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From Functional Integration to Structural Readjustment: Taipei–Beijing relations and the role of the United States

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Regardless of the continued stalemate in the political arena, trade and economic interactions between the two sides of the Taiwan Strait have increased steadily. Both aggregate data and the results of survey research have testified to the existence of functional integration of the two societies across the Taiwan Strait. In addition to functional integration, structural readjustments have also been made by political authorities both in Taipei and Beijing so as to facilitate continuity of trade and economic relations. These types of mutual accommodations include: establishing proper 'unofficial' agencies on both sides to serve as instruments of practical contacts and negotiation; the more flexible definition of 'One China' by Beijing; and the opening of 'small links' between Quemoy and Amoy by Taipei. Beijing's refusal to grant Taipei any official diplomatic status and Taipei's reluctance to accept the 'One China' principle remain major obstacles to cross-Taiwan Strait relations. The United States will continue playing a key role in future cross-Strait relations. Beijing seems to be content, at least temporarily, to maintain cordial relations

with the United States in exchange for the latter's adherence to the 'One China' principle and rejection of the option of Taiwan independence. Whether Taipei will use enhanced US commitment to Taiwan's security to strike a better deal with Beijing for gradual cross-Strait integration or to utilize increased American protection to move onto the separatist road will be affected by domestic politics in Taiwan, future US policy toward to the island, and Beijing's response to Taipei's demand for security and international recognition.

Despite the temporary subsidence of tension between Mainland China and Taiwan, the Taiwan Strait remains one of the most crisis-prone areas of the world. The seemingly peaceful situation in the Taiwan region is not that of a stable relationship among concerned parties but a stalemate caused by contending forces which is subject to change in the not too distant future. The newly formed political leadership in Mainland China, the increasing influence of domestic politics on Mainland-China policy in Taiwan, and the US military action in Iraq all serve to enhance the volatility of the triangular relationship among Taipei, Washington, and Beijing.

   It is the purpose of this paper to analyze cross-Taiwan Strait relations both from an analytical angle and with practical consideration on possible policy choices. The basic argument of this paper is that despite prolonged stalemate and occasional crises in the Taiwan Strait, gradual but persistent functional integration has been a constant ongoing process across the Taiwan Strait. In addition, both Taipei and Beijing have made various structural adjustments and accommodations in the forms of rules and mechanisms so as to permit continuing socio-economic exchange between the two sides of the Taiwan Strait. Following the discussion both on functional integration and structural accommodation between Taiwan and the Mainland, the triangular relationship among Taipei, Washington, and Beijing as well as the role of the United States as an exogenous variable to cross-Taiwan Strait relations will be examined. Finally, in the last part of the paper, concrete policy recommendations will be presented with a view to reducing tension and enhancing peaceful development in the Taiwan region.

I. Analyzing cross-Taiwan Strait relations: competing conceptual frameworks and paradigms

Just like China studies in the 1950s and 1960s, earlier examination of cross-Taiwan Strait relations tended to be problem-oriented and aimed at merely providing policy analyses and recommendations for the decision makers. The foci of investigation were usually on security-related issues such as military balance in the Taiwan Strait and the role of the United States in cross-Strait competition and confrontation.[1] However, as the Tien-An Men incident gradually faded as a negative factor in

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1. For more recent examples of security-oriented analysis on cross-Taiwan Strait relations, see Ashton B. Carter and William J. Perry, *Preventive Defense, A New Security Strategy for America* (Washington, DC: Brookings Institute Press, 1999), especially ch. 3, pp. 92–122; also see David Shambaugh, 'A matter of time: Taiwan's evolving military advantage', *The Washington Quarterly*, (Spring 2000); Michael Pillsbury, 'Chinese views of future warfare', *China's Military Faces the Future* (Washington, DC: AEI Press, 1999); and James Lilley and Chuck Downs, eds, *Crises in the Taiwan Strait* (Washington, DC: National Defense University Press, 1997).

USA–PRC relations and as trade as well as other types of socio-cultural ties between the two countries became broadened, American scholars gradually developed more conceptually oriented schemes to analyze cross-Strait relations with a broader perspective and with a longer time frame.[2]

The first group of American scholars attempt to interpret the behavior of the political system on Mainland China by drawing lessons from the basic orientation toward the outside world held by various dynasties in China's past. Andrew J. Nathan and Robert S. Ross review the history of China and discover that despite its enormous size, China has always been surrounded by hostile neighbors. With the exception of a few powerful dynasties, China tended to take a defensive rather than an offensive attitude toward the external world. The current situation in China basically has not altered this conservative orientation of China toward its neighbors and the United States.[3] Michael D. Swaine and Ashley J. Tellis analyze the history of Han, Tang, Ming, and Qing dynasties and arrive at a similar conclusion to that of Nathan and Ross.[4]

The second group of American scholars try to analyze and predict the PRC's response to the outside world by examining the history of emerging powers of the world. For instance, Randall L. Schweller examines the rising of new powers and its impact on the existing international system. He concludes that gradual and incremental changes in the distribution of power in the context of the newly emerged large nations can often be managed peacefully. Yet in the case of the PRC, its growth of power is troublesome both in the sense that historically a country undergoing economic transition tends to pursue assertive and expansionist foreign policy and in the notion of China's search for legitimacy in the uncertain

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2. For example, see Robert S. Ross, 'Navigating the Taiwan Strait: deterrence, escalation dominance, and U.S.–China relations', *International Security* 27(2), (Fall 2002), pp. 87–88; Kenneth G. Lieberthal and David M. Lampton, eds, *Bureaucracy, Politics, and Decision-making in Post-Mao China* (Berkeley, CA: University of California Press, 1998); Ezra F. Vogel, ed., *Living with China: US/China Relations in the Twenty-First Century* (New York: W. W. Norton, 1997); Robert G. Sutter, *US Policy toward China: An Introduction to the Role of Interest Groups* (Lanham, MD: Rowman & Littlefield Publishers, Inc., 1998); Andrew J. Nathan and Robert S. Ross, *The Great Wall and the Empty Fortress, China's Search for Security* (New York: W. W. Norton & Co., 1997); Michael D. Swaine and Ashley J. Tellis, *Interpreting China's Grand Strategy: Past, Present, and Future* (Santa Monica, CA: Rand, 2000); Alistair Iain Johnston and Robert S. Ross, *Engaging China, the Management of an Emerging Power* (London and New York: Routledge, 1999); Ramon H. Myers, Michel C. Okensberg and David Shambaugh, eds, *Making China Policy: Lessons from the Bush and Clinton Administrations* (Lanham, MD: Rowman and Littlefield Publishers, Inc., 2001); Elizabeth Economy and Michel Okensberg, *China Joins the World, Progress and Prospects* (New York: Council on Foreign Relations, 1999); Suisheng Zhao, ed., *Across the Taiwan Strait, Mainland China, Taiwan, and the 1995–1996 Crisis* (New York: Routledge, 1999); Gerrit W. Gong, ed., *Taiwan Strait Dilemmas* (Washington, DC: The CSIS Press, 2000); David Shambaugh, 'The emergence of "Greater China" ', *China Quarterly*, (December 1993); D. Shambaugh, 'Taiwan security: maintaining deterrence amid political accountability', *China Quarterly*, (December 1996); Ralph N. Clough, *Cooperation or Conflicts in Taiwan Strait* (Lanham, MD: Rowman and Littlefield Publishers, Inc., 1999); Linda Chao and Ramon H. Myers, *The Divided China Problems: Conflict Avoidance and Resolution* (Stanford, CA: Hoover Institution, 2000); James Mann, *About Face, A History of America's Curious Relationship with China, From Nixon to Clinton* (New York: Alfred A. Knopf, 1999); Wen-hui Tsai, 'Convergence and divergence between mainland China and Taiwan: the future of unification', *Issue and Studies* 27(12), (December 1991); Nancy Bernkopf Tucker, 'If Taiwan chooses unification, should the United States care?' *The Washington Quarterly*, (Summer 2002), pp. 15–28; and Gerald Chan, 'Toward an international relations theory with Chinese characteristics?' *Issue and Studies* 34(6), (June 1998).

3. Nathan and Ross, *The Great Wall and the Empty Fortress*.

4. Swaine and Tellis, *Interpreting China's Grand Strategy*, especially ch. 6.

process of socio-political changes.[5] Taking note of the tendency of China's internal politics and perpetual influence of nationalism, David Shambaugh arrived at a similar conclusion to that of Randall L. Schweller.[6]

A third group of American scholars try to tackle cross-Strait relations by examining internal politics in Taiwan. Steven Goldstein, for example, employs Robert Putnam's 'two level game' thesis to analyze the impact of Taiwan's domestic politics on its policy toward the Mainland. According to Steven Goldstein, Putnam's theory suggests that the foreign policy of a country is conditioned by domestic structure and social coalitions of that country; yet the consequence of a particular foreign policy will influence the configuration of domestic politics which in turn will affect the thinking and behavior of foreign policy makers of that country. Goldstein applies Putnam's thesis to the Taiwan case, especially the Koo-Wang Talks in Singapore in 1993, and arrives at a number of rather insightful observations.[7]

The fourth category of American scholars try to tackle cross-Strait relations from the notion of a 'Greater China'. David Shambaugh, Ralph Clough, Ramon Myers, and Chu-yuan Cheng notice the phenomenon that there has been increasing economic interactions and ties among Mainland China, Taiwan, Hong Kong, Singapore and the Chinese communities in Southeast Asia.[8] They point out that the emergence of a 'Greater Chinese Economic Zone' will be a positive factor promoting peaceful and mutually beneficial relations between Taiwan and Mainland China. Although the exact meaning and content of 'Greater China' is subject to different explications, it does highlight the common cultural affinity of the member states and regions in the group. It also put forward the notion of potential social, economic, and even political integration among members of a 'Greater China'.

Ralph Clough argues that despite political bottlenecks, trade and people-to-people exchanges between Mainland China and Taiwan has steadily increased. Citing the 'Linkage Community' concept coined by this author, Clough expresses optimism on future cross-Strait relations.[9] Ramon Myers analyzes the trade and economic relations between Mainland China and Taiwan and arrives at similar conclusions to those of Clough. He points out that despite political differences between the leaders in Beijing and Taipei, steadily increased economic ties will

5. See Randall L. Schweller, 'Managing the rise of great powers: history and theory', in Johnston and Ross, eds, *Engaging China*, pp. 1–31.

6. David Shambaugh, 'Containment or engagement of China? Calculating Beijing's response', *International Security* 21(2), (Fall 1996).

7. See Steven Goldstein, 'The rest of the story: the impact of domestic politics on Taiwan's Mainland policy', in *Harvard Studies on Taiwan: Paper of the Taiwan Studies Workshop*, Vol. 2 (Cambridge, MA: Fairbank Center for East Asian Research, 1998), pp. 62–90; also see Shelley Rigger, 'Competing conceptions of Taiwan's identity: the irresolvable conflict in cross-Strait relations', in Suisheng Zhao, ed., *Across the Taiwan Strait*, pp. 229–242; Steven Goldstein, 'Terms of engagement: Taiwan's Mainland policy', in Johnston and Ross, eds, *Engaging China*, pp. 57–86.

8. See Shambaugh, 'The emergence of "Greater China" '; Clough, *Cooperation or Conflicts in Taiwan Strait*; Chao and Myers, *The Divided China Problems*; and Chu-yuan Cheng, 'The formation and prospects of the Greater China Economic Circle', *Zhong-Guo Shibao Zhoukan (China Times Weekly)*, (6–12 June 1993), pp. 34–37; also see Michael Yahuda, 'The foreign relations of Greater China', *China Quarterly*, (December 1993).

