

Can Taiwan Escape China's Ever-Tightening Embrace?



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Kinmen Island, Taiwan—A half century ago the world seemed poised for war over the island of Kinmen, known then as Quemoy. Today Kinmen has become a transit point between Taiwan and China, as tourists tread where bombs once fell. But this peaceful traffic also may threaten Taiwan, albeit in a very different way.

In 1949 the Communist Party pushed Chiang Kai-shek's Republic of China off the Chinese mainland. Chiang retreated to the island of Taiwan, seized by Japan in 1895 and returned at the end of World War II. The ROC also retained control of several smaller islands off the mainland's coast, including Kinmen.

The newly created People's Republic of China attempted to forcibly reclaim the latter in October 1949, but failed after a three-day battle. After that a Chinese Cold War ensued, with the Communist regime periodically shelling Kinmen and threatening another invasion.

The Nationalist government developed a vast underground military complex and honeycombed the island with bunkers. Up into the 1980s the island was under military administration and official visitors would be flown in low over the water in military aircraft. Although no shots had been fired in years, the potential for war seemed real.

The PRC and ROC maintained dueling claims as the sole legitimate government of China, but the balance steadily shifted in favor of the former. Even the U.S. eventually switched recognition, though it kept close, unofficial ties with Taiwan.

Beijing's economic success has transformed the competition between the two Chinas. Fifteen years ago China responded to Taiwan's presidential election—won by Lee Teng-hui, a strong advocate of Taiwan's sovereignty—with conveniently timed “missile tests.” Since then the PRC has abandoned overt military pressure, while refusing to formally eschew the use of military force.

Thus, the mainland's mailed fist still lurks in the background. Indeed, both nations are engaged in almost continuous military shadow-boxing. With great fanfare China recently launched its first aircraft carrier, the *Varyag*. I was visiting Taiwan in early August when

the ship began its first sea trials. On the same day, Taiwan's Ministry of National Defense highlighted its newest cruise missile, the Hsiung Feng III, as an "aircraft carrier killer."

But overall, worried Lin Wen-cheng, executive director of the Institute for National Policy Research, "because the balance of military power has been changed in recent decades, it is very hard to resist pressure from the PRC." Clearly international good will is no defense. Wang Jin-pyng, president of the Legislative Yuan (or parliament), observed: "because there is so much unpredictability in Mainland China our security cannot solely depend on Mainland China."

So Taiwan continues to purchase weapons from the U.S. In fact, one of the sharpest disagreements between Washington and Beijing is over U.S. arms sales to Taiwan. While breaking relations with the ROC more than three decades ago, Washington promised to continue supplying Taipei's military. However, China has grown increasingly angry over American transfers; after the Obama administration announced its latest package last year the PRC temporarily cut bilateral military ties.

Now the Administration reportedly has decided against selling the F-16 C/Ds needed by Taiwan to contest air superiority over the Taiwan Strait. Vice Defense Minister Yang Nien-Dzu (Andrew) expressed concern that without the newer planes "we lose our leverage and immediately face the challenge of fulfilling our responsibility of preserving peace and stability in the region." The issue has a diplomatic impact as well. Explained Ambassador Chen S.F. (Stephen), now at the National Policy Foundation, a stronger defense would enhance Taiwan's bargaining power: "when we enter into political negotiations with the mainland we need to go into negotiations from a position of strength."

With the election of Ma Ying-jeou as president in 2008, Taipei changed course, moderating its push for recognition as a separate country. For instance, no longer is Taiwan pursuing its hopeless quest to get back into the United Nations.

China also eased the diplomatic competition. Both governments closed their checkbooks and ended their expensive use of foreign aid to add or subtract to the 23 small nations which now recognize the ROC.

Most significant, the two nations now emphasize economic and cultural interdependence. Investment and trade originally developed through Hong Kong. But eventually the two Chinas dropped the pretense (and expense) of indirect dealings.

Today 70 percent of Taiwanese investment goes to the Mainland, where nearly 100,000 Taiwanese businesses operate. The PRC accounts for 41 percent of Taiwan's international commerce.

Economic ties would increase naturally, but both Chinas are accelerating the process. Chao Chien-min, Deputy Minister of the Mainland Affairs Council, said that Taipei is

“trying to change the relationship from a one-way street to a two-way street.” So far the two countries—they actually deal with each other through unofficial organizations since neither formally recognizes the other—have reached 15 cross-strait agreements on issues ranging from tourism to fisheries to crime.

Taiwan has steadily loosened restrictions on Chinese tourists, who have become a common sight at the National Palace Museum and elsewhere. Some 5.71 million Mainland residents have visited Taiwan since July 2008.

The most important accord, finalized last year, is the Economic Cooperation Framework Agreement, which significantly lowered economic barriers. Tariffs on hundreds of products will be eliminated over time.

These growing economic ties have profited both sides. However, the PRC wants more than closer relations. It wants sovereign control. Although Beijing has suggested some form of autonomy for Taiwan, there is no doubt where ultimate authority would lie.

Yet as economic links have tightened, the Taiwanese people have moved in the opposite direction politically, ever more determined to retain their independence, *de facto* if not *de jure*. The more they learn about the PRC, the less it seems they want to be ruled by Beijing.

Observed Huang W.F. (David) of National Taiwan University, “more and more Taiwanese realize that they are different than people from the Mainland.” But even if they were the same, why would 23 million people wish to submerge their prosperous and robust democracy in a nation of 1.3 billion, topped by an oppressive autocracy and threatened by violent social unrest?

