of China's social stability has evolved in the past 30 years. In the late 1980s and the

early 1990s, “stability” mainly referred to maintaining the political system and safeguarding the ruling status of the Chinese Communist Party. In the late 1990s, although the government still emphasized the political stability, more attention was paid to creating an appropriate environment for economic development. In the 21st century, with the rapid economic development, there have been a variety of social tension and conflict which finally led to manifestations of social discontent. In such a case, the government had to give more weight to maintaining stability in the whole society, not simply improving political stability. In fact, social instability has threatened most people's daily lives rather than certain subgroups. There were more and more crimes with aim to take revenge on the society, while at the same time, the number of mass incidents also rose sharply to more than 100,000 pieces a year and the participants came from various social strata[596]. All these indicate that China's rapid economic development has led to an imbalance of social interest structure, triggering serious interest conflicts among different social subgroups. Faced with this situation, the government has to take several measures to improve stability in both political and social fields, but the result is not satisfactory. On one hand, many local governments preferred to suppress people’s reasonable demands and discontent, even sacrificing the interests of vulnerable groups in exchange for short term stability. On the other hand, when the cost of suppression was too high, officials would tend to use economic means to meet some unreasonable interests demands. This has led to China's current “rigid stability”[597]. To achieve this stability, the government must use its political power to control social organizations and tend to maximize the short term interest, sometimes ignoring social justice and equity, which therefore continuously weakens legitimacy of the regime. This forces the government to rely more on coercive measures when facing social conflicts, and largely raises the cost of maintaining political system. Once this cost goes beyond a certain level that government cannot easily afford, more and more social conflicts will become uncontrollable and finally evolve into a social unrest. This indicates that Chinese government must resolve all those social problems, otherwise it will have to consume huge social resources to maintain current stability, which not only affects the country's economic construction, but also leads the CCP's governance capability to be questioned[598]. It is noteworthy that Taiwan Issue has almost no influence on these problems, because the instability is caused by interest conflict. Those reasonable and unreasonable requests usually have nothing to do with China’s position on the Taiwan Issue, and will not be satisfied by Beijing’s coercive policies towards Taiwan or other actors. In essence, if these internal difficulties are not properly handled, they are likely to become a strong constraint on Beijing’s policy making, reducing the resources that can be allocated to government’s behavior for realizing unification.

In general, for achieving unification, China must maintain its current consensus and cohesion among elites. Meanwhile, after recognizing potential disagreements among the US, Japan, and Taiwan, Chinese elites need to formulate appropriate policies to prompt them to react in ways that Beijing will face less resistance when pursuing unification. But at the same time, Beijing also needs to ensure that there is no deterioration in social stability caused by serious domestic interest

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596 Wedeman A. Enemies of the state: mass incidents and subversion in China[C]//APSA 2009 Toronto Meeting Paper. 2009.

597 Jianrong Y. [Social Issues] Holding Tight and Not Letting Go: The Mechanisms of ‘Rigid Stability’[J]. Global Asia, 2010, 5(2): 28-39.

598 Chambers M R. Framing the Problem: China's Threat Environment[J]. Asia Policy, 2007, 4(1): 61-66.

conflicts.

Because of the Normal State strategy, Japan's elites has broad consensus on the threat posed by a rising China and has little disagreement on how to deal with the Taiwan Issue. Although the government used ambiguous statement to describe its position, the words and deeds of political elites on many occasions have showed that Japan's real target is to obstruct China's unification with Taiwan. Meanwhile, Japanese society, which may oppose Constitutional Amendments promoted by the government, has offered sufficient support to those tough policies against the external threat, and its cohesion seems to be enhanced by such threat. However, this stable situation in Japanese elites and society is largely dependent on the US-Japan alliance. According to previous analysis, the US-Japan alliance provides measures for dealing with the threat and shares most of the relevant costs, which has not only enhanced the cohesion of the Japanese elites and society, but also largely eased the potential tension between society and the government. In these circumstances, Beijing must give more weight to the US-Japan alliance, reevaluating its own policy making to avoid further stimulating the alliance and therefore reduce the likelihood of coercive reactions from the alliance. This may imply that Beijing should use a "two pronged" strategy combining both coercion and exchange. The coercive part is necessary because Japan's elites publicly support Taiwan's independence while regarding Chinese unification as a threat to Japan's fundamental interests. In order to contain their behavior that may encourage Taiwan's pro-independence forces to overstep China's red line, Beijing has to make it clear that it will take non peaceful means to safeguard Chinese sovereignty and territorial integrity if Taipei declares Taiwan's *de jure* independence, reminding Tokyo there will be huge cost if it tries to support Taiwan's independence. While on the other hand, Beijing should limit the influence of this coercive policy on Japan's society. Unlike politicians who will hardly change their pro-Taiwan stance, the attitude of society towards the Taiwan Issue, especially China's military actions to oppose Taiwan's independence, is able to be adjusted. This is because Japanese people's daily lives will not be directly impacted if Beijing's action focuses on taking over Taiwan rather than threatening Tokyo. To let Japan's society accept this view, China should promote exchanges with its hostile neighbor. This is not economic cooperation, which has been proved useless for improving political relations, but more comprehensive contact between people in two societies. Increasing understanding about real ambition and objective situation of each other may not completely dissolve contradiction, but can largely moderate nationalist sentiment promoted by official propaganda. When Japanese people revise their previous oversimplified and inaccurate perception of China and its pursuit of unification, the society may reexamine the government's hardline policy and its influence, adjusting the degree of its support for Tokyo's involvement in a future cross-strait military conflict.

It is noteworthy that this "two pronged" strategy should be regarded as the only realistic option for Beijing because it is unable to change Japanese elites' position, and any military pressure against Taiwan will inevitable reinforce Japan's security cooperation with the US and even elicit strong counteraction from the US-Japan alliance. Indeed, even this strategy works, Japan's policy and behavior will not be changed too much as long as the alliance exists, because it is the US rather than Japan's society which bears most cost of intervening in Taiwan Issue. This implies that Chinese leaders, while adopting this strategy, should reduce resistance from the alliance by taking

more efforts to influence American elites and society, creating concessions of Washington in certain aspects of Taiwan Issue. Once there is obvious fluctuation in the alliance, Japan's political elites and society will face serious challenges to maintain their previous stable position. For the elites, old measures for dealing with external threats may not work, and facing threats alone means the degree of threat will become relatively higher. This may lead Japanese elites to rethink how to deal with the mainland's pursuit of unification when the entire cost of intervention is borne by Japan. Moreover, without support from the US-Japan alliance, Japan's rearmament process will lose its most significant platform, and therefore become difficult to put into practice[599]. Within this context, if Tokyo insists on abandoning its Peace Constitution and sending troops to the Taiwan Strait to obstruct the mainland's action of unification, the anti-war sentiment is bound to rise in society and create stronger constraint on the government's policy making. Without support from the United States, Japan will need to mobilize more social resources to conduct intervention, which will also provoke fierce opposition from the society. If Beijing does limit the intensity of its conflict with Japan, avoiding to threaten Japan's territory or its maritime lifeline, it will be difficult for Japanese society to find a reason to support the government to engage in war for defending Taiwan. This not only means more constraint on Tokyo's policy, but also indicates Japan's social cohesion will be hardly enhanced by Chinese coercive actions. In such a case, the policy of blocking Chinese unification through military action may be adjusted.

Taiwan's elite consensus and cohesion are weaker compared to the other three actors, but both the authorities and society oppose the mainland's pursuit of unification. This means that situation faced by the mainland is either the pan blue camp which supports the 1992 consensus but has no intention to carry out any political negotiation for reunification, or the pan green camp that firmly promotes Taiwan's *de jure* independence. Meanwhile, since more and more people accepted the Taiwanese identity, the mainland's pursuit of unification has become increasingly unacceptable in the view of Taiwan's society. Within this context, it is obviously unrealistic for Beijing to expect that Taiwan may change its position by replacing the current Taiwanese identity with the previous Chinese identity or reaching a new consensus on accepting unification among its elites. In essence, from Beijing's perspective, the role played by Taiwan is stable and negative. However, it is the conviction that the US will defend Taiwan enables the pan green camp to ignore the gap in military strength between the two sides, and explains why the KMT is confident in maintaining Taiwan's current *de facto* independence. In such a case, it can be easily inferred that situation in elite consensus and cohesion will be dramatically changed if such conviction is weakened. Precisely, the previous disagreement among elites about the threat's degree will disappear because politicians from both camps will have to admit that Taiwan has no effective means to obstruct the mainland's actions. The effect of this new consensus will seriously influence the elite cohesion. If pan green politicians refuse to compromise while unable to convince the society to spend enormous resources on a losing game, it seems that their only option will be to find a new ally. But Japan alone cannot offer strong support to the pro-independence forces if the US has refused to defend Taiwan. Therefore, the final result of the DPP will be either abandoning pro-independence position in its party platform, which means its identity will be completely reconstructed, or leave Taiwan like what pro-independence forces did during Chiang Kai-shek' period.

