

Taiwan's 2004 Presidential Election: The End of Chen Shui-bian's "Strategic Ambiguity" on Cross-Strait Relations?

Cal Clark

The dramatic victory of incumbent President Chen Shui-bian of the Democratic Progressive Party (DPP) in the 2004 presidential election in Taiwan is almost universally considered to be fraught with important implications for the future of Taiwan. Chen's campaign emphasized a Taiwanese nationalism that was directed both at resisting the People's Republic of China (PRC) which claims sovereignty over Taiwan and at promoting "ethnic justice" for the long-time residents of Taiwan who were marginalized politically under the authoritarian regime of the Nationalist or Kuomintang Party (KMT) from the mid-1940s through the late 1980s.¹ Whatever its considerable implications for domestic politics, Chen's victory was almost certain to exacerbate the prevailing tensions in cross-strait relations between Taiwan and China which claims sovereignty over Taiwan and views Chen as a "splittist" advocate of Taiwanese independence.

As sketched in Table 1, cross-strait relations between China and Taiwan have changed drastically during the postwar era. In particular, the level of hostility and conflict between Beijing and Taipei has followed a U-shaped pattern of first declining and then increasing again, albeit not to the heights of the early Cold War period. From the end of the Chinese Civil War in 1949 through about 1980, the relations between the Republic of China (ROC) and PRC were marked by *unremitting hostility*. Both Taipei and Beijing claimed to be the sole legitimate government for all of China which, they both agreed, included Taiwan. Thus, they were irreconcilable enemies. By the early 1980s, though, a *hesitant rapprochement* emerged as the two regimes appeared to be at least tacitly willing to "live and let live" for the indefinite future. Initially in this period, China pursued a "peace offensive" by trying to get Taiwan to agree to Deng Xiaoping's idea of Unification through "one country, two systems," while Taiwan adamantly rejected any negotiations because of its much weaker bargaining position. In the late 1980s and early 1990s, in contrast, Taiwan initiated its "pragmatic diplomacy" which tried to balance a push to

upgrade its international status with some contacts with China (e.g., the Koo-Wang talks of 1993) and especially with the tremendous growth of economic and social interactions across the Strait. For most of the first half of the 1990s, this policy appeared to be working. However, increasing Chinese frustration over Taiwan's "creeping officiality" in international affairs finally exploded after the United States gave President Lee Teng-hui permission to visit his *alma mater*, Cornell University, in the summer of 1995, setting off another period of growing tensions labeled *the new battle over sovereignty* in Table 1 which, as noted in this table, has been renewed and intensified every few years since then.²

The dynamics of Taiwan's policy toward cross-Strait relations appear to be somewhat different during the two presidential administrations of Lee Teng-hui of the KMT (1988-2000) and Chen Shui-bian of the DPP (2000-present). Lee began pursuing both the upgrading of Taiwan's international status and the stabilization of relations with China. Until the Taiwan Strait crisis of 1995-1996 exploded, he was seen as being quite successful in this somewhat precarious balancing act and as creatively staking out the middle ground in Taiwan's domestic politics between the pro-independence DPP and the pro-unification (with China) old guard of the KMT. Following this crisis, Lee

Table 1
Periods in Cross-Strait Relations

ERA	APPROXIMATE TIME	POLICIES
I. UNREMITTING HOSTILITY		Both Beijing & Taipei claim to be sole government for all China
A. Potentially Hot War	1949-1962	Significant threat of war until
B. Cold War	1963-1980	early 1960s
II. HESITANT RAPPROCHEMENT		Both seemingly willing to accept the other for indefinite future
A. China's "Peace Offensive"	1980-1988	Taiwan's "3 Nos" in face of China's much stronger position
B. Mutual Accommodation	1989-1995	Taiwan's "pragmatic diplomacy" balances reasserting diplomatic status with greater contacts with China
III. THE NEW BATTLE OVER SOVEREIGNTY		
A. China's Failed Intimidation	1995-1996	Retaliation against President Lee's visit to US fails to affect 1996 presidential election in Taiwan
B. Cold Peace	1996-1999	Return to normalcy, but greater hostility between top leaders
C. Challenge & Counter-Challenge	1999-2004	Both sides more assertive about conflicting sovereignty claims
1. Lee's "Special State-to-State Relations"	1999	
2. Beijing's demand Taiwan accept "One China"	2000	
3. Chen's "One Country on Each Side of Strait"	2002	

