

## Chapter 6

# The Geopolitical Watershed of China's Maritime Powers

Taiwan is the geopolitical key point of China's maritime power strategy. Prior to 2008, "adhering to the One-China policy" had become the catch phrase of foreign leaders who visited China. This indicates that the Taiwan issue is of such importance to China that it has exerted a profound impact on China's foreign relations. However, different from Hong Kong and Macao, the Taiwan issue is not only placed in a more complex international context, but also prone to being affected by the complicated popular sentiments and political trends of the island. Thereby, on the one hand the Taiwan issue is the internal affair of China; on the other hand, due to the complexity of international affairs, the Taiwan issue has to be examined from the macro perspective of international strategy. And how to deal with the Taiwan issue is a major task which cannot be avoided in the implementation of China's maritime power strategy.

### 1. The U.S. Factor in Cross-Strait Relations

After the end of the Cold War, the Taiwan issue has become even more complicated. The U.S. strategic guideline to become the world's only superpower causes the Taiwan issue to exert a bigger

influence in its “engagement-containment” policy toward China. During the Lee Tenghui and Chen Shuibian administrations, Taiwanese authorities established the pursuit of “Taiwan independence” as the set policy and pushed it forward both in and outside of Taiwan. With the fundamental reverse of Taiwan’s political landscape, the Taiwan issue came to be at the center of the crossfire of the following three forces, namely, China’s policy on Taiwan, the U.S. policy toward China and the Taiwan political circle. Among the three forces, the U.S. policy toward China is one of the key factors affecting the Taiwan issue.

The U.S. contemporary policy toward China includes three fundamentals: the first is to materialize its economic interests by stabilizing the Sino-U.S. economic relations and tapping into the Chinese commodities and capital markets so as to achieve the structural traction to and binding effect on China’s economy; the second is to spread the American culture among the Chinese elites and ordinary citizens by means of popularizing such forms of soft power as art, education, modern science, and technology, as well as general social and political ideas. The micro changes in every individual can imperceptibly accumulate to influences on China’s political and social development process and lead to realization of the U.S. macro-political interests; the third is to dominate China’s pan-peripheral strategic environment, relying on the U.S.–Japan alliance and taking advantage of such hot regional issues as the Taiwan issue, the South China Sea disputes and the issue of the Korean Peninsula. By placing constraints on China’s macro development strategy and foreign policies, the strategic interests of the U.S. Asia-Pacific strategy are expected to be achieved.<sup>1</sup>

China is a political power and the fastest growing developing country in the Asia-Pacific region in terms of economic, scientific, and technological strengths. As China’s strategic influence over the region rises rapidly, it is more to the U.S. benefits to maintain a

<sup>1</sup>Wang Jisi & Li Xiaogang, *The US Global Strategy and the Taiwan Issue, Chinese History of Foreign Relations in Taiwan compiled by Lu Xiaoheng*, Beijing: Economic Management Press, 2000, p. 26. (王缉思、李晓岗：“美国的世界战略与台湾问题”，卢晓衡主编：《中国对外关系中的台湾问题》，经济管理出版社，2002年版，第26页。)

relatively stable strategic relationship with China than to make enemy with it completely. For the U.S., its Taiwan policy is an important part of its policy toward China. The strategic objective of the U.S. interference in the Taiwan issue is to enhance its contain power in China's internal affairs and diplomacy and to urge China to seek cooperation with it on more occasions so as to contain China's future strategic direction. The U.S. support for Taiwan to change its established status as part of the Chinese territory, which could result in the "one China, one Taiwan" situation, would only aggravate the China-U.S. relations at the fundamental level and cause the U.S. to lose its binding force over China's future strategic orientation. This is the last thing the U.S. allows to happen.

To the U.S., the biggest worry caused by China's future development lies in its transformation from political and social centralization to decentralization. As far as the original intention of the U.S. to prescribe the recipe of "freedom and democracy" is concerned, although we cannot completely rule out the so-called idealistic component in it, we should absolutely not jump to the conclusion that it is the U.S. government's sincere expectation that the Chinese people will lead even happier lives than its own citizens. In the process of China's modernization of politics, society, and culture, it is indeed imperative to take seriously the relationship between freedom, democracy, and centralization and to accept the core values of modern Western political and social civilization in the revitalization of the traditional Chinese culture. Nevertheless, China has to bear in mind the creed of choosing and treading the road of its own since all the foreign policies of the U.S. are based on the maximization of its own national interests.

When examining the U.S. factor in the Taiwan issue from the perspective of the national interests of the U.S., it's not difficult to find out that the national interests of U.S. and China are not necessarily at odds with each other on the matter of the cross strait relations. During the Cold War, the U.S. tried hard to avoid getting involved in Taiwan's policy to "retake the mainland," nor did it allow Taiwan to join the Southeast Asia Treaty Organization (SEATO) or to participate in the Korean War and the Vietnam War as the

then Taiwanese authorities wished. Even in 1978, such facts as its resolute decision to break off diplomatic relations with Taiwan showed that the Taiwan issue was no more than a single component of the Asia-Pacific strategy of the U.S. It was of no importance to the U.S. when it was detached from the U.S. interests in Asia-Pacific and China. The U.S. Taiwan policy has not been an independent foreign policy, but a secondary policy subordinate to its policy toward China and its Asia-Pacific policy. On the scale of the U.S. international strategy, the Asia-Pacific strategy and the China–U.S. relations always weigh more than the “U.S.–Taiwan” relationship.

A stable China–U.S. relationship is the basic requirement for maximizing the U.S. strategic interests in the Asia-Pacific region and China. The Taiwan issue is one of the key issues that affect China's policy toward the U.S. Independence of Taiwan would directly lead to the deterioration of the China–U.S. relationship and even put the bilateral relations into an extreme situation where the U.S. is forced to choose either China or Taiwan. Although Taiwan's independence or the reunification between the two sides of the Taiwan Strait bears different implications from the perspectives of freedom and democracy, the influences they have on the U.S. national interests are largely identical. So, it best meets the U.S. strategic interests to try to maintain the *status quo* of “neither independence nor unification” across the Strait and allow China to continue pursuing the unattainable dream of Taiwan's return.

The strategic design of the U.S. to bring about “neither independence nor unification” between the Chinese Mainland and Taiwan was made as early as when China and the U.S. first established diplomatic relations. In the *Sino-U.S. Joint Communiqué* signed between the two countries in Shanghai in 1972, the U.S. deliberately used such ambiguous statements as “the U.S. acknowledges that ‘all Chinese on either side of the Taiwan Strait have but one China and that Taiwan is part of China.’”<sup>2</sup> In 1979, the Taiwan Relations Act was passed and

<sup>2</sup>The original text for the Chinese “认识到” was “acknowledge,” which means being aware of the fact. The Americans explain that if the word “recognize” was used, it would imply the meaning of admitting the fact. See more in the *Sino-US Joint Communiqué*, Beijing: Foreign language Press, February, 1972. However, this is only

signed into effect. This was precisely another clever design of the U.S. to implement the “equilibrium” strategy to make happen the “neither independence nor unification” and maintain the *status quo* of “divide and rule” between the Chinese Mainland and Taiwan so as to ensure its containing force of the two sides across the Strait. Since then, successive U.S. administrations have basically followed the policy and maintained balance between the two sides. On one hand the U.S. declares its commitment to the “one China” stance in the Chinese Mainland and maintains sound China–U.S. relations with strategic ambiguity. On the other hand, it continues to sell arms to Taiwan to increase Taiwan’s military force against the Chinese Mainland in an aim to ensure the objective basis for maintaining the *status quo* of the two parties across the Taiwan Strait.

The strategy of the U.S. proves to be effective. For China, the geopolitical pressure from Taiwan forces it to attach great importance on the Taiwan policy of the U.S. Once the U.S. is really prepared to confront China, Taiwan will become the biggest threat to China’s geopolitical security. And if there is the direct station of U.S. troops in Taiwan, the U.S. would have its military combat range cover the whole territory of China even though the station is temporary. In light of this, China has to approach the Taiwan issue with prudence and deal with both reasonable and unreasonable demands of the U.S.

Compared with the Chinese mainland, Taiwan is faced with an even more awkward situation. The reason is that the U.S. will allow Taiwan to embrace neither independence nor reunification with the Chinese Mainland. Thus, it has to face pressure from both parties, the increasingly strong Chinese Mainland and the U.S., the world’s most powerful nation. When dealing with the Chinese Mainland, Taiwan will face the risk of immediate demise if overdue attention is placed on the policy inclination towards independence. And it will lose its

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the American interpretation of the two words since that shade of difference has never existed in other English-speaking countries. (中文文本中的“认识到”在英文文本使用的是 *acknowledge*, 即知道的意思。美国人的解释是, 如果使用 *recognize*, 则含有知道并且承认的意思。详见: *Sino-US Joint Communiqué*, Beijing: Foreign language Press, February, 1972。然而, 这只是美国人对这两个词的解释。在其他英语国家中, 这两个词之间的差别其实根本就不存在。)

political leverage to bargain with the Mainland if Taiwan chooses to turn its back on the U.S. interests and get too close to the Mainland. Under the dual pressure, Taiwan has to cope with the strategic deterrence from the Chinese Mainland and deal with the U.S., its only yet unreliable patron, with extreme caution. The U.S. gains the strategic advantage to harness the cross-strait relations with ease by placing effective constraints on Chinese Mainland and Taiwan.