However, ECFA “is all about politics,” wrote John Lee of Sidney’s Centre for Independent Studies. In China’s view “this is about enmeshing the two economies in such a way that Taiwan’s future is tied to China’s.”

Which is precisely what Professor Huang fears: “our autonomy is eroding through closer economic integration with China.” He predicted that “If this goes on for ten years, Taiwan will lose its autonomy.” Huang particularly pointed to Chinese influence over the media. Hsiao Bi-khim, a former legislator and head of the opposition Democratic Progressive Party’s Department of International Affairs, voiced similar concern, stating that “some of the media practices self-censorship” in hopes of profiting from Mainland business.

Government officials respond that Chinese visitors are impressed by Taiwan’s open political process and its people’s willingness to criticize political leaders. Ambassador Chen argued that Taiwan “may be the only country which can impact the development of the Mainland.” In his view, Chinese visitors “want to see the way of life here,” including Taiwan’s democracy. Ding Shuh-fan (Arthur) of the Institute of International Relations

contended that the way ‘to improve the situation is to make people in Taiwan more identify with Taiwan,’ in which case they will keep their autonomy.

On the other hand, it is hard not to feel that some of these arguments are born of desperation: Ending economic ties with the PRC is inconceivable, ergo they must be beneficial. Hsiao Bi-khim is less sanguine: “Instead of Taiwan trying to change China, we see China trying to change Taiwan.” This fear, she claimed, has caused an increasing number of businessmen to secretly support the DPP.

How to best preserve Taiwan’s autonomy is an important issue with legislative and presidential elections scheduled for January. Traditionally the ruling Kuomintang, or KMT, insisted that the ROC was the rightful ruler of all China. Today the KMT promotes Taiwan’s separate existence, while pressing for a more conciliatory policy towards Beijing. President Ma has espoused “no unification, no independence, and no use of force.”

Economic integration, exemplified by ECFA, is the centerpiece of KMT policy. President Ma declared: “We have transformed the Taiwan Strait from a danger zone into a peace corridor.” And the process is not over. Chao Chien-min said that “if President Ma is reelected the current pace will be continued.”

What of political integration, as desired by the PRC? Ambassador Chen said President Ma has refused to talk about reunification: “Maintenance of the status quo is his top priority.” However, some question the KMT’s commitment to Taiwanese sovereignty. Hsiao Bi-khim said “The perception of our supporters is that Ma is getting too close to China” and they “suspect that Ma would move faster [if reelected] toward political integration.”

The opposition DPP once formally advocated independence. Today it reluctantly accepts the status quo, while pushing to enlarge Taiwan’s international space. The DPP has been critical of Taiwan’s growing economic dependence on the PRC.

Nevertheless, DPP presidential candidate Tsai Ing-wen has pledged to continue negotiating with China, but without preconditions. Chao was skeptical, contending that “if the opposition wins we are going to have a problem” since the DPP does not agree with the so-called “92 consensus,” by which Beijing and Taipei fudged the status of Taiwan (one China, interpreted differently). Without that agreement, he argued, the Chinese may not continue negotiations, since doing so could lead to charges “of accommodating Taiwan’s independence.” Lin Wen-cheng similarly warned that “the PRC may grow frustrated and discontinue talks” in the event of a DPP victory.

However, Hsiao Bi-khim responded that the “so-called 92 consensus is a very weak foundation.” There was no real consensus in 1992 between Taipei and Beijing, she argued, and “there is no domestically agreed to consensus.” The only real consensus might be “between the KMT and the Chinese Communist Party.”

She noted that the PRC could be expected to attempt to contribute to the DPP's defeat, as in the past, but that does not mean Beijing would not talk with a Tsai government. Hsiao said there is "no way to come up with a formulation to make China happy, so we won't try to play with words." Instead, "we need to deal with China and build a stable framework with each other." She said that former President Chen, the first DPP president, tried to be flexible after his election in 2000, but the PRC "was not prepared to respond" and "the window of opportunity closed quickly."

As for ECFA and the other deals, "We would constantly review them to see if they benefit or hurt the national interest." However, "whether we should change or even eliminate them is another question." The issue, Hsiao explained, would "need to be addressed as part of the normal democratic process like any other international agreement."

Although the DPP has emphasized domestic economic issues, Lin Wen-cheng figures that the KMT will press Tsai to answer the China question. Until now, he said, she "has tried to avoid any discussion of this." Yet no one really expects the DPP, even if it wins the presidency and control of the legislature, to tear up existing economic accords.

Indeed, Chang Chung-Young of Fo Guang University predicted that even "if the DPP takes power next year they might change their perspective and not go back to the confrontational perspective of three years ago." Chyungly Lee of National Chengchi University suggested that practical necessity would triumph: "cross-strait economic relations are irreversible." They "cannot be reversed."

He's almost certainly correct. Who in Taiwan wants to give up the extra money earned from commerce and tourism? Who in Taiwan wants to listen to a renewed litany of threats from Beijing? Who on Kinmen wants to head back to a bomb shelter to escape an artillery barrage from the Mainland?

Whoever wins in January will face only difficult choices. As Chao Chien-min acknowledged, "China is doing everything to exploit its strength." Today that influence in Taiwan is more economic than military.

How can Taiwan escape Beijing's potentially suffocating embrace? It won't be easy. Government Information Minister Yang Y.M. (Philip) observed: "We need to be prudent and patient in dealing with cross-strait relations" in order to "maintain our independence and prosperity."

The Taiwanese people have built an engaging, vibrant, and free society. One can only hope that sufficient prudence and patience exists on both sides of the Taiwan Strait.