

Suggestions on the Readjustment of Beijing's Taiwan Policy

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Responsibility for the deterioration of cross-Straits relations does not completely lie with Taipei; Beijing's Taiwan policy has also played an important role. This article analyzes the basic principles of Beijing's Taiwan policy and related implementation measures. The author finds that Beijing's "one China" principle is based on the classical concept of "absolute sovereignty." Robert Axelrod's theory of cooperation is then used to assess Beijing's measures in implementing its Taiwan policy. The analysis shows that Beijing has a biased understanding of Taiwan's democratization, and its view of Taiwan as a local government has alienated Taiwan's people. The author therefore concludes that to improve cross-Straits relations, Beijing should first adopt modern concepts of sovereignty in readjusting the meaning of "one China" and then recognize the fact that the Republic of China on Taiwan is a separate political entity. At the same time, Beijing should improve its understanding of Taiwan's democratization.

Keywords: "one country, two systems"; Prisoner's Dilemma; Taiwan's democratization; Chinese politics

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Summary of Beijing's Recent Taiwan Policies

The basic principle of the People's Republic of China's (PRC's) present policy toward the Republic of China (ROC) on Taiwan is achieving peaceful reunification according to the "one country, two systems" formula. The origin of this principle can be traced back to Deng Xiaoping's comments on the Taiwan issue in 1978. After his political rehabilitation, Deng decided to abandon the Mao-era emphases on liberating Taiwan by force and united front work. He proposed three points for the new orientation of Beijing's Taiwan policy: the goal would be the reunification of China; the reality of Taiwan's current situation would be respected; and as a local govern-

ment, Taiwan would be granted sufficient autonomy.

Deng elaborated on the first and second points during a meeting with Burmese President U Ne Win on November 14, 1978 in which he said that Beijing would respect “the reality of Taiwan” in settling the Taiwan issue. He stated as an example that certain systems in Taiwan and the Taiwan people’s lifestyle could remain unchanged.¹ At a meeting with Japanese Prime Minister Masayoshi Ohira on December 6, 1978, Deng further emphasized that Beijing’s only condition was that Taiwan must become part of China, and that as a local government of China, Taiwan could have its own military forces and enjoy sufficient autonomy.²

Based on these talks, on January 1, 1979 the National People’s Congress (NPC) Standing Committee published a “Message to Compatriots in Taiwan” to announce the new peaceful reunification policy. On September 30, 1981, Ye Jianying further expounded the spirit of Deng’s talks in a nine-point proposal, which included planned measures that would show respect for Taiwan’s current systems. On January 11, 1982, Deng asserted that Ye had, in fact, made a proposal on the practice of two systems in one country—under the premise of a unified China, the socialist and capitalist systems would be implemented on mainland China and Taiwan, respectively.³ Thus, the “one country, two systems” concept took shape.

Since then, peaceful reunification according to the “one country, two systems” formula has been the basic principle of Beijing’s Taiwan policy. The successive general secretaries of the Chinese Communist Party (CCP), including Hu Yaobang, Zhao Ziyang, and Jiang Zemin, have further interpreted the principle and directed Party and government departments in instituting related implementation measures.

During his tenure, Hu did not make speeches that clearly defined Beijing’s Taiwan policy, but his staff published interpretative works on the “one country, two systems” formula—for example, Yan Jiaqi’s article on the meaning and characteristics of the formula.⁴

¹The Comprehensive Study Group and the Editorial Group of *Dangde wenxian* (Party documents) of the Central Party Literature Research Center, *Sanzhong quanhui yilai de zhongda juece* (Important decisions since the Third Plenary Session [of the CCP’s Eleventh Central Committee]) (Beijing: Zhongyang wenxian chubanshe, 1994), 312.

²Ibid.

³Ibid., 313.

⁴Yan Jiaqi, “The Scientific Meaning and Characteristics of ‘One Country, Two Systems,’” *Hongqi* (Red Flag), 1985, no. 6:3.