Taiwan plays an important role in the U.S. strategy toward China. However, it is debatable that how much Taiwan can weigh on the scale of the U.S. interests. It is common knowledge to those familiar with history that Washington and Beijing have learned the lesson from the Korean War to avoid direct military conflicts between the two countries. Both Taiwan's so-called independence and Chinese Mainland's military action against Taiwan will put the American policymakers into dilemma. The U.S. shares a special relationship with Taiwan and its interests are closely associated with the rising Chinese Mainland. Hence the U.S. has to properly weigh its interests in Chinese Mainland and those in Taiwan and draw up policies which can reconcile the contradictory interests between the two sides.

For the U.S., the U.S. Asia-Pacific strategy and its strategic positioning of China are the foundation for its approach to cross-strait relations. As the former U.S. President Richard Nixon commented on the U.S.–Russian relations, “Russia is too big and too important a power to be added to the NATO Alliance. Otherwise it will result in a fundamental reassessment of security in Japan, China and other member states.”<sup>3</sup> The U.S. would not allow the Sino-U.S. alliance to be established for fear of harming its strategic interests.

When judging from the perspective of the cross-strait relations and the Asia-Pacific geopolitical pattern, the unification between Chinese Mainland and Taiwan means that China has the frontier toward the ocean, and the potential to challenge the strategic advantage of the U.S. in East Asia. To prevent this from happening, the

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<sup>3</sup>Richard M. Nixon (trans.), *Beyond Peace*, Beijing: The World Knowledge Publishing House, 1995, pp. 73–83. (参阅: 理查德·M 尼克松:《超越和平》,世界知识出版社,1995年版,第73–83页。)

U.S. needs to be equipped with the power to contain China's strategic development. And it certainly would not easily forsake any chance to use Taiwan as one of its containing tool.

From another point of view, indeed, the U.S. is not willing to see Taiwan get involved in all-out confrontation with the Chinese Mainland for challenging the bottom line of China's policy. The U.S. is also against "independence" of Taiwan from this point of view. However, there is an essential distinction between the U.S.' negative attitude toward "Taiwan independence" and China's opposition to "Taiwan independence." Probably what the U.S. wants is that no justified opportunity arises for China to take over Taiwan in a period when China firmly insists upon using the military forces to solve the Taiwan issue. If it happens, the strategic design of the U.S. to influence China's strategy development by the tool of the Taiwan problem will be violated, and even worse, the U.S. will be forced into a dilemma of making strategic choices. However, the U.S. actually does not oppose Taiwan's "independence" in the future if it can eliminate the possibility that China will take over Taiwan once Taiwan seeks independence. This is clearly exemplified by the practice that the U.S. has been supporting the development of Taiwan's military strength through arms sales and from time to time reaffirms commitment to Taiwan's security and provides information such as "political defense" so that Taiwan can maintain the economic integration with the Chinese Mainland, while obtaining the strategic capital to guarantee political detachment.

The bottom line of the U.S. cross-strait policy is that once the Chinese Mainland uses force against Taiwan under "unreasonable" conditions, the U.S. would help defend Taiwan with force. Indeed it is possible that the U.S. will enter into military conflicts with China for the sake of Taiwan. However, the special premise for this extreme possibility is that China uses force against Taiwan when it does not declare "independence." If such situation really happens, the U.S. will take actions to support Taiwan in accordance with the Taiwan Relations Act. Although it is difficult to say for sure whether the U.S. will truly engage in the all-out war with China once the gun is fired across the Strait, its warning of possible interference is undoubtedly



effective. It has for a very long period of time effectively safeguarded its maximum interests in the cross-strait relations — maintaining the *status quo*.

For a long period of time between 1990 and 2008, the U.S. policy to the Chinese Mainland and to Taiwan gradually deviated from the middle way. The U.S. attitude toward Taiwan accelerates the trend of a single political climate in Taiwan. From 2001 to 2008, Chen Shuibian administration had taken aggressive policy toward the Mainland, resulting in extremely tense cross-strait relations and increasingly fierce actions toward the so-called “independence.” Chen Shuibian’s policy dealt a heavy blow to the U.S. objective of maintaining the *status quo*. The U.S. is the only world power that is deeply involved in the Taiwan issue, and has significant interests both in Chinese Mainland and Taiwan. The U.S. did not want to be dragged into mire by second-rate politicians like Chen. So, the U.S. approach toward the cross-strait relations had eventually returned to a rational middle ground and the policy to maintain the *status quo* on both sides despite its wavering Chinese policy which was sometimes tough, sometimes relaxed since the outset of the 21st century.

After Ma Ying-jeou came to power in 2008, Chen was imprisoned due to the shocking corruption scandal. Despite Chen’s step-down, the “independence” sentiment developed during his term maintained. Since 2008, the Mainland has granted Taiwan a series of economic support and assistance. And Taiwan’s economy rapidly recovered after preferential acquisitions of agricultural products by the Mainland and tourism revenues brought by Mainland tourists. However, the Mainland’s preferential policies to Taiwan mainly benefited the middle and upper class businessman, plutocrat families and political families in Taiwan rather than the grassroots people at the first time. As a result, all the efforts of the Chinese Mainland did not significantly affect the political force or the political leanings to the Pan-Green Coalition of Taiwan with the balance of power between the Taiwan Pan Blue and Green coalition unchanged. With the Kuomintang becoming the ruling party, the cross-strait relations regress to the effective control by the U.S. At this stage, most people across the strait do not have objection against maintaining the



*status quo* of the Cross-Strait relations, yet nor do they want the present state of uncertainty.

The U.S. policy toward Taiwan constitutes a “U.S. factor” which has to be taken seriously in China’s Taiwan policy. The Taiwan issue is more than a simple continuation of the civil war or an issue of national unity, but an issue concerning the coordination of strategic interests between major powers when dealing with specifics and the prevention of progressive “Taiwan independence.” Acknowledging the existing strategic interests of the U.S. and recognizing the impact of Taiwanese politics on cross-strait relations have become the two axes of the Chinese Mainland’s policy toward Taiwan.

Amid the U.S. involvement in the cross-strait relations, its arms sales to Taiwan have long been the most sensitive issue which directly influence Chinese Mainland’s policy on Taiwan. In order to maintain its strategic dominance in East Asia, arms sales to Taiwan have always been an important tool for the U.S. to contain the future development of China’s diplomacy and military strategy. As we all know, the Korean War is marked as a starting point for the U.S.–Taiwan military relations and U.S. policy of arms sales to Taiwan. On the next day of June 28, 1950, when Truman’s “Announcements on June 27” were issued, the U.S. Seventh Fleet entered the Taiwan Strait and kicked start the regular and sometimes irregular patrol of this region for more than 20 years. On July 31, the U.S. Military Liaison Branch in Taiwan was formally established, placing all troops in Taiwan under the unified command of MacArthur to carry out “common defense” of Taiwan. On September 10, the U.S. put forward the new Far East Policy and stated clearly that it would offer economic aid and selective military assistance to Taiwan. After China and the U.S. got involved in the all-out confrontation in the Korean War, the U.S. began to provide unlimited military aid to Taiwan. In the financial years of 1951 and 1952, the U.S. gave Taiwan 260 million USD and 1.14 billion USD respectively as military and economic aid.<sup>4</sup>

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<sup>4</sup>Lin Rennan (trans.), *The Stockholm International Peace Research Institute: Arms Transaction with the Third World Countries*, Taipei: Universal Culture Publishing House, 1971, p. 10. [瑞典] 斯德哥尔摩国际和平研究所:《对第三世界的军火贸易》(林人南译),台北:四海出版社,1971年版,第10页)。

To prevent the liberation of Taiwan by People's Liberation Army of the Chinese Mainland, the U.S. and Taiwan signed the *Mutual Defense Treaty between the United States of America and the Republic of China* in December 1954. According to the treaty, "both sides can maintain and develop their ability through self-help or mutual aid to fight against an armed attack and 'Communist subversive activities'"; "by the decision based on common agreement, the ROC government granted the United States of America the right to deploy its Army, navy, and air force in Taiwan, Penghu and the surrounding areas to meet the needs for defense."<sup>5</sup> "In line with the implementation of the treaty, the resolution was passed by the U.S. Congress and signed into effect by President Eisenhower that the U.S. President was authorized to use the U.S. armed forces whenever he considered it necessary to ensure and protect Taiwan and the Penghu Islands against armed attacks." With the *Mutual Defense Treaty* and relevant resolutions came into force, a military alliance between the U.S. and Taiwan was established.

