Issues & Studies© 38, no. 1 (March 2002): 130-164.

The Impact of the PRC's Domestic Politics on Cross-Strait Relations

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This paper examines how PRC domestic politics constrains and influences China's Taiwan policy, and thus indirectly affects cross-Strait relations. Specifically, this paper examines six factors: (1) collective leadership and factionalism, (2) succession politics, (3) bureaucratic competition, (4) nationalism, (5) legitimacy crisis and political reform, and (6) central-local and central-minority relations.

The impact of these six factors is multiple. In general, they constitute tremendous constraints for any PRC leadership seeking to change the existing policy line. From the perspective of the policymaking process, a lack of a transparent, stable, and predictable political structure and policymaking process does not allow the regime in general, and individual leaders in particular, much room to take political risks or enjoy flexibility in dealing with Taiwan. From the perspective of the structural characteristic of the whole nation, internally the PRC holds a strong feeling of insecurity in regard to national integrity—i.e., has a vulnerable legitimacy base. Externally speaking, China also suffers from deep frustration in her pursuit of international status, which in turn fuels a strong nationalism. There is thus a strong hawkish bias in the PRC's Taiwan policy that derives from domestic political factors. In determining whether or not a "Taiwan threat" exists, this paper thus argues that more attention should be paid to the opportunities and challenges presented or imposed by the structural constraints and dynamics of PRC domestic politics.

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KEYWORDS: PRC's Taiwan policy; cross-Strait relations; collective leadership; bureaucratic politics; nationalism.

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In trying to answer whether or not Taiwan is able or likely to drag the United States into a war with the People's Republic of China (PRC), one method of approach is to focus on Taiwan as an actor. One could ask, for instance, if Taiwan is a "troublemaker": Does the island undertake provocative actions that could cause the PRC to react with force and thereby impel the United States to intervene in order to maintain regional peace and stability? Another Taiwan-centric approach is to focus on how actions that Taipei may take could spark a cross-Strait military conflict, yet avoid any normative discussion of whether or not Taiwan's actions are "justified" or whether or not her actions would be the "cause" of the conflict.

This article seeks, however, to shed light on the "Taiwan threat" hypothesis (as articulated in the introduction to this special issue) from the perspective of the PRC as actor. More to the point, this article looks at the domestic roots of China's policy toward Taiwan. Note that in discussing the tension in the Taiwan Strait, most studies focus on the U.S.-PRC, U.S.-Taiwan, or PRC-Taiwan bilateral relations. For those few studies that examine domestic factors, some focus on U.S. domestic politics,[1] or Taiwan's domestic politics, or even the interaction between the two.[2] There is much less research on how the PRC's domestic politics influences cross-Strait relations. Many studies outline the decision-making process of the PRC's Taiwan policy.[3] Almost no work focuses on the politics or the po-

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[1]E.g., Robert S. Ross, ed., *After the Cold War: Domestic Factors and U.S.-China Relations* (Armonk, N.Y.: M.E. Sharpe, 1998).

[2]E.g., Jih-wen Lin, "Two-Level Games Between Rival Regimes: Domestic Politics and the Remaking of Cross-Strait Relations," *Issues & Studies* 36, no. 6 (November/December 2000): 1-26.

[3]E.g., George W. Tsai, "The Making of Taiwan Policy in Mainland China: Structure and Process," *Issues & Studies* 33, no. 9 (September 1997): 1-31; Yun-han Chu, "Making Sense of Beijing's Policy Toward Taiwan: The Prospect of Cross-Strait Relations During the Jiang Zemin Era," in *China under Jiang Zemin*, ed. Hung-mao Tien and Yun-han Chu (Boulder and London: Lynne Rienner, 2000), 193-212; and Michael D. Swaine, "Chinese Decision-

litical dynamics of PRC decision-making on Taiwan policies.[4] As an effort to balance the analysis, this paper will focus on the impact of PRC domestic politics on China's Taiwan policy and will draw implications for both Taiwan's perceptions and cross-Strait relations.

This paper argues that there are six important factors of PRC domestic politics that affect China's Taiwan policy and thus cross-Strait relations. Two concern elite politics: *collective leadership and factionalism* and *succession politics*; one factor is of bureaucratic politics: *bureaucratic competition*; and three factors are of national structural politics: *nationalism, legitimacy crisis and political reform*, and *central-local and central-minority relations*. These six factors of PRC domestic politics constitute structural constraints on China's Taiwan policy and have important implications for cross-Strait relations. By analyzing these six factors, this paper argues that we must pay attention to the constraints imposed and dynamics engendered by PRC domestic politics on cross-Strait relations.

Specifically, this paper argues that the PRC's lack of institutionalization in its domestic politics and the vulnerability of the regime's legitimacy base constrains its flexibility in making Taiwan policy, which in turn also affects Taiwan's perceptions of China and thus cross-Strait relations. When PRC policy goals are frustrated in this politically sensitive policy area, a more aggressive policy may ensue. In short, from the perspective of the PRC's domestic politics, the goal of China's Taiwan policy is constrained and limited by its political structure and process. Looking to future possibilities, however, a more institutionalized power structure and a more sustainable basis of legitimacy for the Chinese Communist Party (CCP) regime should be conducive to a more flexible, rational, and peaceful policy toward Taiwan.

Making Regarding Taiwan, 1979-2000," in *The Making of Chinese Foreign and Security Policy*, ed. David M. Lampton (Stanford, Calif.: Stanford University Press, 2001), 289-336.

[4]The only work may be Michael D. Swaine, "The Modernization of the People's Liberation Army: Implications for Asia-Pacific Security and Chinese Politics," in Tien and Chu, *China under Jiang Zemin*, 115-34. However, this work adopted a historical description, or a case-study method, instead of trying to sort out systemic factors and political mechanisms.

The Collective Leadership and Factional Politics

Decision-making power in the PRC is shared among several top leaders. Under such a structure, necessary is to achieve agreement within the top collective leadership. The top leadership structure that governs the PRC is the Politburo Standing Committee of the CCP Central Committee (中國共產黨中央委員會政治局常務委員會). Currently, the Politburo Standing Committee is composed of seven members.[5] In the post-Deng Xiaoping (鄧小平) era, the top leader—Jiang Zemin (江澤民)—has been able to garner a level of formal power higher than that enjoyed by Deng by unprecedentedly holding the following positions at the same time: CCP Central Committee General Secretary (中國共產黨中央委員會總書記), President of the PRC (國家主席), Chairman of the Central Military Commission (中央軍事委員會主席), and head of the CCP Central Committee's three "leading groups" (領導小組組長) (Foreign Affairs, Taiwan Affairs, and National Security). Jiang does not, however, enjoy the same personal authority as did Deng. In other words, institutionally speaking, Jiang has controlled the party, government, and military; in terms of daily politics, however, Jiang must share power with the other top leaders, including Zhu Rongji (朱鎔基, Premier of the State Council), Li Peng (李鵬, Chairman of the National People's Congress Standing Committee), Li Ruihuan (李瑞環, Chairman of the Chinese People's Political Consultative Conference National Committee), and others.

The impact of this collective political structure on policymaking, especially in an area as sensitive as Taiwan policy, is multifold. First, difficult is for the collective leadership to admit any policy fault. Any mistake on Taiwan policy tends to be blamed on a specific individual, usually the top leader, which in turn fuels factional politics. Second, the collective leadership of the CCP thus finds difficulty in changing its basic policy line.

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[5]They are: Jiang Zemin, Li Peng, Zhu Rongji, Li Ruihuan, Hu Jintao (胡錦濤, PRC Vice-President); Wei Jianxing (尉健行, Secretary of the CCP Central Commission for Discipline Inspection 中共中央紀律檢查委員會書記); and Li Lanqing (李嵐清, Vice-Premier of the State Council).

Third, under collective leadership it is difficult for one top leader to conduct any "under-the-table negotiations" with Taiwan. Taken together, these three factors greatly inhibit PRC flexibility. Each is explored in more detail below.