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[599] Calder K E. China and Japan's simmering rivalry[J]. Foreign Aff., 2006, 85: 129.

In the meantime, the One China principle will prompt pan blue elites to begin negotiations with the mainland for a unification model that may not seriously downgrade Taipei's political status. Similarly, social cohesion will also experience fluctuation. On one hand, there is no chance to defeat the external threat, while on the other hand, people will be reluctant to abandon their identity. This may lead the society to have an ambivalence in its attitude toward unification. In such a case, the unification model plays a significant role in reducing both pan blue elites and society's resistance. If Taiwan is defined as a normal province of the PRC, the society will be very dissatisfied with the new identity and this may create sufficient room for the pro-independence forces to continue their separatist movements, damaging the stability of the reunited China[600]. Therefore, Beijing needs to ensure that its unification model can be accepted by both pan blue politicians and the public, implying that Taiwan's status after unification should be higher than an ordinary local government. The "one country, two systems" may be a possible solution. Although the situation in Hong Kong made the model even less attractive in the view of many Taiwanese people, it should be pointed out that two issues need to be taken into account when examining whether the model is suitable for Taiwan. First is the premise on which this model can become realistic in the Taiwan Issue. That is the US gives clear signal that it will not defend Taiwan. Without US intervention, Taiwan will take a more pragmatic attitude to this model and consider how to adjust it to better safeguard Taiwan's own interest. In other words, the current refusal of "one country, two systems" is not due to any flaw of the model or what is happening in Hong Kong, but rather Taiwan's confidence in maintaining its *de facto* independence. Another issue should be made clear is the content of this model is quite different from what has been established in Hong Kong. As mentioned in previous chapters, Beijing promises to give Taiwan a high degree of autonomy through this model, including administrative, legislative, independent judicial power as well as power to deal with certain foreign affairs, and Taiwan can even keep its own troops. This may be regarded by Taiwanese people who worry about Taiwan's political status after unification as an acceptable compromise. In general, without intervention from other actors, Taiwan's negative role can be completely changed. Its elites may reach a new consensus, admitting it is impossible to defeat the mainland through mobilizing social resources. On this basis, if the mainland's model of unification can reduce both elite and social resistance, the goal of national reunification is likely to be achieved.

It can be concluded that Taiwan's position is unlikely to change because its elites and society are convinced about the US commitment to Taiwan's security while the reconstructive identity has created strong resistance against the mainland's pursuit. Similarly, Japan's elites also have a broad consensus and stable cohesion in opposing Chinese unification, while Japanese society's constraint on its government has been weakened by the effect of the US-Japan alliance, so changes favorable to China are also unlikely to automatically occur in Japan. Therefore, whether Japan's and Taiwan's internal factors can be changed to create appropriate circumstances for the mainland's unification greatly depends on the US position. If the US gives more weight to Sino-American relations, recognizing the rising China as an important constructive partner rather than a strategic challenger or even a security threat to its global hegemony, it will tend to make

[600] Yu T. Relations between Taiwan and China after the missile crisis: Toward reconciliation?[J]. Pacific Affairs, 1999: 39-55.

more compromise in Taiwan Issue. This compromise is not to allow China to take over Taiwan by force, but gives signals that Washington can tolerate peaceful unification across the strait, which will be good enough for Beijing's pursuit because it can lead Japan's and Taiwan's internal factors to experience a series of changes, including new elite consensus, lower cohesion in society, and higher regime vulnerability. In these circumstances, both actors will become unable to take effective actions to obstruct China's national unification. In other words, necessary shift of the US position should be regarded as the premise on which appropriate changes can happen in Japan's and Taiwan's internal factors. This is why Deng Xiaoping once stated that the Taiwan Issue is actually "an US issue"[601].

[601] Jin Xiaochuan. (2005). Influence of US-Taiwan Military Relations on China's Solution of Taiwan Issue. *Taiwan Studies* . 4 (4), p62-69.

Chapter VIII Relations between the US Hegemony and its Position in Taiwan Issue

The Necessary Changes in US Domestic Factors and Their Premise

It is clear that American political elites have a basic consensus on the Taiwan Issue, that is the country's important interests will be seriously damaged if the mainland achieves national unification. Based on this consensus, the elites do not differ much on how to respond to this threat and what price the US may need to pay. In fact, this consensus is so stable that American elite cohesion on the Taiwan Issue has almost never declined. Politicians have remained the same view on forming alliances and using scarce resources to cope with the threat, even there is intensive political competition among them. Meanwhile, although the US government's legitimacy has not been questioned by society, Washington's hardline policies toward the mainland which may cause serious military conflict can hardly receive strong social support because of the heavy burden that will be placed on the whole society. It is noteworthy that target of "No Use of Force" has implied that elites are not overly confident about whether the government can resist increasing pressures from society if the country becomes involved in a serious military conflict in the Taiwan Strait. This indicates that the US government's target in the Taiwan Issue may be not completely consistent with the attitude of US society. The reason is that the US territory is very unlikely to be directly threatened by China, and thus Chinese unification will not be perceived by society as a threat that can affect most people. Furthermore, the US military power has allowed its people to believe their country will be able to win any military conflict. In these circumstances, US social cohesion will not be largely enhanced by the mainland's pursuit of unification.

Obviously, as long as China does not take irrational actions to threaten the territory of the United States, American society will provide limited support or even constraint to its government's tough policy in the Taiwan Issue. However, the premise of this constraint is the outbreak of a military conflict between the US and mainland China, which is not the situation expected by Beijing, because in such a case there will be no appropriate changes happening in domestic factors of Japan and Taiwan. What Beijing needs is that the US adjusts its position on the Taiwan Issue and therefore influences Japan's and Taiwan's policy making. This depends on whether the US elites will change their assumptions that the mainland is hostile to the US and Chinese unification will enable Beijing to threaten US interests in the region. Before verifying these two assumptions, it is noteworthy that even though the mainland achieves the unification and breaks through the First Island Chain, Chinese Navy still has to face the Second Island Chain and is unable to pose any direct threat to the US homeland security. This means those US interests which will be under threat after Chinese unification are not at the fundamental level. More precisely, security of military base and allies and its leadership in regional political and economic areas are closely related to the US hegemony. In such a case, the assumption that these interests will be threatened by cross-strait unification is to a large extent equivalent to the assumption that US hegemony will be challenged by a rising China. In other words, whether US elites may adjust their position is dependent on whether the country's dominating status in regional and global affairs as a hegemonic power can be challenged by an unified China.

Power Transition Theory and Its Limitations

Most American politicians and scholars who are questioning China's peaceful rise and worried about the outbreak of severe conflict between China and the US usually make their argument based on the Power Transition Theory, believing that US hegemony in the Asia-Pacific region is being gradually weakened by China. According to that theory, the international system is like a pyramid in which one country locates in the spire while most countries are in the bottom[602]. The country at the highest level that has the greatest power is the leader of the system, and below the leader there are countries having big power, middle power, and small power. From Organski's perspective, when the leader has a power far greater than any other countries, peace will be effectively maintained in the system[603]. This position sounds like Gilpin's Hegemonic Stability Theory, although Organski and his followers believed that the threat towards the hegemonic system is not caused by the rising marginal cost for hegemonic power to provide public products, but from the power transition between the leader and the big power, which is generated by the latter's rapid growing strength based on industrialization process[604]. When a country has a strength close to the leader and starts to struggle with the leader and its allies for the leadership position, the war will break out[605]. Of course, the power of the big countries approach or surpass that of the leader is not bound to cause the war, because if the country with growing strength is satisfied with the current international system, which indicates that it is a "status quo country", the result of power transition is likely to be peaceful. In other words, only when the country with sufficient strength to challenge the leader is dissatisfied with the current system, which implies that it is a "revisionist country", the process of power transition will be accompanied with military conflict[607].

