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How Far Can Taiwan Go?

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Abstract *This article explores the possibility of Taiwan's moving away from the* status quo *by either seeking reunification with the mainland or pursuing* de jure *independence, and particularly focuses on the latter scenario. Clearly, immediate reunification is not a viable option, but a declaration of independence may be. However, given the public attitude on the national identity issue, which underpins Taiwan's party structure, it is very difficult for the independence forces to control a majority of seats in the parliament. Thus, as long as the ROC constitutional structure remains essentially parliamentary, the chances that Taiwan will declare independence are not that great. Moreover, China's threat to use force against Taiwan if Taiwan declares independence and the tremendous economic interests involved in doing business with China, coupled with the US insistence on peace and stability in the region, all keep Taiwan from taking drastic measures in pursuit of independence.*

Undoubtedly, as Shelley Rigger has argued in the *Cambridge Review of International Affairs*, most people in Taiwan prefer the *status quo* to any drastic changes in the relations between the Republic of China (ROC) on Taiwan and the People's Republic of China (PRC) on the mainland.[1] Here, the *status quo* means *de facto* rather than *de jure* independence for Taiwan, while 'changes' refer either to formal declaration of the separation of Taiwan and China or re-unification between the island and the mainland. The issue of independence versus reunification is a controversial one in Taiwan. There are people who believe that Taiwan and China are two different countries, and should therefore be permanently separated, but there are also those who take the opposing view and maintain that Taiwan and the mainland are parts of a larger China and should be reunified sooner or later. In between these two views, many other people are, to a greater or lesser extent, content with the current situation in which a semblance of Chineseness (e.g. the official name of the country, the constitution, the national flag, the national anthem and so forth) remains intact but the ROC on Taiwan functions as a bona fide sovereign state. Indeed, there are forces both pushing for change and constraining Taiwan. Since reunification will not lead to war between Taiwan and China—though it would certainly lead to potentially serious internal conflicts on the island—while a formal declaration of independence will, in all likelihood, cause war, this discussion will concentrate on the latter scenario.

[1] This is the major point in Shelley Rigger, 'Maintaining the Status Quo: What It Means, and Why the Taiwanese Prefer It', *Cambridge Review of International Affairs*, vol. 14, no. 2, 2001, pp. 115–23.

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Table 1. Positions on the national identity issue by age

National identity Age	Independence	*Status quo*	Reunification	*N*
20–29	60 (22)	129 (47)	86 (31)	275 (100)
30–39	54 (20)	130 (47)	91 (33)	275 (100)
40–49	39 (18)	111 (52)	64 (30)	214 (100)
50–59	21 (20)	46 (44)	38 (36)	105 (100)
60 +	41 (31)	46 (35)	46 (35)	133 (101)
Total	215 (21)	462 (46)	325 (32)	1002 (99)

Note: Cell entries are number of respondents with row percentages in parentheses.
Source: Survey conducted by the Election Study Center, National Chengchi University, in June 2000.

Changing the *Status Quo*?

It is true that some people in Taiwan favour reunification, but they are not numerous. In a series of nationwide surveys, first conducted by Opinion Research Taiwan in 1992 and then by the Election Study Centre (ESC) of National Chengchi University, the respondents were asked to choose a score between 0 (standing for independence) and 10 (standing for reunification). The results show that the number of respondents in favour of reunification who chose a score of 6 or higher dropped from 57% in 1992 to about 30% or less in later years. The figures have remained quite stable in recent years.[2]

China has changed drastically since the late 1970s, especially with regard to its dogmatic version of communism. Anti-communist sentiment towards the mainland has consequently diminished among many Taiwanese. However, the Beijing government remains authoritarian and thus unattractive to most people on the island. Consequently, immediate reunification is not a viable option for most Taiwanese. Even among those in favour of reunification, the policy is a long-term goal rather than an immediate demand. Indeed, none of the major parties in Taiwan favours immediate reunification. On the other hand, China will certainly push ahead towards this end. Given the desirability of peace and stability and the tremendous economic interests involved in doing business with China, some Taiwanese political forces may pursue certain formulae (such as confederation) to pacify the mainland. But even such formulae are short of the 'true' reunification that many unificationists have in mind.