9. Clough, *Cooperation or Conflicts in Taiwan Strait*.

bring the two Chinese societies and polities together. A 'Chinese commonwealth' type of linkage model may serve to bring the two sides of the Taiwan Strait together in a loosely connected confederation.[10]

Finally, a fifth group of American scholars endeavor to develop compromising formulas deriving from international-relations theories and practice so as to provide a *modus vivendi* for cross-Strait interaction. Both Kenneth Lieberthal and Harry Harding entertain the idea of 'interim arrangements' or agreement to serve as devices to reduce tension in the Taiwan Strait and to pave ways for peaceful transition for the future. Among key points of interim arrangements are: the idea of 'One China' should be the cornerstone of cross-Strait relations; under the 'One China' principle, Taiwan should be allowed to have expanded roles in the international community; cross-Strait economic and cultural ties should be expanded; a mechanism of monitoring military build-up on both sides of the Taiwan Strait should be established along with an early warning system of any intended military threat perceived by either side of the Taiwan Strait.[11]

In addition to American scholars, academics in Taiwan have also made extensive efforts in recent years to develop conceptual models to analyze cross-Strait relations. Western theories and paradigms such as 'functionalism', 'neo-functionalism', 'system analysis', 'rational choice', 'psycho-cultural analysis', 'neo-institutionalism', 'divided nation analysis', and 'federalism' have been applied to the analysis of cross-Strait relations with varied degrees of success.[12]

II. Defining cross-Taiwan Strait interaction: the concepts of 'multi-system nations' and its application

Despite the efforts made by the US and Taiwan scholars in analyzing cross-Strait relations, three things seem to be lacking. First, a clear and practical definition of the nature of cross-Strait relations; second, the building and testing of an analytical model which can be operationalized to measure the extent of interactions between the two sides of the Taiwan Strait; and third, the development of a political formula which can accommodate the different positions on the one hand and provide a structure which takes into consideration different possible outcomes on the relationship between the political system on Mainland China and Taiwan on the other.

A major problem in studying cross-Strait relations lies in the determination of the nature of the division between Taiwan and Mainland China. Leaders in Beijing always regard the division between the two sides of the Taiwan Strait as a result of civil war. To them, Taiwan is a province of China that is temporarily controlled by a local government which eventually will be brought under the control of the

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10. Chao and Myers, *The Divided China Problems*.
11. Kenneth Lieberthal, 'Cross-Strait relations', paper presented at the 'International Conference on the PRC after the 15th Party Congress: Reassessed the Post-Deng Political and Economic Prospect', 19–20 February 1998; and Harry Harding, 'Again on interim arrangements', in Gong, ed., *Taiwan Strait Dilemmas*, pp. 3–19.
12. For a thorough review of the efforts made by scholars in Taiwan in conceptualizing cross-Strait relations, see Yung Wei, 'Toward "intra-national union": constructing, developing, and testing theoretical models on cross-Taiwan Strait interactions', *Mainland China Studies* 45(5), (September/October 2002), pp. 1–55; for an analysis on the divergent trend of economic integration and political stalemate, see Suisheng Zhao, 'Economic interdependence and political divergence', in Suisheng Zhao, ed., *Across the Taiwan Strait*, pp. 21–40.

central government in Beijing. Until the last decade, the Government of the Republic of China (ROC) in Taiwan also adhered to the principle of 'One China' and regarded Taiwan as part of China, but not a province within the People's Republic of China (PRC). After the takeover of the ROC government by the Democratic Progressive Party (DPP), however, the central government in Taiwan no longer abides by the principle of 'One China' and even advances the thesis that 'each side of the Taiwan Strait is a state'. Nevertheless, the majority of the states of the world which recognize the PRC accept the position that there is one China and that the government in Beijing is the sole legal government of all China.

In order to clarify the problems facing the divided nations, including the situation between Taiwan and Mainland China, this author coined in 1975 a new concept 'multi-system nations' to illustrate more accurately the true nature of the so-called 'divided nation', i.e. the co-existence of more than one political system within one nation and not the creation of two or more nations or states within the original nation. More recently, in order to further examine the interaction patterns between different parts of a multi-system nation, this author put forth another new concept 'linkage communities' to serve as an analytical and operational concept to investigate the relationship between different political systems within a divided nation.

While this author was investigating the various problems facing the multi-system nations, he has become increasingly aware of the inadequacy of both the state system and the codes of contemporary international law in dealing with the various problems facing the divided states and peoples. Observing from different angles and using varied conceptual approaches as well as methods, many scholars including the author of this paper have arrived at the same conclusion: that is, both the state system as well as the international law as they exist today not only have become increasingly obsolete but also detrimental to the maintenance of peace and security of the peoples of the world. In many cases, they have become the major sources of conflicts, suppression, and wars in the past several centuries.

With the arrival of the information age and global community, the peoples of the world are increasingly involved both in the local community wherein they reside as well as in the real cross-national world community with which they have almost monthly or even daily contact through international travel, email, and the Internet. In this process of 'glocalization', the state has become progressively both an abstract notion and yet at the same time an obstructive system to personal freedom and welfare; the former is in terms of personal experience of visualization; the latter is in the forms of various obligatory as well as restrictive state institutions such as taxation, compulsory military service, and passports. As a result, an increasing number of scholars have started to re-evaluate the role of the state and the rules of international law.[13]

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13. For analysis on the broad conceptual problems surrounding the issues relating to community development, nationalism, ethnicity, sovereignty, globalization, and inter-system conflict, see Marcia Pelly Effrat, ed., *The Community: Approaches and Applications* (New York: Free Press; London: Collier Macmillan, 1974); Dennis E. Poplin, *Communities: A Survey of Theories and Methods of Research*, 2nd edn (New York: Macmillan, c. 1979); Benedict Anderson, *Imagine Community: Reflections on the Origins and the Spread of Nationalism*, 2nd edn (London: Verso, 1991); William Bloom, *Personal Identity, National Identity and International Relations* (Cambridge: Cambridge University Press, 1990); John R. Campbell and Alan Rew, eds, *Identity and Affect: Experiences*

After a systematic examination of the various concepts and issues, this author has come to the conclusion that 'autonomy' and 'jurisdiction', not 'statehood' and 'sovereignty', are the core questions facing the divided peoples and nations. Forced amalgamation and artificial partition will not solve the problems of the divided nations and societies, especially if they are imposed on these nations by external forces. Likewise, endless seeking of statehood by all the sub-units of an original nation or state will only lead to more intra-national or international conflicts. Hence, the key to the solution or at least the lessening of the problems of the multi-system nations lies both in the re-examination of the state system and in the respect of the 'autonomy' of the various racial, cultural and political sub-groups within each of the multi-system nations as well as multi-nation states.

A survey of relevant literature has led to the discovery that comparative study of political partitioning and the divided nations has been a late development in political science. Existing research on divided nations and societies reveals two basic problems.[14] First, there is the lack of commonly accepted terms or concepts that are neutral and precise enough to serve as an effective instrument for empirical research on 'divided nations'. Second, there is a failure in differentiating two separate types of division and unification processes, i.e. those involving communist political systems and those not involving the confrontation between communist and non-communist systems such as the case in the Middle East and the India sub-continent.

Footnote 13 continued

of Identity in a Globalising World (London and Sterling, VA: Pluto Press, c. 1999); Cynthia H. Enloe, 'Ethnicity, the state, and the new international order', in J. F. Stack, Jr, ed., *The Primordial Challenge: Ethnicity in the Contemporary World* (New York: Greenwood, 1986); Montserrat Guibernau, *Nationalisms: the Nation-State and Nationalism in the Twentieth Century* (Cambridge, MA: Polity Press, 1996); R. J. Holton, *Globalization and the Nation-State* (Houndmills, Basingstoke, Hampshire: Macmillan Press; New York: St. Martin's Press, c. 1998); Bill Jordan, *The State: Authority and Autonomy* (Oxford: Blackwell, 1985); Andrew Levine, *The End of the State* (London: Verso, 1987); Herbert Kelman, 'Patterns of personal involvement in the national system: a social–psychological analysis of political legitimacy', in J. Rosenau, ed., *International Politics and Foreign Policy* (New York: Free Press, 1999); James Mayall, *Nationalism and International Society* (Cambridge: Cambridge University Press, 1990); James Rosenau, *Turbulence in World Politics* (Princeton: Princeton University Press, 1990); Martin Shaw, *Theory of the Global State: Globality as an Unfinished Revolution* (Cambridge, UK and New York: Cambridge University Press, 2000); Ole Waever *et al.*, *Identity, Migration and the New Security Agenda in Europe* (London: Pinter, 1993); Kaoru Yamaguchi, ed., *Sustainable GLOBAL COMMUNITIES in the Information Age: Visions from Futures Studies* (Westport, CT: Praeger, 1997); Horng-luen Wang, 'How "transnational" are we? Some speculations on the nationalist reality and world society', paper prepared for presentation at 'New Cultural Formations in an Era of Transnational Globalization', Institute of Ethnology, Academia Sinica, Taipei, Taiwan, 6–7 October 2001; and Chih-yu Shih, *Civilization Conflict and China* (Taipei: Wu-nan Publisher, 2000).

14. Juan Diez Medrano, *Divided Nations* (Ithaca, NY: Cornell University Press, 1995); Jaushieh Joseph Wu, *Divided Nations: The Experience of Germany, Korea, and China* (Taipei, Taiwan: Institute of International Relations, National Chengchi University, 1995); Gregory Henderson, *Divided Nations in a Divided World* (New York: D. McKay Co., 1974); Bruce R. Silvers, *The Divided Nations* (Stanford, CA: Stanford University, 1966); Amitai Etzioni, *Political Unification: A Comparative Study of Leaders and Forces* (New York: Holt, Rinehart and Winston, 1965); Philip E. Jacob and Henry Teune, 'The integration process: guidelines for analysis of the bases of political community', in Philip E. Jacob and James V. Toscano, eds, *The Integration of Political Communities* (Philadelphia: J. B. Lippincott, 1964); Karl W. Deutsch, *Nationalism and Social Communication* (Cambridge, MA: MIT Press, 1953); Joseph S. Nye, 'Comparative regional integration: concept and measurement', *International Organization* XXII(4), (Autumn 1968), pp. 855–880; Stuart A. Scheingold, *The Law in Political Integration* (Cambridge, MA: Center for International Affairs, Harvard University, 1971); and Henry R. Nau, 'From integration to interdependence: gains, losses, and continuing gaps', *International Organization* XXXIII(1), (Winter 1979), pp. 119–147.

As for basic concepts, a host of terms including 'the partitioned nations', 'the divided states', 'the divided nations', and 'two Chinas (Koreas, Germanys)' has been used. All of these terms designate certain features of the 'divided nations', yet none is accurate and broad enough to reflect and include all the cases. For example, the term 'partitioned nations' cannot be used to refer to countries which were divided not through international intervention or by international agreements but through internal war, such as the case of China after the end of the Second World War. The concept of 'divided states' is broader than 'partitioned nation', yet many of the leaders and scholars of the so-called 'divided states' are very reluctant to accept the word 'state' in the concept because it implies a more permanent separation of a nation into two or more legal entities under international law. Similarly, most of the leaders and people in the 'divided states' resent terms such as 'two Chinas', 'two Koreas', and 'two Germanys'. As for 'divided nations', it is a term used most often by social scientists; however, it also has the misleading connotation that there are two or more nations in a 'divided' state—an idea that is unacceptable to most leaders and scholars of divided systems. For these reasons, I decided to coin a new term to refer to these nations and societies.

Efforts by this author in developing a new concept, 'multi-system nations' can be traced back to the formation of a 'Comparative and Interdisciplinary Studies Section' (CISS) within the International Studies Association (ISA) in 1969. As one of the co-founders of this research section within ISA, I was particularly interested in the complex problems of political partitioning which leads to a host of problems including refugees, migration, minorities, and non-state-nations.[15] As the coordinator of a workshop on 'Political Partitioning, Migration, Refugees and Non-State Nations' within the CISS supported by a grant from the National Endowment for the Humanities, I soon discovered that it is incorrect to call most of the partitioned nations 'divided states'. Based upon the finding of this workshop, I decided to coin a new term, 'multi-system nations' in 1975 to define more accurately the situation.