Zhao's policy outline toward Taiwan included "dispelling hostility, seeking consensus, and taking gradual steps to promote reunification."⁵ During his tenure, he concentrated on policy implementation. The Taiwan Affairs Office and research institutions of Taiwan affairs were reorganized; laws and regulations were enacted and implemented to encourage Taiwan businessman to invest in and trade with mainland China; and measures were taken to promote united front work and cultural exchanges.⁶

Since Jiang succeeded Zhao after the June 1989 Tiananmen incident, Beijing's Taiwan policy has continued to emphasize the principle of peaceful reunification according to the "one country, two systems" formula, with the condition that Taiwan must become a local government. However, Jiang and other important leaders have also debated over how to realize this objective—by peaceful methods or by appealing to force. From 1989 to 1994, Beijing's Taiwan policy was mainly under the charge of Yang Shangkun and Li Peng. Jiang's involvement in the Taiwan policy began with a speech made on January 30, 1995, which contained an eight-point proposal to Taiwan. Faced with accelerated political democratization in Taiwan, Beijing set three short-term objectives: prevent the idea of "Taiwan independence" from spreading; promote the establishment of three links (direct trade, mail, and air and shipping services); and advocate political negotiations. In practice, both sharp criticism and military intimidation have been used. Beijing has continued with such united front offensives as appealing to nationalism and economic and trade benefits.

In 1990, Taiwan was faced with an unstable political situation, including the convocation of a national affairs conference, a dispute about the revision of the ROC's constitution, and rising media pressure to open up all parliamentary seats for election. In these political affairs, the Democratic Progressive Party (DPP) was able to openly express its support of Taiwan independence. Moreover, Taiwan independence advocates residing overseas were invited to participate in the national affairs conference. All this led Beijing to believe that

⁵See Sung Kuo-cheng, "Beijing's Taiwan Policy 1987-91," in *Taihai guanxi baogao 1987-91* (A report on cross-Straits relations 1987-91) (Unpublished report of a 1992 research project headed by Director Bih-Jaw Lin of the Institute of International Relations), 14.

⁶*Ibid.*, 14-25.

the idea of independence had begun to spread on Taiwan. Therefore, in his government work report to the NPC on March 20, 1990, Li Peng warned that some with ulterior motives had whipped up an adverse current agitating for Taiwan independence, thus openly trying to split Taiwan from the motherland. He asserted that Beijing would on no account sit idly by and remain indifferent to that trend.⁷ Consequently, criticizing "Taiwan independence" became an issue of great priority in Beijing's Taiwan policy. In addition, the ROC government's recent seeking of acceptance by the international community prompted the Jiang administration to interpret "one country, two systems" and "one China" in a rigid way.

To prevent "Taiwan's split from the motherland," Beijing's Taiwan affairs departments have stepped up peaceful reunification measures, including advocating the establishment of the "three links," starting political negotiations, and expanding personnel and other exchanges.⁸ More recently, except for a temporary cooling down of cross-Straits relations caused by the Qiantao Lake tragedy (the murder of a group of Taiwan tourists in Zhejiang province), the Jiang administration has continued to promote cross-Straits relations according to reunification on the "one country, two systems" basis. After an April 1993 meeting between Koo Chen-fu of the Straits Exchange Foundation (SEF) and Wang Daohan of the Association for Relations Across the Taiwan Straits (ARATS) in Singapore, five regular talks on practical issues were held. No concrete agreement was reached, but a foundation for future cross-Straits political talks was laid. Moreover, Jiang clarified his Taiwan policy in an eight-point statement on January 30, 1995, proposing to hold talks on a cease-fire agreement. Such a proposal under the "one country, two systems" formula was a new attempt by Jiang to implement Beijing's policy to engage Taiwan in political talks.

Jiang's proposal did not gain a concrete response, for in 1995 Taiwan was in the midst of a power struggle. However, ROC President Lee Teng-hui's visit to the United States for a speech at his alma mater Cornell University gave Beijing's leftists an excuse for action. To prevent the effect of Lee's visit from expanding, Beijing's leader-

⁷*Guangming ribao* (Guangming Daily) (Beijing), March 22, 1990, 2.

⁸For instance, the contents of the resolution adopted by the National Conference on the Work Toward Taiwan held on December 6-13, 1990, in Beijing. See *Renmin ribao* (People's Daily) (Beijing), December 13, 1990, 1.

ship opted for "sharp criticisms coupled with military intimidation" toward Taiwan. Obviously, Jiang's tendency to emphasize talks did not ward off the leftists' advocacy of severe measures toward Taiwan.

Recently, the Jiang administration's Taiwan policy has faced similar challenges. For instance, Wang Daohan has interpreted Jiang's eight-point proposal as Beijing's present general strategy for solving the Taiwan problem through "promoting peaceful unification, stable development, unity and cooperation, and a prosperous Chinese nation."⁹ However, in contrast to Wang's low-profile emphasis on peace, Qiao Shi, chairman of the NPC Standing Committee and a CCPCC Politburo Standing Committee member, has not only repeatedly emphasized Beijing's firm opposition to Taiwan's independence,¹⁰ but also pointed out that so long as Taiwan does not return to the embrace of the motherland, the United States will have the upper hand in Beijing-Washington relations.¹¹ Qiao's view of the Taiwan issue as the biggest obstacle to Beijing-Washington relations indicates his intention to adopt severe measures in suppressing Taiwan independence tendencies and solving the Taiwan issue by diplomatic method.