Undoubtedly, in the view of those politicians and scholars who want to maintain the US hegemony and feel uneasy about the rise of China, the Power Transition Theory has offered a significant explanation for the future development of Sino-American relations and a guide to action for the US government. According to the theory, it seems that the rising China is a typical challenger. China has large population, and its government can effectively resist social constraint and has maintained a rapid economic growth after the reform and opening. Meanwhile, there were several confrontations between China and western capitalist countries until 1980s when Beijing always refuses to give up its communist ideology as the US has wished. Consequently, it is not surprising that China today is still regarded by some western politicians as a revisionist country that is dissatisfied with the status quo of the international system. In such a case, it seems there is a high possibility that military conflict may break out between a rising China and the United States, and thus the US government needs to take necessary measures to contain this challenger. Specifically, Washington should prevent China from enhancing its ability to capture the regional hegemony or take hostile actions against the US and its allies[608]. This idea leads to a series of coercive policies against China in the Asia-Pacific region, such as holding regular military exercises with Japan, South Korea, the Philippines, and other US allies, and repeatedly emphasizing the US

602 Organski A F K. World Politics. Alfred A[J]. 1968, 364.
603 Organski A F K, Kugler J. The war ledger[M]. University of Chicago Press, 1981, 19.
604 Organski A F K. World politics[M]. Knopf, 1958, Ch1.
605 Organski A F K. World Politics. Alfred A[J]. 1968, 364.
607 Organski A F K, Kugler J. The war ledger[M]. University of Chicago Press, 1981, 39.
608 KORKISCH F W. Quadrennial Defense Review Report 2006[J], 30.

commitment to security of its allies, to constrain China's behavior of destabilizing the US-led Asia-Pacific system and therefore maintain US advantage in the region. Within this context, Beijing's pursuit of national unification is obviously unacceptable.

However, the future Sino-US relations in the Asia-Pacific region may be not that pessimistic, because the Power Transition Theory itself is questionable. According to Organski's theory, the growth of state power is mainly promoted by its internal industrialization, and is also affected by the population and government's efficiency. This makes it very difficult to understand what does the challenger want to obtain through its conflict with the leader when all those factors promoting the growth of power cannot be plundered from other countries. Someone may argue that the challenger tends to wage war against the leader is not to plunder power resources but to change rules of the current system and therefore makes its own strength grow faster. But this argument may contradict the Power Transition Theory itself. According to the concept of the "Phoenix Factor", the process of industrialization can be delayed but cannot be completely prevented, clearly indicating that the state will eventually regain its strength even it has been defeated in a warfare[609]. In these circumstances, the revisionist country is supposed to patiently wait until its strength approaches or surpasses that of the leader, rather than clash with the leader. More precisely, if the process of power transition based on the internal industrialization is irreversible, the challenger that is experiencing the growth of strength has no reason to be dissatisfied with the status quo, because its power will surpass that of the leader eventually. On the other hand, in the face of a rising power, it is the leader that is likely to be discontent with the existing system and hope to consolidate its status by changing the system, taking initiative to provoke conflict with the rising power[610]. This means that the conflict is usually not caused by the ambition of a rising power, but rather the leader's unreasonable attachment with its hegemony. Therefore, those tough measures adopted by the US to contain China's rise are not as reasonable as the theory has implied.

Characteristics of the US Hegemony

There are four elements that should be taken into account when analyzing a hegemony: the strength of the hegemonic power, its willingness to achieve hegemony, the legitimacy of the hegemonic system, and the strategy for maintaining this hegemony.

First, strength is the foundation of a hegemony. A hegemonic power must have sufficient strength to provide some key services in the global system to establish and maintain its hegemony[611]. This means that hegemonic power's military, political, economic, and cultural strength should be sufficient to let the country play a dominant role in making and modifying the international system. These strengths can be divided into the one in the security field and the one in the field of production, trade and finance. The former mainly refers to military strength, while the latter can be regarded as economic strength. Military strength provides a guarantee of US overseas expansion, ensuring the country can control those major strategic parts of the world, and also reducing US

[609] Tammen R, Kugler J, Lemke D, et al. Power transitions[J]. Strategies for the 21st Century, 2000, 31-32.
[610] Chan S. Exploring puzzles in power-transition theory: Implications for Sino-American relations[J]. Security Studies, 2004, 13(3): 103-141.
[611] Modelski G. Long cycles in world politics[M]. Springer, 1987, 14.

allies' defense spending, which prompts them to follow the US strategy in the region. But the powerful military strength may not be the most important feature of US hegemony. As a country which has a true global hegemony, it is the economic strength that enables the US to establish the dollar hegemonic system covering most countries in the post Cold War era, which has not been shaken even after the global financial crisis. The economic strength is mainly reflected in the US competitive advantage in the global economy. It is noteworthy that this strength is the capability to gain profit in international economic exchanges rather than the amount of wealth accumulated in the country. For example, through providing liquidity assistance to other countries' central banks, making the Federal Reserve perform the role of lender of last resort in the international financial market, and using quantitative easing policies, the US has not only created favorable conditions for the recovery of its domestic economy, but also transferred the effect of crisis to other countries, ensuring that US dollar's status will not be challenged[612]. In a word, the US establishes and maintains its hegemonic system by using its military strength, and the core of this system is the dollar hegemony, which enables the US to obtain huge benefits through expanding its hegemonic system. This is the biggest difference between the US and past hegemonic power: the US does not need to establish colonies, which implies that unlike the zero-sum game between hegemonic power and big power in Power Transition Theory, the US hegemonic system is more inclusive, encouraging other countries to join it as long as the status of US dollar is not challenged.

Furthermore, the United States has a strong will to dominate world affairs. As early as the first half of the 20th century, the US had a strong desire to pursue external influence, not only integrating Latin America into its own sphere of influence, but also actively participating in European affairs, and it finally achieved hegemonic status after World War II. During the period of the Cold War, this will was strengthened when facing the powerful rival. Based on Spykman's Rimland Theory, the United States utilized regional conflicts in the European and Asian countries to build alliances against the threat from the Soviet Union, which doubtlessly increased its influence in those areas[613]. After the Cold War, the will of dominating world affairs has transformed into worries about the hegemony's decline, which can be found in a series of policies for containing US potential competitors, such as the "rebalancing toward Asia-Pacific region"[614]. Then US National Security Advisor Tom Donilon stated frankly that the US success in the 21st century would be closely linked to its success in the Asia-Pacific region, implying that stability of US hegemony is linked to the rise of China[615]. Consequently, this strong will to maintain its hegemony has prompted the US to increase its military deployment and strengthen its alliances in the Asia-Pacific region, which are obviously targeted at China[616].

Legitimacy of hegemony depends on the mutual understanding between the hegemonic power and

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612 Goldberg L S. Is the international role of the dollar changing?[J]. Current Issues in Economics and Finance, 2010, 16(1).

613 Ming-ye W. The Intermediate Zones: Key to the Harmony World [J][C]//Northeast Asia Forum. 2010, 3: 010.

614 Obama B. Remarks by President Obama to the Australian Parliament. November 17, 2011[J]. URL: http://www. whitehouse. gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament, 2013.

615 Donlinon T. Remarks by National Security Advisor Tom Donilon—As Prepared for Delivery[J]. White House Office of the Press Secretary, 2012, 15.