From 1954 to 1956, the U.S. free military aid to Taiwan stood respectively 357.7 million USD, 379.6 million USD, and 359.3 million USD. Up until 1979, various aid of the U.S. to assistance Taiwan totaled 3.58 billion USD, among which military aid took up 70.6%.<sup>6</sup>

In the 1970s, the Sino-U.S. relations underwent tremendous changes. In 1972, the U.S. and China signed the *Shanghai Communiqué* which declared that "The Taiwan issue is the crucial issue obstructing the normalization of relations between China and the United States; the Government of the People's Republic of China is the sole legal government of China; Taiwan is a province of China which has long been returned to the motherland; the liberation of Taiwan is China's internal affair in which no other country has the right to interfere; and all the U.S. forces and stationed troops must be withdrawn from Taiwan." The U.S. claimed that "the United

<sup>5</sup>Tao Wenzhao, *American China Policy Document Set*, Part A, 2, Beijing: The World Knowledge Publishing House, 2004, p. 385. (陶文钊:《美国对华政策文件集》第二卷(上),北京:世界知识出版社,2004年版,第385页。)

<sup>6</sup>Chen Ruixia, *Blockade Taiwan*, Hong Kong: A Wide-Angle Lens Publishing Co., 1987, p. 61. (陈瑞霞:《封锁台湾》,香港:广角镜出版有限公司,1987年版,第61页。)

States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is part of China. The U.S. Government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan issue by the Chinese themselves. With this prospect in mind, it affirms the ultimate objective of the withdrawal of all the U.S. forces and stationed troops from Taiwan.”<sup>7</sup>

By the end of 1973, the U.S. withdrew some of its military personnel in Taiwan. After the Vietnam War, the 327th Air Division and the F-4 Phantom II Squadron the U.S. stationed in Ching Chuang Kang had been withdrawn successively (including 18 fighters and 450 ground staff). By the end of 1977, the number of U.S. soldiers stationed in Taiwan reduced to 1,000 people, and the number of military advisory groups also dropped to less than 50 people.<sup>8</sup>

Despite the changed attitudes of the U.S. toward the two sides of the strait after it readjusted its Asia-Pacific strategy, the vague language used in the *Shanghai Communiqué* laid the foundation for the U.S. maintenance of military ties with Taiwan. A number of events signify that the U.S. policy toward Taiwan has maintained continuity. During the period from the issuance of the *Shanghai Communiqué* to the formal establishment of diplomatic relations between the U.S. and China, the U.S. and Taiwan had conducted six joint military exercises from 1973 to May 1978. These military exercises show that when constructing the strategic balance among the U.S., the Soviet Union, and China, the U.S. does not exclude the possibility of giving up Taiwan when it has no choice.

<sup>7</sup>The website of Central People's Government of the People's Republic of China: The People's Republic of China and the United States of America Joint Communiqué (Shanghai Communiqué). [http://www.gov.cn/ztlz/zmbh//content\\_624341.htm](http://www.gov.cn/ztlz/zmbh//content_624341.htm). (中华人民共和国中央人民政府网站:《中华人民共和国和美利坚合众国联合公报(“上海公报”)》, [http://www.gov.cn/ztlz/zmbh//content\\_624341.htm](http://www.gov.cn/ztlz/zmbh//content_624341.htm).)

<sup>8</sup>Xiong Zhiyong, *A Hard Choice, The Impact of the Normalization of Sino American Relations on Taiwan-U.S. Relations*, included in *The Forty Years The U.S.-Taiwan Relations compiled by Zi Zhongjun & He Di*, Beijing: People's Publishing House, 1991, p. 172. (熊志勇:《艰难的选择——中美关系正常化对美台关系的影响》,载资中筠、何迪主编:《美台关系四十年》,北京:人民出版社,1991年版,第172页。)

In 1977, the U.S. Secretary of State Cyrus Roberts Vance paid a visit to China and described the U.S. idea on arms sales to Taiwan. Vance said the U.S. government wanted to make a commitment to a peaceful solution to the Taiwan issue, and very much hoped that the Chinese government could understand its continued arms sales to Taiwan after the normalization of Sino-U.S. relations as well as the abolition of the *Mutual Defense Treaty* between the U.S. and “the Republic of China.”<sup>9</sup> In October 1978, China clearly rejected the proposal that the U.S. could continue to sell arms to Taiwan after canceling the *U.S.-Taiwan Mutual Defense Treaty*.<sup>10</sup> After rounds of negotiations, the two countries met halfway and reached a strategic solution where the U.S. government would accept conditions proposed by China in principle to sever the so-called “diplomatic relations” with Taiwan, publish the statement of withdrawal of the U.S. troops stationed in Taiwan and agree to stop signing new arms deal with Taiwan in a year after the normalization of bilateral relations.

On December 16, 1978, *the Joint Communiqué of the United States of America and the People's Republic of China* was released at the same time in Washington and Beijing. The two governments agreed in the communiqué that the U.S. and the People's Republic of China recognize each other and establish diplomatic relations from January 1, 1979; “the Government of the United States of America acknowledges China's position that there is only one China and that Taiwan is part of China.”<sup>11</sup> Within this context, the people of the U.S. will maintain cultural, commercial, and other unofficial relations with the people of Taiwan. No final agreement on the U.S. arms sales to

<sup>9</sup>Zhang Mingqing, *USA Arms Sales to Taiwan Policy Research: From the Perspective of the Decision*, Beijing: The World Knowledge Publishing House, 2006, p. 91. (张清敏:《美国对台军售政策研究: 决策的视角》, 北京: 世界知识出版社, 2006 版, 第 91 页。)

<sup>10</sup>Patrick Tyler, *A Great Wall: Six Presidents and China, An Investigative History*. A Century Foundation Book, New York Public Affairs, 1999, p. 257.

<sup>11</sup>The website of Central People's Government of the People's Republic of China: Joint Communiqué of the People's Republic of China and the United States on the Establishment of Diplomatic Relations. [http://www.gov.cn/ztlz/zmbh//content\\_624348.htm](http://www.gov.cn/ztlz/zmbh//content_624348.htm). (中华人民共和国中央人民政府网站:《中华人民共和国和美利坚合众国关于建立外交关系的联合公报》, [http://www.gov.cn/ztlz/zmbh//content\\_624348.htm](http://www.gov.cn/ztlz/zmbh//content_624348.htm).)

Taiwan had been reached in *The Joint Communiqué of the United States of America and the People's Republic of China*. Instead, it chose to strategically separate the establishment of diplomatic relations and arms sales by shelving the latter for future discussion. However, this approach left the U.S. with the opportunity to maintain its relationship with Taiwan.

On January 10, 1979, the U.S. State Department set up the American Institute in Taiwan (AIT), responsible for handling affairs in Taiwan. Meanwhile, the Taiwanese authorities had also set up the Coordination Council for North American Affairs (CCNAA). On the 26th, the draft of the Taiwan Relations Act was submitted to the U.S. Congress and was passed on March 29. On April 10, the President signed it into effect. Since then, the Taiwan Relations Act replaced the *U.S.–Taiwan Mutual Defense Treaty* as the most important legal basis for dealing with the U.S.–Taiwan relations and continues its arms sales to Taiwan. The law clearly stipulates that “whenever the laws of the United States refer to or relate to foreign countries, nations, states, governments or similar entities, such terms shall include and such laws shall apply with respect to Taiwan.”<sup>12</sup>

The Taiwan Relations Act serves as an important foundation for the U.S. to maintain military relations with Taiwan authorities and to expand the arms sales. Articles 2 and 3 of the Act clearly states that “any attempt to determine the future of Taiwan by means other than peaceful ones, including boycotts or embargoes, is a threat to the peace and security of the Western Pacific area and will be of grave concern to the United States; the U.S. will provide Taiwan with arms for defense purposes in order to maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, the social and economic systems of the people in Taiwan.”<sup>13</sup> “The United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient

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<sup>12</sup>Article IV of Taiwan Relations Act. (《与台湾关系法》第四条。)

<sup>13</sup>Articles II, IV, V and VI of Taiwan Relations Act. (《与台湾关系法》第二条第四、五、六款。)

self-defense capability.”<sup>14</sup> The Taiwan Relations Act not only maintains the continuation of the U.S.–Taiwan military relations determined by *the Mutual Defense Treaty*, covers military weapons sold to Taiwan authorities with a cloak of legitimacy, but also, to a certain extent, expands the original military relations.<sup>15</sup>

