

Taiwan's Democratization and Cross-Strait Security

by Yuan-kang Wang

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The most important development in cross-Strait relations since the late 1980s has been Taiwan's democratization. A large literature has developed on how this process transformed the island from an authoritarian regime to a thriving democracy, but few scholars have studied the specific effects of democratization on regional security. The Taiwan Strait is one of the world's major flashpoints, "the most dangerous spot on the planet,"¹ where the world's reigning superpower (the United States) and a rising challenger (the People's Republic of China) could potentially clash. Did the island's democratization make the Taiwan Strait more dangerous or more peaceful?

Toward the end of the Cold War, as communism lost its luster after the changes wrought by economic reform, a type of nationalism arose in China that was both assertive and confident, poised to end China's "century of humiliation."² Meanwhile, democratization in Taiwan led it to increasingly demand more international recognition of state sovereignty. These two contradictory forces—Chinese nationalism and Taiwan democratization—made for a rocky period in cross-Strait relations, culminating in the test-firing of missiles by China in the waters near Taiwan during 1995–96.

Democratization in Taiwan unleashed the force of nationalism and a sense of a distinct national identity that compelled China to use military coercion to prevent Taiwan from declaring independence. The conflict-causing effect

¹ Michael Mandelbaum, *The Ideas That Conquered the World: Peace, Democracy, and Free Markets in the Twenty-First Century* (New York: PublicAffairs, 2002), p. 10. Denny Roy calls the Taiwan Strait "the most enduring and dangerous of the East Asian flashpoints" (Roy, "Tensions in the Taiwan Strait," *Survival*, Spring 2000, p. 76).

² Michel Oksenberg, "China's Confident Nationalism," *Foreign Affairs* America and the World 1986 issue, pp. 501–23; Allen S. Whiting, "Assertive Nationalism in Chinese Foreign Policy," *Asian Survey*, Aug. 1983, pp. 913–31.

of Taiwan's nationalism largely results from the imperfect nature of its democratic institutions and the absence of a liberal, independent news media there. Mobilization along ethnic lines has been common in Taiwan's electoral politics, and Taiwan's transition toward being a full-fledged liberal democracy will likely be fraught with confrontation with China.

The Democratic Peace Theory

Out of the empirical observation that democracies have rarely fought one another was born the "democratic peace theory," which holds that the greater the number of democratic states in the world, the more peaceful it would be.³ Accordingly, President Bill Clinton declared the enlargement of democracy to be the "third pillar" of his foreign policy. Democratic-peace proponents hold that democracies are checked by both institutional and normative constraints. The former include answerability to their citizens: warmongering leaders are likely to be voted out of office. Norms include the idea of peaceful settlement of disputes, an idea democracies have internalized, as they expect other democracies to have done. Their "presumption of amity," as Columbia University's Michael Doyle calls it, enables them to adjudicate disputes without recourse to war.⁴ They do not, however, expect non-democracies to share this preference for peaceful means and will fight them if necessary.

At first glance, the democratic-peace theory should be reason for optimism in the Taiwan Strait. If China, like Taiwan, becomes a democracy, then the prospects for peace would be greatly strengthened. However, the democratic-peace proposition is far from accepted.⁵ Critics argue that linking regime type to the likelihood of war is flawed, since the same accountability that prevents democracies from embarking on wars with other democracies should prevent them from embarking on wars with non-democracies as well; citizens pay the price of war regardless of whether the target is a democracy or not. And yet democracies frequently fight non-democracies. In addition, it is not clear how a democracy externalizes the norms of peaceful resolution in an anarchic world. Critics also question the elastic definitions of the term "democracy" and the operational indices used by democratic-peace theorists.

Recent research suggests that a number of conditions should be set. *Newsweek's* Fareed Zakaria argues that it is not democracy per se but constitutional liberalism that causes peace. Half of today's democracies are

³For an introduction to the democratic peace proposition, see Michael E. Brown, Sean M. Lynn-Jones, and Steven E. Miller, eds., *Debating the Democratic Peace* (Cambridge, Mass.: MIT Press, 1996).

⁴Michael Doyle, "Liberalism and World Politics," *American Political Science Review*, Dec. 1986, p. 1161.

