

More Carrot Than Stick: Beijing's Emerging Taiwan Policy

Chong-Pin Lin

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

Surprisingly, Hu's keynote speech before the Party Congress largely soft-pedaled the Taiwan issue, made no mention of Taipei's United Nations campaign,

Chong-Pin Lin is president of the Foundation for International and Cross-Strait Studies and professor at the Graduate Institute of International Affairs and Strategic Studies at Tamkang University. He formerly served as Taiwan's deputy minister of National Defense and was the first vice chairman of the Mainland Affairs Council.

China Security, Vol. 4 No. 1 Winter 2008, pp. 1-27
2008 World Security Institute

and deleted the customary mantra of “oppos[ing] Taiwanese independence, one China one Taiwan, and two Chinas.”³ Moreover, he extended an olive branch to Taipei by offering to negotiate a “peace treaty.”⁴ This turn of events, in fact, may have been anticipated, had two trends already in progress been taken into consideration. First, Hu Jintao has advanced a significantly different set of policies toward Taiwan than his predecessor Jiang Zemin. The second is the shift in factors that have determined Beijing’s posture vis-a-vis Taiwan since the 1990s. These trends augur a far more agile and sophisticated approach in Beijing’s policies toward Taipei that will likely continue through 2008.

Policy Shift: Jiang to Hu

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

A number of policies have remained constant over the Jiang-Hu transition of leadership. First, over the last decade or so, Beijing has continued to increase the number of short-ranged ballistic missiles – Dongfeng 11s and DF15s – deployed across the Taiwan Strait at the rate of some 70 per year. By January 2008, the total count had reached more than 1,000 missiles.⁵ Second, Beijing has continued, and perhaps even intensified, its effort to strangle Taiwan’s pursuit of “international living space”. Under Beijing’s escalating diplomatic offensives, reinforced by an expanding war chest, the number of countries that recognize Taiwan has continued to dwindle. Furthermore, Taiwan’s efforts to participate in international organizations, even those non-political in nature, have been relentlessly blocked by China.⁶ Third, Beijing’s overarching principles on Taiwan have continued to appear in official documents, including the “one China” principle, “peaceful reunification” and “one country, two systems” although they have become more moderate over time (see Appendix 1)⁷ Fourth, Beijing has steadily accelerated its

efforts to acquire high-tech military capabilities in order to be able to “deter the United States and seize Taiwan” if the contingency arises.⁸

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

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

Rather, Beijing has stressed the use of “extra-military” strategies in dealing with Taiwan. In December 2003, the People’s Liberation Army (PLA) announced the concept of “three wars: psychological, legal and on media.”¹⁰ Beijing has expanded its tools to influence Taiwan including economic, cultural, social as well as other extra-military means. To be sure, Hu has not given up the military option as the last resort but prefers to stress other measures. The concept “extra-military emphasis”, which transcends without excluding the pure military instrument, defines Beijing’s approach more accurately than the popular term of “soft power”. At an internal high-level meeting in August 2007, Hu pointed out that the major task of the PLA is a war with Taiwan, but that attacking the island would bring six negative consequences: it would taint the 2008 Olympics; damage economic development along China’s southeast coast; impair Beijing’s foreign relations; harm foreign investment in China; cause casualties; and push

back the progress of China's modernization.¹¹

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

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

A fourth transformation has been for Beijing to accentuate both "carrot and stick" policies to Taiwan. That is, Hu has taken a more pronounced role in simultaneously applying a two-pronged approach that has been popularly described as "the hard becomes harder and the soft, softer" (*yingde geng ying, ruande geng ruan*).¹⁴ Such characterization was inspired by two events. The first was the proclamation of *Anti-secession Law* (ASL), which stipulated that any future People's Republic of China (PRC) government shall apply "non-peaceful means" against Taiwan if "Taiwanese independence forces...should act...to cause... Taiwan's secession from China." It was widely perceived to be a bolder act toward Taiwan than any undertaken by Jiang, however, the ASL is a more sophisticated ploy than most have realized. The second event, which followed soon after the promulgation of the ASL, was the launching of a series of measures to "win the

Anatomy of the Anti-Secession Law

The ASL comprises 10 articles:

