

Cooperation under Anarchy?  
Paradoxes of the Intra-Chinese  
Rapprochement  
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The years since the initial publication of the *Guidelines for National Unification* in 1991 have demonstrated that the changes under way in the intra-Chinese rapprochement are not insignificant or transient departures from previous patterns of Cold War-era conflict. Instead, these changes have become an essential part of the intra-Chinese link and have produced distinctly new forms of dialogue, exchange, and Taiwan-mainland relations. Moreover, the intervening years have seen more realistic orientations, and a departure from previous patterns of military confrontation. And most recently, the signing of an agreement intended to achieve a breakthrough between Taiwan and mainland China has attracted much attention. The rapprochement between the two sides took a big step forward in April 1993 with the first quasi-official talks in Singapore. Three working meetings have since been held in Taiwan and mainland China,

On August 7, 1994, officials from Taiwan's Straits Exchange Foundation (SEF) and mainland China's Association for Relations Across the Taiwan Straits (ARATS) signed an agreement on the handling of hijacking, illegal immigration, and cross-Strait fishing disputes.<sup>1</sup> This accord represents the first step in cooperation between the two sides of the Taiwan Strait, which have no formal diplomatic relations and have not signed a cease-fire treaty to end the 1949 Chinese civil war between the Nationalists and the Communists.

In 1992, after a decade on the sidelines, the long-shunned but ever-prosperous Taiwan began an effort to regain membership in international organizations. Taiwan, which has been an international outcast, maintaining official relations with a mere handful of countries, is making progress in attracting visits from foreign dignitaries. The Taipei government has also embarked on an all-out campaign to reenter the United Nations. Beijing, however, sees this effort to achieve UN representation as a separate political entity as a move toward independence. An immediately paradoxical situation thus obtains in intra-Chinese relations.

This chapter goes beyond a description of recent changes in Taiwan-mainland China relations to assess their impact on and implications for future intra-Chinese relations from a theoretical perspective. The purpose of this study, therefore, is to highlight previous patterns of confrontation between Taiwan and mainland China as well as the possibilities for rule-making and institution-building to solve their longstanding dispute and its inherent paradox. Here a paradox is defined as a situation seemingly self-contradictory but in reality expressing a possible truth. The common features between paradoxes and intra-Chinese rapprochement are evident in this definition.

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<sup>1</sup> *New York Times*, August 9, 1994, A8.

The two most commonly accepted approaches to international relations are the neorealist and neoliberal schools. Among the neorealists we may number the classical theorist Thucydides, Nicolo Machiavelli, and Thomas Hobbes, as well as contemporary scholars such as Kenneth Waltz and Joseph Grieco. They argue that international conflicts arise not from innate human characteristics but from anarchy. This school builds its explanations on the most general and enduring features of international politics—the struggle for power and security by self-seeking states within an anarchical international system.<sup>2</sup> On the other hand, the neoliberal or neoinstitutional school, best represented by Robert Keohane and Joseph S. Nye, argues that in international political economy actors are not simply involved in a zero-sum game to maximize their own relative power. Cooperation is possible even without a hegemonic state if institutions can overcome the problems of market failures. By providing more information, establishing mechanisms for monitoring, and generating shared expectations, institutions can create an environment in which interstate cooperation is possible.<sup>3</sup>

But whereas the pros and cons of the two schools have been debated

exhaustively in many works on international relations, these issues have scarcely been raised among students of Chinese politics. This may be seen by some as an indication that these issues are not germane to the intra-Chinese case, but this is deceptive. The real reason is that no real effort has yet been made in this direction. The Taiwan-mainland China relationship represents a classic case for testing the validity of cooperation under anarchy as well as the role of the United States as a hegemonic power.

This chapter, therefore, attempts to define the issues of the international regime and cooperation under anarchy. International regimes operate in all major issue areas of world politics: security, economic, and political. Regimes are sets of implicit or explicit principles, norms, rules, and decision-making procedures applicable to specific areas of international relations.<sup>4</sup>

The recent developments between the two sides of the Taiwan Strait raise serious theoretical questions about whether a first step in cooperation between the two governments is conducive to creating a "new world order" in this region. This requires the provision of an analytical framework and more attention to be given to issues of conflict and cooperation and the implications for post-Cold War international relations. This chapter represents such a new effort.

#### The United States as a Hegemonic Power and the Role of the Security Regime in Intra-Chinese Relations

The strategic relationship between the United States and the People's Republic of China (PRC) over the past decades has been characterized by imbalance between the two countries. This strategic imbalance has also exhibited a cycle of instability-stability. The United States, after having pursued a policy of containment against the-PRC for so many years, finally normalized relations with Beijing in 1979. Prior to normalization, the

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<sup>2</sup> Robert Powell, "Anarchy in International Relations Theory," *International Organization* 48, no. 2 (Spring 1994): 313-44.