Policy Failure and the Blame Factor

First, the essence of collective leadership lies in sharing. Theoretically, all leadership members collectively share both power and responsibility. Chu Yun-han (朱雲漢) has pointed out, however, that although the ultimate decision-making power on Taiwan policy lies within the Politburo (or the Standing Committee), Jiang nevertheless enjoys effective control over agenda setting. Jiang is "the first among equals" in terms of Taiwan affairs.[6] There is, therefore, always a balance that needs to be struck between Jiang's personal authority and the collective leadership. Under collective leadership, if the previous policy line proves to be faulty, theoretically all members should share responsibility. However, as long as the collective leadership remains the same, these elites will find any collective admittance of policy fault to be difficult. Put differently, if a policy or a strategy proves to be unsuccessful or inefficient, the leading group as a collective will never admit responsibility; rather, a certain individual leader, especially the one who "stands first among equals," will be fingered. Michael Swaine has reported an unverified case in which Jiang was criticized by other elite members—and then even criticized himself—at the 1995 Beidaihe Conference (北戴河會議) over the incident of Lee Teng-hui's (李登輝) visit to Cornell University.[7] Debate or criticism of the official line within the leadership ring is usual. Robert Sutter has pointed out that in a case of debating China's policy toward the United States, Jiang—at the same 1995 Beidaihe Conference—defended against conservative criticism a moderate U.S. policy he espoused.[8] Similar dynamics are likely

[6]Chu, "Making Sense of Beijing's Policy Toward Taiwan," 201.

[7]Swaine, "Chinese Decision-Making Regarding Taiwan," 322.

[8]Robert G. Sutter, "Domestic Politics and the U.S.-China-Taiwan Triangle: The 1995-96 Taiwan Strait Conflict and Its Aftermath," in Ross, *After the Cold War*, 88.

to occur over Taiwan policy since the Taiwan issue is always linked with other important foreign relations issues.

China watchers are still uncertain, however, of how disagreements on Taiwan policy are settled among the top leaders when an old collective consensus is broken and a new one has yet to be reached. The 1995-96 missile exercise is a good example. One school argues that factional politics determined how the final decision was reached.[9] According to studies of Chinese factional politics, there are three sources of factionalism among the CCP's top leadership: policy disputes, conflicts of institutional interests, and pure power struggles.[10] Many hold that factionalism does not have to be a result of policymaking, but can influence policymaking as an independent variable.[11] According to the history of the PRC, every time when consensus over Taiwan policy was broken, or even when an old policy line was criticized, the outcome of such an incident always led policy in a more conservative direction. For example, according to the interpretation of Willy Wo-Lap Lam, the whole series of "war game diplomacy" was played out because the military brass outweighed the civilian leadership during the crisis.[12]

This view contrasts vividly with another school of explanation which argues that policy revision is reached via the coordination of top leaders. For example, Michael Swaine argues that Jiang Zemin never lost control of the policymaking process in regard to Taiwan.[13] Jiang's successful playing of the role of balancer and coordinator was what brought about a new consensus. The decision arrived at on the 1995-96 missile crisis, according to Swaine, was "the consequence of a collaborative policymaking process led by Jiang Zemin and not the outcome of factional struggle."[14]

This study advocates an eclectic theory of the previous two schools.

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[9]Willy Wo-Lap Lam, *The Era of Jiang Zemin* (Singapore: Prentice Hall, 1999), 172-79.

[10]Huang Jing, *Factionalism in Chinese Communist Politics* (Cambridge: Cambridge University Press, 2000), 3.

[11]Ibid., 5.

[12]Lam, *The Era of Jiang Zemin*, 172-77.

[13]Swaine, "Chinese Decision-Making Regarding Taiwan," 331.

[14]Ibid., 322.

When conducting interviews in Beijing in January 2001, the author asked a political informant whether the policies on Taiwan affairs were decided mainly by the top leader (Jiang Zemin in this context) or by a balance of factional politics. The political informant answered that the authority of the top leader in facing different opinions can only be realized through being able to strike a balance between the confronting opinions among different factions. The top leader's actual leadership of the collective is only valid when he represents the collective will. In other words, the top leader neither passively accepts the outcome of factional struggle nor takes command and arbitrarily sets a decision. He does have some room for maneuver, but his attempt at decision-making will be successful only when he can strike equilibrium within the collective.

Difficulty in Changing the Basic Policy Line

No matter which school is correct, the collective leadership structure leads to strong policy continuity when there exists a consensus, but tends to inhibit flexibility in initiatively changing policy since any such modification requires high political costs for the top leaders. Change can occur only under two circumstances. First, new moderate policy initiatives can be raised only when the authority of the top leader dwarves that of the other elite members, and his policy position is more moderate than the existing one. Jiang Zemin's "Eight Points" was a good example of this first type of change. Second, when the top leader needs the support of the collective leading group, any policy shift either will be difficult or will be slow and gradual in nature.[15]

There is another type of policy shift, that is, a passive reaction to the challenge of the original reaction. This type of policy shift will also take a rather long period of time to come about. Such a change is usually associated with factional politics, since it implies the failure of a previous policy, the need of a new policy, and an opportunity for power redistribution.[16] A

[15]Lin provides the basic analytic framework for this section. See note 2 above.

[16]Huang Jing argues, "When an emerging problem broke the established consensus and set

good case was "The One-China Principle and the Taiwan Issue," a white paper released by the Taiwan Affairs Office (台灣事務辦公室) and the Information Office (新聞辦公室) of the State Council on February 21, 2000.[17] Many believed that the promulgation of this document was a result of balancing between different factions on the Taiwan issue after the 1995-96 missile exercises and especially after Lee Teng-hui's July 9, 1999 remark that cross-Strait ties were a "special state-to-state relationship." In the white paper, the hard-liners gained some new ground by articulating what had been only an informal policy for many years: that "Beijing would consider using force [against the island] if Taipei avoided entering into meaningful talks with the Mainland indefinitely."[18] However, the moderates still managed to maintain "peaceful reunification" as the keynote of the PRC's Taiwan policy. As a case of the second type of policy shift, the white paper finally appeared only a full three to four years after Lee's trip to the United States.

Worth noticing, however, is that in the post-Deng era, the top leaders of the CCP have relatively strong consensus on "major foreign and security policies," including issues related to Taiwan. Michael Swaine has observed that China's civilian leadership has been less divided over key foreign policy issues than its revolutionary predecessors, and that China's emerging leadership will also be increasingly supportive of a state-centered form of patriotic nationalism.[19] Taiwanese scholar George W. Tsai (蔡瑋) has observed that the "one-China principle" has enjoyed a very high consensus among the top CCP leadership.[20] This policy reflects the most basic source of the regime's legitimacy, that is, the defense of national sovereignty and the promotion of national pride.

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off a policy-making process, factional activities would be activated immediately, because this process creates an opportunity for the redistribution of power." See Huang, *Factionalism in Chinese Communist Politics*, 412.

[17]The while paper was reprinted in *Issues & Studies* 36, no. 1 (January/February 2000): 161-81.

[18]Swaine, "Chinese Decision-Making Regarding Taiwan, " 330.

[19]Michael D. Swaine, *China: Domestic Change and Foreign Policy* (Santa Monica, Calif.: RAND, 1995), 7-8.

[20]Interview with Dr. Tsai of the Institute of International Relations in 2001 in Taipei.

To sum up the second impact of collective leadership, when collective consensus is not reached, or when the original collective consensus can no longer be sustained, the decision-making process on Taiwan policy—as on all other foreign and security-related policies—is subject to the influence of both factional politics and the supreme political leader. Any new policy line must evolve over a long period of time. To swiftly raise a new policy initiative is only possible when the top leader has overwhelming power vis-à-vis other elite members in the leading collective, and when his policy position also happens to be more moderate than the original policy line.