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

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

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

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

and foreign nationals are not to be harmed). In this sense, Article 9 is essentially a "mission impossible." With the weapons platform used in warfare, successfully striking "Taiwan independence secessionist forces" while avoiding "Taiwan civilians and foreign nationals" is not possible. However, the concept of "nonpeaceful means" used here is much broader than traditional war fighting. On an imaginary scale of 0-100, with traditional war being 100 and absolute peace being zero, "nonpeaceful means" could extend from 10 to 100, giving China's future civilian leaders plenty of elbow room to comply with the ASL, while still avoiding a bloody military conflict across the Taiwan Strait. In light of the soft-offensives (Appendix 4) launched at Taiwan after the passage of the Law, it would appear that: (1) the ASL was meant to be, instead of a legal preparation for war against Taiwan, a legal preparation for Beijing's efforts to win over the hearts and minds of Taiwanese; and (2) rather than intimidate the Taiwanese, the ASL was meant more to unshackle the hands of Beijing's Taiwan Affairs officials to promote cross-Strait engagement from internal hawkish opposition – although Taiwan was further antagonized and alienated as a result.¹⁶

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

hearts and minds of the Taiwanese compatriots." By late April 2007, the features of such charm offensives were numerous and ubiquitous (see Appendix 3). These acts on Taiwan showed a softer and more fulsome approach than anything Jiang had ever attempted.

The final change was the strategy to constrain Taipei through Washington. Under Jiang, Beijing reacted vigorously and directly toward Taiwan whenever Taipei exhibited inclinations toward independence. Hu, instead, has chosen

to pressure Washington as a primary method of reigning in behavior that Beijing considered destabilizing. China's reaction to Taiwan's raucous presidential campaigns is a good barometer of this trend. Taiwanese politicians inspire voter turnout with nationalistic rhetoric and acts that rile Beijing's sensitivity on Taiwan's "splittism."

Prior to the March 1996 presidential election, Beijing launched missile tests in the Taiwan Strait. And three days before the Mar. 18, 2000 presidential elections, the then PRC Premier Zhu Rongji waved his fists on TV warning Taiwanese voters not to support the DPP candidate or the consequences could be disastrous. Conversely, China neither resorted to military intimidation nor verbal attacks during the March 2004 presidential election. Even more surprisingly, Beijing effectively internationalized the Taiwan issue – hitherto considered strictly a domestic affair – for the first time by sending a dispassionate communiqué to all foreign embassies asserting Beijing's position. In the past few months, as President Chen has on several occasions flirted with the idea of independence, particularly with regard to the U.N. referendum issue, Washington has promptly admonished him – on no less than nine occasions – while Beijing has remained largely silent (see Appendix 5).

In fact, Beijing has shifted its strategy vis-a-vis Taiwan from acting directly across the Strait to indirect pressure through Washington and elsewhere. Since July 2003, China's Taiwanese Affairs Office Director Chen Yunlin, and his deputies, Sun Yafu and Ye Kedong, have paid visits to the United States urging American officials and scholars that they must contain Taipei's "independence adventurism", or Beijing would step in to handle the matter with whatever means available.¹⁵ Furthermore, if Washington would not act, it was essentially forfeiting its right to intervene.¹⁶ Likewise, Chen made trips with similar messages to Brussels between 2005 and 2007.¹⁷ Furthermore, with the China-Japan détente unfolding, Chen's deputy Ye Kedong extended his U.S. trip with a visit in Tokyo, apparently to apply indirect pressure on Taiwan.¹⁸

In retrospect, under Hu's leadership, Beijing's approach to Taiwan has become decidedly more patient, less inclined to saber-rattling, more self-restrained in re-

sponse to Taiwan's independence rhetoric, more proactive in engaging Taiwan's society, and more indirect in constraining Taipei behavior inimical to Beijing's interests by going through Washington and other foreign capitals. The promulgation of the ASL marked a turning point in Beijing's approach to Taiwan. China's "stick" remained firm, but did not harden further, while the "carrot" has continued to sweeten.

Determinants of Beijing's Taiwan Policy

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

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

Most observers see either actions within Taiwan or U.S. meddling in Taiwanese affairs as the biggest factor affecting Beijing's behavior toward the island. While these are important, the principal determinant of Beijing's Taiwan policy is China's internal situation. Domestic factors are physically closest to the Beijing leaders. If mismanaged, an unfavorable situation could threaten their authority and legitimacy. A favorable domestic situation, on the other hand, allows greater elbow-room for Beijing leaders to deal with external affairs. Therefore, leaders in Zhongnhai, while formulating their Taiwan policy, must place the highest

priority on domestic issues rather than on issues outside of China. The dynamics across the Strait may require Beijing to adjust its policies, but these often lead to a shift in tactics rather than strategy. The United States, on the other hand, as a much more formidable power than Taiwan, impacts China's larger planning.