<sup>3</sup> *Ibid.*

<sup>4</sup> David C. Gompert et al., *Nuclear Weapons and World Politics* (New York: McGraw-Hill, 1977), 1-14.

PRC fought against the United States in the Korean War and confronted the United States in two Taiwan Strait crises in the 1950s. Here, using the nuclear regime as a conceptual framework, the author will explore the issue of U.S. extended deterrence to Taiwan in the two Taiwan Strait crises. To do this, it is first of all necessary to determine the validity of the nuclear regime as well as cooperation under anarchy.

The nuclear regime is one form of security regime in the postwar world. It is a system of international obligations, national force structure,

and doctrine that governs the role of nuclear weapons in war, peace, and diplomacy. It is based on a set of values and goals and on certain premises about the dangers and virtues of nuclear weapons. It is shaped by certain expectations about the political and technological future.<sup>5</sup> The regime has three principal pillars. The first is anarchy, which implies that the current international system has no institutional equivalent to the government of the state in domestic politics. There is no supranational authority with a legitimate monopoly of force to guide and regulate international affairs and to enforce international law. Each member of this anarchical system retains a full complement of sovereign prerogatives, among which a central one is the right to resort to force in whatever way it chooses.<sup>6</sup>

The second pillar of the regime is the belief that nuclear equilibrium exists between the two principal nuclear powers. These two superpowers are equal in the most important category of comparison, the capacity for assured destruction.<sup>7</sup>

The third pillar is hierarchy, the uneven, rank-ordered distribution of nuclear might. Under the nuclear regime of the Cold War era, the two superpowers dominated the world and they had common and distinctive rights and privileges that they exercised competitively.<sup>8</sup> Three other states—the PRC, Britain, and France—were the second-tier nuclear powers.

A nuclear regime shows substantial continuity over time. When change does occur, it tends to be evolutionary and incremental as opposed to revolutionary and drastic. Change is evolutionary because the anarchical nature of the international system is relatively fixed, the equilibrium between the two superpowers is stable, and the hierarchical distribution of nuclear might remains overwhelming. Thus, the Cold War nuclear regime rested on the premise that the nuclear weapons of the two superpowers had in fact fostered moderation and stability in international politics. A nuclear regime does not advocate change but rather a perpetuation of the status quo.<sup>9</sup>

Against this backdrop, the Washington-Beijing strategic relationship was as follows. Since the United States and the Soviet Union were the predominant powers in the post-World War II era, the PRC's strategic

relations with the two superpowers coincided with the bipolar power configuration. The PRC's conflicts with the United States over the Taiwan Strait crises, therefore, were determined by its alliance relations with the Soviet Union, as well as defined by the

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<sup>5</sup> Ibid.

<sup>6</sup> Michael Mandelbaum, "International Stability and Nuclear Order: The First Nuclear Regime," *ibid.*, 15-82.

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.

structural features of the superiority regime. With the advent of the parity regime, the PRC also developed its own nuclear weapons. The hierarchical pillar of the parity regime, when applied to Washington-Beijing strategic relations in the 1970s, becomes more salient. The PRC's nuclear arsenal was capable of upsetting the superpower equilibrium and both superpowers understood the potential implications of major hostilities initiated against the PRC,

To sum up, the Washington-Beijing strategic relationship during the Cold War period may be viewed from the nuclear regime perspective. The superiority regime witnessed the saliency of equilibrium between the superpowers, and when parity was reached, the hierarchical relationship between the United States and the PRC became more important.

The goal of American policy from 1951 through 1969 was to isolate and contain Communist China. The United States refused to recognize Communist China as a legitimate authority and supported the Nationalist government on Taiwan. It was against this background that President Richard Nixon visited mainland China in February 1972. The signing of the Shanghai Communiqué<sup>1</sup> on February 28 that year signified that the two countries were committed to seek the establishment of diplomatic relations on the principle of one China. Implicit in the communiqué was an American commitment that the Taiwan issue would be settled peacefully by the Chinese themselves.

Washington believed that as U.S.-PRC reconciliation matured into entente and the PRC assumed a new role as a partner in the world community, stability would be enhanced in Asia.