A more likely scenario, which deviates from the *status quo*, is formal declaration of Taiwan independence. Although, as in the case of reunification, only a minority of the population supports this option, it is nevertheless championed by certain political forces and if, for whatever reason, these forces achieve governing power, a declaration of independence is a possibility. In the above-mentioned surveys, those who chose a score of 4 or less (leaning towards or very much in favour of independence) account for only 12–28% of the population in the past decade. These numbers increased gradually in the first few years of surveys, but decreased somewhat in the most recent one. Support for Taiwan

[2] For figures in each survey, see John Fuh-sheng Hsieh, 'Whither the Kuomintang?', *China Quarterly*, No. 168, 2001, p. 935.

independence has been relatively stable over the years and there is no particular reason to believe that it will drastically increase in the foreseeable future. Table 1 shows voters' attitudes in mid-2000: the younger generations are not especially prone to support Taiwan independence, indicating that the current distribution of voters is likely to continue in the near future.

However, unlike the case for immediate reunification, there are political forces unequivocally advocating Taiwan independence. The current governing party, the Democratic Progressive Party (DPP), is known for its advocacy of independence. Although it modified its position recently by claiming that Taiwan with 'ROC' as its official name is already independent and so there is no need to declare independence, the prevailing attitude of its leadership and supporters remains strongly separatist. Yet, the modified position has already alienated many staunch independence supporters to such an extent that some of them have left the party to form the Taiwan Independence Party (TAIP). Indeed, even the newly formed Taiwan Solidarity Union (TSU), which was supported by Lee Teng-hui, former ROC president and chairman of the Kuomintang (Nationalist Party, KMT), is in favour of 'special state-to-state relations' between Taiwan and China, leaning somewhat towards the independence side.[3] However, though the DPP's Chen Shui-bian won the presidency in the 2000 election, the *status quo* still prevails. Clearly there are constraining factors at work.

Internal Constraints

There are internal and external constraints keeping Taiwan from moving away from the *status quo* towards *de jure* independence. The most obvious constraining factor internally is the public attitude towards the national identity issue. In the surveys, only a minority of respondents supported independence and a plurality (sometimes even a majority) of them favoured the *status quo* (a score of 5), not counting those people in favour of reunification. Among those who are opposed to independence, some may abhor Taiwanese nationalism, or may fear that Taiwan would be attacked by China following a declaration of independence, or even simply do not care about it. Nonetheless, in general the issue of national identity is highly emotional and a decision to change course on such an issue would bring much higher risks for the government than on ordinary socioeconomic policy. As a democratic state, the government will certainly need to calculate the implications for its political fortunes.

Indeed, conflicting perceptions of national identity are the dominant cleavage underpinning Taiwan's party structure. Recent scholarship on the Taiwanese electorate demonstrates that political issues, especially the national identity issue, play a much more important role than socioeconomic issues in shaping voters' partisan support.[4] Voters' preferences on the national identity issue will, to a large extent, determine their partisan attachments. If they are in favour of

[3] See www.taiwanunion.com/huang.htm

[4] See John Fuh-sheng Hsieh and Emerson M. S. Niou, 'Issue Voting in the Republic of China on Taiwan's 1992 Legislative Yuan Election', *International Political Science Review*, vol. 17, no. 1, 1996, pp. 13–27; and 'Salient Issues in Taiwan's Electoral Politics', *Electoral Studies*, vol. 15, no. 2, 1996, pp. 51–70. For a slightly different view, see Tse-min Lin, Yun-han Chu and Melvin J. Hinich, 'Conflict Displacement and Regime Transition in Taiwan: A Spatial Analysis', *World Politics*, vol. 48, no. 4, 1996, pp. 453–81.