The core of the new concept of 'multi-system nations' rests on the emphasis that relations between different parts of a divided nation are not those of people of different culture but are between different political systems within a *single* nation. These competing systems try to deny the international status of the other side despite the fact that both sides meet almost all the criteria of an independent state. By advancing the new concept of 'multi-system nations', I propose that we preserve the idea of 'one nation' but face the reality of the co-existence of two or more mutually separated political systems within that nation.[16] The logical

15. The formation of a 'Divided Nations Internet' in the Comparative and Interdisciplinary Studies Section of the International Studies Association in 1969 was a pioneering effort toward empirical study of divided systems and peoples. For some examples of the results of this intellectual endeavor, see Yung Wei, ed., 'Political partitioning, migration, minorities, and non-state nations: models, propositions, and intellectual exchanges', CISS working paper no. 49 (University Center for International Studies, University of Pittsburgh, 1975); and Ray E. Johnston, ed., *The Politics of Division, Partition, and Unification* (New York: Praeger, 1976).

16. For further discussions by this author on the inception, development and policy impact of the concept of multi-system nations, see Yung Wei, 'The unification and division of multi-system nations: a comparative analysis of basic concepts, issues, and approaches', paper delivered at the symposium on 'Functional Integration of Divided Nations', Seoul, Republic of Korea, 6–7 October 1980; later published in Hungdah Chiu and Robert Downon, eds, *Multi-System Nations and International Law: The International Status of Germany, Korea, and China* (Baltimore: School of Law, University of Maryland, 1981). Also see the author's following papers: 'Multi-system nations revisited: interaction between theories and realities', paper delivered at the 'International Conference on

derivations from this concept would be: 'one nation, two systems'; 'one sovereignty, two jurisdictions'; 'one country, two international personalities'.

III. Development in the divided nations after the introduction of the concept of 'multi-system nations'

Developments in various so-called 'divided states' following the coinage of the concept of multi-system nations more or less have corresponded to the analysis and predictions of the theory of 'multi-system nations'.[17] The 'common roof (Dachtheoie) theory' developed in Germany also largely echoes the idea of multi-system nations. By asserting the notion of one German nation, East Germany and West Germany managed to separate the issues of sovereignty and jurisdiction. Sovereignty belongs to the abstract German nation while jurisdictions were clearly delineated between the Federal Republic of Germany and the Democratic Republic of Germany. Consequently, both West and East Germany were able to be simultaneously recognized by other states as well as to join the international organizations including the United Nations without violating the 'one German Nation' principle.[18]

In the case of the two Koreas, the application of 'multi-system nations' theory has been more direct and encompassing.[19] Some officials and scholars, such as Professor Hakjoon Kim, former special assistant to the President, openly described Korea as a 'multi-system nation'.[20] The December 1991 Communiqué between the representatives of North and South Korea almost completely adopted the concept of 'multi-system nations' and clearly defined the situation in the Korean peninsula as two political systems co-existing in one Korean Nation. As a result, relations between the two Korean political systems are not international relations, but special relations to be regulated by specific agreements between the North and South. Today both North and South Koreas are members of the United Nations and enjoy

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Footnote 16 continued

Unification of Multi-System Nations', Taipei, 27–29 September 1991; 'Unification or separation: assessment of relations between the two Chinese political systems through the concept of multi-system nations', paper delivered at the 'Conference on China's Constitutional Systems: Convergence or Divergence', Columbia University, New York, 29 April 1994; 'Conceptual schemes for multi-system nations and inter-system developments', paper delivered at 'Panel on System Integration of Divided Nations', XVI World Congress, International Political Science Association (IPSA), Berlin, 21–25 August 1994; and 'From integration to "intra-national commonwealth": towards peaceful resolution of problems facing divided states', paper delivered at the panel on 'Unification Issues in the 21st Century', Research Committee 42 on System Integration of Divided Nations, 18th IPSA World Congress, Quebec, Canada, 1–5 August 2000.

17. For an example of American international lawyers taking note of the concept of 'Multi-system nation', see Gerhard Von Glahn, *Law Among Nations, An Introduction to Public International Law*, 7th edn (Boston: Allyn and Bacon, 1996), suggested readings, p. 64.

18. See Joyce Marie Mushaben, 'A search for identity: the German question in Atlantic Alliance relations', *World Politics* 40, (April 1988), pp. 395–417; and Gottfried-Karl Kindermann, 'The unification of Germany's multi-system nations: the evolution of West Germany's strategies', paper delivered at 'International Conference on the Unification of Multi-System Nations' co-sponsored by Vanguard Foundation and American Enterprise Institution, Taipei, Republic of China, 27–29 September 1991.

19. See John H. Herz, 'Korea and Germany as divided nations: the systemic impact', *Asian Survey* 15(2), (1975), pp. 957–970.

20. See Hakjoon Kim, 'Korean reunification: a Seoul perspective on the Korean national community unification formula as seen through the various concepts on the unification on multi-system nations', paper presented at 'International Conference on the Unification on Multi-System Nations', Taipei, 27–29 September 1991.

Table 1. The separation and projects of unification of China and Korea: a comparative paradigm[a] (created by Yung Wei, 15 November 1997)

	Chinese case	Korean case
Nature and origin of separation	Prolonged internecine warfare	International and inter-system military conflicts and negotiation
Original position on national reunification	Before 1980s, complete rejection of the legitimacy of the opposing system; unification through replacement	Before 1973, complete rejection of the legitimacy of the opposing system; unification through replacement
Revised position on national reunification	After 1980s, *de facto* acceptance of opposing regime, peaceful integration by stages for the ROC; PRC prefers peaceful unification but use of force not ruled out	After 1980s, gradual acceptance of each other's existence, leading to formal agreement on co-existence in December 1991; conditional acceptance of the idea of confederation by North and South Korea in July 2000
Position toward international recognition	The ROC side tolerates dual recognition since late 1980s; the PRC opposes all kinds of dual recognition	Dual and separate recognition, but still adhere to one-Korean-nation and community notion
Attitude toward international organizations	The ROC side is for dual memberships in international organizations; the PRC is against it	Dual and separate memberships for all international organizations, including UN
Actual interaction through trade, cultural exchanges and tourism	Extensive exchange of goods, people, and ideas occurred, with the ROC somewhat on the defensive side	Minimal trade and cross-boarder contacts; reunion of families in the North and South started in August 2000
Prospect of peaceful transition and unification	Uncertain; acute crises have subsided; but renewal of para-military confrontation is possible if peaceful exchanges failed	Uncertain; large scale military confrontation still possible; ROK side seems to have the upper hand in long-term peaceful reunification

Note: [a]This table was first published in Yung Wei, '"Multi-system nations", "linkage communities" and "intra-national commonwealth": general concepts on the unification of divided states and their application to the Chinese as well as Korean cases', *New Asia* 4(4) (Seoul, Korea: Winter, 1997), revised and updated by the author on 15 August 2000.

dual recognitions in many capitals around the world.[21] (For a comparison of the Chinese and Korean situation, see Table 1.)

As for the Chinese situation, leaders of the People's Republic of China (PRC) put forth the notion of 'one country, two systems' some time around 1983, shortly after the concept of 'multi-system nations' gained international recognition and caused debates in Taiwan. Despite repeated denials by the Beijing authorities, many

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21. See Hong Nack Kim, 'The "two Koreas" enter into the United Nations and the implications for inter-Korean relations', *Korea and World Affairs*, (Fall 1991), pp. 397–413.

scholars are of the opinion that before 1983, PRC leaders were already aware of the concept of 'multi-system nations' and its implication for cross-Strait relations as well as on the diplomatic efforts of the ROC. Thus they have borrowed the idea but have skillfully adjusted the content of 'multi-system nations' to suit their own political framework and purposes, i.e. the two *systems* in the 'one country, two systems' scheme were merely socio-economic institutions without international personalities. Unquestionably, Beijing had both Hong Kong and Taiwan in mind when it put forth the 'one country, two systems' scheme.

In regard to the Republic of China, the inner circle of the ROC government basically concurred with the concept of 'multi-system nations' and actually called high-level meetings to discuss the implications of the concept on the cross-Strait situation as well as possible positive usage of the concept.[22] Enthusiastic and generally positive responses also came from the academic community in Taiwan. Only a few senior members of the Legislative Yuan (Parliament) voiced different opinions. Whatever the initial responses, the fact has been that since 1981, the official policy of the ROC government towards cross-Taiwan Strait relations as well as toward international participation have steadily moved closer to the idea of 'multi-system nations'.

The *Guideline for National Unification*, for instance, advocates the concept of 'One China' but allows the co-existence of two 'political entities' within one China. The White Paper on Cross-Strait Relations released by the Mainland Affairs Council went further to formally declare that 'One China' is a 'historical, geographic, and cultural Chinese nation'.[23] Within this nation, the two Chinese political entities are not foreign countries to each other; rather they are inter-system relations to be regulated by agreements signed by both sides of the Taiwan Strait. In their relations with other countries, however, both the ROC and the PRC are fully-fledged international personalities. Hence, the idea of 'One China, Two Entities' embedded in the *Guideline for National Unification* corresponds completely to the ideas of 'multi-system nations' as defined by official ROC government policy. Responding to interpellation from members of the Legislative Yuan, Dr Huang Kuen-hui, Chairman of the Mainland Affairs Council of the Executive Yuan (Cabinet), openly acknowledged in 1992 that the content of the *Guideline for National Unification* indeed had borrowed the idea of 'multi-system nations'.[24]

It must be pointed out, however, that the release by former President Lee Teng-hui of the thesis of 'Special state-to-state relations' to refer to the cross-Taiwan Strait situation was a blunt rejection of the 'One China' concept and the Guideline of National Unification and was a serious setback in cross-Strait relations. In the first year after Chen Shui-bian assumed the Office of the Presidency of the ROC, more moderate and restrained positions were taken by the ROC Government. In a new year message in 2000, President Chen even indicated

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22. For an insider's account of the deliberation process within the ROC Government of the possible application of the concept of multi-system nations, see Yung Wei, 'Two Koreas and multi-system nations', *History Monthly* No. 152, (5 September 2000), pp. 60–66.

23. *Policy Paper on Cross-Taiwan-Strait Relations* (Taipei: Mainland Affairs Council, 1994), p. 30.

24. For an official view of the ROC position on the issue of national reunification, see Lien Chan, 'A pragmatic strategy for China's peaceful reunification', *American Asian Review* 14(1), (Spring 1996), pp. 97–107.

that if Beijing would respect Taipei's need for international space and recognition, he would be for cross-Strait integration beginning with social and cultural integration and gradually moving toward political integration. Unfortunately, as his government steadily faced more difficulties in the Legislative Yuan caused by the boycott of the opposition parties, Chen gradually regressed back to the fundamentalist separatist position. His recent remark that 'each side of the Taiwan Strait is a state' does not help alleviate tension in the Taiwan Strait.

IV. The concept of 'linkage communities' and the prospects of 'functional integration'

While the concept of 'multi-system nations' has been applied in one way or another to the situations of all 'divided nations' with varying degrees of success, it nevertheless still faces a number of problems in actual application. Foremost among these problems has been the issue of overlapping claims of sovereignty and jurisdictions. Usually the bigger and stronger side of a multi-system nation, such as the PRC on the Mainland, will impose sovereignty claims not only on the territories under its effective control but also on those parts which they do not control. In the case of Korea, the formal agreement signed between North and South Korea in 1990 has not yet led to the emergence of an integrated civil society. Hence it may be concluded that while agreements have been arrived at between the relevant authorities within a multi-system nation and may help reduce tension between the two sides, real political integration[25] is still far out of the picture.

The reasons are that despite official endorsement of the principle of unifications and jurisdictions, there have not been active interactions and contacts between the people on the two sides of the Korean Peninsula. In contrast, although the authorities in Beijing and Taipei have not arrived at a commonly accepted framework for reunification, yet the flow of people and goods across the Taiwan Strait has been far more intensive and extensive than between the two Koreas.