⁵See the articles by Christopher Layne, Davie E. Spiro, Henry S. Farber and Joanne Gowa, and Ido Oren, in Brown, Lynn-Jones, and Miller, eds., *Debating the Democratic Peace*.

illiberal democracies with more political than civil liberties, and they have been involved in wars.⁶ Columbia's Edward Mansfield and Jack Snyder conclude that democratizing states are more likely to be involved in war than are stable autocracies or liberal democracies. Institutions in democratizing states tend to be weak, checks and balances are not in place, and an independent press is lacking. Elites exploit these weaknesses to advance their political interests, and they usually resort to nationalist appeals to mobilize mass support. The result is usually belligerent foreign policies.⁷

The war-proneness of democratizing regimes is not limited to interstate conflict but applies to internal ethnic conflicts as well.⁸ Democratizing states can be targets of a preventive strike. As Mansfield and Snyder point out, "a nationalistic democratizing state might provoke fears among status quo neighbors; these neighbors, in return, may attempt to contain its power by forceful means."⁹ In this case, the status quo neighbors have a strong incentive for preventive war.

Democratization in Taiwan, 1986–96

Taiwan's democratization is often viewed as part of the "third wave" of democratization described by Samuel Huntington that began in the mid-1970s.¹⁰ It began in 1986, when the ruling Kuomintang (KMT) announced a political liberalization program and the opposition formed the Democratic Progressive Party (DPP). The process was completed in 1996 with the first direct presidential election. Before the transition, the Republic of China (ROC) was an authoritarian state ruled by dictatorship under a quasi-Leninist party. The KMT had lost the civil war with the Chinese Communist Party (CCP) on the mainland in 1949 and continued its struggle with the CCP from Taiwan throughout the Cold War. In the name of fighting communism, political and civil liberties were curtailed, martial law implemented, and the opposition outlawed. To maintain the appearance as the only legitimate representative of China, members of the National Assembly and the Legislative Yuan elected in 1946 on the mainland were allowed to remain in their posts even after their terms had expired. Almost immediately after the ROC constitution was enacted on the mainland in 1947, "Temporary Provisions Effective during the Period of Communist Rebellion" were added that effectively suspended

⁶ Fareed Zakaria, "The Rise of Illiberal Democracy," *Foreign Affairs*, Nov./Dec. 1997.

⁷ Edward D. Mansfield and Jack Snyder, "Democratization and the Danger of War," *International Security*, Summer 1995.

⁸ Jack L. Snyder, *From Voting to Violence: Democratization and Nationalist Conflict* (New York: Norton, 2000).

⁹ Mansfield and Snyder, "Democratic Transitions, Institutional Strength, and War," *International Organization*, Spring 2002, p. 330.

¹⁰ Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman: University of Oklahoma Press, 1991).

several key articles. Subsequent constitutional revisions on Taiwan gave the president even more power, under the pretense that the ROC constitution would be reactivated when the mainland was recovered.

Early attempts to establish an opposition were foiled in this atmosphere: those who tried were put in jail or executed, or they went into exile. But while political activities languished, Taiwan's economy boomed. From 1960 to 1980, it grew at an annual rate of 9 percent. The literacy rate increased, and more people received higher education, creating a professional middle class.¹¹ With economic prosperity came a pluralistic society that demanded more political participation.¹² Meanwhile, important political posts were dominated by mainlanders who came to Taiwan after 1949, who made up only about 15 percent of the population. With a diversifying society, the KMT came to realize that its mainlander-based power structure had become untenable and began an indigenization program aimed at recruiting native Taiwanese into the party and the government. As a result of this cooption policy, the percentage of Taiwanese in the KMT Central Standing Committee rose from 14 percent in 1973 to 52 percent in 1988,¹³ and Taiwanese were increasingly able to hold key cabinet posts and administrative offices.

The cooption of the opposition was not wholly successful. In 1986 it established the DPP, a landmark achievement. As political liberalization proceeded, numerous new parties emerged: by 1996 there were 82 parties.¹⁴ Although most were tiny, the political spectrum had expanded, and the DPP was able to garner up to 30 percent of the vote in some elections.

Taiwan's institutions were evolving. Its original constitution, established in accordance with Dr. Sun Yat-sen's principles, had divided the central government into five branches (Executive, Legislative, Judiciary, Control, and Examination Yuans). But as demands for democracy rose, the ROC constitution increasingly grew out of step with the political reality on the island.