Taiwan independence, they tend to support the DPP or TAIP; otherwise, they may turn to the KMT, People First Party (PFP) or New Party (NP). In this regard, Taiwan is quite different from most of the advanced democracies, where the major cleavages are often socioeconomic and religious.[5]

Furthermore, when it comes to partisan identification, it is national identity rather than ethnic identity that normally has a direct influence. Observers of Taiwan politics cannot fail to notice the ethnic divisions on the island. There are native Taiwanese whose ancestors moved from the mainland to Taiwan centuries ago, and there are also mainlanders who themselves or whose parents or grandparents came to Taiwan only in the late 1940s. There are also a small number of aborigines who are of Malay descent. A mainlander who favours independence tends to support the DPP or TAIP, while a native Taiwanese who advocates unification is very likely to be a supporter of the KMT, PFP or NP.

Taiwan's party politics tend towards tremendous continuity, with electoral strength dividing between the DPP coalition (DPP, TAIP, etc.) and the KMT camp (KMT, PFP, NP, etc.) Nonetheless, changes have occurred most obviously in the growth in the number of parties in each camp.[6] Generally, the KMT camp was able to capture a majority of the popular vote in the national legislative elections, while the DPP took only one-third. (In the parliamentary election of December 2001, the TSU, which leaned towards the DPP, was 2.26% of the vote). Yet in the elections for executive offices such as president, city majors and county magistrates, the DPP was often able to reach about 40% or more of the vote. The discrepancy in the DPP's vote share between the two types of elections essentially results from the differences in their electoral systems. In the legislative elections, the electoral rule is the single non-transferable vote, under which each voter may cast only one vote in a multimember district. Such a rule often results in a high degree of proportionality,[7] and thus does not discriminate against small parties. In fact, there are often quite a few parties competing in such elections, each being able to win some seats.[8] But the situation is quite different in the elections for executive offices, where the electoral system is the single-member district first-past-the-post system, which often brings about

[5] See, for example, Seymour M. Lipset and Stein Rokkan, 'Cleavage Structures, Party Systems, and Voter Alignments: An Introduction', in Seymour M. Lipset and Stein Rokkan, eds, *Party Systems and Voter Alignments: Cross-National Perspectives*, New York, Free Press, 1967, pp. 1–64; and Russell J. Dalton, *Citizen Politics: Public Opinion and Political Parties in the Advanced Industrial Democracies*, 2nd edn, Chatham, NJ, Chatham House, 1996, chapters 7–8.

[6] For a detailed discussion on the continuity and change of Taiwan's party structure, see John Fuh-sheng Hsieh, 'Continuity and Change in Taiwan's Electoral Politics', in John Fuh-sheng Hsieh and David Newman, eds, *How Asia Votes*, New York, Chatham House, 2002, pp. 32–49.

[7] See Gary W. Cox, 'SNTV and d'Hondt Are "Equivalent" ', *Electoral Studies*, vol. 10, no. 2, 1991, pp. 118–32; and John Fuh-sheng Hsieh, 'The SNTV System and Its Political Implications', in Hung-mao Tien, ed., *Taiwan's Electoral Politics and Democratic Transition: Riding the Third Wave*, Armonk, NY, M. E. Sharpe, 1996, pp. 193–212.

[8] Interestingly, the number of viable candidates tends to equal the number of seats available in a district plus one. So the larger the district, the higher the number of viable candidates and the more likely that the small parties (or even the independents) will survive. See Steven R. Reed, 'Structure and Behaviour: Extending Duverger's Law to the Japanese Case', *British Journal of Political Science*, vol. 20, no. 3, 1990, pp. 335–56; and John Fuh-sheng Hsieh and Richard G. Niemi, 'Can Duverger's Law Be Extended to SNTV? The Case of Taiwan's Legislative Yuan Elections', *Electoral Studies*, vol. 18, no. 1, 1999, pp. 101–16.

competition between the two major parties.[9] Thus, the DPP has been able to win more votes at the expense of small parties in executive elections. Overall, the vote distribution between the two major camps has been stable, reflecting the relative stability of the distribution of voters on the national identity issue over the years.