A third example illustrating the importance of informal, functional, people-to-people contact is in the case of East and West Germany. What we have witnessed here has been a continuous flow of people, goods, and information across the boundary long before formal and legal arrangements for reunification were achieved.[26] In fact, the societies of the two Germanys had already entered into rather extensive economic, cultural, and information exchanges that the two sides

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25. For various discussions on the idea of functional integration, see Karl W. Deutsch *et al.*, *Political Community and the North Atlantic Area: International Organization in the Light of Historical Experience* (Princeton, NJ: Princeton University Press, 1957); Ernest B. Haas, *The Uniting of Europe: Political, Social, and Economic Forces 1950–1957* (Stanford: Stanford University Press, 1958); Etzioni, *Political Unification*; Ernest B. Haas, 'The study of regional integration: reflections on the joy and anguish of pre-theorizing', *International Organization* XXII(4), (Autumn 1970); Leon N. Lindberg, 'Political integration as a multidimensional phenomenon requiring multivariate measurement', *International Organization* XXIV(4), (Autumn 1970); Jacob and Teune, 'The integration process'; James A. Caporaso and Alan L. Pelowski, 'Economic and political integration in Europe: a time-series quasi-experimental analysis', *American Political Science Review* 65(2), (June 1975); Deutsch, *Nationalism and Social Communication*; Nye, 'Comparative regional integration'; and Nau, 'From integration to interdependence'.
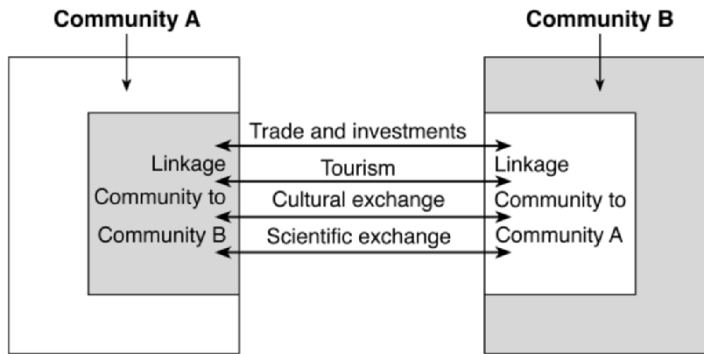26. Kindermann, 'The unification of Germany's multi-system nations'.

Figure 1. The concept of 'linkage community': a heuristic model.
Developed and drawn by Yung Wei, May 1996.

of Germany had already become socio-economically 'integrated' long before it was politically 'unified'.

From the above comparison among the Chinese, Korean, and German cases, it has become clear that formal-structural arrangements are not as effective as informal and inter-personal contracts and interactions with regards to inter-system integration. Yet regretfully more often than not, one finds that analyses on the issues of the divided states are often too obviously state-oriented, elite-oriented, law oriented, and structure oriented, thus losing sight of the impact of interaction between the people, culture, and communities of different parts of a multi-system nation.

With a view to further identifying and highlighting the process of informal but functional interactions between the people of different political systems within a multi-system nation, I propose a new term, 'linkage communities', to illustrate the actual process of functional integration within either side of a divided state (see Figure 1). What I mean by 'linkage communities' is the existence of a group of people who have had such extensive social, cultural, commercial, or other types of contacts with the people and society of the opposite system that they have developed an understanding, sensitivity, and empathy with the people and society across system boundaries. People who belong to this type of 'linkage community' not only have higher contacts with individuals and groups across boundary lines, they also keep close contact with people of similar orientation and experience within their own political system. The higher the percentage of people belonging to the 'linkage community' on each side of a partitioned society, or multi-system nation, the less likely the possibility of inter-system military confrontation and the more likely the achievement of functional integration which may eventually lead to peaceful political unification.

To put into more precise and empirical terms, one can identify and measure the size of 'linkage communities' in either part of a partitioned society by examining the number and percentages of people who have traveled to the other side, have business contacts or establishment across the system boundaries, or maintain

substantial social, cultural, as well as academic ties with individuals or groups in the opposite system.

Once we set our mind to the phenomenon of 'linkage communities' in a multi-system nation, a new orientation in empirical research and new perspective for policy-making will emerge. Instead of focusing our attention on the role of the state, the problems of sovereignty, the decisions of the elite, the legal process, and the political structure, one shall turn his attention more to the orientation of the population, the development of shared values and norms between people of different systems, the direction of deliberation and debate in the representative bodies at the central and local levels, and the overall volume as well as intensity of actual interaction of individuals and groups between the two political systems within a partitioned society.

With the above perspectives in mind, I would like to advance the hypothesis that political integration will be made much easier if there are sizable and substantive linkage communities already in existence on either side of a partitioned society. Otherwise, forced political amalgamation of two political systems with little or non-existent development of linkage groups will most likely lead to continuous conflicts and enduring tension among incongruent and divergent social and political forces.

By adopting a new perspective on the development of 'linkage communities', we shall be able to uncover a new fertile ground in research, borrowing from various existing concepts and theories such as Karl W. Deutsch's 'social communication', David Truman's 'overlapping membership', Harold Guetzkow's 'multiple loyalty', and James Rosenau's new construct of 'value autonomy' and 'interdependence' across system boundaries.[27]

Adopting a 'linkage community' framework immediately opens our eyes to a new perspective. Instead of allowing ourselves to get bogged down in the seemingly insoluble controversy over the issue of sovereignty, we shall turn our attention to the development of a gradual but genuine process of functional integration of different systems wherein linkage groups[28] are quietly and persistently in the process of formation. Furthermore, rather than placing our future on the judgment of the top leaders and the executive branches of government, we should pay more attention to the wishes of the people and their representatives at

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27. See Karl W. Deutsch, *Political Community at the International Level* (New York: Random House, 1954); Deutsch, *Nationalism and Social Communication*; Amitai Etzioni, *Political Integration* (New York: Holt, Rinehart and Winston, 1965); David B. Truman, *The Government Process* (New York: Knopf, 1951); Harold Gustzkow, *Multiple Loyalty* (Princeton, NJ: Princeton University Center for Research on World Political Institution, 1955); James N. Rosenau, *Turbulence in World Politics: A Theory of Change and Continuity* (Princeton: Princeton University Press, 1990); J. N. Rosenau, 'The new global order underpinnings and outcomes', paper presented at the 'XVth World Congress of the International Political Science Association', Buenos Aires, 24 July 1991; and J. N. Rosenau, 'Constitution is a turbulent world', paper presented at 'International Conference on the Unification of Multi-System Nations', co-sponsored by Vanguard Institute for Policy Studies and American Enterprise Institute for Public Policy Research, Taipei, Republic of China, 27–29 September 1991.

28. On the concept of 'linkage groups', see Karl W. Deutsch, 'External influences on the internal behavior of states', in R. Barry Farrell, ed., *Approaches to Comparative and International Politics* (Evanston, IL: Northwestern University Press, 1966), pp. 5–26; also see Deutsch, *Political Community at the International Level*; for an insightful discussion on the idea of the formation of communities and the interactions among them, see Talcott Parsons, 'Order and community in the international social system', in James N. Rosenau, ed., *International Politics and Foreign Policy* (New York: The Free Press, 1961), pp. 120–129.

various levels of legislative bodies. Businessmen, scientists, technicians, artists, school teachers, professional associations, labor unions, kinship associations, and religious groups should be allowed and encouraged to play a more important role in inter-system relations and functional integration.[29] The experience of Germany's reunification and the development of the European Union provide ample evidence and support this line of policy thinking.

V. 'Linkage communities' in the Chinese case: testing basic hypotheses by aggregate data

Adopting the 'linkage community' model to the cross-Taiwan Strait situation leads to a new operationalizable conceptual scheme which has produced concrete and encouraging results. According to data released by the Board of Foreign Trade and Bureau on Tourism, the percentage of exports to the United States in the total export of the ROC has declined from 44.12% in 1987 to 20.49% in 2002. During the same period, the percentage of exports to Japan decreased from 13.01% to 9.18%; yet export to Hong Kong increased from 7.66% to 23.62%, mainly to Mainland China. As for tourism, the percentage of Taiwanese tourists going to Japan decreased from 27.87% in 1987 to 10.59% in 2002; those to the USA, from 15.52% to 7.15%; yet the percentage of the people of Taiwan traveling to Hong Kong increased from 18.47% in 1987 to 34.4% in 2002, again mainly to Mainland China[30] (see Figures 2 and 3). If we compute Taiwan's trade dependency on any country or area by dividing the export to that country or area by the total export of Taiwan, then Taiwanese trade dependency on Mainland China has increased from 1.05% in 1981 to 13.92% in 2002 (January to August only) (see Table 2).

From the aggregate data in the aforementioned figures and tables, one may compute the actual size of 'linkage communities' both in Taiwan and on Mainland China, if one uses the number of Taiwanese-owned factories and companies on Mainland China as the basis of computation. There are approximately 30,000 Taiwanese business operations in Mainland China. If the average number of employees of these operations is 20, then there are at least 600,000 employees of Taiwanese firms in Mainland China. Furthermore, if we assume the average size of the families on Mainland China is four, then there are almost 2,400,000 people on Mainland China whose livelihood is linked with the economy and society of Taiwan, hence constituting a 'linkage community' to Taiwan.

In contrast to the 1.2 billion people in Mainland China, 2.4 million may not be a big percentage. Yet since members of this linkage community are not evenly distributed throughout the whole of China, but concentrated in the coastal areas and

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29. See Yung Wei, 'Let the concept of "linkage communities" serve as a vehicle to breakthrough the current impasse in cross-Taiwan-Strait relations', *United Daily News*, (19 June 1996), p. 11.