616 Panetta L. The US rebalance towards the Asia-Pacific[J]. Speech at the 11th Shangri-La Dialogue, Singapore, June, 2012, 2.

other countries, referring to whether the US is supported by most countries within the hegemonic system. This indicates that apart from military and economic strength, culture, ideas, and ideologies are also very important because a stable hegemony should be based on consent or agreement rather than simply coercive oppression[617]. The most important concept related to the legitimacy of hegemony is soft power, which is the ability that hegemonic power to spread its own values in other countries[618]. If soft power is strong, the hegemonic power's behavior will be regarded as legitimate and face less resistance. For example, US rebalancing strategy does not meet fierce opposition from most countries in the Asia-Pacific region, although there are differences in the degree of acceptance among different countries. The strategy is highly evaluated and welcomed by Japan who believes that the US military presence is indispensable for regional peace and stability. Of course, this attitude is due to Japan's need to promote its Normal State strategy by deepening the US-Japan alliance. Similarly, South Korea also holds a positive attitude to the US actions of strengthening its regional hegemony, because threat from the North Korea and pressures from rising China prompts Seoul to seek more support from its powerful ally. But the Korean government understands the significance of cooperating with China in dealing with regional affairs, while the society's hostile sentiment towards China is not too strong, so the country's support for US strategy of containing China may be weaker than Japan. Compared with these US Asian allies, the ASEAN countries seem to be relatively prudent and pragmatic. They want to deepen economic cooperation with China, while simultaneously trying to avoid to be too dependent on China. It is noteworthy that except for the countries that have territorial disputes with China, most ASEAN members are worried that their effort to establish a new regional order based on the current framework for multilateral cooperation will be damaged by US rebalancing strategy, so they seek to find a balance between the US and China rather than completely following the US policy which may lead them to become marginalized in regional affairs[619]. Therefore, the fact that US strategy does not provoke any strong opposition from most countries in the Asia-Pacific region indicates that US hegemony's legitimacy has not faced any serious challenge, but whether the US soft power is strong enough to let most countries firmly support its policy of containing China still needs to be tested.

Like most normal countries, hegemonic power needs to utilize various power resources to achieve its target such as maintaining its hegemony, which means it should formulate appropriate strategy. Although the United States is the only superpower with unprecedented global hegemony, there are still targets it cannot achieve by its own strength, while too strong unilateralism in the external behaviors can damage its soft power, weakening the legitimacy of its hegemony. Thus, one strategy adopted by the US is allowing other countries in the hegemonic system to share some power that will not threaten the US status and asking them to reciprocate by sharing a certain degree of international responsibility. In the security field, the United States usually encourages its allies to develop their military capabilities and thus Washington can receive their support when taking military actions to defend its global hegemony. One example is the US policy of deepening the US-Japan alliance and allowing Japan to obtain greater military strength, which may create a

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[617] Heywood A. Political ideas and concepts: An introduction[M]. London: Macmillan, 1994, 100-101.
[618] Nye J S. Soft power: The means to success in world politics[M]. PublicAffairs, 2004, 5.
[619] Wu Xinbo (2013). *The Transformation of Asia-Pacific Regional Order*. Beijing: Current Affairs Press. p175.

"normal" Japan to effectively balance the influence of rising China. In the economic field, the power sharing is not limited to the US allies, because US does not need to maintain its hegemony by inhibiting economic development of other countries. Theoretically, when a country benefits from US hegemonic system, it is very unlikely to challenge the US status or question the system's legitimacy. But one reality that should not be ignored is that Washington tends to force the country to share more responsibility for developing global economy if the country has maintained a rapid economic growth.

Role of China in the US Hegemonic System

In the past 20 years, there were significant changes in China's status in the Asia-Pacific region. Before 1989, China did not win diplomatic recognition from many of its neighboring countries such as Singapore and South Korea. But now Beijing has established formal diplomatic relations with most Asian countries, and built a strategic cooperative partnership with South Korea and comprehensive strategic cooperative partnerships with Vietnam and Thailand. Moreover, with its rapidly growing economic strength, China has greatly promoted its economic exchanges with countries in the Asia-Pacific region. In 1989, China's GDP was only about one-sixteenth of the US GDP, but it has become more than half of US GDP by 2012, making China the world's second largest economy[620]. Within this context, Chinese trade and mutual investment with East Asian countries are continually increased, and China has already become the largest trading partner of Japan, South Korea, and the ASEAN[621]. By contrast, the development of US influence in the Asia-Pacific region was stagnated during the period of the George W. Bush administration, because the US was focusing on the Middle East and waging two anti-terrorist wars, which made Washington have insufficient power resources to intervene in Asian affairs. But in the view of US elites, decline of US influence is the result of China's growing power and increasing confidence, which has made Chinese government become more assertive when dealing with regional affairs, competing with the US for regional dominance[622]. However, China's power is not enough to challenge the US hegemony. One proof is that despite being the world's second largest economy, its rising GDP does not enable China to shake the dollar hegemony. In fact, the US government has been pressuring China to appreciate the renminbi (RMB, China's official currency) and requires China to implement a more flexible exchange rate mechanism, while Beijing's response is very moderate because it has no leverage to effectively cope with this pressure[623]. Furthermore, China's modernization is based on the stability of its internal and external environment, implying that its rapid economic growth will suffer serious damage if it gets involved in a confrontation with the US for regional dominance. Without economic growth, there will be no "Chin's rise", and the Chinese government is likely to face domestic challenges to its legitimacy and has to pay more attention to maintain social stability. More importantly, the gap between two countries' military strength is even larger. In 2013, the US military spending was almost six times that of China, and such a huge gap cannot be easily bridged by China's economic growth[624]. Meanwhile, in terms of

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620 World Bank. (2015). *GDP at market prices*. Available: http://data.worldbank.org/indicator/NY.GDP.MKTP.CD?page=4.. Last accessed 27th May 2016.

621 Medeiros E S, Fravel M T. China's new diplomacy[J]. Foreign Aff., 2003, 82: 22.

622 Johnston A I. How new and assertive is China's new assertiveness?[J]. International Security, 2013, 37(4): 7-48.

623 Guo-bing S. The US-China Trade Balance and RMB's Exchange Rate: An Empirical Analysis [J][J]. Contemporary Finance & Economics, 2005, 1: 008.

624 Xinhua News Agency. (2013). comparison of military spending among China, the US and

arms quality, China's stealth bombers, warships, amphibious landing ships, or nuclear weapons all lag behind the US army. In a word, China's economic strength is not a threat to the hegemony of the US dollar, and its relative weak military capabilities has determined it is impossible for China to win any military conflict with the US. In these circumstances, the so called Chinese assertive diplomacy may be the result of misunderstanding China's concerns about its vital interests.

Moreover, China is not a revisionist country in the US hegemonic system. According to Chinese external behaviors in the past 30 years, it is clear that Beijing hopes to better integrate into rather than to challenge or reject the existing system. In fact, China's rising economic strength can be regarded as the evidence of its effective integration into the international economy, because a country which completely refuses the US-led global economic system is unable to largely benefit from the process of globalization. Meanwhile, China is also contributing to maintaining this international system. For example, when the DPRK nuclear issue threatened peace and stability in Northeast Asia, damaging the regional order dominated by the US, China preferred to host the six-party talks, taking an active role in resolving the conflict and easing the tension. In addition, China has also participated in the United Nations' peacekeeping operations and a number of non-governmental international organizations. Therefore, it should be regarded as an important participant and defender of the existing international order[625].

No one will deny that China's rise has to a certain extent influenced the power structure of the Asia-Pacific region, but the US elites and scholars may have overlooked the fact that China takes a moderate attitude towards the US hegemony rather than directly opposing the status quo. In fact, the US dominance is mainly in the security area based on alliances it has established, while China has no intention to build an alternative Asia-Pacific security system. On one hand, China's past ideological output and its current territorial disputes have made East Asian countries to be suspicious of security cooperation with China, while on the other hand, China does not have sufficient strength to provide East Asian countries with public products in the security area. It is also noteworthy that the US military presence in the region and the security order it has built is beneficial to China. For example, this military presence leads to a sense of security among Asian countries, reducing their anxiety about China's rise and thereby enabling them to promote political and economic cooperation with China. Within this context, the ideal situation of the Asia-Pacific region may be that the United States dominates regional security, maintaining peace and stability in the area, while China plays the role of economic engine, not only promoting regional economic development, but also raising the cost of regional military conflict through strengthening economic ties among most Asian countries, and therefore prompting them to use peaceful means to resolve their disputes. This is the appropriate way to allow China to perform a greater role and share more responsibility in the US hegemonic system, because it will not challenge the US leadership position while satisfying China's interest pursuit. In other words, it is a win-win situation.