Under-the-Table Negotiations

The third influence of the collective leadership is that any one top leader cannot easily conduct "under-the-table negotiations" with Taiwan.[21] Any such action undertaken without the collective blessing risks being attacked if it later proves unproductive. One of the characteristics of the communist regime is that the CCP lacks institutionalized arrangements of legitimacy, including the legitimacy of the top leadership. As argued by Kenneth Lieberthal, "the personal, factional nature of elite politics makes instability an ever-present possibility."[22] Under such a situation, collective leadership is actually an informal institution to evade regular power struggle when no one has the capability to exclude any potential challenger. The norm of collective leadership is to obtain at least a majority support for any decision or to take any policy line. No single member in the collective leadership can make a commitment on foreign relations or such an issue as negotiation with Taiwan without the authorization and verification of the collective leadership. On the one hand, however, reaching a consensus on such an issue usually requires a prolonged and complicated process. On

[21]In July of 2000, reports held that there used to be secret missions during the Lee Teng-hui presidency between the two sides of the Taiwan Strait in the early 1990s. The PRC government did not formally comment on this revelation, but another report held that an anonymous PRC government figure with relevance to Taiwan affairs said there currently is no room for secret missions in cross-Strait relations. See *Lianhe bao* (United Daily News) (Taipei), July 20, 2000, 13.

[22]Kenneth G. Lieberthal, *Governing China: From Revolution Through Reform* (New York and London: W.W. Norton, 1995), 319.

the other hand, any under-the-table deal with Taiwan must contain a certain degree of change over the previous policy line on sovereignty, which by nature is highly political and risky. As long as there exists a spectrum of different opinions on this issue among members within the collective leadership, inevitable is that the striking of any such deal by a single member (even Jiang Zemin) would invoke attack from other members. Thus, again, unless the top leader's authority is overwhelmingly superior to that of the other elite leaders (and in such a case, the leadership pattern is actually no longer collective,) very unlikely is that the regime will be able to strike an under-the-table deal with Taiwan.

Helpful now is to sum up these three effects. At the most basic level, the structure of collective leadership lacks institutionalization of power. Given the fact that Taiwan policy is a politically sensitive issue, such an uninstitutionalized power structure inevitably constrains the ability of the top leadership to make basic policy changes toward Taiwan, to undertake under-the-table negotiations with Taiwan, and to admit previous policy faults. A policy change in any aspect thus implies extra political costs for the leadership, which in turn means political risks. Therefore, whenever there is a new flexibility on the PRC's policy toward Taiwan, we need to be aware of the limitations of—or even possible backtrack on—that flexibility given the politicking of potentially opposing factions. Similarly, whenever the CCP regime undertakes a round of intensive attack on a stance held by Taiwan, we need to examine whether this is a result of a previous internal struggle within the top CCP collective leadership.

Succession Politics

The second important factor of PRC domestic politics—succession politics—is also found at the level of elite politics and similarly originates from the nature of the communist regime. As pointed out by scholars, due to the highly uninstitutionalized and unregularized nature of the transfer of supreme political power in the CCP regime, power succession tends to reinforce policy differences and engender power struggle within the ruling

group.[23] Power succession struggles usually begin from one to two years before power transition among the top leaders is announced. For example, the next power transition of the top leaders will be later this year at the CCP's Sixteenth National Congress. However, the power succession period has already begun—perhaps as early as 2001—given that some personnel appointments must be conducted in advance at the Sixth Plenum of the CCP's Fifteenth Central Committee in order to pave the way for the 2002 Party Congress.[24] All political figures and factions seek to maximize their power by controlling more positions, yet at the same time are also afraid of being attacked by their enemies. Generally speaking, therefore, top leaders as well as different bureaucratic segments cannot easily reach consensus on changing basic policy lines toward Taiwan before succession takes place.[25]

The Succession Process

There are two ramifications of the succession logic that need to be further elaborated. First, under an uninstitutionalized succession, there is always tension between the old leader and the new leader before the succession takes place. Under the collective leadership, the appointment of a candidate for succession (such as Hu Jintao) usually is not so much a result of the realization of the top leader's political will as a consensus among the previous collective leadership. There is thus always a possibility that the new candidate is not the most favored candidate of the old leader. If the old top power-holder intends to extend his informal political influence to the next government, he will seek to insert his representative in the top echelon. Before the succession, a tension then arises between the new candidate for top leadership on the one side and the old power-holder (Jiang Zemin in the current situation) with his protégé (such as Zeng Qinghong 曾慶紅)

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[23]Swaine, *China: Domestic Change and Foreign Policy*, 14.

[24]See *The Economist*, October 28-November 3, 2000, 9.

[25]According to Michael Swaine, due to the unstable power succession, "few incentives will exist for any leader to make sudden, major shifts in policy direction." See Swaine, *China: Domestic Change and Foreign Policy*, 35.

on the other.[26] If the party general secretary's strong political will contradicts with the result of the factional compromise over the successor candidate, then the political environment among the top leaders will become extremely tense before the succession.

Examples from the past two years support this argument. Reports hold that Jiang Zemin faced major political setback twice in the Politburo when he failed to promote Zeng Qinghong from an alternate member of the Politburo to a full member—the first time was at the Fifth Plenum of the Party's Fifteenth Central Committee in October 2000 and the second time was during the Sixth Plenum of the Party's Fifteenth Central Committee in September 2001. On the first occasion, among the seven members of the Politburo Standing Committee, only Li Lanqing agreed with Jiang's proposal. The other five members all displayed reservation.[27] On the second occasion, the Hong Kong media reported that Jiang had faced major failures on five of eight committees during the meeting on Zeng's nomination.[28] Furthermore, according to a report by Agence France-Presse (AFP) on September 27, 2001, the failure of Zeng's nomination came as a result of an exchange for wider support for Jiang's theory of "Three Representations" (三個代表) at the Sixth Plenum of the Party's Fifteenth Central Committee in September 2001. This shows that there did exist tension among the CCP elite members during the period of the pre-Sixteenth Party Congress power transition. Under such a circumstance in which tension exists between the old supreme leader and the new candidate, there can thus exist competition between the two among the top elite group.

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[26]Except for Jiang Zemin, all political successors hand-picked by previous top leaders were eventually purged. Michael Swaine (in *China: Domestic Change and Foreign Policy*) and Huang Jing (in *Factionalism in Chinese Communist Politics*) used the "Prisoners' Dilemma," and Wu Jiaxiang, in *Tou duizhe qiang: Zhongguo minzhuhua de kunjing* (The head against the wall: The dilemmas of China's democratization) (Taipei: Lianjing chubanshe, 2001), 55-60, used "The Rule Number Two Dilemma" to describe this unavoidable conflict.

[27]See *Zhongyang ribao* (Central Daily News) (Taipei), October 28, 2000, 9.

[28]Luo Bing, "The Detail of the Veto of Zeng's Nomination in the Sixth Plenum," *Epochtimes*, October 10, 2001, available at <www.epochtimes.com>. See also Wen Yu, "Jiang Zemin Faces Disobedience from within the Party," in *China Brief* (published by Jamestown Foundation) 1, no. 12 (December 20, 2001), at <http://china.jamestown.org/pubs/view/cwe_001_012_003.htm>.

In this period, policymaking on such a sensitive issue as Taiwan may become a very convenient tool for power struggle. Here, three factors are relevant: first, the strength of one's power; second, the distance between a leader's position on a policy and the median position of the elite group; and third, the rules of the decision-making process. Tension between the old leader and the new candidate leads to competition between them over policy. Anyone who deviates from the median policy position of the elite group could be immediately attacked by organizing the political group on the other side of the spectrum. In short, before the succession, neither of the two power competitors dares to make a mistake in terms of policy position. A rational old power-holder will hardly make any change to his policy position if he already occupies a median location, whereas the new candidate will tend to avoid expressing his policy position, since he will not gain any points by parroting the same position as the old leader, and expressing a different one only risks attack. If any impact from the external or internal environment changes the original median point of the elite group's position on the policy, however, there will be immediate competition between the two competitors. The old elite will be under more risk since he is the one who must choose a new position first. This means he will face greater probability of being attacked by the new candidate. The golden rule in Taiwan's policymaking process is that "one would rather be more hawkish than dovish." If this is the case in the PRC, any change in the median point of the collective CCP elite group's position on Taiwan policy before the succession will tend to cause a more hawkish position toward Taiwan.