Since there are many more seats up for grabs in the legislative than in the executive elections, statistically the results of the former may better reflect the political fortunes of the parties than those of the latter. Thus, under normal circumstances, it is very difficult for the DPP camp to win a majority of seats in legislative elections. But in executive elections, the chances for a DPP win are higher, particularly if the KMT camp is divided. The ROC being a parliamentary democracy, since it is very difficult for the DPP camp to win a majority of parliamentary seats, the chances that the policy of the *status quo* will be replaced by one of independence are not that great. But if the ROC's constitutional form of government becomes presidential, and if the DPP is able to win the presidency, the situation may become entirely different.

Essentially, the ROC constitution provides for a parliamentary form of government. In accordance with the constitution, the highest administrative organ in the country is the Executive Yuan (cabinet), not the presidency; the Executive Yuan is responsible to the Legislative Yuan (parliament), not to the president. The Legislative Yuan can take a no-confidence vote against the Executive Yuan, although the president, or the premier (the head of the Executive Yuan) with the consent of the president, can dissolve the Legislative Yuan after the passage of the no-confidence motion. When promulgating laws and issuing ordinances, the president should obtain the countersignature of the premier or the countersignatures of the premier and the ministers concerned. Even after the recent constitutional reforms, the essential parliamentary structure remains intact.[10]

Nonetheless, the ROC president has played a very powerful role in Taiwan politics in the past half-century, with the exception of Yen Chia-kan between 1975 and 1978. Before 2000, an important source of presidential power was the president's dual role as the head of state and chairman of the KMT, the majority party in the Legislative Yuan, not to mention the fact that Taiwan was not very democratic before the late 1980s. The power structure within the KMT is highly centralised, enabling the party leader to exert a tremendous degree of control

[9] This phenomenon is called 'Duverger's law' by William H. Riker. See his 'The Two-Party System and Duverger's Law: An Essay on the History of Political Science', *American Political Science Review*, vol. 76, no. 4, 1982, pp. 753–66.

[10] Many people argue that, since the president is now directly popularly elected, and he or she can appoint the premier without the need of an investiture vote in the Legislative Yuan, the constitutional form of government is no longer parliamentary. However, this is erroneous; these features also appear in many other parliamentary democracies. Many people also maintain that the current ROC system resembles the mixed system exemplified by the French Fifth Republic. But even this comparison is not accurate, since the French president can wield a number of important weapons to counteract the parliament (e.g. dissolving the parliament in a proactive manner, bypassing it by sending a bill directly to the public in a referendum, etc.) while the ROC president cannot. See John Fuh-sheng Hsieh, 'The 2000 Presidential Election and Its Implications for Taiwan's Domestic Politics', *Issues & Studies*, vol. 37, no. 1, 2001, pp. 7–9.

over all other forces in the party and thus in the country as a whole. However, with the inauguration of the new DPP president, Chen Shui-bian, in May 2000, this power dynamic has changed. His party controls only a minority of the seats in the Legislative Yuan and his power is apparently curtailed. He first appointed a non-partisan 'all-people' cabinet, but later dropped the idea and formed a pure DPP government. The survival of such cabinets is assured only by the fact that, before the 2001 election, the KMT will not risk a no-confidence vote, for fear that such a move may result in a new election and the loss of the KMT's majority and after the new election there may be divisions within the KMT camp. A stalemate has thus emerged between the executive and legislative branches of government. The DPP, a party advocating independence, has won the presidency but remains unable to push ahead with its agenda. Being elected to the presidency by 39% of the vote, Chen is a minority president, reflecting the limited support for the DPP and the idea of Taiwan independence. More importantly, his party controls only a minority of seats in the Legislative Yuan, hindering his government's ability to carry out any significant policy changes. In the foreseeable future it is likely that no party, including the KMT or DPP, will be able to command a majority in parliament, meaning that coalition politics will determine the composition of the government. The chances that the pro-independence forces are able to put together a comfortable majority to move towards independence are not that great.

External Constraints

In addition to the internal constraints there are important external constraints that limit Taiwan's ability to declare full independence. These essentially arise from China and the United States. Such constraints may not only affect the government's policy options, but also public attitudes. The latter may, in turn, modify politicians' rhetoric. The DPP's recent modification of its position on independence is an obvious example.