became much more hard-line in dealing with China.³ In contrast to this fairly linear policy development under Lee, Chen Shui-bian's policy toward China seems to have jumped back and forth over time, creating what might be called "strategic ambiguity." A key question about the 2004 presidential election, therefore, is whether Chen's nationalistic campaign has destroyed this "strategic ambiguity" and made confrontation with China considerably more likely.

This article, hence, examines the implications of the presidential election in Taiwan for cross-Strait relations between Taiwan and China. There appear to be two likely scenarios. The first (and more optimistic) might be termed "the more things change, the more they stay the same." This assumes that neither Beijing nor Taipei wishes to provoke military confrontation or conflict. Consequently, while both will continue to irritate the other, cross-Strait relations will continue to be fairly stable. The second (and much more pessimistic) foresees escalating tensions due to the growing nationalism in both China and Taiwan. At the moment, it is difficult to assess which of these scenarios is more likely.

The article is divided into three sections. The first argues that Chen Shui-bian's policies on cross-Strait relations and national identity can be conceptualized as representing a "strategic ambiguity" that generally worked to augment his domestic support, although at the cost of aggravating tension with China and (to a much lesser extent) the United States. The second describes how Chen's campaign tactics in the March presidential election moved away from this "ambiguity" by emphasizing Taiwanese nationalism in an attempt to mobilize his "base constituency." Finally, the concluding section seeks to assess what the election might portend for cross-Strait relations and finds, perhaps surprisingly, that Chen has seemingly reoriented his policy after failing to win a majority in the Legislative Yuan in the December 2004 legislative elections, thereby (at least potentially) helping to de-escalate tensions in the Taiwan Strait.

Chen's Policy on Cross-Strait Relations: A New Type of "Strategic Ambiguity"

The policy of the United States toward cross-Strait relations has often been described or conceptualized as one of "strategic ambiguity."⁴ That is, the United States does not specify in advance what it will do if a crisis erupts. In theory, at least, this deters both China and Taiwan from challenging the *status quo* too strongly by, for instance, resorting to military actions or declaring Taiwanese independence. Chen Shui-bian's policy on cross-Strait relations can also be seen as representing "strategic ambiguity" in the sense that the relationship between his policy and Taiwanese independence remains somewhat ambiguous. This has had several advantages. First, in terms of domestic politics, it has allowed him to appeal to both his party's "base constituency" (i.e., his most committed and ideological supporters) that strongly supports independence and to broader segments of the public who do not necessarily favor independence. Chen's two victories in the presidential elections of 2000 and 2004 indicate that he has been quite successful in these efforts. Internationally, strategic ambiguity allows Chen to take some initiatives that raise hackles in Beijing and, to a lesser extent, Washington, while claiming that

they do not violate the PRC's demands that Taiwan not declare independence. The success here is harder to evaluate. On the one hand, Chen's policies have not provoked a major crisis or military confrontation; on the other, cross-Strait tensions have certainly risen considerably in the last several years.

A second distinction between policy types in the area of national identity is also important for understanding the implications of Chen Shui-bian's "strategic ambiguity" for cross-Strait relations. Chen's appeals to Taiwanese nationalism have two components which are intertwined but which differ considerably in their import for relations with Beijing. One is an appeal for "ethnic justice" for Islanders or native Taiwanese (as opposed to the Mainlanders who came to Taiwan with Chiang Kai-shek); and the other is the advocacy of a truly Taiwanese state. The first does not directly raise the issue of Taiwanese independence, although it certainly appeals to supporters of Taiwanese independence. The second, in contrast, challenges the Chinese views on sovereignty directly and, depending upon how adeptly Chen manipulates "strategic ambiguity," approaches or crosses the marker that Beijing has set that Taiwanese independence is a *casus belli*.