However, the strong will of maintaining its hegemony prompts the US to refuse this moderate

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Japan. Available: http://news.xinhuanet.com/mil/2013-03/05/c_124419059.htm. Last accessed 27th May 2016.

625 Kent A. China's international socialization: the role of international organizations[J]. Global Governance, 2002, 8(3): 343-364.

resolution but tend to balance the power of the Asia-Pacific region, preventing China from obtaining the ability to dominate regional affairs or pose threats to US interests[626]. A possible reason for this hostile attitude is that US elites may have overestimated their country's strength, believing that the nation can realize interests at a level which is too high, and therefore formulate an inappropriate strategy. This kind of overestimation can be traced back to the end of the Cold War[627]. The collapse of the Soviet Union made most US elites and scholars overly confident, leading them to put forward a series of specious theories such as "the end of history" and failed to realize that the fall of its rival was mainly caused by the effects of that country's own internal factors rather than the US overwhelming strength. In such a case, the end of the Cold War does not mean that the US alone has the ability to solve all the global problems, which has been already proved by the result of the George W. Bush administration's unilateralism. Neither the nuclear issues in Iran and the DPRK nor the long-running Palestine-Israel conflict was completely resolved by the US alone, while those hardline unilateral actions have provoked growing anti-US sentiment in many parts of the world, weakening the US soft power.

Faced by the tendency of multipolarity, the United States should be aware that its ability to dominate international affairs is not as strong as it estimated, and it is advisable to allow other countries to express their opinions when establishing and revising international order. This is not a theory or wishful thinking but reality. The emergence of G6, G7, and G20 has indicated that the US has difficulty in managing significant regional affairs alone, and therefore has to cooperate with regional powers. While on the other hand, the emergence of these "G" groups also means that these regional powers are not discontent with the US hegemonic system, and they wish to cooperate more closely with the US to cope with those global and regional challenges. More precisely, the US elites should realize that the real threat towards its hegemony is not the emerging powers that benefit from and try to maintain the international order, but rather those serious problems caused by terrorism, drug cartels, pirates, and transnational criminal organizations, as well as weapons proliferation, global environmental issues, and the global economic crisis. These threats are usually from non-state actors and non-traditional security fields, and the US cannot effectively control or deal with them because they are scattered throughout the world and the US is unable to maintain powerful presence in every significant part of the world. In these circumstances, maintaining the international order requires regional powers to assume more responsibilities, and thus US should allow these countries to share more power within the system as long as they will not threaten the US hegemony. This means that US elites should reevaluate their perception of relative power, abandoning those targets related to some high level interests that the US cannot achieve, so the country can strike a balance between maintaining its hegemony and cooperating with regional powers.

Influence of Chinese National Unification on the US Hegemony

The ambition to promote its hegemony is so strong that American elites have formulated inappropriate strategies which give too much weight to containing emerging powers like China rather than dealing with issues that have posed real threats to US hegemony. In particular,

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[626] Brzeziński, Zbigniew Kazimierz (2007). *The Grand Chessboard: American Primacy and Its Geostrategic Imperatives* . Shanghai: Shanghai People's Publishing House. p21-32.
[627] Walt S. Democracy, Freedom, and Apple Pie Aren'ta Foreign Policy[J]. Foreign Policy, 2014, 1.

Washington believes that China is a hostile regime which will use Taiwan to damage US security and political interests in Asia if it achieves unification. But according to the fact that China's rise does not cause the decline of US hegemony, and China has neither sufficient power to challenge the US hegemony nor the intention to change the hegemonic system, but rather benefits from and tries to better integrate into that system, it is clear that China should not be simply regarded as a hostile regime.

The real impact of Chinese unification on the United States is the latter's influence in the Asia-Pacific region will be weakened. The fact it is unable to "protect" Taiwan will lead the US to gradually lose the trust of other allies, increasing these countries' sense of insecurity. Once these US allies are unsure about how many public products that the US can provide in the security and political areas, they will become more and more independent in their foreign policy making rather than closely following the US strategy when dealing with regional affairs. This implies that the US hegemony's legitimacy in the Asia-Pacific region will be questioned, which may have serious effects on regional security. Despite Beijing's statements that the Taiwan Issue is China's internal affair, China's neighboring countries, especially those having territorial disputes with China may feel they are in a position similar to Taiwan's. If Taiwan is ultimately controlled by the mainland, these countries will become increasingly concerned whether (or perhaps when) Beijing will take similar measures to force them to make concessions, and may tend to unite with each other to balance China's threat in territorial disputes[628]. The worst case will be a serious military conflict between China and these countries' alliance, which is not consistent with the US strategy because this situation actually indicates that Washington has lost its control of regional affairs and is unable to maintain its hegemony. In a word, Chinese unification may create a negative impact on the legitimacy of US hegemony in the region and damage high level US interests.

But it is also noteworthy that the worst case may not appear as Beijing is unlikely to use its tough measures in the Taiwan Issue to resolve territorial disputes with its neighboring countries. Within the context that China has no intention to provide public products in the security area while East Asian countries are worried about China's rising strength, security cooperation between China and its neighboring countries is doubtlessly limited and cannot help them to resolve territorial disputes. Furthermore, Taiwan's geographical location will make China become more confident in dealing with these disputes if it has achieved unification. Therefore, the relevant countries' anxiety is understandable. However, it should be noted that these territorial disputes are different from the Taiwan Issue, because they are usually related to economic interests or political influence rather than fundamental interests. This does not mean that China will completely relinquish its claims to the rich sea resources, but implies that Beijing is more likely to reach compromises with its neighboring governments through its policy of "putting aside disputes and making joint exploitation"[629]. And finally, as mentioned in previous analysis, Beijing is supposed to formulate appropriate policies to pressure Taipei to accept unification while not aggravating Japan or US, which means Chinese leaders will try to avoid triggering off foreign opposition. For this reason, it is very likely that Beijing will also use moderate policies to deal with these territorial disputes,

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628 Pang Weidong. (2013). Strategic Cooperation of Vietnam and Indea and Its Impact on China. *Journal of Southeast Asian Studies*. 3 (3), p50-56.

629 Gao Z. The South China sea: From conflict to cooperation?[J]. Ocean Development & International Law, 1994, 25(3): 345-359.

because the most important task for Chinese elites during that period is successfully achieving unification and maintaining the stability of a reunited China, rather than seeking to increase its political influence.

The US high level interests such as its political influence will be still damaged even this worst case does not happen, but Washington may accept this consequence if it prefers to resolve regional and global affairs which pose real threat to its hegemonic system. In other words, American elites need to make a judgment about whether the threat from China's rise is related to interests at higher levels compared to threats from those non-state actors. If the answer is positive, the US is supposed to allow China to share more power and cooperate with China in resolving regional and global issues so it can safeguard those interests which are under real threat. But if Washington still believes it has sufficient power to cope with all those worldwide challenges and that the most urgent target is containing rising China, there will be more conflicts between the two countries in regional and global affairs, and the tension across the Taiwan Strait can be raised again. In fact, according to US officials' current hardline position, it seems there is little possibility that Washington will adopt a strategy of retrenchment in the Asia-Pacific region[630].

However, compared with these oral statements from politicians, historical reality may offer a more persuasive answer. Before China's rise, there were many times that scholars argued that US hegemony was on decline, especially during the period of Korean War and when Japan and Europe were maintaining rapid economic growth in the 1980s[631]. Among them, the situation faced by the US hegemony in the late 1960s is very similar to the current challenge to Washington in the post financial crisis era. For both, the US experienced warfare that damaged its economic and political interests and did not end in a complete victory for the US. Meanwhile, Washington had to face serious domestic economic and social problems as well as significant changes in the international structure, which prompted the US to adjust its strategy to maintain its hegemony. It is noteworthy that strategic adjustment in the 1960s has been proved to be successful, because the US finally resolved most domestic and international problems, becoming the only super power in the post Cold War era. Thus, by comparing with this successful experience, it is possible to predict the effects of US current strategy.