30. For further discussion on the increasing interactions between the Chinese political systems, see Yung Wei, 'Toward a new framework of external relations for the ROC in the 21st century: between oceanic and continental strategies', in Yung Wei, *Tu-Po* (*Breakthrough, Creating a Future of Broad Perspective)* (Taipei: Commercial Weekly Publishers, 1995), pp. 319–323; for a broader discussion on the interplay of internal and external factors in cross-Taiwan-Strait relations, see Yung Wei, 'Democratization, unification, and elite conflict', in Zhi-ling Lin and Thomas W. Robinson, eds, *The Chinese and Their Future: Beijing, Taipei and Hong Kong* (Washington, DC: The American Enterprise Institute Press, 1994).
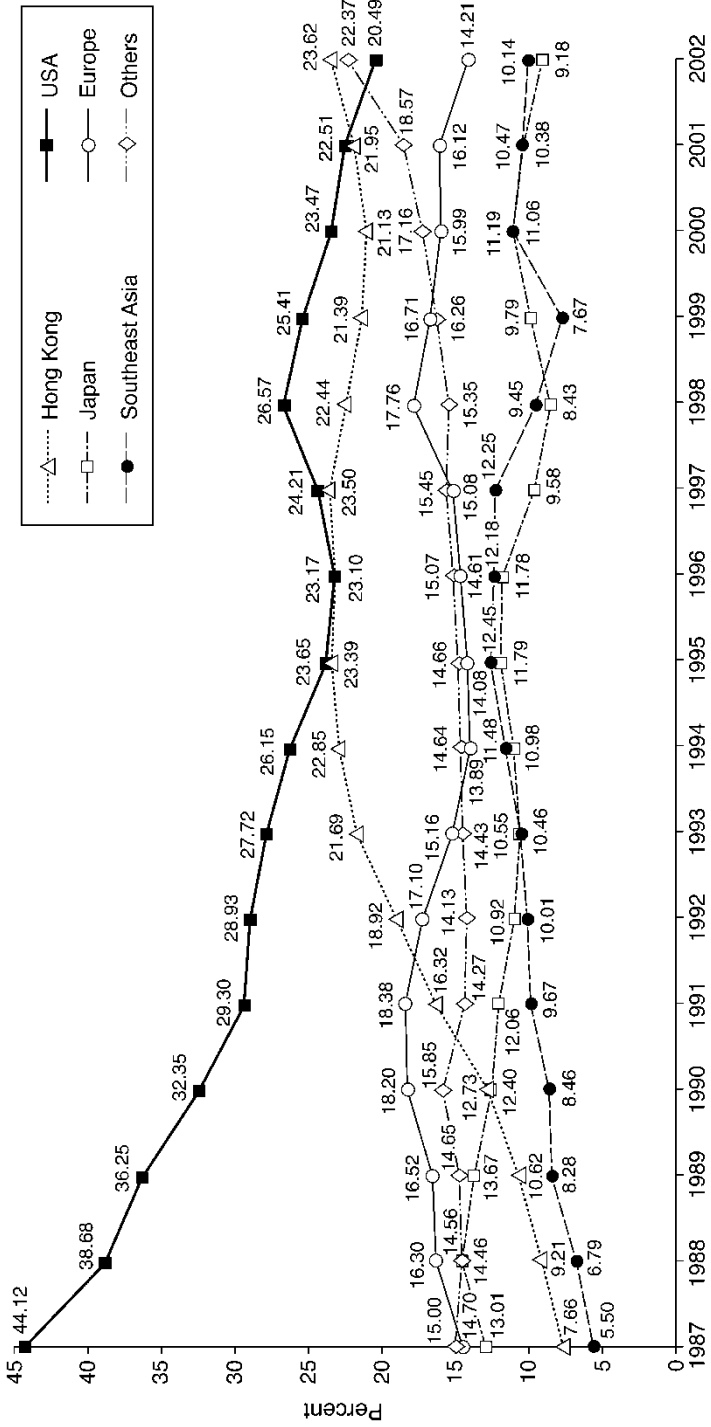
Figure 2. Percentage of exports by destination (1987–2002).
Source: http://www.trade.gov.tw/ The Board of Foreign Trade, Ministry of Economic Affairs, ROC.
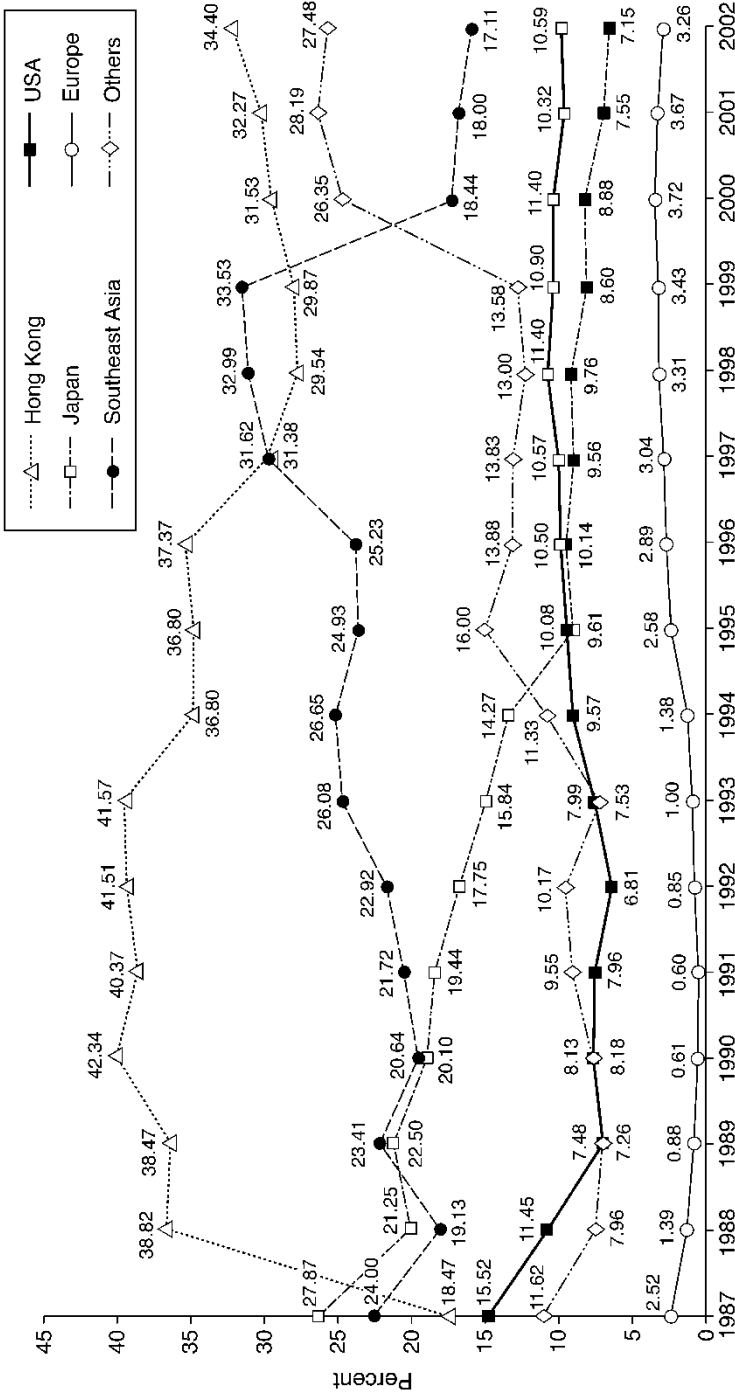
Figure 3. Percentage of ROC tourists by destination (1987–2002).
Source: http://www.tbroc.gov.tw Tourism Bureau, Ministry of Transportation and Communication, 2003.

443

Table 2. Taiwan's extent of dependency of trade to Mainland China, 1981–2002 (unit: US$1m.)

Year	Estimated export to Mainland China (1)	Mainland's export to Taiwan via Hong Kong (2)	Estimated total trade between Mainland and Taiwan (3) = (1) + (2)	ROC's total trade (4)	Taiwan's dependency on cross-Strait trade (5) = (3)/(4)
1981	84.8	75.2	460.0	43,810.8	1.05%
1982	194.5	84.0	278.5	41,092.7	0.68%
1983	201.4	89.9	291.3	45,409.8	0.64%
1984	425.5	127.8	553.3	52,415.5	1.06%
1985	986.8	115.9	1102.7	50,827.7	2.17%
1986	811.3	144.2	955.5	64,043.0	1.49%
1987	1,266.5	288.9	1,555.4	88,662.1	1.75%
1988	2,242.2	478.7	2,720.9	110,340.2	2.47%
1989	3,331.9	586.9	3,918.8	118,567.80	3.31%
1990	4,394.6	765.4	5,160.0	121,929.20	4.23%
1991	7,493.5	1,125.9	8,619.4	139,037.60	6.20%
1992	10,547.6	1,119.0	11,666.6	153,471.10	7.60%
1993	13,993.1	1,103.6	15,096.7	162,150.80	9.31%
1994	16,022.5	1,858.7	17,881.2	178,383.50	10.02%
1995	19,433.8	3,091.4	22,525.2	215,203.80	10.47%
1996	20,727.3	3,059.8	23,787.1	218,307.10	10.90%
1997	22,455.2	3,915.4	26,370.6	236,499.80	11.15%
1998	19,840.9	4,110.5	23,951.4	215,241.20	11.13%
1999	21,312.5	4,522.2	25,834.7	232,272.70	11.12%
2000	25,009.9	6,223.3	31,233.2	288,321.20	10.83%
2001	21,945.7	5,902.2	27,847.9	230,098.30	12.10%
2002 (Jan–Aug)	16,938.2	4,896.6	21,834.8	156,891.50	13.92%

Source: *Cross-Strait Economic Statistics Monthly*, No. 120 (2002, p. 8) by Mainland Affairs Council, ROC; http://www.trade.gov.tw/ The Board of Foreign Trade, Ministry of Economic Affairs, ROC.

in a few major commercial and industrial centers, the percentage of the population having ties with Taiwan can reach rather high proportions in certain areas. Other than Taiwanese enterprises in Mainland China, another measurement of the existence of 'linkage communities' in both Taiwan and Mainland China can be measured by the number of people visiting the other side of the Taiwan Strait. According to the estimated figure released by both Mainland China and Taiwan, there have been at least 3 million people who have visited Mainland China since the ban of travel there was lifted. Multiplying this figure by four, which is the average size of families in Taiwan, it reaches 12 million. This is exactly the number of the total adult population of whole Taiwan. That means, the whole of Taiwan can be viewed as a 'linkage community' to Mainland China!

Looking from the Mainland China side, according to data released by ROC's Mainland Affairs Council, up to April 2001, a total of 608,841 mainlanders have visited Taiwan. Taking 608,841 as the basis of calculation and again multiply that by four, we arrive at 2,435,364 mainlanders who have either visited Taiwan themselves or are members of families which have at least one member who have

visited Taiwan. Since both cross-Strait trade and tourism are on the rise, one may safely predict that the size of the linkage communities will grow larger over time, thus paving the way for a gradual and peaceful integration of the two Chinese societies on either side of the Taiwan Strait.

VI. Response to the 'linkage community' idea: testing hypotheses by survey data

In order to further test the hypotheses of linkage community, this author decided to go beyond analysis of aggregate data on cross-Taiwan Strait relations. In mid-November 2001, an island-wide opinion survey was conducted in Taiwan by this author using a direct telephone interview with a questionnaire designed by this author, a total sample of 1,070 adult individuals of 20 years old or older were interviewed. The results strongly support the hypothesis that the more an individual has had cross-Strait interactions, the more he or she will have a positive attitude toward inter-system integration and unification.

As data in Table 3 clearly demonstrate the more frequently a person travels to Mainland China, the better impression he will have of Mainland China. This is especially true for the Taiwanese population that has been to Mainland China more than seven times. Frequency of travel to Mainland China by residents of Taiwan also led to a more positive assessment on the likelihood of social and economic integration between Taiwan and Mainland China. More than 78% of the people of Taiwan who have traveled to Mainland China believe that there will be social integration between Taiwan and Mainland China (see Table 4), whereas 87% of the same group believe there will be economic integration between the two in the future (see Table 5).

One of the sensitive questions in Taiwan is whether the people in Taiwan still identify themselves as Chinese. Previous surveys on Taiwan have shown that there has been a steady trend toward lower percentages of Taiwanese identifying as 'Chinese'. Yet this author has always suspected that this may have been due to erroneous survey methods that have been employed. Rejecting the practice of asking the question 'Are you "Chinese", "Taiwanese", or "both Taiwanese and Chinese"?' in a single question, which is both conceptually and methodologically wrong, this author chose to ask the questions separately. The respondents were first asked the question: 'Are you Taiwanese?' and then in a separate question, he is asked: 'Are you Chinese?' By cross-tabulating the answers to these two questions, we have obtained a quite different result in Table 7. As data in Table 6 demonstrate, 71.5% of the Taiwanese people believe that they are both Taiwanese and Chinese; 24.04%, Taiwanese and not Chinese; 4.25%, Chinese and not Taiwanese; 0.002%, neither Taiwanese nor Chinese (see Table 6).

After cross-tabulating with education, and provincial origin, our data clearly show that: (1) the higher a person's educational level is, the more he or she will regard himself or herself as Chinese; (2) the Min-nan group and Hakka group have

YUNG WEI

Table 3. Frequency of travel to Mainland China and impression of Mainland China

Frequency of travel to Mainland China	Impression of Mainland China								Total (N)	%
	Very good	Good	All right	A bit not good	Not good	Very bad	Hard to say	Refused to answer		
Reside both on Mainland and Taiwan	0%	12.5%	25%	0%	25%	37.5%	0%	0%	8	100%
15 times	17.4%	13%	21.7%	4.3%	21.7%	8.7%	13%	0%	23	100%
7–14 times	4.8%	19%	52.4%	0%	4.8%	14.3%	4.8%	0%	21	100%
4–6 times	1.8%	21.8%	43.6%	12.7%	10.9%	5.5%	3.6%	0%	55	100%
3 times	1.8%	14.5%	47.3%	5.5%	14.5%	7.3%	9.1%	0%	55	100%
Twice	1.4%	16.2%	51.4%	13.5%	8.1%	6.8%	2.7%	0%	74	100%
Once	2.7%	8%	43.4%	8%	15%	9.7%	12.4%	0.9%	113	100%
Never to Mainland	1.3%	6.6%	47%	10.3%	11.6%	7.9%	14.5%	0.8%	709	100%
Can't remember	8.3%	0%	41.7%	8.3%	16.7%	0%	25%	0%	12	100%

$\chi^2 = 71.011$; df $= 49$; $p = 0.02156$.