Deng's principle of peaceful reunification according to the "one country, two systems" formula has always been the core of the Taiwan policy of the Hu, Zhao, and Jiang administrations, though implementation measures adopted by each administration have been different. Furthermore, all of their measures have been responses to Taiwan's political changes. The focus of concern of all three administrations has been on preventing Taiwan independence; they have all reacted promptly to any sign of a Taiwan split from China.

The Blind Spots of Beijing's Taiwan Policy

The blind spots of Beijing's Taiwan policy may be observed from three angles—objectives, means, and perceptions of Taiwan's situation.

The main objective of Beijing's Taiwan policy is "reunification" on the basis of "one China" and "one country, two systems," indi-

⁹*Lianhe bao* (United Daily News) (Taipei), February 21, 1995, 4.

¹⁰For instance, Qiao Shi's talks in Tokyo. See *Zhongguo shibao* (China Times) (Taipei), April 14, 1995, 2.

¹¹*South China Morning Post*, February 20, 1995, 7.

cating that Beijing wants to exercise absolute sovereignty over Taiwan. However, is the idea of absolute sovereignty applicable to the present cross-Straits situation? Is "one country, two systems" a flawless concept?

Talks and military intimidation are the means that Beijing have used to implement its Taiwan policy. Sudden shifts from the former to the latter or from a peaceful approach to a hostile stance have been based on Beijing's perceptions of Taiwan's situation. Therefore, the next question to be considered should be whether Beijing's understanding of Taiwan's current situation is biased. The last question that will be explored is whether Beijing's present measures regarding cross-Straits exchanges are conducive to long-term cross-Straits cooperation.

Ways to Promote Cross-Straits Cooperation

Utilizing the Prisoner's Dilemma can be helpful in determining how cross-Straits cooperation can be promoted.¹² The theory of international interdependence will also be worth noticing.¹³

The two (or more) players in a Prisoner's Dilemma choose between cooperation and defection according to their estimates of each choice's advantages and disadvantages. One way to promote cooperation includes creating a situation favorable to the development of cooperative relationships. In other words, cooperation is possible only when the two players trust each other and both believe that cooperation will bring benefits. Such a situation may be brought about in three ways:

1. *Showing the benefits of long-term cooperation through durable and frequent interactions.* "Durable and frequent interactions help promote stable cooperation." It is comparatively easier for the players concerned to gradually build mutual trust through multifaceted interactions in stages. For instance, Henry Kissinger arranged for Israeli disengagement from the Sinai after the 1973 war to proceed in stages, with these stages coordinated with Egyptian moves which ultimately

¹²Robert Axelrod, *The Evolution of Cooperation* (New York: Basic Books, 1984), especially chapters 7 and 8.

¹³Klaus Knorr, *The Power of Nations: The Political Economy of International Relations* (New York: Basic Books, 1975), 208-10.

led to a normalized relationship with Israel. In other words, decomposition is a practical way to promote cooperation.¹⁴

2. *Establishing an appropriate mechanism of reward and punishment.* Another effective way to promote cooperation is to let the other player know that long-term cooperation will bring more rewards than short-term defection. A player can of course punish the other for present defections in order to improve the latter's understanding of the former's strategy as well as establish his reputation. However, it would be better to offer the benefits of long-term cooperation in order to boost the other's incentive to cooperate.¹⁵

3. *Improving recognition abilities.* The ability to recognize the other player from past interactions and remember the relevant features of those interactions is necessary in sustaining cooperation. "Labeling" other players based on past experiences can support status hierarchies, or even lead to behavior patterns in which the strong and the majority bully the weak and the minority. It is therefore no wonder that minorities have often sought defensive isolation. Labeling which leads to the establishment of status hierarchies is detrimental to the promotion of cooperative relationships, and should thus be avoided in the current cross-Straits situation.¹⁶

With these different viewpoints in mind, Beijing's Taiwan policy should be scrutinized, and the emphasis should be on whether the policy can promote cross-Straits cooperation at present and in the future.

A More Pragmatic Taiwan Policy

Generally speaking, cross-Straits relations such as investment and trade activities, personnel exchanges, and talks between the SEF and ARATS have been conducive to mutual understanding and cooperation. However, obstacles to further cooperation between the two sides still exist. Obstacles created by Beijing include its "one China" and "one country, two systems" concepts; its biased perception of Taiwan's situation; and its adoption of an oversimplified pattern for cross-Straits relations. In order to overcome these, Beijing should adopt a more pragmatic Taiwan policy.