The U.S. commitment to continuing its responsibility on Taiwan's security mainly lies in the second and third articles of the Taiwan Relations Act which were dubbed the “safety clauses” since they give grounds to arms sales in the name of maintaining security. According to the safety clauses, any attempt to determine the future of Taiwan by means other than peaceful ones, including boycotts or embargoes, is a threat to the peace and security of the Western Pacific area and will be of grave concern to the U.S.<sup>16</sup> To prevent possible threats, the U.S. commitment “to provide Taiwan with arms for defense purposes in order to maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, the social and economic systems of the people in Taiwan.”<sup>17</sup> “The U.S. will make Taiwan available to such defense articles and defense services in such quantity as may be necessary to enable Taiwan maintain a sufficient self-defense capability.”<sup>18</sup> The President and the Congress shall determine the nature and quantity of such defense articles and services based solely upon their judgment of the needs of Taiwan, in accordance with procedures established by law. Such determination of Taiwan's defense needs shall include review by the U.S. military authorities in connection with recommendations to the President and the Congress.<sup>19</sup> The Taiwan Relations Act and the “safety clauses” actually overthrew the basic principles of “careful

<sup>14</sup>Paragraph 1, Article III of Taiwan Relations Act. (《与台湾关系法》第三条第一款。)

<sup>15</sup>Zhang Mingqing, *op. cit.*, p. 109. (张清敏:《美国对台军售政策研究: 决策的视角》, 北京: 世界知识出版社, 2006 年版, 第 109 页。)

<sup>16</sup>Item 4, Paragraph 2, Article II of Taiwan Relations Act. (《与台湾关系法》第二条乙款, 第四项。)

<sup>17</sup>Items 5 & 6 Paragraph 2, Article II of Taiwan Relations Act. (《与台湾关系法》第二条乙款, 第五、六项。)

<sup>18</sup>Paragraph 1, Article III of Taiwan Relations Act. (《与台湾关系法》第三条甲款。)

<sup>19</sup>Paragraph 2, Article III of Taiwan Relations Act. (《与台湾关系法》第三条乙款。)

selection” and “with limitation” which the U.S. government had promised during the negotiation with the Chinese government to establish diplomatic relations and gave the Congress a bigger power on the issue of arms sales to Taiwan.

Shortly after the Taiwan Relations Act was enacted, the U.S. began planning arms sales to Taiwan. In July 1979, the U.S. government sold 48 F-5E fighter jets to Taiwan. Thereafter and prior to the release of the *China–U.S. August 17 Communiqué*, the U.S. government had sold weapons and military equipment six times to Taiwan with a total value of about 1.03 billion USD.<sup>20</sup>

*The China–US August 17 Communiqué* was published on August 17, 1982. The communiqué has provided detailed provisions on cross-strait relations and the U.S. arms sales to Taiwan. The U.S. side articulated its basic principles on the Chinese Mainland and Taiwan and reaffirmed that it had no intention to violate China's sovereignty and territorial integrity, to interfere in China's internal affairs or to pursue “two Chinas” or “one China, one Taiwan” situation; it renewed its commitment to not seeking a long-term policy of arms sales to Taiwan to perform, promised that the arms sold to Taiwan would not exceed the supply to China in the years after the establishment of China–U.S. relations in terms of both performance and numbers. To gradually reduce arms sales to Taiwan and the final resolution to the issue after a period of time were also promised.<sup>21</sup>

After the signing of *the China–US August 17 Communiqué*, the U.S. arms sales policy entered a period of strategic adjustment. A significant reduction in the U.S. arms sales to Taiwan resulted from the restrictions and limitations posed by the *China–US August 17*

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<sup>20</sup>Statistics from the *Advanced Technology*, (数据为台湾专业军事武器杂志《尖端科技》杂志社提供。) Statistics were given by *Defense Technology Monthly*, a professional military weapon magazine of Taiwan during author's interview on March 16, 2010.

<sup>21</sup>The website of Central People's Government of the People's Republic of China: The People's Republic of China and the United States of America Joint Communiqué (the July 17 Communiqué). Articles 5 & 6. [http://www.gov.cn/ztml/zmbh/content\\_624349.htm](http://www.gov.cn/ztml/zmbh/content_624349.htm). (《中华人民共和国和美利坚合众国联合公报》(《八一七公报》)第五、六条, 中华人民共和国中央政府网站, [http://www.gov.cn/ztml/zmbh/content\\_624349.htm](http://www.gov.cn/ztml/zmbh/content_624349.htm).)



*Communiqué*. The total volume of arms sales declined at the rate of 20 million USD per year, and the quality of the arms was basically below the level of 1980.<sup>22</sup> This diminishing trend brought the U.S. arms sales to Taiwan into a slump, which lasted until the early days of the Bush administration.

While as the *China-US August 17 Communiqué* set the U.S. commitment to limiting arms sales and high-tech exportation to Taiwan, it gradually opens up the door of limited sales of the U.S. weapons and technologies to China. In September 1982, the U.S. government decided to grant China 32 military and dual-use technology export licenses which China had long desired.<sup>23</sup> In May 1983, President Reagan ordered to promote China from a non-hostile country to a “friendly non-ally” while moved China’s export category from category “P” to category “V.” In 1984, President Reagan signed the policy documents of arms sales to China, confirming that China complied with the requirements of the U.S. external arms sales.<sup>24</sup>

However, the *China-US August 17 Communiqué* is by no means a package plan to solve all the problems in China-U.S. relations. The strengthening of military cooperation between China and the U.S. did not iron out the root cause of the U.S. arms sales to Taiwan. Historical data show that just before the issuance of the *China-US August 17 Communiqué*, the U.S. President Ronald Reagan promised six guarantees to the Taiwan authorities in his own name.<sup>25</sup> Even though these

<sup>22</sup>He Di, *The Ten Years of The U.S.-Taiwan Relations 1979-1988 included in The Forty Years The U.S.-Taiwan Relations compiled by Zi Zhongjun & He Di*, Beijing: People’s Publishing House, 1991, p. 215. (何迪:《美台关系十年: 1979-1988》, 载 资中筠、何迪主编:《美台关系四十年》, 北京: 人民出版社, 1991 年版, 第 215 页。)

<sup>23</sup>James Mann, *About Face, A History of America’s Curious Relationship with China, from Nixon to Clinton*, Alfred A. Knopf (ed.), New York, 1999, p. 140.

<sup>24</sup>Zhang Mingqing, *op. cit.*, p. 175. (张清敏:《美国对台军售政策研究: 决策的视角》, 北京: 世界知识出版社, 2006 年版, 第 175 页。)

<sup>25</sup>These promises are: (a) No definite deadline on the termination of arms sales to Taiwan. (b) No agreements made upon soliciting the PRC’s opinions on arm sales to Taiwan. (c) Plays no mediation role between Taipei and Beijing: (d) No agreements made upon readjusting the Taiwan Relations Act. (e) No changed grounds toward Taiwan’s sovereignty. (f) No forced negotiation between Taiwan and the PRC. To see more: Gene T. Hsiao & Witunski, etc., *Sino-American Normalization and Its Policy Implication*, New York: Praeger Publisher, 1983, p. 326. (这些保证是: (1) 没有确定终

guarantees can be understood as false promises Reagan perfunctorily made to Taiwan, it can be concluded without doubt that the U.S. does not intend to give up on Taiwan. After the *China-US August 17 Communiqué* was signed, the U.S. limited the arms sales to Taiwan while strengthening the transfer of relevant technologies. The Indigenous Defensive Fighter (IDF) that the Taiwan authorities advertised as the sole “domestic” model was actually made with the help of American arms companies. Many of the key technologies of the aircraft were derived from the F-16 fighter. Well-known companies such as Garrett Turbine Engine Company, Segal Company, and Lear Siegler Incorporated had partaken in arms trade to export advanced fighter technology to Taiwan, with technology transfer fee up to 50 million USD.<sup>26</sup>

The slack season of the U.S. arms sales to Taiwan lasted until the end of the Cold War. The dismantling of the Soviet Union had changed the strategic foundation of China-U.S. relations in the 1970s. The U.S. policy toward China was readjusted with raised status of Taiwan in the U.S. foreign strategy. On April 28, 1994, the U.S. Congress passed the Foreign Relations Authorization Act for Fiscal Year 1994–1995 (namely the Foreign Relations Authorization Act). Article 531 of the act states that taking into account of Taiwan's defense needs, the Congress declared to reaffirm the statements above the government level made in the second and third articles of the “The provisions of subsections (a) and (b) of this eighth section shall supersede any provision of the August 17, 1982, Joint U.S.–China Communiqué related to these matters and regulations, directives and policies based thereon.”<sup>27</sup> This act strengthened the position of the Taiwan Relations Act as a form of domestic legislation and prioritized

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止对台军售的日期；(2) 没有同意就对台军售征求中华人民共和国的意见；(3) 不会在台北和北京之间充当调停角色；(4) 没有同意修改《与台湾关系法》；(5) 没有改变对台湾主权的立场；(6) 不强迫台湾与中华人民共和国进行谈判。详见：Gene T. Hsiao & Witunski, etc., *Sino-American Normalization and Its Policy Implication*, New York: Praeger Publisher, 1983, p. 326.)