Crafting a Democratic Institution

Under the 1947 constitution, the executive branch was headed by the president and the premier; the parliament was composed of the National

¹¹Tun-Jen Cheng and Stephan Haggard, "Regime Transformation in Taiwan: Theoretical and Comparative Perspectives," in Cheng and Haggard, eds., *Political Change in Taiwan* (Boulder, Colo.: Lynne Rienner Publishers, 1992), p. 8.

¹²Tun-Jen Cheng, "Democratizing the Quasi-Leninist Regime in Taiwan," *World Politics*, July 1989.

¹³Hung-Mao Tien, "Transformation of an Authoritarian Party State: Taiwan's Development Experience," in Cheng and Haggard, *Political Change in Taiwan*, p. 41.

¹⁴I-chou Liu, "The Development of the Opposition," in Steve Tsang and Hung-mao Tien, eds., *Democratization in Taiwan: Implications for China* (Hong Kong University Press, 1999); Tien, "Transformation of an Authoritarian Party State: Taiwan's Development Experience," pp. 44–45.

Assembly and the Legislative Yuan. The president was elected indirectly by the National Assembly and had the authority to appoint the premier, who then had to be approved by the Legislative Yuan. The premier was charged with forming a cabinet, who would report to the legislature. The premier could veto bills passed by the legislature or, if a bill had passed with a two-thirds majority, must accept it or resign. The premier could not dissolve the parliament, nor could the parliament cast a vote of no-confidence against the cabinet. The system functioned smoothly when the KMT effectively controlled the government and the legislature.

The ROC constitution has undergone six amendments since the process of democratization started. Most of the revisions were based on short-term political compromise rather than on a grand vision for constitutional stability,¹⁵ and the issue of accountability has not been resolved. This problem emerged in the confusion over whether the ROC constitution stipulates a presidential or parliamentary system or a mixture of both. The constitution lacks an effective mechanism to break deadlocks if the president's party differs from the majority party in the legislature. Neither the president nor the premier can dissolve the Legislative Yuan. Only when the legislature passes a no-confidence vote against the cabinet can the president dissolve the legislature. Soon after Chen Shui-bian was elected president in 2000, he and the legislature, the majority of which belonged to the opposition, were at odds over the suspension of a fourth nuclear power plant.¹⁶ In keeping with the DPP's anti-nuclear stance, he announced that the government would cancel the plant's ongoing construction. The opposition sought to weaken the new president by threatening a recall. It refrained from casting a no-confidence vote, since this would require the president to dissolve the legislature and the opposition expected to lose seats in a new election.¹⁷ The result was a deadlock. Although President Chen eventually agreed to allow the plant's construction to continue, there have been no constitutional amendments aimed at solving the issue of deadlock.

The issues of accountability and voting design (Taiwan has a single non-transferable vote system) remain on the agenda of Taiwan's democratic consolidation. Although democracy has been established in form after the party rotation of 2000 that put the DPP in power, the existing institutional framework still exhibits weaknesses that keep Taiwan from becoming a full-fledged liberal democracy. These institutional weaknesses are susceptible to elite manipulation by playing the national identity card.

¹⁵ Yun-han Chu, "The Challenges for Democratic Consolidation," in Tsang and Tien, eds., *Democratization in Taiwan*.

¹⁶ John F. Copper, "Taiwan: Democracy's Gone Awry?" *Journal of Contemporary China*, no. 34 (2003).

¹⁷ Shelley Rigger, "The Education of Chen Shui-bian: Taiwan's Experience of Divided Government," *Journal of Contemporary China*, no. 33 (2002).

Identity Politics in Taiwan's Elections

Ethnic and national identity underlie Taiwan's domestic politics. The two main ethnic groups are mainlanders who arrived on the island with the KMT regime in 1949 (*waishengren*) and native Taiwanese (*benshengren*). Ethnic tensions began on February 28, 1947, when between 10,000 and 20,000 Taiwanese were killed by troops from the mainland after a riot broke out over the regime's corruption and inattention to the needs of the Taiwanese.¹⁸ Taiwan's elite and intellectual ranks were decimated. Taiwanese thereafter refrained from political life, leaving the government to mainland domination, but eventually their bitterness nourished the opposition movement aimed at transforming Taiwan into a fully independent nation.