The Post-Succession Period

The second ramification occurs in the period after the succession takes place. Hu Jintao currently has been recognized as the CCP's fourth-generation leader. If he really does become the top leader after the Party's Sixteenth Congress, he will be put in charge of leading Taiwan policy. However, obvious is that in comparison with Deng Xiaoping and Jiang Zemin, Hu Jintao is less of a "charismatic leader," and the "strongman" politics element will be eventually phased out all together during the next

few succession periods. In comparison with Jiang Zemin, Hu will face greater difficulty in commanding loyalty from and asserting his authority over his colleagues. Hu will especially have to rely on building consensus within the collective leadership in order to make changes in policy.[29] This will bring a gradual change to the decision-making process on such sensitive policy areas as Taiwan.

Hu will especially have difficulty in taming the People's Liberation Army (PLA), not only because the military holds belligerent views on how to solve the "Taiwan issue," but also because, as a new leader with a fragile power base, he needs the support of the PLA. That is, even after political power has been smoothly passed from Jiang Zemin to Hu Jintao in 2002, the new leadership will find difficulty in adopting a more flexible and benign policy line toward Taiwan.

However, worth noticing is that during the post-succession era, whether the new leader will become hostage to the PLA in the handling of Taiwan policy depends on several factors: (1) the extent to which his succession is legitimate procedurally; (2) whether there exists a moderate group on Taiwan policy in the policy community that can form a counterbalancing power; and (3) whether the new leader has a preference on issues related to Taiwan policy—and if he does, what position and how strong a preference. If the new leader's legitimacy is low, he will move in a direction opposite to his original attitude on Taiwan policy. If he is hawkish on Taiwan policy from the very beginning, if he does not have enough legitimacy, or if there is a strong or highly organized political group on the dove side of the policy spectrum, tilting too much toward the hard-liners may also jeopardize his leadership.[30] If a new leader with weak legitimacy holds mild views on Taiwan policy, however, and the power group on the dove side is not strong, very likely is that he will become hawkish in order

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[29]According to Swaine, in the post-Deng era, "the shared weaknesses of the successors . . . mean that any aspiring leader will almost certainly require support from a coalition of his colleagues and the cooperation of acquiescence of many of the major party and state bureaucracies." See Swaine, *China: Domestic Change and Foreign Policy*, 35.

[30]According to Swaine, the top leader would also have little incentive to "independently opt for personal support from the military or particular groups within the corp." Ibid.

to placate the hard-liners. The outcome will be totally different if the new leader has strong legitimacy; under such a circumstance, unconstrained by any domestic challenger, a hawkish new leader will have no incentive to soften his position, and a moderate leader may also be bold enough to offer a more compromising proposal.[31]

Given the current situation of very intense struggle over the composition of the new leadership, more likely is that no matter who becomes the new leader, his power base and legitimacy will not be very strong in the immediate period following the Party's Sixteenth Congress in 2002. Therefore, China's Taiwan policy will be affected by developments of the three conditions mentioned above after the power succession at the Sixteenth Congress. In short, during the period of power transition, any change in Taiwan policy is subject to a greater extent than usual to the interaction of the new leader and the powerful group within the leadership echelon. The new leader may well leave Taiwan policy intact in order to keep himself politically safe; alternatively, when such policy becomes a hostage to the politics of power transition, the new leader may very likely be forced to adopt a more hawkish stance.

Bureaucratic Politics and Bureaucratic Competition

The third factor of PRC domestic politics that has important foreign policy ramifications is bureaucratic politics and bureaucratic competition. The political system in the post-Deng era has been one in which power is shared among bureaucracies. Every bureaucratic segment, with its own specialized function and organization, possesses a certain set of irreplaceable capabilities and information. In a political structure where the bureaucracies compete for resources and power, each tends to monopolize the information the organization possesses, and uses this as a power base from

[31]The author adopted these observations from Lin, "Two-Level Games Between Rival Regimes," 15.

which to bargain and compete with other bureaucracies. This phenomenon is very common in the PRC policymaking process, including in the area of Taiwan policy.

The making and implementation of the PRC's Taiwan policy is achieved through a process that involves many bureaucratic segments. The top decision-making mechanism is the CCP Central Leading Group for Taiwan Affairs (中共中央對台工作領導小組, hereafter CLGTA). The group is chaired by Jiang Zemin, and staffed with leaders of various bureaucracies. Qian Qichen (錢其琛) is the deputy head of the group, and represents the foreign affairs system. Xiong Guangkai (熊光楷) is the secretary-general of the group. Zhang Wannian (張萬年) represents the PLA. Wang Daohan (汪道涵) represents the Association for Relations Across the Taiwan Straits (ARATS 海峽兩岸關係協會). Xu Yongyue (許永躍) represents the national security network. Wang Zhaoguo (王兆國) represents the united front system. Chen Yunlin (陳雲林) represents the Taiwan Affairs Office of the State Council.

The implementation system, however, is more complex. Generally speaking, the implementation of Taiwan policy can be separated into eight categories: the party, administration, the military, the people's congresses, the political consultative conferences, mass organizations, academia, and the propaganda system.[32] Many of these bureaucracies have their own affiliated research institutions which serve the function of collecting information, conducting analyses, and making policy recommendations for their own bureaucratic system.

Since each of these bureaucracies has their own organizational interests, they also tend to have their own policy preferences vis-à-vis Taiwan policy. Not only are their policy preferences usually different, but they also have to compete for influence in the process of making Taiwan policy. Since many of these governmental organizations have their own research institutions, each system will write up and present the reports to the top

[32]Guo Ruihua, ed., *Zhonggong duitai gongzuo zuzhi tixi gailun* (An introduction to the CCP's organizational system regarding Taiwan affairs) (Taipei: Gongdang wenti yanjiu zhongxin, 1999), 6.

leadership via their own system. Some of these organizations also have their own propaganda tools, such as a newspaper or periodical.[33]

Such a structure can lead to different outcomes. First, highly likely is that each could write similar reports, and thus the whole system is not efficient. Second, competition among the bureaucracies could be not only administrative, but also political in nature. If so, each bureaucratic system presents its opinion through one of the seven top leaders in the Politburo Standing Committee. This makes the head of each level in the bureaucracy risk-averse rather than risk-taking. The head of each bureaucratic level depends on the heads of their higher levels for promotion. Therefore, they must follow closely the politically correct policy line espoused by the leaders. This behavior will prevent them from taking the risk of reporting things that may challenge or contradict the current policy line. For example, when one low-level official or researcher finds either mistakes in the old policies or new facts that may contradict the old policies and thus comes up with new policy recommendations, the section head will very possibly moderate these observations before sending them out. The incentive of the section head is not to make more talented policy designs, but to keep from making political mistakes.

The first effect of this bureaucratic structure is thus bureaucratic inertia: the maintenance of the original bureaucratic position on an old policy line, the prevention of new policy initiation, and insensitivity to the changing policy environment. For example, the Taiwan affairs system was under heavy attack from other bureaucratic sectors for its failure to predict and prevent Chen Shui-bian's (陳水扁) election as Taiwan's president in 2000.[34] Even when the Taiwan affairs system was under attack, many staff or researchers within this system still tended to call for a more conservative and

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[33]For example, the PLA owns *Jiefangjun bao* (解放軍報 Liberation Army Daily). The Taiwan Affairs Office's think tank, the Taiwan Research Institute, owns its own periodical *Taiwan yanjiu* (台灣研究 Taiwan Studies).