The Chinese influence includes both a negative and a positive dimension: the former is the threat to use force against Taiwan if Taiwan declares independence, and the latter is the economic interests involved in doing business with China. The threat to use force against Taiwan is nothing new. Since the KMT fled to Taiwan in 1948, the military threat has been part of people's life on the island. However, over time China's tone has changed. Liberating Taiwan by force is now replaced by peaceful reunification, albeit with an important proviso, i.e. military action against Taiwan if Taiwan declares independence.

On the economic front, drastic changes have also taken place. Prior to the late 1970s, business relations between Taiwan and the mainland were almost non-existent. Now, however, economic contacts are flourishing. This change began with China's decision to launch economic reform in late 1978, coupled with the establishment of formal diplomatic ties with the United States at about the same time. The development of the policy of 'one country, two systems' that followed served as China's standard formula for peaceful unification,[11] though China

[11] The formula 'one country, two systems' is often attributed to Deng Xiaoping. See An-chia Wu, *Cross Taiwan Strait Relations: Retrospect and Prospect* (in Chinese), Taipei, Yung-yeh, 1996, pp. 9–10.

never renounced the use of force. Even though China's peace offensive was initially resisted by Taiwan, the ROC came under tremendous pressure to change its policy, including pressure from those of its citizens wishing to visit the mainland and those seeing enticing business opportunities in China. Finally, in 1987, the government decided to allow its citizens to visit their relatives on the mainland 'out of humanitarian concerns'.[12] This policy change paved the way for the enormous growth of interactions across the Taiwan Strait.

Since 1992, there have been over a million people visiting the mainland each year;[13] the volume of indirect trade between the two sides reached US$31 billion in 2000.[14] This increase is supplemented by growth in Taiwanese investment in China, with the total contracted amount reaching US$4.4 billion and the realised amount reaching US$2.5 billion in 2000.[15] Undoubtedly, many Taiwanese business people are anxious to do business with their counterparts in China. Many of them also believe that Taiwan simply cannot ignore the huge Chinese market. Moreover, as cultural affinity puts the Taiwanese in an advantageous position *vis-à-vis* competitors from other countries, they feel they should capitalise on such opportunities to sustain Taiwan's 'economic miracle'. Many also argue that the move of labour-intensive industries from Taiwan to the mainland may help restructure Taiwan's economy. Indeed, Taiwan has benefited from its trade with China by enjoying a large surplus over the years. In 2000, for instance, the indirect trade between Taiwan and China totalled US$31 billion, with a surplus of US$19 billion in Taiwan's favour.[16] However, there are those who worry about such developments. Since China remains politically hostile towards Taiwan, Taiwan may be literally held hostage by China if it relies too much upon the Chinese market. As Table 2 shows, Taiwan's indirect trade with China has accounted for about 11% of Taiwan's total foreign trade since the mid-1990s. Moreover, the growing amount of Taiwanese investment in China has also caused consternation among people in Taiwan. It is not only the total volume that is at stake but the shift to investment in high-tech industries that is particularly alarming.[17]

Interestingly, opinions on the business issue are often correlated with those on the national identity issue. In general, Taiwan independence supporters are more likely than those in favour of reunification to oppose trade with China on the grounds that it will adversely affect Taiwan's security, and thus its independent status.[18] However, the fact remains that it is extremely difficult for the ROC

[12] For an account of how this decision was made, see John Fuh-sheng Hsieh, 'Comparing the Making of the ROC's Mainland Policy and the PRC's Taiwan Policy', *Issues & Studies*, vol. 34, no. 9, 1998, pp. 82, 86–9.

[13] Approximately 2.4 million people went to China from January to November 2000. See www.mac.gov.tw/statistic/ass_em/8912s.gif

[14] Ibid.

[15] See www.mac.gov.tw/statistic/ass_em/9001s.gif

[16] See www.mac.gov.tw/statistic/ass_em/8912s.gif

[17] See, for example, Peggy Pei-chen Chang and Tun-jen Cheng, 'The Rise of Information Technology Industry on the Mainland China: A Formidable Challenge to Taiwan's Economy', paper presented at Conference on Taiwan Issues, University of South Carolina, Columbia, SC, 20–22 April 2001.