The past success of Chen's policy of strategic ambiguity rests on changes during the 1990s in the positions of the DPP and Chen himself on cross-Strait relations. At the beginning of the 1990s, the DPP gained a radical image on this issue when it added a pro-independence plank to its party charter in 1991 as the result of a factional compromise.⁵ Yet, the party soon began to moderate its position on Taiwanese independence, undoubtedly in large part because it did badly in campaigns focusing on independence (e.g., the 1991 National Assembly, 1994 provincial governor, and 1996 presidential elections); and the harsh Chinese threats during the 1995-96 Taiwan Strait crisis seemingly convinced the DPP that Taiwanese independence was an unrealistic goal. Thus, the DPP downplayed without renouncing Taiwanese independence.

In order to justify this new position, some of its leaders developed the argument that Taiwan already was independent. Consequently, it did not have to declare independence formally, thereby avoiding a direct challenge to the PRC. Indeed, the evident desire of most DPP politicians to move toward a more centrist view on national identity and cross-Strait relations caused several leaders and groups to defect from the DPP and to form the Taiwanese Independence Party (TAIP) in 1996, claiming that the DPP had forsaken its major issue. This, in turn, helped to moderate the image of the DPP.⁶

Over the 1990s, not just the DPP, but Chen Shui-bian himself, moved away from Taiwanese nationalism and support for Taiwanese independence. Shelley Rigger noted that, for example, Chen had supported Taiwanese independence when he ran for the legislature in the early 1990s from a multi-member district where Taiwan's electoral system of the "single nontransferable vote" means that a fairly small percentage of the voters can elect a candidate, thereby encouraging radical stances. In contrast, when he ran for mayor of Taipei in 1994 and 1998 and for president in 2000, he took much more measured positions on cross-Strait relations.⁷ Thus, Chen, like the DPP as a party, evidently concluded that the majority of voters were moderate on national identity and cross-Strait relations. Consequently, winning elections depended upon appealing

to the “moderate middle” of the citizenry. This assumption, incidentally, was corroborated by public opinion polls throughout the 1990s which showed that people on Taiwan were much more supportive of the *status quo* in cross-Strait relations than either Taiwanese independence or Unification with China.⁸

During his first administration, Chen Shui-bian’s policy of strategic ambiguity on national identity and cross-Strait relations took several forms. Initially, he emphasized domestic issues appealing to Taiwanese nationalism that did not directly challenge China’s position on Taiwanese independence. For example, Wei-chin Lee argues that Chen promoted a “cultural revolution” (reference to Mao’s Cultural Revolution intentional) that included such initiatives as changing the name of many agencies and organizations to stress “Taiwan,” promoting Taiwanese in language policy, revising the official policy toward the mass media to reverse the previous KMT domination of outlets (including the encouragement of “underground radio stations”), and changing the focus from Chinese to Taiwanese history in education policy.⁹ All these certainly represented Taiwanese nationalism. Yet, none really constituted an unambiguous step toward Taiwanese independence that would provoke China too greatly.

In contrast, his explicit policy on cross-Strait relations *per se* was considerably more conciliatory and circumspect, at least initially. Chen’s victory in 2000 certainly raised fears that a new crisis in the Taiwan Strait was in the offing due to Beijing’s claims that he was a supporter of Taiwanese independence which the PRC considered a *casus belli*. However, he sought to defuse these fears and to reassure Beijing with the “5 Nos” in his inaugural speech that he would not do anything to change Taiwan’s status unless the PRC intervened militarily.¹⁰ China responded with studied contempt to Chen’s conciliatory approach. It quickly switched its primary demand from Taiwan’s not declaring independence to Taiwan’s accepting the “One China Principle,” a certain “deal-breaker.” After two years of frustration, Chen took a much sharper position on cross-Strait relations in the summer of 2002, advancing a theory that “one country on each side of the Taiwan Strait” existed, provoking significant unhappiness in both Beijing and Washington. Even here, though, Chen sought to retain “strategic ambiguity” by denying that this constituted a declaration of independence.¹¹