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

Current Domestic Conditions

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

Social problems such as rampant corruption, a growing income gap and serious pollution have worsened. Demonstrations, protests and riots have also become more frequent in China, increasing to 87,000 in 2005.²¹ However, so far, there are few signs that these challenges pose any serious threat to Beijing's rule because unrest has been quickly nipped in the bud using either monetary solutions or force.²² The organization of anti-government movements beyond the local level remains nearly non-existent. The fact that the Beijing government pub-

licized the statistics of social disquiet may indicate their confidence in keeping this under control.

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

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

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

Washington-Beijing Relations

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

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

The Taiwan Dynamic

Taipei's U.N. campaign before the March 2008 presidential election has exceeded the intensity of all nationalistic activities surrounding past presidential elections. While the majority of Taiwanese support efforts to increase Taiwan's "international space", not all prefer a declaration of *de jure* independence, a move which may jeopardize Taiwan's very survival. Over the past decade, a majority of Taiwanese have preferred the "status quo" to independence or reunification. These trends in public opinion reflect a rational choice, one made with the *mind*.³¹

On the other hand, the number of people in Taiwan who identify themselves as “Taiwanese” has risen from 17 percent in 1992 to around 45 percent in 2006, dramatically overtaking the group that self-identifies as “Chinese”, which has declined from 26 percent in 1992 to less than 6 percent in 2007.³² This trend reflects a sentimental choice, one made by the *heart*. The two seemingly contradictory trends coexist and when a presidential election approaches, pro-independence politicians ratchet up the ethnic-identity conflict in order to raise voting participation of their base supporters (which amounts to one-third of the total voters). This phenomenon has been particularly acute in 2007.

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

Outlook for 2008

As the March 2008 Taiwan presidential election nears, the turbulence of cross-Strait relations has begun to settle down. Increasingly, the stabilizing determinants are prevailing over destabilizing factors. First, China’s domestic conditions, though faced with a variety of socio-economic challenges, pose no serious threat to the confident PRC political leadership. Second, Sino-U.S. relations are periodically tested but have also remained under control due to expanded official communication channels. The U.N. referendum campaign in Taiwan constitutes the only deeply unsettling issue to Beijing, but should be seen as not outweighing the previous two determinants. Based on the patterns and trends seen in the 1990s, the overall assessment of January 2008 suggests Beijing’s handling of Taiwan will be characterized more by finesse than force.

So far, Beijing has taken a two-pronged approach with agility and sophistication. On the one hand, it has relied primarily on indirect pressure through foreign governments and the mobilization of international opinion to constrain Taiwan independence and the U.N. referendum. These efforts have largely produced fa-

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

A Softer Military Stance

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

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

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

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

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

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

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

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

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

Third, Beijing needs to think creatively about how to gradually allow Taiwan international space. This is a crucial subject and necessary to win the hearts and minds of Taiwanese people. This can begin in the nonpolitical organizations, with monitoring to gauge how this favorably affects Taiwanese perceptions of China. Beijing’s policy toward Taiwan remains somewhat contradictory in this regard. A more sophisticated and comprehensive policy toward Taiwan will require coordination among Beijing’s disparate organs that deal with Taiwan in-

cluding especially the Ministry of Foreign Affairs, the Ministry of State Security and the Taiwanese Affairs Office.

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

Appendix 1: Taiwan's Broken Relations (1998 - 2008)⁶⁹

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

Appendix 2: Four Case Studies on China's Taiwan Policy

Case I: 1993 Koo-Wang Meeting

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

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

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

In October that year, the two signed a memorandum on market access, in which the United States pledged to promote China's participation in GATT, the predecessor to the World Trade Organization.²

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

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

Notes

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

² GATT is General Agreement on Tarrifs and Trade. Elizabeth Perry, "China in 1992: An Experiment in Neo-Authoritarianism" *Asian Survey* January 1993, p.19.

³ Major Events Across the Taiwan Straits (January 1912 to

April 1998), Taipei: Mainland Affairs Council, September 1998, pp. 3-4.

⁴ Major Events Across the Taiwan Straits p.4.

⁵ Ibid.

⁶ Ibid.

Case 2: 1998 Koo-Wang Meeting¹

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

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

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

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

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

Notes

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

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

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

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

⁵ Jiang’s trip was the first state visit by a PRC leader in more than a decade and is considered China’s most important such trip since Deng Xiaoping’s tour in 1979.

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

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

⁸ Internal document, Mainland Affairs Council.