By 1980, the strategic relationship among the United States, the PRC, and the Soviet Union had undergone a gradual change. Indeed, the PRC is the only major power which has pursued three different national security strategies over the past three decades. By 1980, the PRC had developed nuclear weapons, including ICBMs, strategic bombers, and sea-launched ballistic missile forces, within a strategic triad. These provided an essential guarantee for the PRC's security, as the United States understood the potential implications of major hostilities against the PRC. Accordingly, under the parity regime, hierarchical pillar became less salient than it had been under the superiority regime. The nature of U.S. extended deterrence to Taiwan, therefore, necessarily changed.

The U.S. extended deterrence against the PRC over the Taiwan issue evolved gradually. The United States tried to deter Beijing from using military means to settle the Taiwan issue through rewards rather than

punishment,<sup>10</sup> trying to influence Beijing's political cost-benefit calculations with regard to a military initiative rather than simply threatening overwhelming military costs. This behavior has been even more effective since the initiation of Beijing's modernization drive which requires a stable and peaceful international environment and technological and financial assistance from the West.

In sum, under the parity regime, the overall Washington-Beijing-Moscow strategic relationship allowed the PRC to gain from superpower rivalry, although an overly antagonistic U.S.-Soviet relationship might have been detrimental to the PRC's

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<sup>10</sup> For deterrence by rewards, see Robert Jervis, "Deterrence Theory Revisited," *World Politics* 31, no. 2 (January 1979): 294-96.

interests. Therefore, Beijing dealt with the superpowers' relationship by demonstrating consistent commitment to the stability of the strategic triangle. In doing so, Beijing neither provoked the Soviets nor challenged the United States. In the case of Taiwan, U.S. commitment to a nonmilitary solution of the Taiwan issue has been consistent throughout. Under the parity regime, given the structural restraints, the Chinese options were necessarily limited.

By all standards, U.S. extended deterrence to Taiwan succeeded in deterring the PRC from taking Taiwan by force. The United States assumed responsibility, at some military risk to itself, for countering the Chinese challenge over the two Taiwan Strait crises in the 1950s. The U.S. leadership was determined to protect Taiwan, and its determination was primarily backed up by U.S. military capability and political credibility. Washington was certainly more determined in the Taiwan case than in some other crisis situations. Meanwhile, the PRC's bold action in the two Taiwan Strait crises can be explained by its alliance with the Soviet Union in the 1950s. When the triangular relationship among the United States, the PRC, and the Soviet Union emerged in the 1970s, this was a significant watershed in the development of a new style of strategic relationship.

Classic deterrence theorists suggest that rationality and credibility work side by side. Yet in practice, deterrence situations do not exist in a political vacuum; they must take into account the power structure of the international system.<sup>11</sup> In the case of U.S. extended deterrence to Taiwan, Washington played a dynamic role in resolving the Taiwan-mainland China dispute under two nuclear regimes—the superiority regime and the parity regime—in the pre-1978 period.

#### Intra-Chinese Rapprochement and Cooperation under the Sovereignty Regime

Previous discussion has shown that in the Chinese case, cooperation under anarchy is sometimes possible. The United States was effective in maintaining the status quo with regard to Taiwan under the security regime. In a sense, cooperation can take place in situations that contain a mixture of conflicting and complementary interests. In such situations, cooperation occurs when actors adjust their behavior to the actual or anticipated preferences of others. Under the rubric of one China, Beijing accepts the fact that it has to cooperate with the United States.

Relations between Taiwan and mainland China changed when President Lee Teng-hui established the National Unification Council (NUC) in October 1990, and the NUC adopted the *Guidelines for National Unification* in March the following year.<sup>12</sup> According to the *Guidelines*, unification is to be attained in three phases: a short-term phase during which the two sides will build up understanding through nonofficial exchanges and contacts will be conducted through quasi-official intermediary organizations; a medium-term phase of mutual trust and cooperation when official contacts and direct communications will be established; and a long-term phase of consultation and unification, when the two sides will map out a constitutional system for a democratic,

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<sup>11</sup> Patrick Morgan, *Deterrence: A Conceptual Analysis* (Beverly Hills, Calif.: Sage Publications, 1983), chap. 2.

<sup>12</sup> It was adopted by the NUC on February 23, 1991, and was approved by the Executive Yuan Council on March 14, 1991.

free, and equitably prosperous China.<sup>13</sup>

Progress through the three phases is to depend on developments within mainland China and relations and exchanges between the two sides of the Strait. Since 1988, movement toward a more cooperative stance has culminated in the establishment of the two nominally unofficial organizations mentioned above—the SEF and ARATS—in 1991. The function of these organizations is to help the two-sides to deal with their rapidly increasing interaction by regulating transborder activity.