<sup>26</sup>Zhang Mingqing, *op. cit.*, p. 170. (张清敏：《美国对台军售政策研究：决策的视角》，北京：世界知识出版社，2006年版，第170页。)

<sup>27</sup>H.R. 2333 (103rd): Foreign Relations Authorization Act, Fiscal Years 1994 and 1995. <https://www.govtrack.us/congress/bills/103/hr2333/text/eas>. 2014-5-7.

it over the *China–U.S. August 17 Communiqué*, hence the legal basis for the U.S. arms sales policy to Taiwan was strengthened.

On March 19, 1996, the U.S. House of Representatives passed a joint resolution expressing the will of the Congress, and strongly urged the U.S. government to help Taiwan defend the aggression, missile attacks and blockades from the People's Republic of China based on the Taiwan Relations Act and the American constitutional process, as well as the friendship and commitments to the Taiwan's democratic government and people. To echo the House of Representatives, the U.S. Senate adopted a similar resolution on March 21.<sup>28</sup> After President Clinton announced in June 1998 the “three nos,”<sup>29</sup> the Conservative Members of Congress even submitted to both Houses the so-called the Taiwan Security Enhancement Act in an attempt to go beyond the basic framework of the U.S. policy toward Taiwan and steer the U.S. policy toward Taiwan from “strategic ambiguity” to the “strategic clarity” and to re-establish a military alliance between the U.S. and Taiwan.<sup>30</sup>

With the strengthening of the U.S.–Taiwan relations, the U.S. not only broke away from the legal restrictions and limitations of the *August 17 Communiqué* on arms sales, but also broke the records of the U.S. arms sales to Taiwan in terms of number, scale, and capacity since the establishment of diplomatic relations between China and the U.S. pushing the arms sales to the height of standardization and systematization.<sup>31</sup> During this period, the Clinton administration not

<sup>28</sup>Robert L. Suettinger, *Beyond Tiananmen: The Politics of U.S.–China Relations 1989–2000*, The Brookings Institution, 1775 Massachusetts Avenue, N.W., Washington DC, 2003, pp. 258–259.

<sup>29</sup>The “three nos”: Grant no support to Taiwan's independence, grant no support to ‘two China’ or ‘one China one Taiwan,’ “grant no support to Taiwan admission to any international organization which are sovereignty countries only” (“三不”承诺: “不支持台湾独立”, 不支持“两个中国”或“一中一台”, “不支持台湾台湾加入只有主权国家才可以参加的国际组织”。)

<sup>30</sup>Xin Qiang, *Semi Autonomous Congress and the Taiwan Issue: American Congressional Diplomacy Behavior Patterns*. Shanghai: Fudan University Press, 2005, p. 281. (信强: 《“半自主”国会与台湾问题: 美国国会外交行为模式》, 复旦大学出版社, 2005年版, 第281页。)

<sup>31</sup>The cutting-edge weapon categories of US arms sales to Taiwan from 1993 to 2001: One MK-41 vertical launch system for 1993, 3 Knox-class frigates, 3 Newport

only inherited the sales plan of 150 F-16 A/B fighters from the Bush administration's arms to determine the latter, but also hit a new high of more than 150 billion USD in arms sales records in the last decade of the 20th century.<sup>32</sup> Even plans to expand the U.S.–Taiwan military relations were once raised under the assumption that conflicts break out in Taiwan.

With the U.S. arms sales to Taiwan became increasingly systematic and high-end, the military strength of Taiwan gained fast development. As the American scholar said that when comparing the military power of the navies of both sides of the Taiwan Strait in the 1990s, Taiwan was more likely to deal an upper hand since destroyers and frigates of the Taiwanese Navy were equipped with unified modern weapons unit, fire control systems, radar and sonar systems and other types of the U.S. anti-ship missiles and ship-to-air missiles.<sup>33</sup>

In 2001, George W. Bush held the helm of the White House and China was regarded as a “strategic competitor.”<sup>34</sup> As for the Taiwan issue, the Bush administration continued to insist on the principle that China must not use force against Taiwan, stressing that “the future of Taiwan should be realized through a peaceful manner acceptable to the people of Taiwan. If China violates these principles

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class Tank Landing Ship, 4 MSO ocean Minesweepers for 1994, 6 phalanx CIWS for the FFT editing vessels frigate for 1995, 8 Sea Chaparral missile launcher and 148 Sea Chaparral antiaircraft missiles, 110 MK-46MODs for 1996, 54 Harpoon anti-ship missiles for 1997. See Shirley A. Kan, *Taiwan: Major U.S. Arms Sales Since 1990*, CRS Report for Congress. pp. 29–33. (1993 年到 2001 年美国对台军售涉及各类尖端武器。具体包括: 1 座 MK-41 飞弹发射器 (1993 年), 3 艘诺克斯级巡防舰艇、3 艘新港级登陆舰、4 艘 MSO 远洋扫雷舰 (1994 年), 6 座供拉法叶舰使用的方阵快炮 (1995 年), 8 座海从树导弹发射器、148 枚海从树防空导弹、110 枚 MK-46MOD (1996 年), 以及 54 枚鱼叉式反舰导弹 (1997 年)。See Shirley A. Kan, *Taiwan: Major U.S. Arms Sales Since 1990*, CRS Report for Congress. pp. 29–33.

<sup>32</sup>To see more: Appendix, *Major U.S. Arms Sales to Taiwan, 1979–2010*. (参见: 附录《美国对台军售重要项目一览表 (1979 年–2010 年)》。)

<sup>33</sup>David Shambaugh (2000), *A Matter of Time: Taiwan's Eroding Military Advantage*. Washington: *Washington Quarterly*, 23(2), pp. 128–131.

<sup>34</sup>George W. Bush on Foreign Policy Speech, Distinctly American Internationalism, Ronald Reagan Presidential Library, California, November 19, 1999. <http://www.acronym.org.uk/dd/dd41/41bush.htm>.

and attacks Taiwan, the United States will take appropriate actions based on the Taiwan Relations Act to help Taiwan defend itself.”<sup>35</sup> To this end, in the early beginning of the Bush administration, the years-long suspended U.S.–Taiwan military exchange was restarted. Moreover, procedures of arms sales to Taiwan were further simplified with greater efforts. On April 20, 2001, the U.S. for the first time sent active military officers to observe the Han Kuang 17 military exercise. In 2002, the U.S. assisted in upgrading the “data processing center” of Taiwanese armed forces, established a mainland-monitoring station in Yangmingshan, well as officially open up the “U.S.–Taiwan military hot line.”<sup>36</sup> As of arms sales, in November 2002, the Bush administration has notified Congress of 11 arms sales projects, including four *Kidd*-class guided missile destroyers (DDGs), twelve P-3C anti-submarine aircraft,<sup>37</sup> totaled more than 2 billion USD.<sup>38</sup>

After the “September 11” Incident, the U.S. positioned China as a “responsible stakeholder,” which changed the basis of cross-strait policy as well as the direction of the U.S. arms sales policy to Taiwan. With changes in international strategic background and the negative effects brought by the worsening cross-strait relations during the Chen Shuibian administration on China–U.S. relations and the U.S. Asia-Pacific policy, it was the timing for the U.S. to re-evaluate its arms sales policy to Taiwan. The Kuomintang headed by Ma Ying-jeou in 2008 comes to the rule of Taiwan again, marking a new stage of cross-strait relations. Improvement of the Sino-U.S. relations and cross-strait relations have changed trends of the Taiwan issue and add more influences to the U.S. arms sales to Taiwan.

Year 2009 was a period when the China–U.S. “strategic cooperation” relations and cross-strait relations experienced rapid

<sup>35</sup>Zhang Mingqing, *op. cit.*, p. 289. (张清敏:《美国对台军售政策研究: 决策的视角》, 北京: 世界知识出版社, 2006 年版, 第 289 页。)

<sup>36</sup>Zhu Xianlong, The Recent Exposure of the U.S.–Taiwan Military Hotline. *Global Times*, 18th Edition, September 22th, 2003. (朱显龙:《美台军事热线最近曝光》, 载《环球时报》, 2003 年 9 月 22 日, 第 18 版。)

<sup>37</sup>Shirley A. Kan, *Taiwan: Major U.S. Arms Sales Since 1990*, CRS Report for Congress, February 16, 2010, pp. 9–10.