The strategic adjustment adopted by the US government in the late 1960s included ending the Vietnam War, improving the country's image damaged by this warfare, and normalizing Sino-US relations. Based on these developments, the US government then focused on domestic social and economic reform, reshaping the US society by promoting pluralism and enhancing social cohesion[632]. The social stability enabled the government to reform the economy through reducing taxes and adopting a tight monetary policy, which finally realized a rapid economic growth with

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630 Secretary of Defense Ash Carter. (2016). *Remarks by Secretary Carter and Q&A at the Shangri-La Dialogue, Singapore.* Available: http://www.defense.gov/News/News-Transcripts/Transcript-View/Article/791472/remarks-by-secretary-carter-and-qa-at-the-shangri-la-dialogue-singapore. Last accessed 7th June 2016.

631 Liu Jianhua and Deng Biao. (2010). The US Hegemony: Decline or Continuance. *Pacific Journal*. 18 (1), p26-35.

632 Hing B O. To be an American: Cultural pluralism and the rhetoric of assimilation[M]. NYU Press, 2000.

low inflation[633]. The result of all these measures was the restoration and expansion of US power, successfully maintaining its hegemony until the 21st century. Similarly, after the 2008 financial crisis, the US government also implemented a series of internal and external strategic adjustments. First of all, the government effectively curbed the spread of crisis by strengthening financial regulation, and gradually retreated from anti-terrorism war by lowering the priority of anti-terrorism issue in the US strategy. Simultaneously, facing those problems caused by the subprime crisis, the Obama administration formulated several policies to contain the hollowing out of industry and to create more job opportunities in order to reduce the intensity of social conflicts[634]. Although these adjustments after the financial crisis have made many achievements, their final effects are still uncertain because the current situation is more complicated than that in the 1960s. Major challenges facing the US in the 1960s were social discontent provoked by the Vietnam War and the external threat created by Soviet expansion. This explains why then US government was able to largely improve its internal and external environment in a short period through ending the warfare and promoting normalization of the Sino-US relationship, which provided necessary foundations for subsequent social and economic reform. By contrast, within the context of multipolarity and the rise of emerging powers, there are an increasing number of global challenges in the modern world which has made the situation far more complex than the confrontation between two superpowers in a bipolar structure. More importantly, it is US internal economic crisis rather than external threat that led to the current problem, which implies American elites may not be able to improve the situation in a short period by ending the war but should pay more attention to its domestic situation. Without successful social and economic reform, the US social cohesion may further decline and therefore hardly provides sufficient support for tough foreign policy.

It is noteworthy that in the 1960s, the most important part of US strategic adjustment was to improve Sino-US relations, which not only reduced the consumption of national resources in its hardline policy against China, but also made US obtain a better international image compared with the Soviet Union, enhancing its soft power. Obviously, this retrenchment enabled the US government to give more weight to its domestic reform, strengthening the national identity and reducing the regime vulnerability. In other words, then US elites had an accurate perception of relative power and preferred to protect the country's fundamental interests through sharing power with China rather than overestimating the country's own strength and trying to realize high level interests by unilateral actions. By contrast, whilst extricating itself from anti-terrorism war, the US officials did not adopt a strategy of retrenchment but simply transferred their attention from the Middle East to the Asia-Pacific region, implementing the rebalancing strategy towards China and attempting to maintain its hegemonic system by hardline policies[635].

For the US, the anti-terrorism war has led to growing tensions between US and the Islamic world, and therefore created negative impact on the legitimacy of its hegemony, while financial crisis

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633 Havrilesky T. Monetary policy signaling from the administration to the Federal Reserve[M]//The Pressures on American Monetary Policy. Springer US, 1993: 117-154.
634 Goldberg G S, Rosenthal M G. The Jobs Crisis: How to Solve It and Begin to Fix Our Broken Economy[J]. New Politics, 2011, 13(2): 60.
635 Ratner E. Rebalancing to Asia with an insecure China[J]. The Washington Quarterly, 2013, 36(2): 21-38.

weakened its economic strength, shaking the dominant role of US dollar in the international financial order. Within this context, Washington still preferred the strategy option of expansion, stabilizing the US military presence in other regions and maintaining security commitment to other countries, in order to keep its leadership position in regional and global affairs. But intervening in other regions' economic and security issues means the rising cost of US hegemony. First of all, intervention requires US government to spend huge resources in its overseas actions, which implies resources that can be allocated to those more pressing domestic problems such as economic recession will be decreased. Within the context of increasing fiscal deficit, this strategy of expansion will doubtlessly impose a heavy burden on the US government, blocking the formulation and implementation of certain policies which may be necessary for dealing with US own internal difficulties. Meanwhile, there is another cost which is even more serious. Although the reality shows that US intervention in regional and global affairs has not created any anti-US alliance which tries to balance US, all these coercive behaviors based on US commitment to its allies' security will raise the likelihood that US is involved into a direct military conflict with other great powers. This means, if US adopts and insists the strategy of expansion, it may face the risk of pursuing an interest at too high level that its power is not sufficient to achieve. In order to prevent that situation from taking place, the US should ensure its allies will not take any audacious behavior that will further raise the tension in the region when US is taking coercive actions to contain their common enemy. In other words, when implementing this expansion strategy, the US still has to figure out which level's interest is appropriate to pursue, defining the limit of its power, because only under the premise that neither US allies nor its potential enemies make dangerous policy to threaten regional security, creating a stable international environment and therefore promoting global economic development, the US can benefit from such strategy.

If the US government recognizes it does not have sufficient power to realize the interest at the highest level in its foreign policies, the strategy will be adjusted through redistributing the resources. Precisely, more resources will be transferred from issues related to that highest level interest to other issues which involve relative low level interests, in order to reduce the cost and dangers of external behavior. This is retrenchment, which is usually refused by most great powers, unless they are facing certain situations. First of all, the great power or the hegemonic power realizes its military action cannot achieve the end, so it stops to expand its military presence in other region even when it is facing serious international challenge. For example, in the face of the Soviet expansionism, the US had to adopt retrenchment, ending its previous expansion in Southeast Asia when the cost of the Vietnam War was becoming too high to be accepted. Furthermore, adopting retrenchment brings no harm to the country's fundamental interests. Indeed, retrenchment means to give up some interests at too high level, while other interests especially fundamental interests should not be influenced, because giving up high level interest implies more resources will be transferred to issues related to fundamental interests. When US extricated itself from the morass of the Vietnam War, giving up certain high level interests such as influence in Southeast Asia, its fundamental interests such as homeland security was not under any damage caused by that strategy adjustment. Nevertheless, retrenchment may lead allies to lose their trust on the hegemonic while the potential enemies will be encouraged to take more aggressive actions, and thus regional peace and stability will be damaged when both the hegemonic power's allies and enemies prefer to develop their military capabilities. That indicates the regional security issues is

gradually out of the hegemonic power's control. In such a case, if a hegemonic power adopts retrenchment, there should be other problems which are more pressing and more significant compared with temporarily losing its dominant role in other region's security affairs. For US, the racial conflict in 1960s which led to the Civil Right Movement, and the oil crisis which caused the economic recession, both forced American elites to pay more attention to domestic difficulties. Last but not least, the rising power will play an important role in retrenchment. Elites often worry that adopting retrenchment will generate power transfer, making the rising power replace the previous dominant hegemonic power. However, giving up certain high level interests does not mean the hegemony is suffering serious decline and will have to be replaced by a rising power. It only means the hegemonic power has figured out which level's interest it should safeguard and which level's interest it should give up, while the latter is usually related to which level's interest it should allow other country to realize. So there is no replacement for hegemonic power's dominant role but a compromise between hegemonic power and rising power. According to Sino-American normalization, the compromise brought US huge economic and other interests which should not be ignored, such as increasing trading volume between the two countries and their effective cooperation against the Soviet expansionism. In other words, an appropriate compromise with a rising power will serve many significant interests of the hegemonic power.

In summary, when the hegemonic power is facing external challenges which cannot be effectively resolved by military action and other difficulties which are even more pressing, it may consider to adopt retrenchment if such adjustment will not damage its other interests but only leads to an appropriate compromise with other great power, which will be beneficial to the hegemonic power itself.

For the US, in order to maintain its leadership position in regional security and even economic issues, then Obama administration made the Asia Pacific re-balance strategy. This strategy is composed of two parts: military structure and economic agreement. The first step is stabilizing US military presence in the region, strengthening alliance with Japan while improving security cooperation with other partners, and then there would be measures for establishing new international trade system. This actually means to end the situation in Asia Pacific region that regional security is dominated by the US while economic development is mainly promoted by China, using security issues to raise cohesion in regional countries and therefore reducing their economic dependence on China, in order to let both security and economic issues to be dominated by the US. For that reason, Washington sent US troops to Australia, provided military advisers to the Philippines, and allowed Japan to raise its military strength by removing restrictions of its Peace Constitution, while at the same time, promoted the TPP negotiation which excluded China outside.