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

¹⁰ See “Premier Vincent Siew’s Policy Report to the Fifth Session of the Third Term of the Legislative Yuan,” *Dalu-gongzu cankao ziliao* (Reference Materials for Work on Mainland Affairs), Taipei: Mainland Affairs Council, 1998, p. 74.

Case3: Taiwan Strait Crisis (1995-1996)

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

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

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

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

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

Notes

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

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

³ Wang Yu, “Helai ‘fengsha’: jianlun Taiwan dangju di ‘guoji shengcun kongjian’ wenti” (Where Do You Find “strangulation”: Also Discussion on the “International Living Space” of the Taiwan Authority) *Liaowang* (Outlook, Beijing) Aug. 14, 1995, p.17.

⁴ Wang Mingyi, Liangan hetan, *Cross-strait Peace Talks*, Taipei: Wealth Network Corp. Publisher, 1997, p.83.

Case 4: Taiwan Strait Crisis (1999)

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

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

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

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

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

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

Notes

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

² And retail price index growth sank from -2.60% to -2.99%. National Bureau of Statistics of China at <http://www.stats.gov.cn/sjjw/ndsj/zgnj/mulu.html> downloaded April 2002.

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

⁴ National Security Bureau (Taipei) internal report, Dec. 21, 2001.

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

⁶ There were rumors that Zhu requested to resign. Zong, *Zhu Rongji zai 1999* p.47.

⁷ Tyler, *A Great Wall*, p.427; and Zong, *Zhu Rongji zai 1999*, p. 96.

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

Appendix 3: Beijing's Evolving One China Principle⁷⁰

Dates	Occasion of Announcement	I	II	III	IV
Dec. 5, 1954	"The Chinese People Will Not Quit before Liberating Taiwan" <i>Remin Ribao</i>	There is only one China in the world	Taiwan is an inseparable part of one China	The PRC is the only legitimate government of one China	not mentioned
Aug. 31, 1993	White Paper on the Taiwan Question and the Unification of China				
Jan. 30, 1995	CCP Party Secretary Jiangzemin's Eight Point Proposal	dropped	Both the mainland and Taiwan belong to one China	The integrity of China's sovereignty and territory cannot be violated	Both sides across the Strait have not been unified
May 11, 1996	"Insisting 'one China' Principle Requires Concrete Action" <i>Xinhua</i>				
Feb. 21, 2000	Beijing's "White Paper on One China Principle and the Taiwan Question"	dropped	There is only one China in the world		
Aug. 24, 2000	Deputy Premier Qian Qichen indicates to journalists.				
Mar. 3, 2002	Premier Zhu Rongji's Government Work Report at the 5 th Plenum of the 9 th National People's Congress	dropped			
Jan. 28, 2005	National Political Consultative Conference Chairman Jia Qinglin Speaks at the 10 th Anniversary of Jiang Zemin's 8 Point Proposal				
Dec. 16, 2007	Taiwanese Affairs Office Director Chen Yunlin states in journal "Truth Search"				dropped

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

The Four Components of the "one China" Rhetoric

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

Appendix 4: Beijing's Post-ASL Cross-Strait Soft Offensives⁷¹

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

Appendix 3: Beijing's Post-ASL Cross-Strait Soft Offensives (cont.)