<sup>38</sup>*Ibid.*, p. 61.

improvements. While the U.S. optimistically estimated that there was little possibility that the Taiwan Straits would end up on the brink of war, it also fret about the overheating cross-strait relations. Such concerns of the U.S. attached a different kind of motivation to the U.S. arms sales to Taiwan against the backdrop of eased cross-strait relations. In 2010, the U.S. re-deliberated on Taiwan's request to purchase the F-16C/D variants and a series of military procurement programs since 2006. The Obama administration continued the basic policies of Bush and once again refused to sell the F-16C/D variants. This continuation of the U.S. government arms sales policy is based on multiple comprehensive assessments of its strategic interests in cross-strait relations and China-U.S. relations. This can be understood in a way as the strategic choice of the U.S. at that time, rather than a long-term policy.

For the U.S., the existence of the Taiwan issue is the premise to contain China's strategic development. The China-U.S. relation is the basic axis of the U.S. policy toward Taiwan. As the basic trend of both competition and cooperation between China and the U.S. will not change in the short term, the strategic development of China, especially in the up-going geo-strategic military strength is bound to change the strategic balance of China-U.S. relations. In this case, Taiwan's strategic importance to the U.S. will become more prominent. Before the China-U.S. relations can achieve fundamental improvement, Taiwan's strategic importance to the U.S. will continue to rise, providing stronger strategic support for Taiwan.

Since Ma Ying-jeou took office, cross-strait relations have been moving toward a sound direction. In 2012, Ma was successful re-elected. However, Ma Ying-jeou faced even more complex and tougher test of cross-strait relations than his first term. It is still tremendously difficult for political leaders across the strait to meet formally and sign peaceful agreements or institutionalize a long-term, stable and mutually acceptable direction for the future development of cross-strait relations. If not, the uncertainties and negative factors hovering around the future development of cross-strait relations will continue to exist. In China's strategy to become a maritime power, the Taiwan issue is most likely to once again become the most severe test to China.

## **2. Multi-Level Analysis of the Taiwan Issue from the Geopolitical, Historical, and Social Perspective**

China's maritime power strategy needs Taiwan in the same way as a soldier needs his arms. To China, loss of Taiwan is equivalent to loss of the possibility to become a true maritime power. An "independent" Taiwan as an isolated island, though not necessarily against China, would certainly be toned to establish a foreign policy to keep a balanced relationship with major countries for the sake of its "independence." Once Taiwan embarks on the road of "independence" or seeks "independence," the results are highly variable under the excuse that "Taiwan's independent existence was threatened by China" regardless of what kind of relationship it establishes with China or promises made to Chinese leaders.

From a geopolitical perspective, it is impossible for Taiwan to achieve genuine "independence." The so-called "independence" of Taiwan is in essence severing of political ties with the Chinese Mainland; however, it will inevitably throw itself into the arms of the other great powers. The reason is that once Taiwan becomes independent, it will be geopolitically encircled by China, Japan, ASEAN countries, Australia, and other countries. Its strong will to get away from China makes Taiwan impossible to retrace its steps in the selection of strategic partner. Only Japan, Australia, and ASEAN countries will remain to be the strategic allies of an "independent" Taiwan. Considering its historical and cultural background, Taiwan is also unlikely to join ASEAN with the same identity of other Southeast Asia countries. Taiwan's relations with ASEAN are more reflected in the economic dimension. And from a political and cultural view, Taiwan does not really belong to ASEAN. Taiwan's alliance with Australia serves little practical significance, nor is it in the strategic interests of Australia.

From the perspective of history and the political leanings of "Taiwan independence" forces, Japan is most likely to become the ally of Taiwan. Historically, nightmares caused by Japan to Chinese people have not dissipated yet. Most contemporary Japanese political elites have no remorse over the trauma it caused on Korea and China from the Meiji Restoration to the World War II. Moreover, they



continue to take a very tough policy on such issues as Diaoyu Islands and the dispute on East China Sea demarcation, and even explicitly see China as a strategic adversary. In this case, if Taiwan chooses to align with Japan, an enormous strategic threat will be posed to China.

After Taiwan embarked on the road to democratization, the ordinary citizens and political elites have been jointly determining the trend of Taiwan's politics and foreign policy. Judging from the development path of the notion of "Taiwan's independence" and the "Taiwanese" way of thinking, "Taiwan independence" is a term with dual meanings. The "independence" uttered by politicians is totally different from what the general public have in mind. The former refers the political trend developed during the reign of Lee Tenghui in the 1990s. In 1993, Huang Kunyao, chairman of the "Mainland Affairs Council" mentioned in an article entitled "the Mainland Policy and Cross-strait Relations" that "in the past, it is emphasized that we would never coexist with the mainland government, whereas now we have made quite a concession to not deny that it is the political entity controlling the Chinese Mainland." Via these wordings, the earliest "Taiwan independence" consciousness was publicly expressed. General political analysis would have pointed out that the so-called "concession" is essentially meant to admit the People's Republic of China's status as the governing political entity on a foreign policy level, and to establish itself as a political entity of Taiwan with equal status.

Since then, the Taiwan authorities have begun various attempts to repeatedly emphasize its equal status in cross-strait relations, and the "independence" of Taiwan officially became a clear direction of political development. In the early 1990s, the transition from the old Taiwanese population to a whole new generation was completed. The native-born age group with indifferent feelings to the Mainland has gradually become the main force of all circles in Taiwan. Coupled with the fact that Taiwan is more economically and socially advanced than the Chinese Mainland, the notion of "independence" quickly prevails in the island.

On the international front, this took place when China was faced with the most severe test of the international environment. Back then, China was in tense relationship with both the U.S. and other

Southeast Asian countries when the “China threat” theory was in full swing in East Asia, and the U.S.’ intention to use Taiwan to contain China was brazenly revealed. In 1996, the U.S. mobilized two aircraft carriers as China held military exercises in the Taiwan Strait. This, to some extent, reflects the relatively favorable external environment for Taiwan to achieve “independence.”

With the “independence” of Taiwan, as a political slogan, became an increasingly decisive factor for political parties and the political career of individual politicians, certain tendencies to sacrifice a peaceful cross-strait relations for the sake of political interests and personal political futures can be detected in the then Taiwan. There are some revealing examples. In 1996, Lee Tenghui was elected as the “President.” He implemented such policies as Taiwan’s “localization” and the so-called “Taiwan-ization.” In 2001, Chen Shuibian adopted the “Scorched Earth Diplomacy” under the pretext of pursuing “independence.”

The last years of the 20th century witnessed economic development of China and gradual improvement of China’s relations with other nations, which brought variations to the internal and external environment of “Taiwan’s independence.” The developing economic ties between Taiwan and the Mainland and years of economic depression in Taiwan continue to compress the room of political development for the separatist forces in Taiwan. During the Chen Shuibian administration, the Taiwan authorities caused a huge negative impact on the economic interests of both the Taiwan businessmen in Mainland and Taiwan’s economy by obstructing the Mainland’s effort to promote cross-strait economic and social exchanges. Due to the economic downturn, the employment rate, and living standards of people in Taiwan also dropped. Under the growing economic pressure, more and more attention was diverted to policies to boost economic development rather than those in the political regard. The livelihood of people in Taiwan to some extent constitutes a dent to those who support the separatists.

However, the decade-long political trend of “Taiwan independence” has profoundly influenced a whole generation of Taiwanese. After Ma Ying-jeou came to power in 2008, Taiwan’s mainstream politics gradually got rid of the interference of separatists. From June

2009 to March 2010, the author of this book went back and forth between the two sides and conducted research in institutions such as National Chung Hsing University, National Chengchi University, Academia Sinica, and *Global Views Monthly* in Taiwan. It has been found out that the “independence,” as a special political orientation, still lingers in the mind of the majority of Taiwanese. This orientation even transforms into resentments of Taiwanese intellectuals and businessmen against unification, although they have conducted years of exchange with the Chinese Mainland. Strictly speaking, this orientation cannot be counted as a political goal to pursue Taiwan’s independence. It’s more like a political aspiration to maintain what it is and the two sides could move on and co-exist peacefully for good. For the majority of Taiwanese political and business elites, supporting “Taiwan’s independence” is largely not a very accurate political expression. They would rather express it as a will that says no to unification, rather than pursuing independence, nor being forced to make a choice between “independence” and “unification.”