¹⁴Axelrod, *The Evolution of Cooperation*, 126-32.

¹⁵*Ibid.*, 133-34, 150-54.

¹⁶*Ibid.*, 139-41, 146-50.

Renovating the "One China" Concept

Does "one China" refer to a geographic China, the Chinese nation, a cultural China, or a political China—the PRC? The term should not be arbitrarily defined too early, and further discussion should be encouraged so as not to restrict the maneuvering room for cross-strait relations promotion. For example, if "one China" is thought of as "an abstract space of characteristics" such as a common language and ethnicity, then room for exchanges and cooperation between mainland China and Taiwan will be much larger, and there will be a greater chance for reunification.¹⁷

Beijing's "one China" concept indicates its intention to exercise "absolute sovereignty" over Taiwan. However, to encourage cross-strait exchanges and improve chances of reunification, readjustment on Beijing's part is necessary. Political changes in the modern world have already changed the classical idea of "absolute, everlasting, and unlimited sovereignty."

First, notions such as popular and pluralistic sovereignty have loosened the view that sovereignty is absolute, everlasting, and unlimited. The American Declaration of Independence of 1776 favored popular sovereignty, and in the early twentieth century, the theory of pluralistic sovereignty was developed by Harold Laski and others. Laski rejected the notion of state sovereignty, believing that various political, economic, social, and religious groups dominate the state government, and the state has preeminence only insofar as it has been approved by consent based on moral values.

In addition, the complex federal structure of the United States recognizes a functional division of powers between the Federal Government (the center) and states (or provinces and republics). This confirms that sovereignty is not indivisible. Moreover, modern society has changed the ideal that sovereignty is exercised over a fixed territorial area. Advanced communications and convenient transportation have enabled more people and ideas to move across countries in great numbers, thus blurring national borders. The rise of international financial markets and trade as well as the establishment of common markets also indicate that most nations can no longer exercise

¹⁷ Territories can be abstract spaces as well as geographic spaces. For details, see *ibid.*, 158-68.

complete sovereignty over a fixed area of territory; some have even found it necessary to exercise joint sovereignty.

Finally, states today are more likely to support international obligations and participate in a large number of international organizations. Fulfilling such duties is tantamount to accepting the restraints of international laws; in other words, when a nation abides by international laws and fulfills international duties, its sovereignty is conditioned by international laws, organizations, and practices.¹⁸

All these modern political changes have illustrated that in a country, two or more authorities may simultaneously enjoy limited, corresponding, and functional sovereign powers and separately govern specific regions, associations, or resources. In short, Beijing's rigid stand on absolute sovereignty should be readjusted.

Revising the "One Country, Two Systems" Formula

Beijing's "one country, two systems" formula has its own limitations. In this author's opinion, the formula focuses only on Beijing's unilateral vestment of powers to the other player (Hong Kong or Taiwan), but neglects the legitimacy of such a power-vesting procedure. For example, in the Basic Law of the Hong Kong Special Administrative Region, Beijing lists Hong Kong's powers according to the Law of Regional National Autonomy and the principle of "Hong Kong ruled by the Hong Kong people," but does not mention the procedure through which Hong Kong will obtain or renew autonomy in the future. From a pragmatic angle, this author suggests that the Beijing authorities should pay attention to procedural justice and take measures to improve the formula's feasibility.

Stipulations in the Spanish Constitution regarding how a "region" can obtain autonomy could provide valuable inspiration to Beijing in implementing its "one country, two systems" policy. Power transfers to Spanish regions are made according to its revised 1978 constitution, which stipulates that powers assigned to the regions are not precisely defined. It only establishes a minimum level of powers, while the maximum is defined only in a negative way: that is, specifying which functions cannot be transferred to the region, and must therefore be retained by the central state. Formally, the only criterion determining

¹⁸Ruth Lapidot, "Sovereignty in Transition," *Journal of International Affairs* 45, no. 2 (Winter 1992): 332-33.

a given region's powers is the autonomy accession procedure. This procedure may start either with an "initiative referendum" (followed by parliamentary approval of the statute and a second regional referendum), or by local council action in the majority of the region's towns (in which case no popular referendum is held). In the "initiative referendum" case, the maximum level of powers may be assigned immediately to the region; in the other case, the regions are confined to the minimum level of power for five years, after which their statutes may be revised to give them wider powers.¹⁹

Enhancing Understanding of Taiwan's Situation

Stable evolution of cooperation depends on the players' precise perceptions of each other and understanding of the special features of their past interactions. Therefore, it is very important for Beijing to recognize that Taiwan's democratization is an irreversible trend.