Democratization in Taiwan is invariably linked to the DPP's ideological stand, which advocates Taiwan independence or self-determination. Ethnic identity has been a key mobilizing vehicle for the DPP, which has enjoyed substantial support among the Taiwanese. The KMT's influence was deeply integrated in local politics by a complex network of factions that doled out resources to loyalists. The DPP, with no such organizational wherewithal, had to rely on ideological appeals (i.e., Taiwan independence and promoting itself as a party of Taiwan, not China) to mobilize the masses.¹⁹ (While Taiwanese supported both the KMT and DPP, almost all mainlanders supported the KMT.) As more and more Taiwanese won major positions in government, national identity replaced ethnicity as a key factor in party affiliation.²⁰ The DPP's party flag sports a map of Taiwan at a crossroad. Its members prefer to speak in Taiwanese (*boklo*) rather than in Mandarin. The current divide between the Pan-Blue (KMT, People's First Party, and New Party) and the Pan-Green (DPP, Taiwan Solidarity Union, and Independence Party) alliances correlates with a Chinese or a Taiwanese national identity. Unlike other countries, there is no Left/Right division among Taiwan's political parties.²¹

The importance of national identity in Taiwan's domestic politics cannot be overemphasized. The debate over unification or independence is the most important and divisive issue in Taiwan's democratization. One's

¹⁸ For a detailed account, see Tse-han Lai, Ramon H. Myers, and Wei Wou, *A Tragic Beginning: The Taiwan Uprising of February 28, 1947* (Stanford: Stanford University Press, 1991).

¹⁹ Joseph Bosco, "Faction Versus Ideology: Mobilization Strategies in Taiwan's Elections," *China Quarterly*, Mar. 1994; Alan M. Wachman, *Taiwan: National Identity and Democratization* (Armonk, N.Y.: M. E. Sharpe, 1994), p. 256.

²⁰ John Fuh-sheng Hsieh, "Ethnicity, National Identity, and Domestic Politics in Taiwan" (paper presented at the Taiwan Election and Democratization Studies (TEDS) Conference, Taipei, Nov. 2003).

²¹ Yu-shan Wu, "Comparing Third-Wave Democracies: East Central Europe and the ROC," *Issues and Studies* 37, July/Aug. 2001.

position on any given political reform generally boils down to where one stands on the national identity issue.²² Moreover, differences over reunification or a more pro-Taiwan agenda were a key reason for the 1993 split within the KMT. Several young mainlanders left the KMT and formed the New Party in order to safeguard what they considered the essence of the ROC, viewing the KMT as unfaithful to the party's core principles, which favor reunification.

National identity serves as a rallying cry in elections. From his "Taiwan-first" agenda to the conception of the "New Taiwanese," President Lee Teng-hui was adept in manipulating the issue to win votes. Identity politics has remained a powerful tool in Chen's administration. On the island, politicians who favor unification are frequently painted by the pro-independence group as a fifth column who would sell Taiwan out to China. The Pan-Green camp often accuses members of the Pan-Blue alliance of pandering to Beijing. This name-calling yields big payoffs in Taiwan's identity politics.

Two Nationalisms on a Collision Course?

Taiwan's increased assertiveness puts it at loggerheads with China. At a time when communism has lost its appeal, ensuring economic prosperity and safeguarding sovereignty become the two pillars supporting the CCP's legitimacy. Nationalism fills the void left by Marxism-Leninism as the legitimizing ideology.²³ Taiwan was ceded to Japan after the Sino-Japanese war of 1895 and returned to China in 1945 according to the Cairo Declaration. It became part of the Chinese civil war after the KMT regime retreated to the island in 1949. The Mao era treated the Taiwan issue as an unfinished civil war, but post-Mao leaders have switched to a nationalist framework.²⁴ Now that Hong Kong and Macau have been returned to China, Beijing would be accomplishing a historic feat if it achieves the return of Taiwan. It cannot tolerate Taiwan's de jure independence.