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

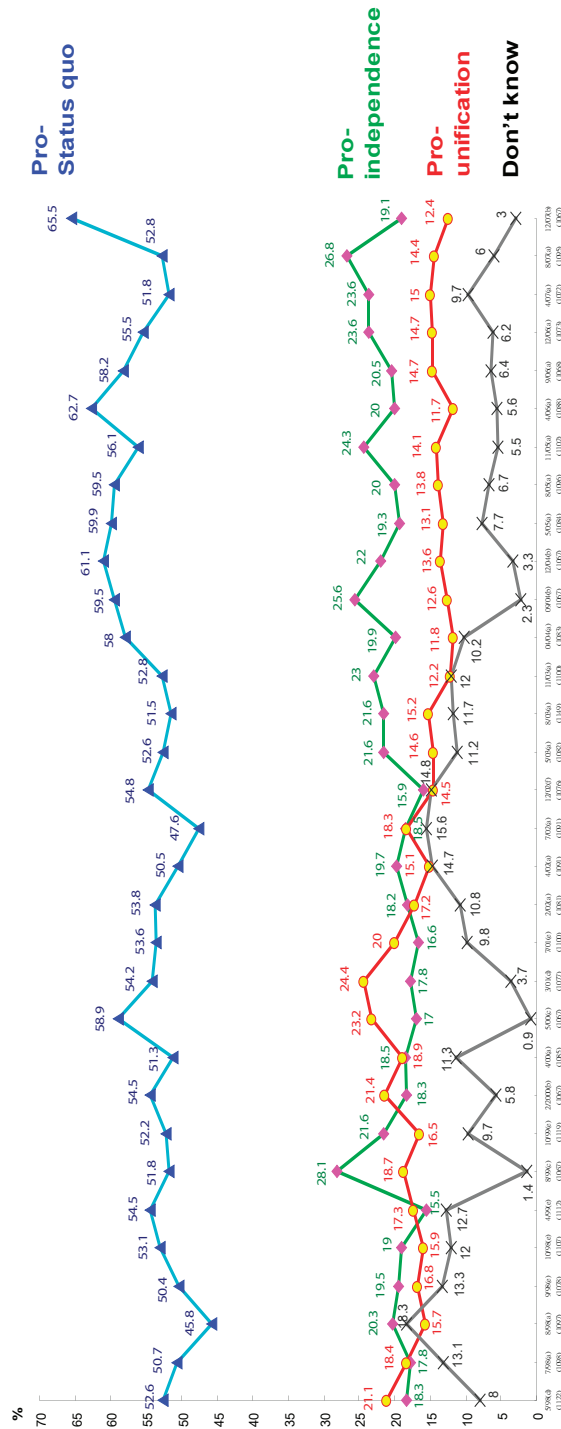
Appendix 5: U.S. Officials Warn Taiwan

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

Appendix 5: U.S. Officials Warn Taiwan (cont.)

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

Appendix 6: Unification or Independence?



Survey Conducted by : (a) Election Study Center, National Chengchi University, Taipei (886-2-29387134)

(b) Burke Marketing Research, Ltd., Taipei (886-2-87683266)

(c) China Credit Information Service, Ltd., Taipei (886-2-87683266)

(d) Center for Public Opinion and Election Studies, National Sun Yat-Sen University, Kaohsiung (886-7-5252000)

(e) Survey and Opinion Research Group, Dept. of Political Science, National Chung-cheng University, Chiayi (886-5-2720411)

(f) Ye-Society Research Group, Taipei (886-2-27213658)

Respondents: Taiwanese adults aged 20-69 accessible to telephone interview ers

Notes

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

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

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

⁴ Hu Jintao, "Shiqida zhengzhi baogao" (The 17th Party Congress Political Report) pp.24-26.

⁵ Betty Lin, "Mei zhengshi zhong qianyu feidan miaozhun Tai" (The U.S. Confirmed That China Aimed One Thousand Plus Missiles at Taiwan) *Lianhe Bao* (United Daily News, Taipei) Jan. 6, 2008 p. A14.

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

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

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

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

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

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

¹² His approach was typified by his instruction to China’s Central People’s Broadcasting Station in Aug. 2004 that its work toward Taiwan “should enter the island, the household of Taiwanese people, and their minds”; Di Jun, “The 50th Anniversary Commemorating Central People’s Broadcasting Station’s Work on Taiwan Is held in Beijing,” *Zhongxinshe* (*China News Service*, Beijing) Aug. 12, 2004, www.gwytb.gov.cn, accessed Jan. 28, 2008.

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

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

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

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

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

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

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

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

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

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

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

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

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

²⁵ The tone of China's governmental mouthpiece *Renming Ribao* heralding the arrival of 2008 was seen as unprecedentedly euphoric. Peng Zhiping (Beijing), "Renmin Ribao Celebrates the New Year with Unprecedented Ecstasy," *Zhongguo Shibao*, Jan. 1, 2008 p.A13.

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

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

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

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

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

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

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

³³ Robert Tsao's blog (<http://blog.yam.com/straitpeace>) advertised in *Ziyou Shibao*, December 26, 2007 p.1.

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

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

³⁶ "Gongjun xunlian bujian junshi douzheng zhunbei" (PLA dropped in training guideline "preparation for military struggles"), *Lianhe Bao*, Jan. 22, 2008, p.A14.

³⁷ Other factors for the KMT landslide of 81 seats over DPP's 27 ones included voters' dissatisfaction on the ruling party's economic performance and the numerous corruption charges on its officials. See "Opposition Wins Vote in Taiwan," *AP* Jan. 12, 2007 <http://lifeinmoseslake.blogspot.com/2008/01/it-is-victory-of-demacroy-in-taiwan.html> accessed Jan. 20, 2008.

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