[34]The Taiwan affairs system failed to predict that Chen Shui-bian would be elected. Interesting but unknown is whether the same situation happened after the 2001 legislative elections as the ruling Democratic Progressive Party (DPP 民主進步黨) posted large gains and opposition parties that Beijing favors, especially the Kuomintang (KMT 國民黨) and the New Party (新黨), suffered setbacks.

less flexible policy stance than other systems in the internal debate on Taiwan policy.[35]

The second effect stems from bureaucratic competition. In the period of the 1995-96 missile exercises, the PLA made use of the crisis to raise its influence over Taiwan policy. An obvious indicator was the fact that Xiong Guangkai replaced Wang Zhaoguo as the secretary-general of the CLGTA.[36] A more telling version of the increasing importance of the PLA's influence is the report that during the 1995-96 crisis, Jiang basically worked only with a group of PLA generals in making a policy decision. Party organs (including the CLGTA and Politburo) were left out of the policymaking process; the party was thus actually unable to monitor the decision.[37] If this depiction is correct, then the effect of bureaucratic competition is so great as to be able to change the "rules of decision-making." This, undoubtedly, can only happen when bureaucratic competition is combined with high-level factional politics. In Lam's version of the 1995-96 case, Jiang Zemin was the one who chose to form an alliance with the military in order to protect his authority. Regardless of the veracity of this claim, this situation could not have been sustained after the crisis ended. As the decision-making process of Taiwan policy has become more and more pluralized within the bureaucratic apparatus,[38] however, unclear is whether this trend will stabilize or complicate the decision-making process of Taiwan policy.[39]

To sum up the effects of this third factor of domestic politics: first, bureaucratic inertia prevents new policy initiation from within the bureauc-

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[35]Author's personal observation.

[36]Lam, *The Era of Jiang Zemin*, 174.

[37]Ibid., 175.

[38]The tendency toward the pluralization of the decision-making process has occurred since the early 1990s. See Jia Qingguo, "The Making of Beijing's Taiwan Policy," in *Inherited Rivalry: Conflict Across the Taiwan Straits*, ed. Tun-jen Cheng, Chi Huang, and Samuel S. G. Wu (Boulder and London: Lynne Rienner, 1995), 97-109.

[39]More pluralized participation from more bureaucratic organs may make it less easy for one or two organs to monopolize the agenda-setting power in the decision-making process, and thus help stabilize the policy. However, increasingly pluralized participation may also bring about more serious bureaucratic competition, which in turn increases the cost of policy coordination and communication, thereby leading to less efficient policy-making.

racy. Second, bureaucratic competition in general prompts a more pluralistic decision-making process, which in turn may contribute to a more rational policymaking process. When combined with factional politics, however, bureaucratic competition may have the effect of changing the policymaking process by allowing new political forces to step in. As this scenario usually occurs during a power struggle, such new political forces tend to attack the compromising dimension of the original policy line, and thus will push the policy toward a more conservative position.

Nationalism

Many scholars of China studies have observed a rising nationalism in post-Mao China. This nationalism has many faces. It can be "patriotism" as advocated by the government, or "populist authoritarianism";[40] or xenophobic "racist nationalism";[41] or a "nationalistic developmentalism" that pursues strong statehood; or "cultural nationalism" that emphasizes cultural superiority and the holiness of nationalistic myth; or it can also be "military nationalism" that intends to compensate for frustration on the international stage. Various versions of nationalism have provided fertile soil for the growth of a hostile Taiwan policy in the PRC. The newly rising nationalism in the PRC is a natural reaction among the Chinese people as their country has grown economically and politically stronger in the international community over the past twenty years. However, nationalism also serves as an ideological basis for legitimizing a transitional CCP regime in the face of the fading away of the old orthodox Marxist and Maoist belief system. Furthermore, to quote a Chinese scholar working in Singapore, the tradition-based new nationalism provides "China" with a theoretical foundation to serve its effort to pursue a "united Chinese nation" by "bringing different parts of China together, including Hong Kong, Taiwan, and

[40]See note 4 above.

[41]Edward Friedman, "Globalization, Legitimacy, and Post-Communism," in Tien and Chu, *China under Jiang Zemin*, 233-46.

Macau."[42]

The impact of nationalism on the PRC's Taiwan policy is multifold. First, the new nationalism provides an ideological or theoretical base for the PRC to pursue its "unification" effort against Taiwan. This tends to make policy reductionist and zero-sum in nature. That is, when nationalism prevails, cross-Strait relations are reduced to whether Taiwan will "betray the nationalistic feeling of the compatriots in the motherland," and whether Taiwan will violate the "holy principle of the integrity of sovereignty" since China should be united as one nation. By its nature, the PRC's nationalistic argument toward cross-Strait relations lacks flexibility and is self-righteous and thus coercive.

Second, Chinese nationalism is also an expression of the Chinese people's frustration with the PRC's status in the international community, and thus can lead the elite political circle to apply certain preconditions on foreign countries in many policy dealings.[43] As one example, a strong wave of anti-U.S. nationalism rose up across the country in the aftermath of the bombing of the PRC embassy in Belgrade in May 1999. The frustration and anger has helped create a long-lasting political milieu in Beijing that any important policy process cannot escape. Note that Zhu Rongji's compromising attitude toward the United States during his April 1999 trip to Washington to handle World Trade Organization (WTO) negotiations was harshly criticized at home.[44]

This fervor also has affected policy toward Taiwan. The Beijing government has had to face very strong criticism from both society and the military on its softness and "inactiveness" on Taiwan policy. In field visits to Beijing, researchers from Taiwan's Institute of International Relations (IIR 國際關係研究中心) learnt that Taiwan affairs officials in China's capital were exhausted by the frequent visits they had to pay to campuses and

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[42]Yongnian Zheng, *Discovering Chinese Nationalism in China: Modernization, Identity, and International Relations* (Cambridge: Cambridge University Press, 1999), 2.

[43]Edward Friedman, "Chinese Nationalism, Taiwan Autonomy, and the Prospects of a Larger War," *Journal of Contemporary China* 6, no. 14 (1997): 5-32.

[44]Ka Zeng, "Domestic Politics and the U.S.-China WTO Agreement," *Issues & Studies* 37, no. 3 (May/June 2001): 118-23.

various work units to calm down the passionate dissatisfaction citizens had with the government's Taiwan policy during the island's 2000 presidential election. Some of the researchers also heard some military-related researchers in Beijing say that they were greatly relieved after listening to President Chen Shui-bian's inaugural speech, since Chen did not make clear pro-independence remarks.[45] In other words, the top leaders as well as the bureaucrats involved in the Taiwan affairs policy process face the challenge of nationalism from both society and within the government.

Third, this nationalism has confounded with other domestic political issues, thereby creating an issue-linkage scenario for PRC politics. In short, the rise of nationalism has held "reformists" hostage to both hard-liners and passionate politics. In order to preserve their political force and maintain room to push for further reform in the future, reformists must compromise to some extent with the nationalistic political agenda.[46] The Taiwan issue is, moreover, one of the most sensitive issues to be utilized by the nationalists. The reformist political leaders, usually also those who are more progressive, are thus forced to adopt hard-line policy positions over such issues as Taiwan, and sometimes may express even harsher remarks. This was the context under which Zhu Rongji made several threatening remarks to Taiwan in recent years.[47]

Fourth, nationalism has not only constituted an important policy environment that perhaps is not even under the leadership's control, but has also infiltrated the very process of policymaking and policy implementation. When hypnotized by the fanatic passion of nationalism, bureaucrats or policymakers may very easily harbor misperceptions toward the external environment. They will tend to screen information via their original deep-felt belief system. For example, during a visit to various Taiwan affairs research institutions in Beijing in August 2000, this author heard researchers complain that Chen Shui-bian had begun to move toward a pro-independ-

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[45]Author's personal interview with IIR research fellows in December 2000.

[46]Friedman, "Chinese Nationalism, Taiwan Autonomy, and the Prospects of a Larger War," 11-16.

[47]"Zhu Rongji to Taiwan: We Won't Sit Idly By," Reuters, March 5, 2000.

ence policy line. One piece of evidence cited was that the Chen Shui-bian government tore down the large signboards that carried the slogan "Unify China with democracy and freedom" (民主自由統一中國) from the parking lot in front of the Presidential Office. Actually, the Presidential Office did not tear down these signboards. The signs belonged to a civilian organization, the Association of Banks. The Association and the Taipei city government, after consulting with the Presidential Office, decided to remove these aging structures due to the danger they posed to the public during powerful typhoons.[48] Under nationalism, leaders in Beijing have lost the patience to listen to analyses of the actual politics of Taiwan, something of which they already have limited knowledge.[49] Nationalism has created an inevitable, if not an intentional, misperception of Taiwan on Beijing's part. Faulty policies always grow from a long process of accumulating misperceptions.