This rigid view of sovereignty conflicts with Taiwan's emerging national identity. Separated from the mainland for a hundred years (except

²² Ian Buruma, "Taiwan's New Nationalists," *Foreign Affairs*, July/Aug. 1996; Tien and Cheng, "Crafting Democratic Institutions"; Hung-Mao Tien and Yun-han Chu, "Building Democracy in Taiwan," *China Quarterly*, Dec. 1996; Jaushieh Joseph Wu, *Taiwan's Democratization: Forces Behind the New Momentum* (Hong Kong: Oxford University Press, 1995), pp. 137–38.

²³ Thomas J Christensen, "Chinese Realpolitik," *Foreign Affairs*, Sept./Oct. 1996, p. 46; David Shambaugh, "Containment or Engagement of China? Calculating Beijing's Response," *International Security*, Fall 1996, p. 204; Yongnian Zheng, *Discovering Chinese Nationalism in China: Modernization, Identity, and International Relations* (New York: Cambridge University Press, 1999), p. 2.

²⁴ Edward Friedman, "Chinese Nationalism, Taiwan Autonomy and the Prospects of a Larger War," *Journal of Contemporary China*, Mar. 1997.

for the brief reunion in 1945–49), Taiwan has developed its own history, language, and even culture. An increasing number of Taiwan residents identify themselves simply as “Taiwanese,” not Chinese. In 1992, only 17.6 percent of the population identified themselves as “Taiwanese”; by 2002, that percentage had risen to 41 percent.²⁵ Beijing, which has been watching these developments warily, finds this trend alarming. It interpreted key milestones in Taiwan’s democratization, such as constitutional amendments and direct presidential elections, as moves toward independence.²⁶ The direction of Taiwan’s democratization seems to run counter to Beijing’s efforts at reunification.

Beijing had hoped that cross-Strait economic and cultural exchanges would lead to political negotiation and finally unification,²⁷ but they have not. The idea of Taiwan independence, long a forbidden topic, has flourished in public discourse of democratizing Taiwan. Support for independence has risen, hovering at around 20 percent, according to ROC Mainland Affairs Council polls. Democratization has also created the demand for more international recognition. After being expelled from the UN in 1971 and having its seats filled by the PRC, Taiwan was in a diplomatic quandary. One after another, its diplomatic allies switched recognition to Beijing. Less than 30 countries, mostly in Africa and Latin America, maintain diplomatic ties with Taiwan. To break the PRC’s diplomatic blockade, Taiwan’s leaders have devised a hide-and-seek game that it calls “pragmatic diplomacy” or “flexible diplomacy”—making as many international friends as possible without regard to formalities. Most Taiwanese demand that their government push to expand foreign ties and gain the country recognition. ROC Mainland Affairs Council surveys show that about 60 percent of Taiwanese citizens favor developing foreign ties, even at the expense of cross-Strait relations. Taiwan’s economic and democratic achievements have fueled the pride of its people, who in turn have demanded more international recognition and participation.

In a zero-sum game, however, China considers any gain in international status by Taiwan as a loss for China. Beijing’s policy toward Taiwan is eventual reunification. Toward that goal, Beijing has adopted a two-pronged strategy. To Taiwan, it proposed the one-country, two-systems formula; elsewhere, it pursues a strategy of diplomatic strangulation, cutting off Taiwan’s allies and membership in international institutions as much as possible. Taiwan’s pragmatic diplomacy, however, insures against

²⁵ “Taiwanese/Chinese Identification Trend Distribution in Taiwan,” Election Study Center, National Chengchi University, www.nccu.edu.tw.

²⁶ Suisheng Zhao, “Changing Leadership Perceptions: The Adoption of a Coercive Strategy,” in Suisheng Zhao, ed., *Across the Taiwan Strait: Mainland China, Taiwan, and the 1995–1996 Crisis* (New York: Routledge, 1999).

²⁷ Nancy Bernkopf Tucker, “If Taiwan Chooses Unification, Should the United States Care?” *Washington Quarterly*, Summer 2002.

the worst-case scenario: the international community's acquiescence to China's invasion of the island.²⁸

Tension erupted after President Lee's visit to his alma mater, Cornell University, in 1995. Worrying that Taiwan's diplomatic breakthrough would enhance the international legitimacy of the island, China launched a series of missile tests in the waters near Taiwan in 1995–96 when the island was holding its first direct presidential election.²⁹ The tests were designed to send a strong signal to both Taiwan and the United States that Beijing would not countenance threats to its vital interest of territorial sovereignty.