But the real effect of this re-balance strategy was questioned. There was growing threat from terrorism. No matter how much efforts US has taken, the reality was the expansion of the Islamic State led the security situation in both the Middle East and South Asia to be deteriorated. Meanwhile, when political elites criticized China's rise or the DPRK nuclear tests, the Secretary of Defense made it clear that Russia was still regarded as the principle security threat to the US[636].

[636] Tyler Durden. (2017). *Gen. Mattis: "Russia Is The Principal Threat To US Security".* Available:

This implied the US should sent more troops to Europe and Iraq to respond to those challenges from Russia and terrorists. However, the confrontation between Russia and the west is very unlikely to be resolved by a direct military conflict between US and Russia. The crisis in Crimea proved that Washington and its allies still preferred to use other measures especially economic sanction to deal with this security issue related to Russia. And the anti-terrorism war did not bring peace and stability to Middle East countries but raised tension between the US and many Islamic nations. In such a case, a coercive military action may not be the most appropriate option for US to respond to those international challenges.

Even for those hardline politicians who tended to use effective and firm security policies to contain those potential challengers such as China, they still had to admit that US military strength was relatively decreased. The US military budget had been reducing for a period because of economic recession and government fiscal deficit, while then Obama administration's stimulus policy and health care reform both required the government to raised its expenditure, so the money was transferred from certain areas such as military budget to support government policy. Although the number of military budget was gradually rising again when US economy was recovered, this decline had already created negative impact on US military strength. The most significant consequence was the reduction of military forces and therefore led US officials admitted that the country has lost the capability of winning two major military conflicts at the same time and declared that the current strategy was winning one military conflict while containing an invasion in another area. This relatively decline of economic and military strength explained why US seemed to become more dependent on its allies when implementing its regional strategy.

Moreover, the US society did not share the coercive opinion of elites, opposing the government to take overseas military actions because there were more pressing domestic issues such as health care reform, economic recession, the rise of unemployment rate, and political polarization. According to US public opinion, the only external behavior the society would support is military actions against Islamic State, because terrorism can affect most parts of the society. By contrast, other external issues usually had very limited impact on American people's daily lives. In such a case, taking military action against potential challenger such as China may even elicit social discontent because that means the government revenue which should be used to better deal domestic difficulties, maintaining social stability and improving economic growth, will be reduced. Furthermore, some domestic problems even directly influenced the expansion. For example, the TPP negotiation, which was an significant part of the re-balance strategy, was abandoned by the Republican government, and non one can deny the weak elite cohesion caused by political polarization played a major role in this policy adjustment.

Within this context that coercive behavior may not be able to resolve external challenges and so many domestic difficulties need to be appropriately dealt with, and considering the fact that certain compromise with China such as reducing US intervention in the Taiwan Issue or even allowing the mainland to promote national unification will not damage fundamental interests of US but improve Sino-American cooperation in Asian and world affairs, there is the possibility that

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http://www.zerohedge.com/news/2017-01-12/gen-mattis-russia-principal-threat-us-security. Last accessed 18th June 2017.

US government may consider about adjusting its strategy from a too coercive expansion to a more pragmatic retrenchment.

Conclusion

The analysis of this study has revealed the complexity of the Taiwan Issue, demonstrating that the

issue's development is not entirely determined by the two sides across the strait because the US or Japan's behavior can also seriously influence the situation. In other words, no actor alone can completely control the Taiwan Issue.

The mainland hopes to safeguard its homeland security, sovereignty, and territorial integrity, so it firmly opposes Taiwan's independence. While on the other hand, considering that an unified China can become a great maritime power and enable Beijing to exercise more influence on the regional and global affairs, Chinese leaders will never abandon their pursuit of realizing national unification. But maintaining its current *de facto* independence is the bottom line of Taiwan, and on this basis, the pan green camp is seeking to realize Taiwan's *de jure* independence. The reason that Taiwan is able to reject Beijing's pursuit of unification and even dares to challenge China's fundamental interests is its target has been supported by the United States and Japan. The US believes if Taiwan is controlled by a regime hostile to US, its political and even security interests in the Asia-Pacific region will be under threat. Therefore, obstructing the reunification is the bottom line of Washington in the Taiwan Issue. But the US also refuses to involve in a direct military conflict with China for defending Taiwan, so it formulates two more targets of "No Use of Force" and "No Independence", attempting to maintain the status quo in the Taiwan Strait. It is noteworthy that the ultimate consequence of Taiwan Issue expected by the US is Taiwan's *de jure* independence, because it will largely decrease China's influence on the regional affairs and therefore enhances US hegemony. Similarly, Japan is also unwilling to see that mainland China can achieve reunification because Tokyo's elites believe their country's fundamental interests will be under serious threat in the process of cross-strait unification. Meanwhile, in order to realize its Normal State strategy, Japan will tend to support Taiwan's *de jure* independence and even attempts to reincorporate the island into Japan's sphere of influence, significantly weakening China's political and economic influence and therefore bringing Japan the leadership position in regional affairs. In a word, the US, Japan, and Taiwan are all opposing the mainland's pursuit of unification when Washington and Tokyo give implicit and explicit support to Taiwan's *de jure* independence.

Through analyzing the policy evolution of each actor, this study has made up deficiencies in most researches on the Taiwan Issue. First of all, this study has made it clear that it is unrealistic to put hope on developing cross-strait relations for realizing unification. A few scholars were too optimistic about the development of cross-strait relations, and even attempted to analyze how would US adjust its strategy in the Asia-Pacific region if Taiwan changes its position and accepts unification[637]. But the reality is, US own interests are involved in the Taiwan Issue and will be impacted by unification, which makes it very unlikely that Washington will take no action even Taipei accepts Beijing's claim. Apart from that, without appropriate changes in US and Japan's internal factors, Taiwan almost has no reason to give up its current *de facto* independence. The political transformation has significantly changed Taiwan's society, leading more and more people to identify themselves as Taiwanese rather than Chinese and therefore resist Chinese unification. This resistance, according to the analysis of this study, will not be easily moderated by the growing cross-strait economic exchanges. Consequently, it is difficult to believe that Taiwan's pro-independence forces which seem to have sufficient social support will relinquish their pursuit

[637] Tucker N B. If Taiwan chooses unification, should the United States care?[J]. Washington Quarterly, 2002, 25(3): 15-28.

of realizing Taiwan's *de jure* independence. More importantly, within the context that Taiwan's allies continue to provide political and military support and make commitment to the island's security, the pro-independence forces can only become increasingly confident in dealing with cross-strait affairs. Therefore, the conclusion that the mainland can gradually achieve unification by promoting cross-strait relations and the conclusion provided by research with the hypothesis that Taiwan may actively change its position when its allies still support its current political independence are not persuasive at all.

Secondly, this study has analyzed Japan's true position on the Taiwan Issue. Few scholars in mainland China or the United States has linked Japan with the Taiwan Issue in their researches, even Taiwan was mentioned in their analysis of the US-Japan alliance. From their point of view, Japan only plays a subsidiary role in the US strategy, and it has little willingness to intervene in the Taiwan Issue but will have to be involved in the US military actions against the mainland if a cross-strait conflict breaks out. This implies that Japan may not prefer to obstruct Chinese unification if Tokyo can completely decide its own foreign policy making. However, through analyzing a series of policies made by Tokyo in the economic, political, and security areas for realizing Japan's Normal State strategy, and the conflict between this strategy and China's rise, this study has proven that Japan has strong ambition to contain its powerful neighbor's further development in order to obtain the leadership position in the regional affairs and become more influential in the international arena. And Taiwan has played a very significant role in these conflicts. For example, unification can affect Japan's maritime lifeline, while supporting Taiwan's independence can be used to contain China's rise and increase Japan's regional influence. In these circumstances, the mainland should not ignore the possibility that Japan may act alone to intervene in the Taiwan Issue. This means Beijing must take into account of Japan's concerns about its fundamental interests, formulating appropriate policies to minimize the impact of Chinese unification on Japan's society.