For example, Taiwan's indirect trade with mainland China through Hong Kong was worth US\$1.17 billion in the first two months of 1993, a 30 percent increase over the same period of the previous year, and in January and February 1994, Taiwan's exports to mainland China alone were worth US\$1.02 billion, compared to US\$741 million a year earlier, a rise of 37 percent.<sup>14</sup> Although the two governments do not recognize

each other, the SEF and ARATS seek to bring more order to economic and investment activities and to create more opportunities for business and industry.<sup>15</sup> In the August 1994 accord signed by the SEF and ARATS, the two sides agreed to resolve key differences on the issues of hijacker and illegal immigrant repatriation and the handling of fishing disputes.

Issues such as smuggling and piracy in the Taiwan Strait, the protection of intellectual property rights, and cross-Strait accords between judicial institutions will soon be negotiated. The SEF and ARATS serve as a cooperative regime, with the task of fulfilling particular functions, monitoring each side's compliance with agreements, serving as a forum for negotiations, and institutionalizing day-to-day activities.

Yet, the cross-Strait relationship remains a self-help system, organized hierarchically through interstate arrangements. Cooperative regimes are established by governments to achieve state purposes, not to make them obsolete. Taiwan insists that, prior to unification, it should have the right to participate alongside mainland China in the international community, and Taipei holds that China is a divided country currently ruled by two "political entities." On the other hand, Beijing argues that there is only one China, the People's Republic, and that Taiwan, under the jurisdiction of the Republic of China, is a province of China that in the future can only be a special administrative region under Beijing's rule.<sup>16</sup> Although if unification takes place on these terms, Beijing would permit Taiwan a high degree of autonomy, Taiwan would not be allowed to violate the PRC constitution or the decrees of the central government in Beijing. Under the formula of "one country, two systems," Beijing claims sovereignty over Taiwan. When dealing with the most fundamental issues such as sovereignty, the cooperative regime has restricted powers.

In particular, international regimes have problematic relationships to state power. Robert O. Keohane points out two major problem areas: first, whether international

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<sup>13</sup> For further details, see *Guidelines for National Unification* (Taipei: Mainland Affairs Council, 1992). *Wall Street Journal*, April 29, 1993, A10.

<sup>14</sup> *Wall Street Journal*, April 29, 1993, A10.

<sup>15</sup> *Ibid.*, October 13, 1993, A18.

<sup>16</sup> *Relations Across the Taiwan Straits* (Abstract) (Taipei: Mainland Affairs Council, 1994), 1-14.

regimes must rely on the support of a single dominant power, and second, whether the rules of the regimes have effects apart from the influence exerted by their supporters.<sup>17</sup> We have examined the security regime through which cooperation has taken place. Yet, as American hegemony erodes, can the security regime persist? From a neorealist perspective, the diffusion of power should have undermined

the capacity of the U.S. hegemonic leadership.<sup>18</sup> Moreover, the rules of international regimes reflect not only the power of states but internationally recognized principles, such as that of sovereignty.<sup>19</sup>

To the extent that such differences on the issue of sovereignty persist between the two sides of the Taiwan Strait, and the two governments continue to compete for self-defined sovereignty, it is to be expected that unification will be inconsistent with the goals set by either government. A closer look at the issue of national unification as seen by both governments would be cogent at this point.

From Taipei's perspective, the unification of China would fulfill its ultimate goal of a democratic, free, and equitably prosperous China. Based on these premises, the principles behind the *Guidelines for National Unification* are as follows:

1. Both the mainland and Taiwan are part of Chinese territory. Helping to bring about national unification should be the common responsibility of all Chinese.
2. The unification of China should be for the welfare of all its people and not be the subject of partisan conflict.
3. China's unification should aim at promoting Chinese culture, safeguarding human dignity, guaranteeing fundamental human rights, and practicing democracy and the rule of law.
4. The timing and manner of China's unification should first respect the rights and interests of the people of Taiwan, and protect their security and welfare. It should be achieved in gradual phases under the principles of reason, peace, parity, and reciprocity.<sup>20</sup>

As indicated earlier, the neoinstitutionalists have identified a series of factors that will facilitate international cooperation<sup>TM</sup>- The first of these is common interests. It is argued that any attempt to advance toward the unification of China should reinforce mutual interests. The second factor is the involvement of a small number of actors, which facilitates retaliation against defectors. The third factor is "the long shadow of the future." This provides quick feedback about changes in the others' actions. Overall, these three

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<sup>17</sup> Robert O. Keohane, *After Hegemony* (Princeton, N.J.: Princeton University Press, 1984), chap. 2.

<sup>18</sup> Ibid.

<sup>19</sup> George T. Yu and David J. Longenecker, "The Beijing-Taipei Struggle for International Recognition," *Asian Survey* 34, no. 5 (May 1994): 476-77.