Table 4. Frequency of travel to Mainland China and attitude toward social integration with Mainland China

Frequency of travel to Mainland China	Attitude toward social integration							Total (N)	%
	Integration together	Getting closer over time	Maintain status quo	Moving apart over time	Separate completely	Don't know	Refused to answer		
Reside both on Mainland and Taiwan	0%	37.5%	25%	12.5%	0%	12.5%	12.5%	8	100%
15 times	26.1%	52.2%	0%	0%	0%	21.7%	0%	23	100%
7–14 times	38.1%	28.6%	14.3%	4.8%	0%	9.5%	4.8%	21	100%
4–6 times	12.7%	45.5%	18.2%	7.3%	7.3%	9.1%	0%	55	100%
3 times	14.5%	36.4%	25.5%	7.3%	3.6%	12.7%	0%	55	100%
Twice	12.2%	41.9%	27%	4.1%	1.4%	13.5%	0%	74	100%
Once	16.8%	44.2%	10.6%	4.4%	3.5%	20.4%	0%	113	100%
Never to Mainland	11.7%	40.9%	19%	8.6%	2.8%	16.1%	0.8%	709	100%
Can't remember	25%	41.7%	8.3%	8.3%	0%	8.3%	8.3%	12	100%

$\chi^2 = 83.540$; df $= 42$; $p = 0.00014$.

Table 5. Frequency of travel to Mainland China and attitude toward economic integration with Mainland China

Frequency of travel to Mainland China	Attitude toward economic integration							Total (N)	%
	Integration together	Getting closer over time	Maintain status quo	Moving apart over time	Separate completely	Don't know	Refused to answer		
Reside both on Mainland and Taiwan	12.5%	25%	37.5%	0%	0%	25%	0%	8	100%
15 times	34.8%	52.2%	4.3%	4.3%	0%	4.3%	0%	23	100%
7–14 times	33.3%	47.6%	4.8%	9.5%	0%	4.8%	0%	21	100%
4–6 times	20%	36.4%	18.2%	3.6%	10.9%	10.9%	0%	55	100%
3 times	14.5%	49.1%	10.9%	9.1%	0%	14.5%	1.8%	55	100%
Twice	13.5%	50%	10.8%	6.8%	0%	17.6%	1.4%	74	100%
Once	23%	40.7%	10.6%	2.7%	1.8%	20.4%	0.9%	113	100%
Never to Mainland	15.7%	43%	12.4%	7.9%	3%	17.2%	0.8%	709	100%
Can't remember	8.3%	66.7%	0%	16.7%	0%	8.3%	0%	12	100%

$\chi^2 = 59.700$; $df = 42$; $p = 0.03735$.

Table 6. The cross-tabulation of the Taiwanese electorate's identity of being 'Taiwanese' or 'Chinese'

Taiwanese or not	Chinese or not			
	Yes		No	Total % (N)
	705		237	
Yes	71.5%		24.04%	100% (942)
		42		2
No	4.25%		0.002%	100% (44)

$\chi^2 = 9.38$; d$f = 1$; $p < 0.01$.

lower identification as 'Chinese', yet even the Min-nan group has 67.1% identifying themselves as 'Chinese' (see Tables 7 and 8).

It must be pointed out, however, that despite the fact that there is a general tendency toward a more positive attitude on integration as well as unification with Mainland China among the more frequent travelers from Taiwan to the Mainland and that the majority of the people in Taiwan still identifying themselves as 'Chinese', there are still very low percentages of the Taiwanese population who would accept the 'one country, two systems' formula offered by Beijing to Taipei as the model for unification. Hence it may be concluded that it is one thing for the Taiwanese people to have positive feelings toward Mainland China through the linkage community building process, yet it is quite a different matter for them to accept the political formula offered by Mainland China—a fact that deserves sober policy thinking and reflection among leaders in Beijing.

Table 7. Education and national identification

Education	Are you Chinese?				
	Yes	No	Refuse	Answer (n)	Total response (%)
Grad. School and above	75.0%	17.3%	7.7%	52	100.0%
University	76.5%	21.9%	1.6%	187	100.0%
Junior college	76.8%	18.8%	4.3%	207	100.0%
Senior high	73.0%	21.6%	5.4%	315	100.0%
Junior high	68.8%	24.2%	7.0%	128	100.0%
Elementary	55.7%	33.0%	11.4%	88	100.0%
Elementary below and illiteracy	61.0%	25.4%	13.6%	59	100.0%
Total	70.7%	22.4%	6.9%	1070	100.0%

$\chi^2 = 93.434$; d$f = 14$; $p < 0.00000$.

Table 8. Provincial origins and national identification

	Are you Chinese?				
Provincial origin	Yes	No	Refuse	Answer (n)	Total response (%)
Taiwanese Min-nan	67.1%	26.1%	6.8%	762	100.0%
Taiwanese Hakka	75.2%	22.1%	2.7%	113	100.0%
Mainlander	94.8%	4.4%	0.7%	135	100.0%
Aborigines	94.1%	5.9%	0.0%	17	100.0%
Refuse	37.2%	20.9%	41.9%	43	100.0%
Total (n) %	70.7%	22.4%	6.9%	1070	100.0%

$\chi^2 = 134.739$; d$f = 8$; $p < 0.0000$.

VII. Multi-system nations, linkage communities, and findings on cross-Taiwan Strait interactions: implications for Taipei, Beijing, and other divided nations and societies

Findings on the investigation of the cross-Taiwan Strait situation by analyzing aggregate and survey data have rich implications for Taipei, Beijing, other divided nations, partitioned societies, and dislocated peoples. What we have founded here is a concrete example of how an originally unified nation was divided partially by civil war and partially by great power politics. As a result, the people in the political systems having different political ideologies as well as socio-economic systems have been compelled to migrate to the opposing system and society, thus creating both the problem of minorities and refugees.

The domestic politics in the Republic of China on Taiwan reflects the nature of a divided nation wherein one finds a migrant group, the 'mainlanders' who migrated to Taiwan in 1949 after the Communist takeover of the Mainland, entered into competition with earlier immigrants, the local 'Taiwanese', in social, economic and political arenas. This situation is rather similar to Northern Koreans who migrated to South Korea and Northern Vietnamese in South Vietnam prior to reunification.

Furthermore, despite increasing socio-economic interaction between the two sides of the Taiwan Strait, political integration thus far is made impossible not only by political authorities in Taipei and Beijing, but also by big power polities in the Western Pacific. Both Germany and Korea at one time or another face similar situation. Finally, the Chinese people on both sides of the Taiwan Strait share a similar problem in the dichotomy of 'the nation' vs. 'the state'. Whereas people on both sides still regard themselves as belong to the same 'nation', they do not necessarily identify with the same 'state'.

Looking to the future, several probable projections on cross-Strait relations can be made. First, as long as the PRC refrains from further use of force against Taiwan and continues to promote economic as well as cultural ties with Taiwan, there will be ample room for gradual social and economic integration leading to the development of 'linkage communities' on both sides of the Taiwan Straits, which may pave the way for eventual political integration with or without the framework of a loose confederation.

On the ROC side, as long as its leaders adhere to the 'One China' principle and avoid a legal separation of Taiwan from China, there will always be the possibility of developing some conceptual frameworks under which the question of national unification and international recognition may be resolved.[31] Despite the seeming incongruence between the ROC's 'one nation, two entities' concept and the PRC's 'one country, two systems' policy, there indeed exist certain common features which can be further explored for mutual accommodation. The 'eight-point' statement issued by PRC President Jiang Zemin and the 'six-point' response from President Lee testify to the gradual expansion of elasticity between the two sides.

Furthermore, the PRC may eventually come to the conclusion that depriving the ROC of all its diplomatic ties may not be in Beijing's interest, since this strategy may lead to a complete isolation of the Taiwan region, which will only add fuel to the appeal of the independence movement on the island of Taiwan. The best that can happen, therefore, is for the PRC and ROC to reach a tacit or overt understanding that improvement of cross-Strait relations and expansion of external relations of the two political systems in China are not 'zero-sum' games. If Beijing can tolerate Taipei's external relations to a limited extent, Taipei will have more confidence in dealing with Beijing, which may eventually lead to the formation of loose confederation by the two Chinese political systems across the Taiwan Strait in a 'multi-system nations' framework along with the formation of various linkage groups and communities in each other's territories.

In the opinion of this author, unless both sides of the Taiwan Straits are unified by force, 'multi-system nations' and 'linkage communities' are probably the only workable concepts which still preserve the notion of 'one Chinese nation' on the one hand, yet allow either side to gain international recognition without violating the principle and goal of eventual national reunification on the other.[32] Under this situation, the concept of 'multi-system nations' and 'linkage communities' may serve both as theoretical constructs to help explain the existing reality and as an intellectual tool projecting and prescribing possible policy options.

VIII. From functional integration to structural readjustments: efforts made by Taipei and Beijing for mutual accommodation

In addition to functional integration across the Taiwan Strait through the process of the development of 'linkage community', concrete structural readjustments have been made both by the governments of the ROC and PRC so as to permit *de facto*

31. For a proposal in redefining the foreign policy goal of the ROC, see Yung Wei, 'Needed: a forward-looking perspective and pragmatic external policy for the Republic of China', paper delivered at the 'Conference on the Republic of China and the United Nations', Carnegie Council on Ethics and International Affairs, New York, 25–26 October 1993. Also see Yung Wei, 'A new world perspective for the Republic of China', *Issues and Studies* 28(7), (July 1992); also see Robert G. Sutter and William R. Johnson, eds, *Taiwan in World Affairs* (Boulder: Westview Press, 1994). For suggestions to strike a balance between cross-Strait relations and expansion of international relations, see an interview of this author in 'Time to clarify the one China principle', *Free China Review*, (March 1996), pp. 21–26.

32. For a projection of Taiwan's future into the twenty-first century, see Yung Wei, 'The interplay between Taiwan's internal and external environments to 2020: a contingency analysis', in Paul H. B. Godwin and Alfred D. Wilhelm, Jr, *Development in Taiwan to 2020: Implications for Cross-Strait Relations and U.S. Policy*, edited by Karen M. Sutter (Washington, DC: The Atlantic Council of the United States, 1996).

Multi-System Nations, Linkage Communities, and Intra-national Commonwealth:
A Paradigm and Flowchart on the Interaction between conceptual thinking and policies