In-depth survey found that those Taiwanese who oppose unification are not necessarily hostile to the Mainland. They are just reluctant to see Taiwan and the Chinese Mainland become united when they themselves lead a more well-off life than most Mainland citizens. It is a common belief of Taiwanese political and business elites and intellectuals that at both the macro-political and rational level, Taiwan has literally realized “liberated democracy.” And as a part of the Chinese community, Taiwanese around the world have scored achievements no less than those from Chinese Mainland. Taiwanese enjoy the same civilization as Western countries politically and socially. Compared with Taiwan, Chinese Mainland is still under the rule of the “centralized regime.” With the development of information technology, economy, society of the Mainland, the genes to achieve political and social freedom in China have been gradually nurtured. While currently China’s economy, society and the highly centralized political system are basically monopolized by the powerful and those with vested interests. The motivation to change displayed by those who rank highest on the ladder of power are far not enough to promote a thorough and top-to-bottom reform to the social and political

systems. Despite Taiwan's overall poverty, it is still more socially and politically advanced than the Chinese Mainland. Taiwan has not only successfully been through reforms which are an urgent task now in Chinese Mainland, without worrying about the risks brought about by major political and social changes, but also successfully completed the normal rotation process of two political parties to rule the government. Whereas the Chinese Mainland not only did not realize the social and political modernization, but also only achieved economic growth in gross numbers, with economic structural problems unsolved and continuing to accumulate. In this case, for Taiwan, the unification is by no means a certain political choice, nor an optimistic one. It is Taiwan's most sensible choice to maintain the *status quo* and wait for the structural development of the Mainland economy, society and politics to be achieved.

When observing the "independence" sentiment of Taiwanese from an emotional view, it is worth savoring the Taiwanese scholars' analyses of this issue from the perspectives of history, political reality as well as the public sentiments. These emotional analyses are as follows:

From a historic perspective, many Taiwanese believe that the desire of "independence" is an inevitable choice for Taiwan after the painful sufferings of being repeatedly "abandoned." Taiwan's "being abandoned" not only refers to being forsaken by the Qing Emperor in 1895, being discarded by Kuomintang when they retro-ceded to Taiwan yet still treated Taiwan as a transient base to launch the "retaking of the mainland" rather than the home base, but also being dumped by the U.S. after their break-up in 1972. Arrays of memories and feelings of being abandoned have shaped the modern spirit of self-reliance and unique political appeals of Taiwanese — "the happiness of the people of Taiwan should be earned by themselves." The so-called pursuing "independence" is a form of expression of this political will. Therefore, the Taiwanese "independence" is not directed at any country and government, but a result of who they are and what they have experienced.<sup>39</sup>

<sup>39</sup>From an interview of the author of this book and a professor from the Social Academy of the National Chengchi University in Taiwan on June 18, 2009. (2009年6月18日,作者于台湾政治大学社会科学学院访谈,国家发展研究所某教授的观点概要。)

From the perspective of political realities, the ideology of “freedom and democracy” does affect a lot of people in Taiwan. Taiwanese long for the freedom to choose their own lives. Due to Taiwan’s experience of “freedom and democracy” and its respect for freedom, the Taiwanese are more willing to be masters of their own fate. Taiwan’s pro-independence political elites take the idea of freedom and democracy inherited from Russell, Hu Shi, Lei Chen, Yin Hai-kuang as their spiritual nourishment, and enshrine it as their own political belief. In the minds of most Taiwanese, to seek unification or “independence” is a matter concerning all the people of Taiwan. It cannot be simply decided for neither some high-sounding reasons nor the interests of certain political monopoly groups. Moreover, under the influence of the idea of “freedom and democracy,” many Taiwanese oppose policies which do not respect individual rights and are deemed by many as the “tyranny of the majority.” Under the criteria of freedom and democracy, the fate of Taiwan is connected to that of the Mainland. Yet Taiwan is not a disposable part of the Chinese Mainland for the sake its own interests. Whether Taiwan will reunite with the Mainland is beyond the decision of Taiwanese politicians, even though they are willing to do so for the interests of certain groups or even for the sake of the majority. Taiwan belongs to every Taiwanese. The appeal of every single group and every individual cannot be wiped out.<sup>40</sup>

By comparing the rational and emotional voices of Taiwanese on cross-strait relations, it is not hard to find that “Taiwan’s independence” is not a proposition that cannot be altered. Even the majority of Taiwanese who oppose unification admit that to seek “independence” is just another option for the future of Taiwan, rather than the sole choice. Unification may also be an option. But it cannot be achieved overnight. It involves many considerations, including the democratic system of Taiwan and the Taiwanese perception of the Mainland, as well as the economic, political, social integration of the two sides. Therefore, the Mainland cannot afford to be rush with

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<sup>40</sup>The outline of the interviewed scholars and politicians on “freedom and democracy” and “Taiwan independence” during the author’s visit in Taiwan in 2009. (2009年作者访问台湾政学界多为人, 该段文字是这些人就台湾“自由民主”与“台独”的关系发表言论的概要。)

policies or strategies when dealing with the Taiwan issue, since haste makes waste. In addition, the significant economic achievements scored by the Mainland are essentially the results of quantitative changes of economic development rather than qualitative ones. To achieve the latter, the support of parallel political and social development of the Mainland is necessary. With comprehensive development of the Chinese Mainland truly realized, the unification would not be such a thorny issue. It's the best choice to just wait until the timing is mature.<sup>41</sup>

### **3. The Complex and Abnormal State of the Antagonistic Relationship**

One of the important strategic goals of China's maritime power strategy is to optimize the geo-strategic structure of the neighborhood. This requires not only fundamental changes in China's strategic relations with neighboring countries, but also progressive integration of the two sides between Taiwan Strait in term of economic levels and military strength during the sound development of cross-strait relations. When formulating China's Taiwan policy, it is a must to go beyond the one-way thinking that centers solely on politics and geopolitics. The future macro-development of cross-strait relations should include social and cultural exchange and integration, as well as mutual accommodation of two different political models.

The world today is a one of economic and political integration as well as mutual influence. Taiwan is part of China connected by flesh and blood. As a responsible power, China's Taiwan policy plays a decisive role in cross-strait relations and serves as an important factor affecting the neighboring countries' assessments of China's future strategic direction. China's future development cannot be achieved without Asia. Asia is the strategic matrix for China's marching towards the future. The first step of China's future strategic development is

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<sup>41</sup>From an interview of the author of this book and a professor from National Chung Hsing University in Taiwan on June 20, 2009. (2009年6月20日, 作者访问台湾中兴大学时某教授的观点。)

to become the Asia-Pacific power first and then a global one. The assessments of neighboring countries on China determine China's future relationship with its matrix which is on the orbit of its own. If China loses its strategic charisma to neighboring countries in the future, it will have to face a passive situation of being treated differently under the "equilibrium" strategy of competitors such as the U.S. and Japan that take the advantages of the neighboring countries' distrust of China.

Considering China's past experiences of territorial disputes with some Southeast Asian countries, South Korea, Japan, and the "China threat" theory played up by the U.S. and Japan used to be all the rage in the Asia-Pacific region, the way China approaches the cross-strait relations will act as an important parameter for neighboring countries to judge China's future strategic trend. Once China makes a wrong strategic move in dealing with Taiwan, it will end up in a completely one-sided situation in neighboring countries' assessment of China. And if China's relationship of mutual trust with neighboring countries deteriorates, its maritime power strategy would be forced into overall passiveness. With the interference of the U.S. and Japan, any possible mistake or misjudgment China makes when addressing the Taiwan issue would lead to disastrous consequences beyond imagination.

Human history repeatedly stands as a testimony to the fact that you just cannot foresee the exact result of a war. Once the two sides across the strait are forced into a war, it will take a protracted period for the Chinese Mainland and Taiwan to recover the economic loss and weakening military strength, to resume their post-war political, economic, and social relations, and to restore relations with neighbors and other countries in the world. Even if China wins the victory to enhance the geopolitical conditions of its maritime strategy, this hard-won advantage would be offset by the price it has to pay to consolidate the rule of Taiwan and restore the international relations after the war.

The evolution trend of the international strategic pattern shows that the next 30 years will be a crucial period for China's strategic development. The core of strategic international competition has



long shifted to the competition of comprehensive national strength based on economic, technological, and cultural strength of individual countries. The pursuit of geo-strategic advantage should come after the advantages of comprehensive national strength are achieved. Entering into war cannot guarantee that the continuity of China's surging comprehensive national strength will be exempted from the danger of being interrupted, nor can it ensure that the post-war situation would facilitate China's grasp of valuable opportunities for strategic development.

Contrary to the option of war, peaceful development of cross-strait relations will bring a direct result of the progressive cross-strait integration of economic, military, and geopolitical resources. With the long-term stability with neighboring countries, China will probably be able to turn all the disadvantages of geopolitical maritime conditions into advantages in a mild way. Based on the earlier analysis, it is the basic starting point of China's Taiwan policy to promote the peaceful development of cross-strait relations. During the course of in-depth economic, social cooperation, and exchange between Taiwan and Chinese Mainland, of China's ongoing political democratization and of qualitative and structural improvements of China's comprehensive national strength, Taiwan will ultimately reconstruct the economic, political and security relations with Chinese Mainland just like the fruit will fall off when it is ripe. This will serve as the best outcome.