In 1990, the ROC government began to promote democratization, as it was the only way through which the Kuomintang (KMT, or Nationalist Party of China) could maintain the legitimacy of its rule. Legitimacy is generally evaluated from three angles: legality, psychological acceptance by the people, and government performance. Legality means that the ruler's (or the government's) powers should have a legal basis. Psychological acceptance refers to the degree of the people's trust in a government. The performance of a government decides whether it can enjoy popular support. Usually, people consider a government legitimate because they have a rational belief in its abilities, or an emotionally determined loyalty, or motives based on self-interest.²⁰

Before 1990, there were no national elections to serve as the basis of ROC government rule. The legitimacy of the ruling party—the KMT—had been rooted in the concept of "one China." According to the "one China" concept, the ROC government declared that it had sovereignty over mainland China and defined the CCP as a rebel group. From 1949 to 1990, it implemented martial law and the Temporary Provisions Effective During the Period of Mobilization for the Suppression of the Communist Rebellion, while the ROC Con-

¹⁹Joan Botella, "The Spanish 'New' Regions: Territorial and Political Pluralism," *International Political Science Review* 10, no. 3 (July 1989): 264-65.

²⁰Max Weber, *The Theory of Social and Economic Organization*, translated by A. M. Henderson and Talcott Parsons (New York: The Free Press, 1964), 126-32.

stitution from mainland China was temporarily frozen. During the 1950s and 1960s, Communist Chinese military actions against Taiwan made the KMT's maintenance of martial law seem rational, and the miraculous economic progress that began in the 1970s further enhanced the Taiwan people's recognition and acceptance of KMT rule. However, in the 1980s Taiwan's political elites began to question and challenge the legitimacy of the KMT. The implementation of economic reform and opening-up policies in mainland China also meant that the KMT could no longer ensure popular support only by achieving economic progress; it had to reestablish its legitimacy by winning in elections. Therefore, political reform became necessary in the ROC. In this author's opinion, if Beijing understood this situation, it would not regard "democratization" as an attempt to seek Taiwan independence.

Not only should Beijing's leaders have a more precise understanding of Taiwan, but they should also impart this understanding to the mainland people. Otherwise, the mainlanders may incorrectly stereotype the Taiwan people as "not belonging to their own group," resulting in a "superior majority"- "inferior minority" imbalance. If Beijing's leaders mislead mainland China's citizens in this manner, cross-strait cooperation or reunification will become more difficult.

Beijing's many policies toward Taiwan, such as degrading Taiwan to the status of a local government, defining the ROC president as a local leader, overwhelming the will of Taiwan's 21.3 million people with the will of mainland China's 1.1 billion people, and excluding the ROC from the international community, are attempts to establish a "superior-inferior" relationship between the two sides. These policies could lead Taiwan to adopt the strategy of defensive isolation, or even force it to seek independence. They are thus detrimental to cross-strait cooperation.

Adjusting the Pattern of Cross-Strait Exchanges

To forestall Taiwan independence with "sharp criticism and military intimidation" is an oversimplified technique. It would be better for Beijing to use "long-term benefits" and "peaceful coexistence" to attract Taiwan with the prospect of unification; moreover, Beijing should also be aware that its "sharp criticism and military intimidation" policy will also compromise its own image in the minds of the Hong Kong people. Similarly, any policy of political suppression toward Hong Kong will indicate the dictatorial nature of the Beijing authorities to Taiwan. All these scenarios would not only

impair Beijing's reputation, but would also be serious obstacles to cross-Strait cooperation.

Beijing should also consider abandoning its hierarchial attitude toward cross-Strait exchanges. Emphasis should be shifted to exchanges between two equal entities. At the same time, exchanges should not be limited to the political and economic spheres but should also be multi-functional. Only through multifaceted, staged, frequent, and sustained interactions can the two sides of the Taiwan Strait build up the mutual trust necessary for future reunification.

Conclusion

The tacit understanding between Beijing and Taipei on their own interpretations of "one China" and talks between the SEF and ARATS are conducive to future cross-Strait exchanges. However, if lasting cooperation between the two sides is the goal, Beijing will need to modify the meaning of "one China" based on such factors as popular sovereignty, the practice of a federation system, and interdependence among various political entities in the modern world. In addition, it is inappropriate for the PRC to continue to treat Taiwan as a local government and lead mainlanders to believe in its stereotyped superior-subordinate relationship with Taiwan, for if Taiwan is forced to adopt the strategy of defensive isolation, the prospect of China's reunification will be very remote.