Conceived and drawn by
Yung Wei
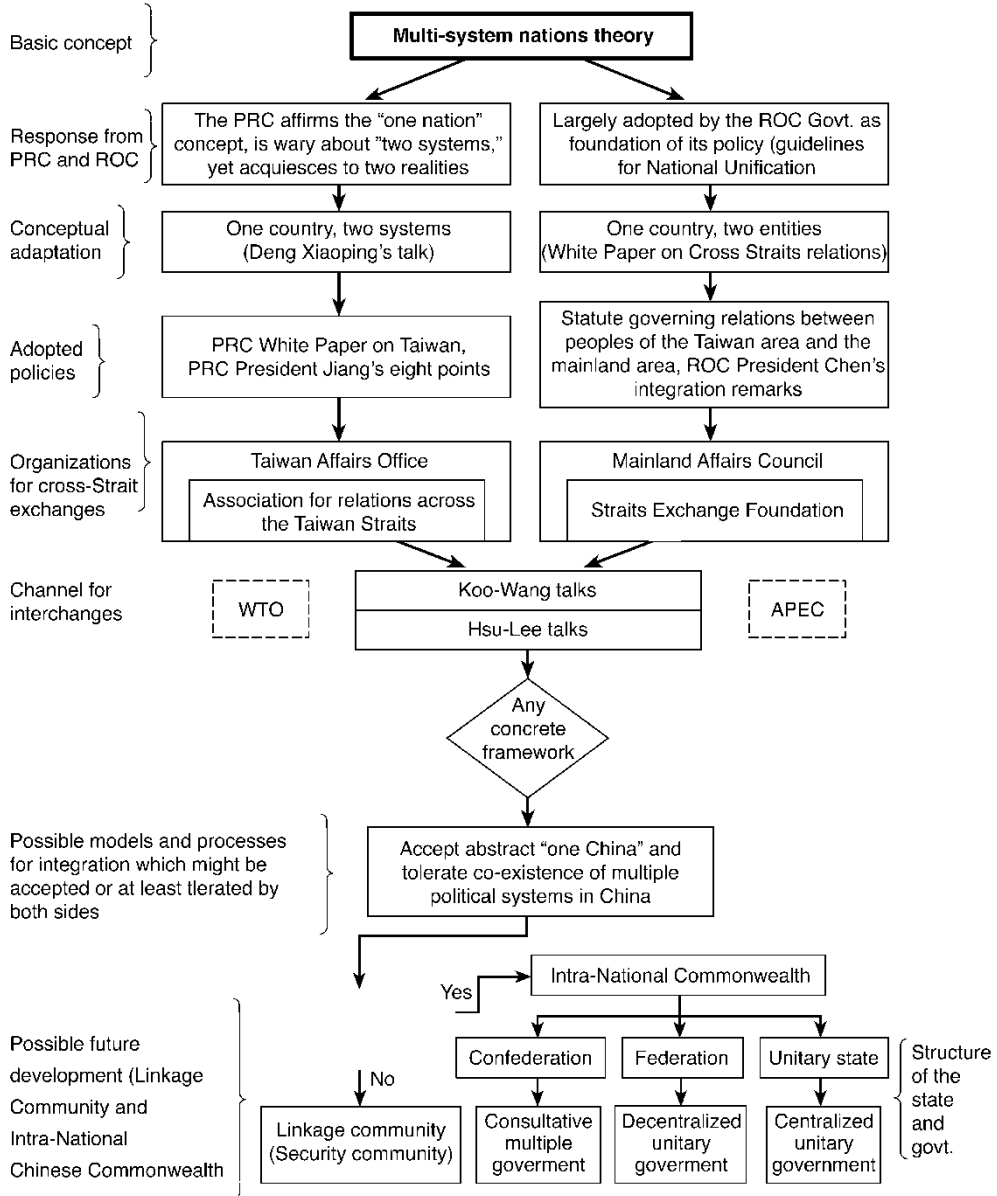on November 15, 1997; revised and updated on July 28, 2000

Basic concept	**Multi-system nations theory**
Response from PRC and ROC	The PRC affirms the "one nation" concept, is wary about "two systems," yet acquiesces to two realities	Largely adopted by the ROC Govt. as foundation of its policy (guidelines for National Unification
Conceptual adaptation	One country, two systems (Deng Xiaoping's talk)	One country, two entities (White Paper on Cross Straits relations)
Adopted policies	PRC White Paper on Taiwan, PRC President Jiang's eight points	Statute governing relations between peoples of the Taiwan area and the mainland area, ROC President Chen's integration remarks
Organizations for cross-Strait exchanges	Taiwan Affairs Office / Association for relations across the Taiwan Straits	Mainland Affairs Council / Straits Exchange Foundation
Channel for interchanges	WTO	Koo-Wang talks / Hsu-Lee talks	APEC

Any concrete framework

Possible models and processes for integration which might be accepted or at least tlerated by both sides — Accept abstract "one China" and tolerate co-existence of multiple political systems in China

Intra-National Commonwealth

Yes

Possible future development (Linkage Community and Intra-National Chinese Commonwealth

Confederation	Federation	Unitary state	Structure of the state and govt.
Consultative multiple goverment	Decentralized unitary goverment	Centralized unitary government	

No — Linkage community (Security community)

Figure 4. Multi-system nations, linkage communities, and intra-national commonwealth: a paradigm and flowchart on the interaction between conceptual thinking and policies.
Conceived and drawn by Yung Wei on 15 November 1997; revised and updates on 28 July 2000.

interactions between the two sides. What I mean by structural readjustments refers both to the development of concrete institutional agencies and instruments to handle cross-Strait affairs as well as reinterpretation of official positions to suit the changing cross-Strait realities.

In terms of institutional developments, both Taipei and Beijing have established ministry-level agencies to handle policy-relations issues. They have also established nominally 'non-governmental' offices to serve as 'white gloves' to contact and negotiate with each other on concrete problems created by cross-Strait interchanges. Despite tension and functions at the different stages of cross-Strait relations, the establishment of the Taiwan Affairs Office in State Council and its contact agency, the Association for Relations Across the Taiwan Strait on the Mainland China side, has been performing the vital function of keeping cross-Strait relations at a manageable level. Likewise, on the Taiwan side, the founding of the Mainland Affairs Council in the Executive Yuan (ROC Cabinet) and its authorized 'private' contact organization, Strait Exchange Foundation, has also served the purpose both on policy-making at the central government level and on the handling of concrete problems at the cross-Strait interactions level.

In addition to formal institutions, other semi-official and semi-formal mechanisms as well as channels were also established to deal with concrete cross-Strait issues that required practical and timely solutions. For instance, with a view to solving Taipei–Hong Kong shipping agreements, Ministries of Communication and Transportation on both sides of the Taiwan Strait entrusted the shipping companies to negotiate directly with each other with full authorization by both governments. Likewise, in order to facilitate direct maritime linkages between Quemoy and Amoy as well as between Matsu and Foochow, both Taipei and Beijing allowed local government in these areas to work out the details of inter-system arrangements.

From the above examples, one can clearly see that not only is socio-economic integration between both sides of the Taiwan Strait happening with accelerated pace, but concrete institutional developments have been made by both Taipei and Beijing to facilitate interactions between Taiwan and Mainland China. What has prevented the two sides from moving toward more positive relations has been the unwillingness on the Taipei side to return to the 'One China' principle and Beijing's reluctance to accord Taipei any formal international status. Yet even in this regard, there is still room for compromise. If Chen Shui-bin would be willing to reiterate his original statement that the Constitution of the Republic of China represents a 'One China' explication and reconfirm his commitment to cross-Strait integration, there certainly would be possibilities of improving cross-Strait relations. Similarly, if Beijing would treat Taipei as a *de facto* political entity with a certain extent of international standing, then this would quite possibly invite a positive response from Taipei.[33] (For an illustration of the development of cross-Strait relations at different stages as well as a projection for the future, see Figure 4.)

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33. For a more flexible explanation of Beijing's position toward cross-Taiwan Strait relations, see Sheng Wei-ping, 'How to define cross-Strait relations', *China Review* No. 63, (March 2003), pp. 19–23.

IX. Taipei–Washington–Beijing relations and its impacts on cross-Strait relations: policy analyses and policy recommendations[34]

In the foregoing sections of the paper, we have provided both a new definition of the problem as well as new conceptual frameworks for analyzing and predicting cross-Taiwan Strait relations. From here onward we would move onto more concrete policy analysis and recommendations. By all accounts, the relations between the ROC on Taiwan and the People's Republic of China on the Chinese Mainland are in a state of stalemate. Despite continuous trade, tourism, and other types of people-to-people exchanges between the two sides of the Taiwan Strait, political relations between Taipei and Beijing are still far from being congenial toward each other. The newest example of mutual resistance and distrust is found in Taipei's endeavor to join the World Health Organization as an observer, which was vehemently rebuked and firmly blocked by Beijing as an attempt to break the 'One China' principle.

As with all the divided nations, the issues between the ROC and the PRC involve not only the concrete contest over power and resources but also the definition of the nature of the nation or state that they both share. In the case of cross-Taiwan Strait relations, one of the major reasons for the current deadlock between Taipei and Beijing has been the problem of the 'One China' issue. For the leaders in Beijing, whether the ROC agrees to 'One China' or 'Two Chinas,' or 'One China, One Taiwan', or 'an independent Taiwan' is of crucial importance in deciding their future policy toward the Island. For the government in Taipei, however, 'One China' is both an issue in domestic politics and cross-Strait relations.

In terms of domestic politics, the ruling party in Taiwan, the Democratic Progressive Party (DPP), still sets 'Taiwan's independence' as the eventual goal of the Party in its Charter, although leaders in the DPP often indicate that the *status quo* is equivalent to *de facto* 'independence' for Taiwan. Moreover, Hsieh Chang-ting, chairman of the DPP, argues that 'One China' may be defined according to the Constitution of the ROC. The two main opposition parties in Taiwan, the Kuomintang and the People First Party, basically adhere to the 'One China' principle, yet they define the content of 'One China' somewhat differently from that of the Beijing authorities.

As a result, Taipei to this day has chosen not to assure Beijing that it adheres to the 'One China' principle, which is the pre-condition set up by Mainland China for the resumption of cross-Strait talks. In order to demonstrate that he was not totally against the 'One China' principle, President Chen Shui-bian indicated that he was willing to accept 'One China' as one of the agenda in the next cross-Strait dialogue. The PRC, however, insisted that the ROC must accept the 'One China' principle as a pre-requisite to cross-Strait talks. The result is a stalemate that may last for quite some time to come.

One may take consolation that with the enhanced US concern and support for the security of Taiwan, the leaders and people of the ROC do not have to worry about

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34. This section of the paper is an updated and enlarged version of a chapter in Yung Wei, ed., *US Policy toward Mainland China and the ROC on Taiwan: Possible Developments and Policy Recommendations* (Taipei: Vanguard Institute for Policy Studies, 2002), pp. 11–18.

cross-Strait relations in the foreseeable future. Others argue that since Mainland China will be hosting the Olympic games in Beijing in 2008, the PRC most likely would not take military actions against Taiwan by that time. Yet with the continuing increment of both economic power and military capacity of the PRC, leaders in Taipei cannot completely rule out the emergence of a military situation in the Taiwan Strait before 2008. A worsening of the relations between Beijing and Washington, a deterioration of the economic situation on the Chinese Mainland, and a rising voice for separation from China among certain sectors of the population in Taiwan will heighten the possibility of military confrontation in the Taiwan Strait.

While decisions in Taipei and Beijing naturally will have an important impact on future cross-Strait relations, the role played by the United States has also had a vital and almost determining influence on the relations between Mainland China and Taiwan. Hence any analysis of cross-Taiwan Strait relations would not be complete if one did not take into consideration the role played by the United States as well as the triangular relationship among Taiwan, Beijing and Washington. For this reason, it is necessary to analyze the policy environment and constraints of the ROC, the United States, and the PRC so as to obtain a total picture regarding the possible development in the Taiwan Strait.

1. Domestic politics in Taiwan and its impact on the ROC's Mainland China policy

Along with the process of democratization in Taiwan, the policy of the government of the Republic of China (ROC) toward Mainland China has been increasingly influenced by internal politics in the island. It will be progressively so in view of the fact that the campaign for re-election for President Chen Shui-bian practically has already started.

As the President of the ROC, Chen Shui-bian's policies toward the People's Republic of China (PRC) have had the following important aspects.

(1) Working closely with the United States and relying upon strong American support as the pivotal foundation of the ROC's Mainland China policy.
(2) Demonstrating to Beijing that Taipei is willing to open economic and trade relations with the Mainland on a gradual and case-by-case basis; yet firmly resisting open acceptance of the 'One China' principle.
(3) Offering a broad conceptual approach for gradual cross-Strait integration but thus far avoiding putting forward a concrete step-by-step process or timetable.
(4) Making adjustable and reinterpretable comments on different occasions dependent upon the nature and inclination of the audience.

Given the fact that Taiwan is in an economic slowdown with an unemployment rate of more than 5%, cross-Taiwan Strait policy may be one of the few Chen Shui-bian's trump cards to fend off the challenges of the KMT–PFP (People First Party) coalition in the forthcoming presidential election in 2004.

Yet the political reality is such that despite President Chen's efforts in trying to put himself in the driver's seat, political alignment in Taiwan does not permit him to have complete freedom both in dealing with Mainland China and in domestic

Table 9. Basic data on political alignment in Taiwan

Types of Organizations	Distribution by parties					
	DPP	KMT	PFP	TSU	NP	Independent
Legislative Yuan (seats)	87	68	46	13	1	10
Mayors and counties magistrate	9	9	2	0	1	2
Seats in city and county councils	147	382	49	7	3	309
Township mayors and villages heads	28	194	4	0	0	93

Source: *China Times*, (2 December 2001), p. 1; *United Daily News*, (7 January 2002), p. 1.

issues. As the data in Table 9 clearly show, even after the last Legislative Yuan election, the DPP still does not have the majority of seats in this legislative body equivalent to the parliament in other countries. The failure of the DPP to win either the Presidency or the Vice-Presidency of the Legislative Yuan fully demonstrated the weakness of the DPP in this respect. Furthermore, the initiative taken by the opposition parties to amend the laws regulating cross-Strait relations so as to facilitate an earlier opening of direct air linkage between Taiwan and Mainland China also illustrate the handicapped position of the ruling party.