The best results cannot be achieved in a forced way. The ideal state is to let the best outcome of cross-strait relations work out by itself. With the vast land, abundant human resources, and its status as a political and economic power, China should have its due confidence as a major power. This confidence should be reflected as a mentality of the superior who dares to let go the past and wait when dealing with Taiwan. The Mainland will neither engage in the drama of Taiwan nor haggle with Taiwan. China should have enough self-confidence that in the near future Taiwan will take the initiative to come back to the arms of the Chinese Mainland.

This confidence is not a blind one; it is based on in-depth development of cross-strait economic, social, and political relations and the

fact we are family. Since the 1990s, cross-strait relations have undergone periods of icing political relations, however, the bleak winter has not broken the economic ties across the Strait. During the last decade of the 20th century, China was the first choice for Taiwan's investment. Until 2000, the trade volume between the two sides had exceeded 300 billion USD, and the Chinese Mainland had become Taiwan's second largest export market and largest source of trade surplus.<sup>42</sup> In 2001, cross-strait trade volume grew by 59% on a year-on-year basis. The Mainland has become Taiwan's third largest trading partner and second largest export market and fourth largest import market and still the largest source of trade surplus.<sup>43</sup> With the ongoing economic exchanges, in the early 21st century, the degree of Taiwan's foreign trade dependence on the Mainland exceeded 10%.<sup>44</sup> The amount of cross-strait economic cooperation surpasses 100 million USD each year; in 2000 and 2001, business revenues generated by economic cooperation between the Mainland and Taiwan were respectively 123.53 million USD and 125.03 million USD.<sup>45</sup>

If the last 10 years of the 20th century saw earth-shaking changes of cross-strait economic and trade relations, then what the early 21st century witnessed is the satisfactory fruits of these exchanges. From January to June 2009, trade volume between the Mainland and Taiwan stood at 43.03 billion USD, among which exports to Taiwan was \$8.25 billion USD, imports from Taiwan was \$34.78 billion USD; the total number of approved Taiwan investment projects reached

<sup>42</sup>Editorial Department of the People's Republic of China Yearbook: *The People's Republic of China Yearbook 2001*, Beijing: The People's Republic of China Yearbook Press, Chinese, 2001, p. 744. (中华人民共和国年鉴编辑部:《中华人民共和国年鉴 2001》, 中华人民共和国年鉴社, 2001 年版, 第 744 页。)

<sup>43</sup>*Ibid.* p. 745. See more: [http://tga.mofcom.gov.cn/article/200208/20020800035478\\_1.xml](http://tga.mofcom.gov.cn/article/200208/20020800035478_1.xml). (中华人民共和国年鉴编辑部:《中华人民共和国年鉴 2002》, 中华人民共和国年鉴社, 2001 年版, 第 745 页。)

<sup>44</sup>From the material released on the official website of the Ministry of Commerce of the People's Republic of China in August, 2008. (中国商务部网站 2002 年 8 月公布资料, 参见: [http://tga.mofcom.gov.cn/article/200208/20020800035478\\_1.xml](http://tga.mofcom.gov.cn/article/200208/20020800035478_1.xml)。)

<sup>45</sup>The National Bureau of Statistics: *China Statistical Yearbook 2002*. Beijing: Chinese Statistical Publishing House, 2002, p. 639. (中华人民共和国国家统计局:《中国统计年鉴 — 2002》, 中国统计出版社, 2002 年版, 第 639 页。)

1,143 with the actual use of Taiwanese capital of 870 million USD; in total 78,649 Taiwanese investment programs were approved with the actual use of investment from Taiwan aggregated \$48.53 billion USD. According to the statistics of the actual use of foreign investment in China, Taiwanese investment accounts for 5.4% of overseas investment received by the Chinese Mainland.<sup>46</sup> Under the influence of the financial crisis and industrial restructuring of the Chinese Mainland, the total cross-strait trade volume fell by 36.7%, with the number of approved Taiwanese investment projects decreased by 4.2% year on year, the actual use of Taiwanese capital reduced by 12.5%.<sup>47</sup> Yet still, the momentum of cross-strait economic and trade development remained very strong.

In 2008's "Taiwan Election," the separation forces headed by the Democratic Progressive Party suffered thorough defeat. Ma Ying-jeou who advocated mild treatment to cross-strait relations came to power. Ma's policy toward the Chinese Mainland shows that the new Kuomintang government is focusing on building itself, rather than on issues such as "Taiwan's independence" or the so-called "international space" with independence as its precondition. Many scholars like to quote Ma Ying-jeou's autobiography entitled *The Power of Silence* in the analysis of Ma's policy and consider him as a real advocate of achieving "gradual Taiwan independence." However, one problem cannot be ignored that after implementing "Scorched Earth Diplomacy" proposed by Chen Shuibian for eight years, the livelihood of Taiwanese had become an imminent problem. Taiwan actually got a full plate: The plummeting employment rate, a series of urgent economic reforms including industrial structure adjustment had added salt to injury. It was caught in the financial crisis

<sup>46</sup>Ministry of Commerce, Department of Taiwan, Hongkong and Macao Affairs, Trade and investment between the Chinese Mainland and Taiwan in the first half of 2009, 2009-07-14. <http://tga.mofcom.gov.cn/aarticle/d/200907/20090706397883.html> (商务部台港澳司 "2009年1-6月大陆与台湾贸易、投资情况", 2009-07-14, <http://tga.mofcom.gov.cn/aarticle/d/200907/20090706397883.html>)

<sup>47</sup>*Ibid.* <http://tga.mofcom.gov.cn/aarticle/d/200907/20090706397883.html> (商务部台港澳司 "2009年1-6月大陆与台湾贸易、投资情况", 2009-07-14, <http://tga.mofcom.gov.cn/aarticle/d/200907/20090706397883.html>)

and natural disasters. Under these circumstances, Ma Ying-jeou administration seemed to have no time to even think about the issue of "Taiwan independence." During years of Ma's governance, he made frequent moves to save Taiwan's economy, be it attracting Mainland tourists and inviting Mainland investors or actively promoting Economic Cooperation Framework Agreement (ECFA) in the hope of becoming a part of economic cooperation with ASEAN with the help of the Chinese Mainland.

Ma Ying-jeou's policy clears the road for the development of cross-strait economic cooperation. In 2014, China will be the host of the annual Asia-Pacific Economic Cooperation (APEC) Summit. And various assumptions of Ma Ying-jeou's attending the APEC summit and even the Chinese President Xi Jinping's meetings with Ma were made by the academia of Taiwan. Although there is still a long way to see the realization of this idea, they express the common expectations of the elites on both sides on the future development of cross-strait relations.

Reviewing the political trend in Taiwan since 2012, most criticism to Ma coming out from other politicians are pointing to his handling of politics of the island, rather than his approaches toward cross-strait relations.<sup>48</sup> It has become an unstoppable trend for the two sides to promote cross-strait economic and political relations. As long as political elites both in the Chinese Mainland and Taiwan adopt a rational perspective toward cross-strait relations, it will undoubtedly embark on a new orbit of sound development. And this orbit will eventually bring about unexpectedly delightful impact on China-U.S. relations, China's relations with neighboring countries and even with Japan and the South Korea.

## Summary

When observing the Taiwan issue from the perspective of China's maritime power strategy, it can be found that the value of Taiwan is

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<sup>48</sup>Opinions from the head of office of the Taiwan Legislative Yuan during his academic visit to Jinan University in 2010. (2010 年台湾立法院办公室负责人来访暨南大学学术交流的观点。)

reflected not only in the geopolitical regard, but also in complementing the Chinese Mainland which boasts substantial human resources and material heritage with its political democracy, free culture, and innovative economy. Comprehensive strategic value of Taiwan in political, cultural, social, economic, and other dimensions constitutes the basis for Chinese Mainland to weigh its Taiwan policy.

The Taiwan issue has its complex historical roots and international background. It is caught in the contest of strategic interests between major powers, and it also concerns the development of cross-strait relations in a new era. Chinese policy makers will not rashly decide to take Taiwan by force out of geopolitical interests or be agitated by the separation force of Taiwan, nor will it give up its reunification policy merely to honor the ideologies of peace and harmony.

A scorched Taiwan means nothing to China, while a hostile Taiwan is dangerous to the Chinese Mainland. What China's maritime power strategy needs is a prosperous Taiwan, a Taiwan that adopts the win-win approach toward cross-strait relations, and a Taiwan that embraces the same dream of the rejuvenation of Chinese nation. In light of China's maritime strategy, the happy ending of cross-strait relations requires "1 + 1 > 2" strategic integration between the two sides.

China's ability to concentrate all its power for key causes created an unprecedented miracle of rapid accumulation of economic aggregate. The system of People's Congress placing people's right above all proves to be a democratic arrangement superior to the rest of the world. After the economic boom, China urgently needs to unleash the positive energy of its socialist political system. Only in this way, the inherent vitality of the Chinese society and traditional Chinese culture can be revived. After the all-round development of China is achieved, Taiwan will naturally fall like a "ripe sweet fruit" back into the motherland that nourishes it.