Beijing's scare tactics backfired, however. Its confrontational stance hardened some Taiwanese voters' commitment to independence. As it turned out, President Lee won the 1996 election with 54 percent of the vote. During the 2000 presidential campaign, pro-independence and some swing voters were invigorated by the harsh threats of Chinese premier Zhu Rongji, permitting DPP candidate Chen to capture the presidency.

In the run-up to Taiwan's presidential election scheduled for March 20, 2004, one could see elements of nationalist mobilization in President Chen's calling for a new constitution and a referendum on removing China's missiles aimed at the island. In the face of rising Taiwanese nationalism, the opposition Pan-Blues went to great lengths to avoid being branded "pro-China" and have abandoned open advocacy of unification. At 2003 year-end, Beijing, more attuned to Taiwan's electioneering, had taken a low-key attitude despite rising tensions.

Policy Implications

As Columbia's Mansfield and Snyder laid out, the key variable linking democratization and conflict-proneness is institutional weakness. Checks and balances, democratic accountability, and a professional media are generally not firmly established in transitional states. Under these circumstances, political entrepreneurs have the incentive to provoke foreign policy confrontation, either as a mobilization strategy or as a diversionary tactic. The result is heightened tensions or militarized disputes with external adversaries. Indeed, democratization in Taiwan coincides with increased friction with China. Given the potential for instability, what policy should Taiwan, the PRC, and the United States pursue?

Taipei's challenge is to consolidate its democracy by building a strong institution based on constitutional liberalism. Lately, there have been calls for more constitutional amendments—such as cutting the number of the 225 legislators in half and making a clearer demarcation between presidentialism

²⁸ Jonathan D. Pollack, "China's Taiwan Strategy: A Point of No Return?" *China Journal*, July 1996, p. 112.

²⁹ Andrew J. Nathan, "China's Goal in the Taiwan Strait," *China Journal*, July 1996.

and parliamentarianism. Full democratic accountability must be established. The emergence of an independent professional news media not tainted by ideological preferences could alleviate the conflict-causing effect of nationalist mobilization and provide better information for voters. Taiwan must devise a long-term strategy for its relationship with China, in addition to making short-term policy statements such as President Chen's inaugural speech, in which he promised not to declare formal independence, change Taiwan's official name, enshrine "state-to-state" relationship in the constitution, hold a referendum to change the status quo, or abolish the National Reunification Council.

Taiwan's nationalist discourse is shifting toward a civic form of nationalism that deemphasizes ethnic identity and stresses a more inclusive one based on civic participation.³⁰ National identity is a fluid concept, constantly shifting and sometimes overlapping with other identities.³¹ A large percentage of Taiwan's population—43 percent—now identify themselves as both Chinese and Taiwanese.³² These dual-identity voters make it increasingly difficult to mobilize voters along ethnic lines. Socioeconomic issues have become more crucial. Taipei should encourage this, since, as Snyder argues, "civic nationalism normally leads to less internal conflict within the state and to more prudent policies abroad."³³

Beijing must recognize that military coercion likely will only push Taiwan further away. It should instead pursue a "hearts and minds" strategy to win the Taiwanese people. Some 70 percent of Taiwanese reject Beijing's one-country, two-systems formula, according to ROC Mainland Affairs Council polls.³⁴ The idea of uniting with an authoritarian regime does not have much appeal in Taiwan's democratic society. However, support for unification would likely increase if China democratizes and adopts a constitutional liberalism that protects political and civil liberties. A liberal, democratic China would become more attractive to Taiwan.

Indeed, recent opinion polls support this claim. A poll conducted in 2000 shows that 56 percent of Taiwanese would support unification if there is convergence in economic, social, and political conditions across the Taiwan Strait. This number, however, must be weighed against an opposing trend.

³⁰ Chia-lung Lin, "Taiwan minzhuhua yu guozu xingcheng" ("Taiwan's Democratization and the Formation of the Nation"), in Chia-lung Lin and Yongnian Zheng, eds., *Minzuzhuyi yu liangan guanxi* (Nationalism and Cross-Strait Relations) (Taipei: Xin ziranzhuyi, 2001), pp. 217–66.