[18] See John Fuh-sheng Hsieh, 'Torn between Butter and Guns: The Making of Taiwan's Mainland China Policy', paper presented at the 30th Sino-American Conference on Contemporary China, University of California, San Diego, 4–5 May 2001.

Table 2. The share of the cross-Strait trade in Taiwan's total foreign trade (%)

Year	Export share	Import share	Total trade share
1979	0.13	0.38	0.25
1980	1.19	0.39	0.79
1981	1.70	0.35	1.05
1982	0.88	0.44	0.68
1983	0.80	0.44	0.64
1984	1.40	0.58	1.06
1985	3.21	0.58	2.17
1986	2.04	0.60	1.49
1987	2.28	0.83	1.71
1988	3.70	0.96	2.47
1989	5.03	1.22	3.31
1990	6.54	1.40	4.23
1991	9.84	1.79	6.20
1992	12.95	1.55	7.60
1993	16.47	1.43	9.32
1994	17.22	2.18	10.02
1995	17.40	2.98	10.46
1996	17.87	3.02	10.95
1997	18.39	3.42	11.15
1998	17.94	3.93	11.13
1999	17.53	4.09	11.13
2000	16.87	4.44	10.84

Source: Estimated by the Mainland Affairs Council, Executive Yuan, Republic of China. See www.mac.gov.tw/english/CSExchan/890124/table4.gif

government to curb business dealings with China. The economic interests involved are in fact so great that they impose pressure on the government to change its policy. Just as with the military threat, business interests to some degree constrain the Taiwanese government from moving towards independence.

The United States' attitude also plays a significant role. Taiwan relies so heavily upon the United States economically and militarily that without US support the very survival of Taiwan might be in jeopardy. Thus, the US attitude is critical in Taiwan's decisions to formulate its mainland policy. The US position is largely defensive. Recognising the significant role played by China in the global community, the United States would like to see China act as a stabilising factor. Furthermore, there are, of course, huge economic interests involved as well. The US has continuously stressed peace and stability in the region, and has discouraged any escalation of tensions between Taiwan and China. It is under such circumstances that the United States' Taiwan policy has been, in Lynn White's words, defending 'Taiwan's current liberalism, but not self-determination'.[19] In his talk in Shanghai on 30 June 1998, US President Bill

[19] Lynn T. White III, 'The Effects of American Interests on the China—Taiwan Dispute', *Cambridge Review of International Affairs*, vol. 14, no. 2, 2001, pp. 139.

Clinton maintained, 'I had a chance to reiterate our Taiwan policy, which is that we don't support independence for Taiwan, or two Chinas, or one Taiwan – one China. And we don't believe that Taiwan should be a member in any organisation for which statehood is a requirement.' He proclaimed that the United States had a 'consistent policy'.[20] In preparing his inaugural speech, then President-elect Chen Shui-bian was quoted as saying that it would satisfy the United States but not give China any excuse for accusing Taiwan of being provocative and making trouble.[21] His statement vividly reflects the external constraints that prevent Taiwan from moving towards *de jure* independence.

Conclusion

As is clear from the above discussion, it is very difficult for Taiwan to change the *status quo*. Immediate reunification is not an attractive option and there are tremendous constraints, both internally and externally, keeping Taiwan from pursuing *de jure* independence. As long as Taiwan maintains a semblance of Chineseness and does not push for *de jure* independence, China may also refrain from taking drastic action, which might threaten certain strategic interests. This is because, for China, socioeconomic development is a paramount concern and economic ties with the United States are critical. If this is indeed the case, then the *status quo* will continue to prevail in the foreseeable future.

[20] See 'Remarks in a Roundtable Discussion on Shaping China for the 21st Century in Shanghai, China, 30 June 1998', *Weekly Compilation of Presidential Documents*, vol. 34, no. 27, 1998, p. 1272. Although President George W. Bush seems more friendly towards Taiwan, the US policy remains more or less 'consistent'.

[21] See www.chinatimes.com/report/abian2000/china/89503f10.htm