In the field of economic policy, moreover, Chen Shui-bian actually relaxed restrictions on interactions with China that his predecessor, Lee Teng-hui, had instituted to slow down the growing economic integration between Taiwan and China. A combination of Taiwan’s changing place in the global economy (i.e., being priced out of low-cost, labor-intensification production) and relaxation of prohibitions against contacts with the Mainland stimulated an explosion of Taiwanese investment in China during the 1990s. This, in turn, led to growing fears in Taipei that the PRC would gain unacceptable economic and even political (through pressures from Taiwanese tycoons with business interests in China) leverage over Taipei. In response, Lee initiated his “No Haste, Be Patient” policy of restrictions on investment in China which by the end of his term was being openly denounced by leading business interests. With a growing recession in 2001 placing more stress on Taiwan’s domestic economy, Chen (despite obviously sharing some of Lee’s concerns about economic de-

pendence on the PRC) instituted the more liberal “Active Opening, Effective Management” policy on Mainland investment and economic ties.¹²

Chen Shui-bian was also at least somewhat more accommodating than Lee Teng-hui had been toward the Chinese initiative to establish the “three direct links” (trade, transportation, and communications) rather than having these economic interactions go through third countries, such as Hong Kong or Japan. Under Lee Teng-hui, the “three links” were prohibited because of fears that they might exacerbate dependency upon the PRC. Chen actually criticized this policy during the 2000 campaign and then allowed “mini-links” to be established through Quemoy, although these never developed very much due at least in part to an evident lack of interest on China’s part. Any progress on this issue then fell victim to China’s refusal to talk with Taipei until it accepted the “One China Principle.” Indeed, the PRC announced in 2003 that no progress would be made on establishing the “three links” until after the election—a fairly transparent method of endorsing the Pan-Blue ticket by denying President Chen the opportunity to claim a diplomatic victory.¹³

Chen Shui-bian’s Emphasis on Taiwanese Nationalism in the 2004 Elections

The 2004 presidential election differed from the 2000 one in the nature of the party system, even though the major candidates were the same. Following democratization in the early 1990s, a plethora of parties formed, but political competition in Taiwan during the 1990s was primarily between two major parties, the ruling KMT and the opposition DPP. In the 2000 presidential election, though, a three-candidate race emerged when the popular and charismatic James Soong ran as an Independent after failing to gain a place on the KMT ticket due to Lee Teng-hui’s opposition. Following the KMT’s election defeat, the top leaders fell out among themselves, leading to the creation of two new significant parties. James Soong founded a new party, the People First Party or PFP, which soon became allied with the KMT in the Pan-Blue bloc (named for one of the colors of the KMT’s party flag). After being forced out as Party Chair by Lien Chan, the KMT’s losing presidential candidate, Lee Teng-hui became the godfather of the Taiwan Solidarity Union or TSU. Despite Lee’s past status as the KMT leader, the TSU became allied with the DPP in the Pan-Green bloc (named for the color of the DPP flag) and actually became the most radical party in support of Taiwanese independence.¹⁴ In the 2004 presidential election, Chen and his Vice President Annette Lu faced off against a Blue ticket of the KMT’s Lien Chan for President and the PFP’s James Soong for vice president.