Fifth, nationalism led to a militarily offensive line in China's Taiwan policy in the late 1990s. During the second half of the 1990s, voices advocating the use of military means to solve the Taiwan issue became unprecedentedly high. This nationalism does not only aim at Taiwan, but also other countries, especially the United States and Japan. The origin of this aggressive nationalism is deep-seated in China's experience of international frustration felt since the nineteenth century. It has become a mentality of victimhood (arising from Western exploitation) and revanchism.[50] Under such an aggressive version of nationalism, either Taiwan is a scapegoat of China's anti-Western emotions, or the island is viewed by Chinese elite as a pawn of the West in its strategy toward China.

There are, however, also introspective reflections by Chinese on this tide of passion politics. Shi Yinhong (時殷弘), for instance, argues that any consideration by the PRC to use military means to solve the Taiwan issue

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[48]*Lianhe bao*, August 22, 2000, 2.

[49]Friedman, "Chinese Nationalism, Taiwan Autonomy, and the Prospects of a Larger War," 21.

[50]Ibid., 11; Michael Yahuda, "China's Search for a Global Role," *Current History*, September 1999, 268.

must take higher national interests and China's overall national strategy into consideration.[51] Although Shi agrees that nationalism is a charitable force that China can rely on to solve China's Taiwan issue, the goal of sovereign integrity and the unification of national territory are only part of the basic values that all Chinese people must pursue.[52] Another probably more important mission for the Chinese people is "modernization."[53] In order to pursue that goal, China requires a peaceful international environment for an extended period of time. Therefore, to start a war against Taiwan, which in turn could trigger an even larger war against the United States—or possibly the entire Western world, would thus be against China's overall strategic interests.

To summarize, Shi's criticism represents a rational reflection to curb the emotional political logic espoused by the nationalists. The PRC's Taiwan policy will be in part determined by which orientation dominates the mood of society in general and the elite group in particular. Both will condition the calculation of interaction within the elite group as well as provide ammunition for bureaucratic competition in the process of decision-making in Taiwan policy. In general, however, this paper argues that nationalism in the PRC has inspired a more threatening Taiwan policy. Nationalism easily leads the PRC to adopt military or offensive policies in China's dealings with Taiwan. Nationalism also constitutes a constraint on the rationality of the PRC's decision-making on Taiwan policy.

Legitimacy Crisis and Political Reform

Scholars who study communist or Leninist regimes have pointed out

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[51]Shi Yinhong, "Difficulties and Options: Contemplation on the Current Taiwan Issue," *Zhanlue yu guanli* (Strategy and Management) (Beijing), 1999, no. 5:1-4; and Shi Yinhong, "Several Grand Strategic Issues Regarding Taiwan That Need to Be Emphasized," ibid., 2000, no. 1:27-32.

[52]Shi, "Difficulties and Options," 3-4.

[53]Ibid., 4; Zhang Nianchi, "Rethinking Cross-Strait Relations in the Wake of the New Century," *Zhongguo pinglun* (China Review) (Hong Kong), no. 13 (January 1999): 28-37.

the constant legitimacy crises facing these regimes. Legitimacy crises played a very important role, for instance, in the regime transitions in the former Soviet Union and East European communist countries. Zbigniew Brzezinski has argued that the PRC regime will also face such a crisis sooner or later. He stated that the CCP would eventually have to find an entirely new legitimacy base for the regime, and this would have to be built on both broader consent by the citizens and public oversight.[54] Legitimacy crises are not only endemic to communist regimes, but are also a by-product of the process of post-communist reform. Pei Minxin (裴敏欣) has pointed out that in the process of reform, the CCP regime must adjust the basic social and economic structure, a move which will inevitably hurt vested interests. Many reform measures must disassemble the deep structure of the previous system, which in turn will lead to continuous legitimacy challenges for the regime.[55] In order to solve these structural problems, political reform seems unavoidable.

Unfortunately, judging from the experiences of the former Soviet Union and East European countries, there seems to be no guarantee that China will succeed in overcoming the problems of post-communist reform. Anti-reform backlash always looms, threatening the process of reform—especially if such efforts are confounded by the turmoil often brought on by globalization.[56] Whether the CCP regime is able to handle all these uncertainties on the bumpy road of reform by instituting timely political reform seems to be an issue of life and death for the party.

How will the legitimacy crisis and any resulting political reform affect cross-Strait relations? There are at least six such possibilities. First, when facing an internal crisis, the CCP regime would face strong temptation to create external tension in order to divert attention from internal problems. This is especially true when the direction of the reform is under

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[54]Zbigniew Brzezinski, "Disruption without Disintegration," *Journal of Democracy* 9, no. 1 (1998): 5.

[55]Pei Minxin, *From Reform to Revolution: The Demise of Communism in China and the Soviet Union* (Cambridge, Mass.: Harvard University Press, 1994).

[56]Friedman, "Globalization, Legitimacy, and Post-Communism," 239-40.

intense debate among top leaders or when further reform becomes too politically risky. As Edward Friedman has observed, "It is always too easy to put off painful reforms."[57] However, if the pace of reform is too slow to catch up with the ever-changing international environment and therefore brings mounting pressure upon the leadership, or if political reform cannot solve domestic unrest and thus conservative nationalism grows, then always convenient is for the leadership to turn to external "threats" to relieve the internal pressure. Solving the unfinished task of "unifying Taiwan with the holy motherland" will, moreover, always be a good choice.[58] This is a scenario that has already begun to occur. As indicated by *The Economist*, although most PRC leaders are aware of the potential harm to China's economy and relations with the United States and Japan, over the past few years Beijing has used military threats against Taiwan to distract domestic opinion from China's domestic tousles.[59]

Second, one of the major obstacles to improved cross-Strait relations is the institutional gap—especially the political one—between the two sides of the Strait. For example, former ROC President Lee Teng-hui once said: "Only when mainland China accomplishes social pluralization and political democratization can both sides build consensus toward our future development based on democracy and freedom."[60] If China manages such change, Taiwan's resistance to the PRC's request for unification would lose much legitimacy in the eyes of the international community. Many scholars and officials in mainland China have also recognized the importance of this factor in cross-Strait relations. Wang Daohan once promulgated the idea of "A Joint Plan for Unification," which advocates that people from both sides of the Strait should jointly create a prosperous, rich, strong, civilized, and democratic new China. In explaining Wang's idea, Wang's protégé, Professor Zhang Nianchi (章念馳), stated explicitly:

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[57]Ibid., 240.

[58]Lieberthal, *Governing China*, 340.

[59]See note 24 above.

[60]Lee's speech at the fourteenth meeting of the National Unification Council. See *Zhongyang ribao*, April 9, 1999, 4.

> Since the pursuit of democracy has been the common wish of the Chinese people for two hundred years, and also the common value of all humankind, how can we [mainland China] be unaware of this? We also want to make progress in pursuing democracy, but we also know that we have deficiencies in doing so. And that is exactly the reason why compatriots on both sides of the Taiwan Strait should come together to create a democratic China. Of course, *it is mainland China's responsibility to hurry up its pace of democratic and legal construction.*[61]

In other words, scholars from the mainland have also recognized that it is in the common interest of mainland China and Taiwan that people on both sides of the Strait enjoy democratic political life. The Wang/Zhang line of argument extends even further. They not only argue that the democratization of mainland China is linked with cross-Strait relations but even submit that the future solution of the Taiwan issue is for mainland China to democratize. Interestingly, they also imply that this solution should serve the purpose of promoting mainland China's democratization.

Third, however, is that although scholars from Shanghai have recognized the fact that the gap in political institutions should be narrowed in order to promote cross-Strait relations, the official line from Beijing has demonized Taiwan's democracy as upsetting cross-Strait relations. Under the KMT regime in the 1990s, Taiwan adopted the strategy of "democratic unification," intending to put both pressure and the responsibility for change on Beijing. In retaliation, Qian Qichen argued in 1998 that both sides should not argue over the difference in systems, but should work together to safeguard the integrity of China's territory and sovereignty.[62] Qian also emphasized again in 1999 that the political conflict between Taiwan and mainland China resulted not from the difference in political systems, but from the difference in attitudes on separatism and beliefs of national reunification.[63] Beijing even went further to criticize Taiwan's democracy as "a bridge leading to Taiwan independence."[64]

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[61]Zhang, "Rethinking Cross-Strait Relations," 36. Emphasis added.