³¹ Prasenjit Duara, "Historicizing National Identity, or Who Imagines What and When," in Geoff Eley and Ronald G. Suny, eds., *Becoming National* (New York: Oxford University Press, 1996), p. 151. See also Peter Sahlins, *Boundaries: The Making of France and Spain in the Pyrenees* (Berkeley, Calif.: University of California Press, 1989), pp. 270–71.

³² "Taiwanese/Chinese Identification Trend."

³³ Snyder, *From Voting to Violence: Democratization and Nationalist Conflict*, p. 80.

³⁴ For Taiwan's view of the "one country, two systems," see Byron S. J. Weng, "One Country, Two Systems' from a Taiwan Perspective," *Orbis*, Fall 2002.

Under the precondition that peace could still be maintained after Taiwan's declaration of independence, 62 percent support having a new country. According to a study by Emile Sheng of Soochow University, among the population are an increasing number of rational voters, comprising about 50 percent, who base their independence/unification preference on Taiwan's changing strategic environment.³⁵ These people would choose unification if the standard of living and political freedom across the Strait became roughly equivalent and would eschew formal independence if that meant war with China. This fact is not lost on China. Beijing is expected to push for cross-Strait convergence and yet maintain the threat of force in order to influence Taiwan's domestic opinion.

Washington can help maintain stability in the Taiwan Strait by adopting an agnostic position about the future of Taiwan and by insisting on a peaceful resolution. Any shifts toward China or Taiwan would cause destabilizing fear in either Taipei or Beijing, as when President Lee countered President Clinton's "three noes"³⁶ with his own "special state-to-state relationship." Washington's traditional policy of strategic ambiguity, though not the best option,³⁷ has served the goal of dual deterrence well.³⁸ The key to a stable deterrence is to send strong signals of intention whenever necessary. The dispatch of not one but two aircraft carriers to the waters near Taiwan in 1996 is an example of strong signaling.

Unlike his predecessor, President George W. Bush came to office viewing China as a "strategic competitor" and declared that the United States would do "whatever it took" to help Taiwan defend itself. The apparent tilt toward Taipei, however, was temporary. After 9/11, President Bush's Taiwan policy has gradually moved back to the stance of previous administrations—reiterating the three communiqués of 1972, 1978 and 1982 and the 1979 Taiwan Relations Act. His open opposition to President Chen's referendum plan reflected U.S. interest in maintaining the status quo across the Strait.

³⁵ Emile C. J. Sheng, "Cross-Strait Relations and Public Opinion on Taiwan," *Issues and Studies*, Mar. 2002.

³⁶ The "three noes" policy was announced during Clinton's visit to Shanghai in 1998. It states that the U.S. will not support Taiwan independence, "two Chinas" or "one China, one Taiwan," or Taiwan's membership in any international organization that requires statehood. This was the first public announcement of the whole package by a U.S. president.

³⁷ The deterrence literature generally concludes that a clear commitment helps achieve the best deterrence result. But such clarity is difficult to achieve in the Taiwan Strait. Clarity on Taiwan would likely provoke China and encourage Taiwan to adopt a more intransigent position, thus increasing the likelihood of war (the moral hazard problem). However, strategic ambiguity carries the price of crisis instability, and is likely to encourage probing of intentions by China, including the use of military means. Should that happen, controlled escalation by the U.S. would send a strong signal and help preserve peace. Yuan-kang Wang, "Preserving Peace in the Taiwan Strait," *Chinese Political Science Review*, June 2002.

³⁸ Andrew J. Nathan, "What's Wrong with American Taiwan Policy," *Washington Quarterly*, Spring 2000.

Conclusion

There is no easy solution to the Taiwan issue. Proper handling of it, however, can ensure peace and prosperity in East Asia. If misconstrued and mismanaged, a great power war could, as all parties know, erupt between the United States and China. At present, cross-Strait relations remain stalled. Beijing continues to demand that Taiwan accept its one-China position as a precondition for talks, which remains unacceptable to Taipei. The challenge is reconciling the conflicting forces of Taiwan's democratization and China's nationalism.

In the short run, Taiwan's consolidation of democratic institutions is likely to be accompanied by confrontational rhetoric and action across the Strait. China may even be prompted to launch a preventive strike in order to stop Taiwan's "creeping independence." Cross-Strait security would likely remain volatile even after Taiwan has become a mature democracy. China's assertive nationalism is a force to be reckoned with.