Thirdly, after comprehensively analyzing most significant factors that can affect Chinese unification, this study has also paid necessary attention to the question that whether the possibility of achieving cross-strait unification exists. Scholars who focus on cross-strait relations usually regard the development of such relations as the premise for the mainland to achieve unification. Other scholars who give more weight to the US influence on the Taiwan Strait even avoid this question in their research. More precisely, although they admit that the US is obstructing Chinese unification, Chinese scholars rarely analyze whether the mainland will be able to resolve the US intervention, while most scholars from the US and Taiwan refuse to assume that Beijing can achieve unification because of their political stance. In fact, most of these studies tend to provide a specific plan for the authorities to adjust their relevant policies to adapt to the changing situation, rather than finding out the way of resolving the Taiwan Issue. In these circumstances, the conclusion about conditions of achieving unification will become a simple slogan to endorse the government's policy adjustment if the unification cannot be proved to be possible.

In summary, this study negates some inaccurate arguments such as opposing Taiwan's pro-independence forces can realize reunification or Japan's impact on the Taiwan Issue is confined to the action of US-Japan alliance, while at the same time, does not focus on how to use

a strategy to let the US make compromise or simply emphasize the US economic and military power, avoiding to offer an oversimplified or even misleading conclusion. Furthermore, this study reveals the unique role of US in the Taiwan Issue by analyzing its effects on Japan's and Taiwan's internal factors, and also analyze whether there is a possibility that US may lead to appropriate changes in those internal factors, making the conclusion about unification conditions more comprehensive and persuasive.

The Taiwan Issue is complicated because each actor's interests involved in the issue are not at the same level, and it is for the same reason that this issue may be resolved peacefully. For the US, only its high level interests such as political influence and security of its military bases and allies in the Asia-Pacific region will be affected by the unification, which implies that there is room for Washington to compromise with Beijing. The analysis of the relationship between the US hegemony and China's rise has demonstrated that such a compromise may be a wiser option compared with US current rebalancing strategy. It is noteworthy that this study does not simply provide an optimistic conclusion about the future development of the Taiwan Issue, but points out that the US may gradually reach such compromise with China only when American leaders realize their current strategy can hardly resolve those challenges facing the US hegemony. When the US adopts retrenchment and pays more attention to its own domestic problems, appropriate circumstances for mainland China to achieve unification may appear:

The mainland maintains its elite consensus on pursuing unification, enhances its elite and social cohesion, and takes effective measures to maintain the social stability, reducing the vulnerability of the regime;
There will be changes in Japan's elite consensus on intervening in the Taiwan Issue because no ally will share the dangers and costs of obstructing Chinese unification. Meanwhile, the social cohesion cannot be largely enhanced, especially when the government has to extract more human and material resources from the society to deal with a threat that has little influence on the whole society. As long as Beijing can limit the impact of its action on Japanese fundamental interests, Japanese elites may tend to reach a new consensus, reducing or even suspending their support for Taiwan's pro-independence forces;
Compared to Japan, Taiwan's strength is much weaker and its policy is bound to be significantly changed if the US adjusts its position. Considering that Taiwan is unable to defeat the PLA and there will be no genocide after reunification, the pan blue camp is likely to start negotiations with the mainland while the society may reconsider the Chinese identity. All Beijing needs to do is to improve its current unification model to be accepted by the pan blue politicians and most Taiwanese people.

It is noteworthy that before US adopts that retrenchment strategy, it is meaningless for the mainland to consider about providing any attractive model of national unification. The reason is the two sides still cannot clearly define their political relations when they have different opinion about One China's sovereignty. For example, Taiwan authorities often used a concept called 'governing authority' (*zhi quan*), which means the power the authorities have to deal with its domestic and diplomatic issues, such as administrative or legislative power. When Taipei repeatedly emphasized that it has such governing authority, it actually emphasized the reality that

Taiwan and other islands like Jinmen and Penghu are under Taipei's control. This reality cannot be denied by Beijing, but the problem is this concept is related to China's sovereignty. Precisely, this governing authority is not the high degree autonomy promised by Beijing in its One country, Two systems theory, even though the content of them are nearly identical: for both, Taipei has the administrative, legislative, and independent judicial power as well as power to deal with certain foreign affairs, and even the right to keep its own troops. When two sides agree that Taipei enjoys this power, they do have a dispute about where this power comes from. According to Taipei, its governing authority is authorized by the ROC sovereignty, while Beijing insists the high degree autonomy is offered by the central government to the special administrative region. That is why Beijing's theory cannot satisfy Taipei when the latter insists its current authority comes from the ROC sovereignty rather than any other central government, and Beijing refuses to accepts such concept of governing authority, because if it admits Taipei has such authority, it also admits the existence and status of the ROC, and that will create two Chinas.

Apparently, when two sides have dispute about One China's sovereignty, failing to achieve any compromise about which side is the central government of this One China, it is almost impossible for them to define their political relations. In 2000, Beijing rephrased its One China principle, declaring that there is only one China in the world, both Taiwan and the mainland are parts of China. It made it clear that Taipei has an equal status with Beijing in the cross-strait negotiations. However, it did not answer what relation is between the two sides before unification, and tried to avoid to clearly answer what relations will be between the two sides after unification. Indeed, if the relation between the two sides is neither two central governments nor the central government and a local government, it is quite difficult to understand what it is. In such a case, any attempt for providing an unification model that can be accepted by both sides under current situation is a bit unrealistic.

In fact, in the view of the mainland, achieving national unification means ending the confrontation between the two sides. Considering that Beijing has promised in its One country, Two systems theory that Taiwan's capitalism will coexist with the mainland's socialism after unification, ending confrontation does not mean to end the difference between two sides' political systems. Furthermore, the two sides have maintained a long term peace and stability after the third Taiwan Strait Crisis without promoting cross-strait relations toward unification, ending confrontation is not as simple as easing military tension between the two sides. In such a case, ending confrontation actually implies ending dispute between the two sides about One China's sovereignty, reaching a consensus about which side is the central government. Thus, providing an unification model which can be accepted by both sides, which means clearly defining cross-strait political relations, is almost equal to achieving national unification. In other words, it should be regarded as the consequence rather than a condition for realizing unification.

Only when the US adopts the retrenchment, Taiwan's elites and society will recognize that the premise for refusing national unification has disappeared because the island has to use its own power to compare with the power of mainland China, and therefore adjust the policy based on the new reality, starting a formal political negotiation with Beijing about unification. Basically, Taipei is very likely to make concession to Beijing about how to define One China's sovereignty, giving

up its previous insistence on unilaterally emphasizing the ROC sovereignty. Within such context, in order to reduce unnecessary opposition, Beijing also needs to take effort to make its unification model more attractive, avoiding a too coercive stance such as forcing Taiwan to admit that One China means the PRC which may elicit social discontent in Taiwan.

Of course, if Taiwan takes the initiative to promote unification, it will have more advantage in formal political negotiation with the mainland about what the form a re-united China should be. However, within the context that the DPP has regained power, this is almost impossible to appear in the foreseeable future. The pro-independence forces still refuse to accept the 1992 consensus, denying the One China principle, which has already influenced cross-strait dialogues. There is little question that any provocation made by the pro-independence forces that may overstep Beijing's bottom line is bound to elicit strong reaction from the mainland, even leading military tensions to be raised again in the area, especially when the US rebalancing strategy puts increasing pressures on China in regional security affairs. It is noteworthy that the Tsai Ing-wen administration's current seemingly moderate policy does not meet the demand of the pan green camp's hardliners, while inappropriate words and deeds of the US elected President may further encourage Taipei to take audacious actions to largely promote Taiwan's *de jure* independence. In these circumstances, the possibility that a dangerous military conflict breaks out in the Taiwan Strait cannot be ruled out.

To promote peace and stability in the area, great powers should have accurate perceptions of relative power and formulate appropriate policies, choosing interest at the right level to guide their external behaviors. But before significant compromise can be reached, Beijing and all other three actors need to carefully cope with their interactions, working for the best and preparing for the worst, because anyone's misjudgment may lead to severe consequence that will seriously damage interests of all actors.