[62]"Qian Qichen Urges Early Cross-Straits Political Talks," Press Release, PRC Embassy in Washington, D.C., October 18, 1998.

[63]Qian Qichen, "Struggle for China's Reunification," *Liang'an guanxi* (Cross-Strait Relations) (Beijing), February 1999, 4.

[64]*Renmin ribao* (People's Daily) (Overseas edition), December 17, 1998.

Fourth, political reform and some level of enhanced democratization may be required if China is to be a great power.[65] According to realists who pursue China's national power and greater status in the international community, inevitable is that China needs a political system that can parallel other major powers in the world. Furthermore, Chinese scholars have also recognized that, in facing an unstable international environment in an epoch of globalization, the best strategy to guarantee China's national security is not to resist nor simply embrace the trend, but to make the necessary and appropriate self-transformations, including of China's political system.

For example, Chinese scholar Wang Yizhou (王逸舟) advocates that only by adopting a "self-transforming, open, and progressive new security strategy" can China guarantee its national security in the trend of globalization.[66] Drawing conclusions from the experiences of Southeast Asian countries in the Asian financial crisis, Wang also explicitly advocates the reform of political institutions, arguing that checks on and supervision of governmental power are necessary to deal with challenges from globalization.[67] If Taiwan can see that there is a good chance that the PRC will successfully reform its political system and thus become one of the mainstream members of the international community, Taiwan will then be forced to reconsider whether the island should allow such a great neighboring power to be its enemy.

Fifth, whether the PRC can maintain political stability in the long run will also affect Taiwan's long-term calculations of whether to conduct serious political negotiations with the PRC. The leadership on Taiwan understands that the PRC is facing tremendous challenges in its reform of the communist system. As the forces unleashed by reforms compel China for-

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[65]Jacquelyn K. David and Michael J. Sweeney, *Strategic Paradigms 2025: U.S. Security Planning for a New Era* (Dulles, Va.: Brassey's, 1999), 82.

[66]Wang Yizhou, "Establishing a New Concept of National Security in the Dawn of a New Century," *Liaowang xinwen zhoukan* (Outlook Weekly) (Beijing), 1999, no. 37:23-24.

[67]Wang Yizhou, "The Process of Globalization and Opportunities for China," in *Quanqiuhua yu Zhongguo* (Globalization and China), ed. Hu Yuanzi and Xue Xiaoyuan (Beijing: Zhongyang bianyi chubanshe, 1998), 43.

ward, great risks and dangers follow. In short, as Lieberthal has argued, the PRC is a tiger that has not yet been tamed.[68] In facing such an untamed beast, Taiwan has to be very careful: there is always a chance that mainland China will plunge into chaos. Since this danger exists, why should Taiwan commit itself to unifying with mainland China? If the PRC is able to manage the uncertainty by reforming its economic and political institutions, however, then the odds that Taiwan will win by betting on a PRC fall into chaos will be minimized.

Sixth, in contrast to the argument of the previous points, the nondemocratic nature of the Beijing regime may ironically be beneficial to the improvement of cross-Strait relations. As exemplified by many incidents of tension across the Strait and between China and the international community since the 1990s, obvious is that the leadership in Beijing is always more self-restrained and rational than Chinese society. As nondemocratic rulers, leaders in Beijing are more immune to public opinion than are leaders from democratic regimes. This line of argument echoes Jack Snyder's challenge to the thesis of "democratic peace." Snyder speaks to the period before a country's democracy is consolidated (and thus before the fruits of the "democratic peace" can be reaped). He argues that during the process of democratization populist nationalism tends to rise and, for any country lacking the support of civic culture, nationalistic conflict among ethnic groups within the state and with other nations can easily occur.[69] According to Snyder's theory, given China's weak civic culture, future democratization may very possibly lead to even a higher tide of nationalism, which conveniently renders nationalistic demagogues an open space to maneuver. Under such a circumstance, the Taiwan issue can only too easily become sacrificed to the fulfillment of collective revanchism and nationalism. War against Taiwan will become easily justified as the government in Beijing enjoys high legitimacy. One scholar from the Chinese Academy of Social Sciences (CASC) has even suggested that Taipei

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[68]Lieberthal, *Governing China*, 342.

[69]Jack Snyder, *From Voting to Violence: Democratization and Nationalist Conflict* (New York: W.W. Norton, 2000).

begin dialogue with Beijing before mainland China undertakes democratization.[70] Taiwan thus faces a dilemma in the correlation between mainland China's democratization and improved cross-Strait relations.

To sum up, the legitimacy and political reform factor has two types of effects. The first tends to treat Taiwan as a threat, or to treat Taiwan's democratization as a destabilizing factor, thereby leading China to move toward a more hawkish Taiwan policy. However, if the PRC adopts a positive view of the issue of its own political democratization, it may induce Taiwan to react positively to the PRC, and thus create a positive non-zero-sum effect on cross-Strait relations.

Central-Local and Central-Minority Relations

The last factor of PRC domestic politics is how the central government arranges its relationship with ethnic minorities and the localities. Constitutionally, the PRC has a unitary state system, with all local powers flowing from the central state. Theoretically, the National People's Congress (NPC) is the origin of power of all formal state institutions. Hong Kong, for example, is a Special Administrative Region (SAR) of the PRC. The Hong Kong SAR was established according to the Basic Law of the Hong Kong Special Administrative Region, which was enacted by the NPC.[71] Similarly, in the case of ethnic minority groups, the PRC applies the system of "autonomous regions."

However, unlike Hong Kong and Macau, these autonomous regions do not have their own basic laws. Among these areas, Tibet (西藏) and Xinjiang (新疆) are the most troublesome provincial-level autonomous regions. There has been political tension between the ethnic minority groups in these regions and the PRC government. Riots, armed confrontations,

[70] Author's interview with a scholar at the CASC Institute of American Studies in mid-2000 in Beijing.

[71] See the preamble of the Basic Law of the Hong Kong Special Administrative Region of the PRC.

and even terrorist activities frequently occur in these areas. The PRC government has adopted a relatively hard-line strategy toward these minority autonomous regions, disallowing them much autonomy. Furthermore, the basic organizational principle of the communist regime is "democratic centralism," which demands the centralization of political authority. If the PRC adopts a federalist system to solve the relations between the central government and the ethnic minority localities, the entire regime must therefore also democratize at the same time, as suggested by the famous opposition scholar-in-exile, Yan Jiaqi (嚴家其).[72] Lastly, these minority localities occupy areas that are strategically important to mainland China. They form the buffer zone for the central area of mainland China where most Han people (漢人) live; the central government thus does not feel safe to give up control over these regions.

Therefore, the PRC central government will not likely adopt a non-unitary political system to reorganize its relationship with the peripheral ethnic minorities. Reports hold that Jiang Zemin once stated that China could not adopt a federalist (*lianbang* 聯邦) or confederation (*banglian* 邦聯) system to solve cross-Strait relations, asking that if Beijing did so, how should the PRC government face calls for independence from Tibet and Xinjiang?[73] The textbook for party cadres and government officials entitled *Zhongguo Taiwan wenti* (中國台灣問題 China's Taiwan issue) also clearly states that both the federalist and confederation systems are not acceptable for solving the "Taiwan issue." The handbook states that the confederation is a system between two sovereign states, and under such a system Taiwan would be an independent state. Furthermore, the federalist system is not suitable because:

> It does not fit the national tradition and is not suitable for the basic national conditions. . . . The current state structure form (the unitary system) is *advantageous for national unification, consolidation among ethnic groups, political sta-*

[72]The main reason why he advocated such a system, however, is to democratize the overcentralized political structure of China. See Yan Jiaqi, *Lianbang Zhongguo gouxiang* (A plan for a federalist China) (Hong Kong: Ming Pao chubanshe, 1992).