When Lien Chan, the chairman of the KMT, and James Soong, the leader of the PFP, patched up their differences and decided to formed a single team with Lien as the presidential candidate and Soong as the vice-presidential candidate, the pressure on Chen Shui-bian and the DPP mounted. Whether Chen will take a more conciliatory policy toward Mainland China in order to convince the voters of Taiwan that he too can effectively handle cross-Strait relations or whether he will adopt a tougher policy against Beijing to demonstrate that he is not an appeaser to the PRC is a question in the minds of both Taiwanese and international political observers. If the economic conditions in Taiwan do not improve next year, as will most likely be the case, Chen would face an uphill fight in the Presidential election.

2. US policy toward Mainland China: has it gone from strategic ambiguity to clarity?

The assumption of US Presidency by George W. Bush has brought about a new stage on USA–ROC–PRC relations. In fact, many political leaders and observers in Taipei consider President Bush as the most pro-ROC US President since Ronald Reagan. The decision to sell warships and submarines to Taiwan, the refusal to re-iterate Clinton's 'Three Nos', the support for Taipei's membership in the WTO, and the 'slip of the tongue' in calling Taiwan a 'country', are all seen as friendly policy decisions and gestures by the government and people of the ROC on Taiwan.

Yet with the 11 September terrorist attacks in Washington, DC and New York, some subtle yet observable readjustments have been made by the US government on its policy toward the PRC and the ROC. While President Bush and other US policy makers still stand quite firm in the defense of Taiwan, Deputy Secretary of

Defense Paul Wolfowitz, in response to a question from reporters, stated that the United States still adheres to the 'One China Policy' and opposes 'Taiwan Independence'. In addition, 'strategic competitor', a term frequently used to refer to the PRC at the beginning of the Bush Administration, has steadily declined in its being mentioned by US officials. A well-rehearsed and cordial reception of Hu Jintao by the US government is another sign of the US intention to persevere with the opportunity for improved relations with the PRC through cultivating good will with China's future leaders.

Like all his predecessors, President Bush and his close associates have entered the stage of transition from ideological appeals of the campaign period to policy readjustments in response to political reality faced by a government in power. Yet there are clear signs of President Bush's personal imprints on US foreign policy. This is found in his obvious friendliness toward the government and people of Taiwan which has surfaced time and again in his repeated declarations of determination in defending the island against invaders. Toward the Chinese Mainland, Bush used straightforward language and a stern tone to tell the leaders in Beijing of his resolution of defending democracy and human rights; yet he would also welcome Jiang Zemin to his Texas ranch and extend Southern hospitality to the former President of the PRC as a way of promoting inter-state relationships with a personal touch.[35]

Hence one may conclude that future US policy toward Mainland China and Taiwan may not be as simple as many of the American and international observers have asserted. The so-called 'strategic clarity' may be an instrument to deter possible miscalculated attempts by Beijing leaders against Taiwan. Yet the door of reconciliation and cooperation has never been closed. Likewise, US concern and support for Taiwan's security cannot be interpreted as a blank check allowing the leaders in Taipei to harbor separatist designs toward legal independence of Taiwan.

3. Beijing's policy toward Taiwan: external and internal constraints

Despite the fact that it is emerging as a regional power in East Asia, the PRC has been deeply frustrated both in its relations with the United States and in its policy toward Taiwan. In terms of relations with the United States, various incidents have seriously impaired the relationship between the emerging power and the super power. The bombing of the PRC embassy in Belgrade by US planes, the collision of the US and PRC aircrafts in the South China Sea, and the arrests of US citizens of Chinese origin by Beijing authorities, have all hampered relations between Beijing and Washington.

In order to counter the seeming 'containment' efforts by the USA, Beijing's leaders have tried to broaden its ties with neighboring countries, notably Russia, Japan, Southeast Asia, and Central Asia countries. The efforts toward building a 'Ten plus One' trade organization with ASEAN countries, the establishment of the

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35. For an explanation of Bush's policy toward Taiwan, see Richard Halloran, 'Taiwan', *Parameters*, (Spring 2003), pp. 22–34; for US policy toward Mainland China and Taiwan after 9–11, see John Tkacik, 'America's strategic clarity on terror blurs China–Taiwan policy', in Yung Wei, ed., *US Policy toward Mainland China and the ROC on Taiwan*, pp. 81–94.

Shanghai Forum with Central Asian countries, and the signing of several treaties on trade as well as strategic cooperation with Russia represent Beijing's endeavor in this area. Yet rapprochement between Russian President Putin and NATO leaders has cast a cloud over Beijing–Moscow relations. Similarly, US efforts to win friendship from countries in Central Asia in connection with the war against terrorism have also created uneasiness in Beijing.

As for policy toward Taiwan, military attempts in 1995 and 1996 have been proven clearly as unsuccessful and counter productive to Beijing's original purpose. The PRC's deep distrust of Chen Shui-ben has thus far prevented Beijing from giving positive responses to the latter's conciliatory gestures. In terms of policy affinities, leaders in Beijing would prefer to deal with either the KMT or the PFP. Yet any overt friendliness toward the opposition parties would be interpreted by the DPP as efforts to sabotage the internal politics in Taiwan which in turn will be used by the DPP to damage the images of the opposition parties in the minds of the people of Taiwan.

As pointed out previously in this paper, there has been some improvement in relations between Mainland China and the United States after the 9–11 incident. The effect of the Iraqi war, however, has cast a shadow over future Beijing–Washington relations. Although Beijing did not come out as strongly as France, Russia, and Germany in opposing the US use of force in Iraq without the authorization of the Security Council in the form of a specific resolution, the representative of the PRC in the UN Security Council did voice a clear preference for UN action over the unilateral use of force by the United States against Iraq.

Other than the political differences with the United States on the Iraq problem, the military implication of US supremacy in conventional warfare also seems to have created anxieties and worries among defense planners in Mainland China.[36] While military experts in Taiwan are concerned with the possible impact of US conduct in the Iraqi war on Beijing's strategy to take Taiwan, defense planners on Mainland China have already started thinking about upgrading the PLA's sophistication in conventional warfare so as to prepare itself for possible future confrontation with the United States.[37]

4. Policy recommendations

Based upon the foregoing analysis, I would like to offer the following policy recommendations.

For the United States

(1) Keep reiterating US firm determination in defending Taiwan against unprovoked military attack from Mainland China.
(2) Adhere to 'One China' policy yet make it clear that 'One China' is not equivalent to the PRC.

36. For example, see Yu-chun Chen, 'PRC is highly alarmed by Bush doctrine', *Central Daily News*, (5 March 2003), p. 9.
37. See Jane MacCartney, 'Mainland army seeks new Gulf War lessons' (Singapore, Reuters) printed in *The China Post* Taipei, (7 April 2003), p. 4.

(3) Continue selling of weapons to Taiwan but take into consideration both the ROC's budgetary capacity and its ability to absorb the training requirements for using these weapons. Political pressure from the US side has already created negative responses from members of the ROC's Legislative Yuan of both the ruling and opposition parties. Close consultation between defense planners and members of the legislative branch both in the ROC and the USA is needed here.

(4) Help Taiwan gain access to both governmental and non-governmental international organizations but at the same time avoid giving the impression of trying to create a new state of Taiwan.

(5) Try to regenerate a sense of continuity of US support for the democratization process in Taiwan by referring to the teachings of Dr Sun Yat-sen as the Chinese counterpart of Lincoln's idea of 'of the people, by the people, and for the people'. Remarks by US officials on the affinity of the ideas of the USA and the ROC would add a moral dimension to USA–ROC ties that would go beyond mere strategic considerations.

For the PRC government

(1) Beijing needs to think about the type of international status that the ROC on Taiwan is demanding. 'One China' can be accepted by Taiwan only if it does not equate with 'the PRC' and that it comes with a broadening of international contact and elevation of international status for Taiwan.

(2) Beijing should not assume that 'culture and blood' alone will entice the Taiwan people to join the motherland; concrete proposals to protect Taiwan's autonomy and preservation of the ROC's international status are needed.

(3) The PRC should not have any doubts that the United States will support Taiwan if the PRC launches an 'unprovoked' attack; and it will be Washington, not Beijing, that decides the meaning of 'unprovoked'.

(4) Time may not be on the PRC's side. While the PRC may grow stronger militarily, that does not mean that Taiwan will necessarily grow weaker. There is growing sophistication in Taiwan in terms of warfare, especially information warfare and other capabilities. In addition, the people of Taiwan have a growing sense that Taiwan should decide its own future. While Beijing may insist on its anti-independence stand, it must take the idea of Taiwan's autonomy seriously.

(5) Hong Kong and Macao are not models for Taiwan; very few people in Taiwan are attracted by either case.

For the ROC government

(1) Continue the effort of maintaining close ties with the United States, yet at the same time try to reopen dialogue with Mainland China.

(2) Continue purchasing weapon systems from the USA, but keep in mind the budgetary constraints and the absorption capacity of the ROC's armed forces. Whether the ROC should develop non-nuclear deterrence capability deserves serious and careful evaluation. As the military capacity of the PRC will grow over time and Taiwan's ability to purchase weapon system from abroad will be

limited, this option has already been in the mind of the ROC's military planners in recent years.[38]

(3) Re-evaluate the efforts of getting President Chen to visit the United States. A premature and ill-planned visit to the USA capital by Chen might not produce the results that Taipei has hoped for. Full consultation with the basically friendly and understanding US administration is needed here. In this regard, President Chen should not follow President Lee's footsteps in visiting the USA under circumstances which might produce short-run gains in terms of international visibility yet create long-term damage in Taipei–Washington–Beijing relations.

(4) Try to take full advantage of WTO membership to broaden international contact, but avoid too politically oriented expressions and maneuvers in this world organization.

(5) Think through the 'One China' issue and map out a step-by-step procedure toward dealing with this issue and the future interactions with Mainland China; try to give more substance to President Chen's proposal on 'economic, culture, and political integration' between the two sides of the Taiwan strait. Further reduction of trade and investment barriers plus active evaluation of planning and opening direct air travel across the Taiwan Strait will give more credibility to President Chen's proposal.

(6) Try to develop models and paradigms for future association with Mainland China in which both the idea of 'One China' and the autonomy of Taiwan may be preserved.

(7) The ROC should actively but quietly support US efforts against terrorism; yet should, at the same time, not create antagonism from the Arabic states with which the ROC has maintained cordial relations for many decades.

X. Conclusion

From the discussion of this paper, two separate modes of analysis with different results have emerged. Those who applied historical interpretation, socio-economic analysis and projection, as well as the 'Greater China' model usually arrived at more optimistic conclusions on cross-Taiwan Strait relations; whereas on the other hand, those who used 'power politics' model and military-security analysis tended to have more pessimistic projections on the relations between Taiwan and Mainland China.

Hence, the nature of cross-Strait relations is indeed a mixture of danger and opportunities. The Chinese characters in forming the term crisis, '.. (Wei Ji)', aptly illustrate the situation. Clearly, it is a situation in which there are opportunities amidst danger; and danger amidst opportunities '…… (Wei zhong yo ji, ji zhong yo wei)'. The final key to war or peace in the Taiwan Strait, therefore, is in the hands of leaders in Beijing, Washington, and Taipei. Whether they would let the natural tendency toward cross-Strait socio-economic integration run its own course or whether they would take political–military action to alter this trend would be a decisive factor in affecting Taiwan's future.

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38. For a discussion on this question, see Yung Wei, 'From pure defense to "limited deterrence": Taiwan should adopt "poisonous crab" strategy', *China Times*, (4 March 1995).