<sup>20</sup> See note 13 above.

situational dimensions will affect the propensity of the actors to cooperate.<sup>21</sup>

From an examination of the intra-Chinese rapprochement process it is obvious that whether cooperation can take place depends not only on these situational dimensions but also on the context within which interaction takes place.<sup>22</sup> In the context of interaction, Taiwan uses reciprocity as a strategy in a multilevel game. Reciprocity is the major principle underlying Taiwan's strategy toward mainland China: exchanges between the two sides should serve mutual interests. Agreements on the use and verification of certificates of authentication on the two sides, on matters concerning inquiry and compensation for registered mail, and on the system for contacts and meetings between the SEF and ARATS reached at the Koo (Chen-fu)-Wang (Daohan) talks in Singapore on April 27-29, 1993, as well as those reached at the talks between the vice chairmen of the two organizations, Chiao Jen-ho and Tang Shubei, on August 8, 1994, are the best examples of the results of this strategy. Taiwan claims that interaction should be a win-win rather than a zero-sum game, and that only when the two sides have reciprocal exchanges will they be able to achieve mutual trust and mutual understanding, leading to broad-based and long-lasting relations.

In international law the term "reciprocity" refers to the principle that the rights of one party accrue to comparable entities. Reciprocity, therefore, implies separate units engaged in exchange in a nonhierarchical system. This is incompatible with Beijing's stand. In Beijing's eyes there is only one China, the Peoples' Republic, and Taiwan is merely a part of that one China. This uneven, rank-ordered perception of the distribution of political power assumes that China dominates Taiwan and maintains distinctive rights and privileges that can be exercised competitively against Taiwan, including the use of military force should Taiwan declare itself independent. More importantly, reciprocity is implied by the concept of sovereignty. Legally independent states claiming authority over their own territories and populations could not deny similar rights to other states.

The very centrality of the sovereignty dispute ensures its contested character. In each setting, meanings are attributed to sovereignty that accord with each side's stand. There is no common ground when it comes to Taiwan's sovereignty. Despite Taipei's continuing advocacy of unification, political tensions between the two sides are mounting. Taipei's recent emphasis on Taiwan's status as a political entity is a particular challenge to the PRC's sovereignty, as it implies that the latter is not ter

ritorially supreme. Such challenges to Beijing's definition of sovereignty arise from both within the country and overseas. The post-Tiananmen syndrome and the demise of the socialist camp in Eastern Europe and the Soviet Union have made the Beijing leadership fear that Taiwan's move toward sovereignty will trigger centrifugal tendencies elsewhere in mainland China, resulting in either secession by ethnic minorities or regionalism. Protecting territorial integrity against these

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<sup>21</sup> Robert Axelrod, *The Evolution of Cooperation* (New York: Basic Books, 1984).

<sup>22</sup> Robert Axelrod and Robert O. Keohane, "Achieving Cooperation under Anarchy: Strategies and Institutions," in *Neorealism and Neoliberalism*, ed. David A. Baldwin (New York: Columbia University Press, 1993), chap. 4.



tendencies in the post-Deng Xiaoping era is widely acknowledged as tantamount to protecting the political well-being of Deng's successors.

## Conclusion

Undoubtedly, sovereignty will continue to constitute the major battleground for the two sides of the Taiwan Strait in the foreseeable future. It provides the Beijing leadership with a hallowed concept by which to carry on political debate, and it represents in a variety of situations the ongoing struggles of the pro-independence Taiwanese for self-determination. Nevertheless, its continued use in public discourse seems more problematic, except possibly in the setting of differentiating state-sovereignty from nation-sovereignty.

Only a major policy reversal by Beijing, involving a decision to grant de jure recognition of Taiwan's sovereignty, will facilitate the eventual unification of China. A shift by the PRC away from its one-China policy would ease the pressure on its major allies, who would not be under an obligation to use their veto powers in the Security Council to block a bid by Taiwan to gain a seat in the United Nations. However, the PRC itself could still veto such a move.

Moreover, the PRC's continuing efforts to build up its military capability and methodically build up its naval and air power reinforce its need to assert dominance in the Taiwan Strait.

The U.S. role in this regard once again constitutes a major essential element. As long as the United States adheres to the longstanding policy of avoiding implicit endorsement of either an independent status for Taiwan in the United Nations, or mainland China's claim to sovereignty over Taiwan, Taiwan's bid for a seat in the United Nations faces formidable barriers which need to be dealt with by coalition-building inside mainland China. Any attempt at independence could bring on a large-scale regional confrontation with mainland China which will only undermine Taiwan's stability and prosperity.