[73]*Lianhe bao*, October 28, 1998, 1.

> *bility, and balanced regional development.* Taiwan has always been a province of our country. If a federalist system with two units is established, with Taiwan as one unit and the motherland mainland as another, then it will inevitably cause a series of new contradictions and will leave hidden trouble in the long term.[74]

In other words, the reason why a federalist system is not acceptable is mainly due to considerations of the domestic situation in the PRC rather than because this system is not a reasonable solution for Taiwan and mainland China *per se*.

Recently, both Jiang Zemin and Qian Qichen have given public speeches on the differences between Taiwan and Hong Kong/Macau. Both leaders emphasized that although the solution for Taiwan will still be under the "one country, two systems" (一國兩制) formula, the measures of peaceful unification for Taiwan will be much more flexible than for Hong Kong/Macau.[75] They recognized the fact that since there are significant differences between Taiwan and Hong Kong/Macau, the solution for cross-Strait relations should also be different. However, the two leaders—and thus the PRC—have still not given up the "one country, two systems" formula.

Qian Qichen's recent statement that both mainland China and Taiwan are parts of "one China" may, interestingly enough, be interpreted as implying some flexibility on the strict unitary state solution. A recent event suggests otherwise, however. The "Cross-Party Group" (跨黨派小組) organized by the Chen Shui-bian government in Taiwan reached a consensus on November 26, 2001, called the "Three Recognitions and Four Recommendations" (三個認知四個建議). The second recognition in this consensus called attention to the fact that the ROC and the PRC do not belong to each other and cannot represent each other. The first recommendation in the consensus states that Taiwan "should improve cross-Strait relations, handle cross-Strait disputes, and respond to the advocacy of 'one China' made by the mainland according to the ROC Constitution." The Taiwan

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[74]CCP Central Leading Group for Taiwan Affairs and Taiwan Affairs Office of the State Council, *Zhongguo Taiwan wenti* (China's Taiwan issue) (Beijing: Jiuzhou chubanshe, 1998), 123-24. Emphasis added.

[75]From Jiang Zemin's speech at a meeting of the National Committee of the Chinese People's Political Consultative Conference, in *Renmin ribao*, January 2, 2000, 1.

Affairs Office of the PRC State Council labeled this consensus as another attempt to create "two Chinas."[76] It seems therefore that the premise for solving the problem under a unitary state system can hardly be changed, and thus constitutes another structural constraint on possible alternatives in the PRC's Taiwan policy.

In general, the current official perception of the PRC government constrains its own alternatives on China's Taiwan policy. As Beijing rejects any idea of a non-unitary state system—in part due to concerns for other minorities and localities within the mainland, the current "one country, two systems" formula will not likely change.

Conclusion

This paper has examined the effects of PRC domestic politics on cross-Strait relations from six dimensions: collective leadership and factional politics, succession politics, bureaucratic politics and bureaucratic competition, nationalism, legitimacy crisis and political reform, and central-local and central-minority relations.[77] These six factors can be separated into two groups: the first three are procedural in nature, and the latter three are structural. The procedural factors—collective leadership, succession politics, and bureaucratic politics—are more dynamic, whereas the structural factors—nationalism, legitimacy crisis and political reform, and central-local relations—are more static (i.e., less easily changed).

Table 1 summarizes the major arguments of how these factors affect China-Taiwan relations. The first column lists the six factors, the second column presents the impacts of these factors on the PRC's policymaking process, and the third column presents the potential policy impacts.

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[76] *Zhongguo shibao* (China Times) (Taipei), December 1, 2001, 1.

[77] These six factors may not be exhaustive. Other important issues include ideology, cultural values, general strategy toward the international community, and the relations between the Taiwan issue and the PRC's national interests.

Table 1
The Effects of PRC Domestic Politics on Beijing's Taiwan Policy

Six Domestic Factors	Effects on Policy Process	Potential Policy Outcome
(1) Collective leadership (factional politics)	Lack of institutionalization of power: 1. Hard to have under-the-table negotiation 2. Hard to admit previous policy fault 3. Hard to change basic policy line	Lack of flexibility to change policy
(2) Succession politics	Lack of institutionalization of power transition: 1. Tension among top leaders; a competition of "political correctness" 2. Weak new leadership; hostage to the influence of conservative camp	Policy tends to become more hawkish, if there is any change
(3) Bureaucratic politics	1. Bureaucratic inertia 2. Bureaucratic competition	1. Lack of policy initiation from bureaucracy 2. Bureaucratic competition in general leads to a more pluralistic policymaking process, and thus to more rational policies but, when combined with factional politics, may change the policymaking process, and push the policy toward a more conservative line
(4) Nationalism	1. Viewing failure on the Taiwan issue as major political setback for the regime 2. Taiwan as a scapegoat for Sino-U.S. relations 3. Issue-linkage politics; reformist/internationalist vs. conservative/nationalistic factional struggle 4. Nationalism as a policy environment 5. Frustration in foreign relations	1. Coercive Taiwan policy 2. Constraints on leadership's rational or moderate reaction to cross-Strait relations 3. Misperception of Taiwan's situation 4. A Taiwan policy favoring militarily offensive
(5) Legitimacy crisis and political reform	1. Scapegoating Taiwan for domestic trouble 2. Gaps in cross-Strait political institutions 3. Official line of criticizing Taiwan's democratization 4.The likelihood of the PRC's democratization affects Taiwan's calculation 5. Political stability of the PRC affects Taiwan's calculations 6. The authoritative nature of the PRC government allows itself to be more rational toward Taiwan	1. Offensive Taiwan policy 2. Taiwan as a threat to the CCP regime 3. PRC's political democratization will change Taiwan's perception and calculation toward mainland China; and 4. Will be inducive to Taiwan's positive reaction 5. A dilemma for Taiwan to expect a positive cross-Strait relationship when China is democratizing
(6) Central-local and central-minority relations	PRC government cannot accept a non-unitary state system to solve the Taiwan issue	Rejection of any federalist or confederation system as solution to the Taiwan issue

From a broad perspective, the three structural factors suggest that Beijing cannot easily change China's basic policy principle, that is, the "one-China principle." According to these structural factors, Beijing fears that the Taiwan issue will bring about the disintegration of China as a nation and undermine the PRC as a state or the CCP as a regime. These three structural factors have placed negative constraints on any move by China's Taiwan policy toward a softer or more compromising position. These three structural factors are not unchangeable, however, yet do require a protracted process involving the procedural factors to be modified. In short, the structural factors constitute the incentive matrix for both Beijing and Taipei, posing serious constraints.

Turning to the three procedural factors, this group provides conditional uncertainties rather than exact tendencies. Turning the argument of "democratic peace" around, we can argue that because of the lack of institutionalization of the PRC regime, China's elite and competing bureaucratic politics together have created an idiosyncratically opaque and inflexible political regime. The existence of this type of regime provides more risks than incentives for its opponent regime in Taipei to cooperate. If the high-level politics of the CCP is always under-institutionalized, factional politics within the CCP regime will always haunt China's Taiwan policy, the perceptions and actions of the PRC, and therefore the political interaction across the Strait.

Returning to the focus of this special issue, the above analysis has important implications for the "Taiwan threat" theory. At the most basic level, this paper has shown how the systemic level structure that conditions Taiwan's choices is due in part to PRC policy: Taiwan is forced into a defensive posture given China's hawkish and inflexible policy on cross-Strait relations. Thus China (and cross-Strait relations in general) also plays an important part in pulling the United States into a confrontation with China—not just Taiwan. The analysis has also shown, moreover, how these constraints that the PRC places on Taiwan will not easily disappear. Secondly, if we turn to the more normative question of assigning "blame" for cross-Strait tension, the cause-effect relationships outlined above show how both the collective leadership in China and individual leaders face

daunting obstacles to pushing for any peaceful breakthrough in cross-Strait relations. Combining these two insights, we see that while it is harder at the level of individual to blame leaders in China for not doing more to reduce the threat posed by the "Taiwan issue," the PRC as a whole still shares a large portion of the responsibility in creating the "Taiwan problem."