In contrast to the “strategic ambiguity” that marked much of his first term, Chen Shui-bian and his Pan-Green Coalition of the DPP and the TSU ran a campaign in the 2004 presidential election that appealed strongly to Taiwanese nationalism. Jacques deLisle termed it the “Taiwan Yes!; (China No!)” campaign after one of its central themes and slogans.¹⁵ Part of the reason for this strong dose of Taiwanese nationalism almost certainly came from the fact that Chen clearly trailed in the polls by ten percentage points or more as the campaign got started in earnest in the fall of 2003.¹⁶ Candidates who are behind need to be aggressive and to “shake up the pot” in the hope of chang-

ing the dynamics of the election. Given the centrality of national identity and cross-Strait relations in Taiwan politics, there were few (if any) alternative issues to ride.¹⁷ Moreover, DPP campaigns have traditionally emphasized mobilizing supporters in large campaign rallies;¹⁸ and the emotionally laden national identity issue is clearly the best way to generate such enthusiasm and support among the Pan-Green “base.” Thus, Chen and his Green bloc evidently made the calculation that they would get more votes by appealing to their committed constituency rather than to the “moderate middle,” similarly to the major parties in the United States recently.¹⁹

In particular, three principal initiatives during the campaign represented explicit appeals to Taiwanese nationalism: 1) holding a referendum on policy toward China simultaneously with the presidential election, 2) expressing a strong commitment for constitutional change, and 3) and organizing the “2-2-8 Hand-in-Hand Rally.” All three were generally seen as reflecting a fairly radical Taiwanese nationalism, although Chen tried to frame at least two of them so they could still be viewed with “strategic ambiguity.” The first two could be viewed (as indeed they were in Beijing) as constituting important institutional steps toward Taiwanese independence. Yet, Chen presented them as having little if anything to do with independence, but rather as the means for attacking other, less sensitive issues and problems. In contrast, the third could be taken as a strong symbolic assertion of Taiwanese independence, but because of its symbolic nature, all it did was “send a message” rather than constituting an institutional precedent that China could revile. Still, these seeming attempts to preserve “strategic ambiguity” did little to soften Chen’s campaign in the eyes of many observers, both in Taiwan and abroad.²⁰

The DPP had initially advocated a referendum for declaring Taiwanese independence in the early 1990s. Thus, the idea of adopting legislation to allow referenda and of holding referenda strongly appeals to the DPP “base,” raises consternation in Beijing, and is viewed with some suspicion in Washington as potentially destabilizing cross-Strait relations. Referenda, of course, can be held on many issues that have nothing to do with Taiwanese independence and the island’s status and sovereignty (e.g., a township referendum that was held on whether it should get a freeway exit). Indeed, when Chen began to push for a referendum law in 2003 with the goal of holding a referendum simultaneously with the presidential election, he took more than a little care to choose issues that did not involve a direct change in Taiwan’s status or declaration of independence (e.g., whether Taiwan should be granted membership in the World Health Organization or WHO which appealed to the presumably large majority of citizens who were frustrated and angered over the PRC’s ability to deny Taiwan status and “face” in international affairs). As Shelley Rigger argues, this certainly appears to have been politically motivated in terms of the upcoming election:

The theory is that referendums, especially symbolic ones like that on the WHO, will help the DPP politically by mobilizing the party base and perhaps even exciting patriotic emotions that will draw votes beyond the DPP’s traditional supporters. Holding the referendum together with the presidential election would allow enthusiasm for the referendum to spill over into the presidential race.²¹

Chen Shui-bian's advocacy of a referendum turned out to have two quite distinct and separate appeals. It certainly appealed to supporters of Taiwanese independence among the Pan-Green forces.²² It also had wide support among the general public who rejected independence as too radical and provocative, presumably because referenda were seen as a way of surmounting the ongoing gridlock in Taiwan's politics. Consequently, the politics of the referendum issue during 2003-2004 turned out to be quite convoluted. The legislative enactment involved a three-sided struggle among Chen, more radical Pan-Green advocates of using the referendum to achieve Taiwanese independence, and the narrow Pan-Blue majority in the Legislative Yuan who initially opposed passing a referendum law but came to support the idea when its strong popular support became apparent. Ironically, Chen ultimately used a referendum law that was passed by the reluctant Pan-Blue forces to hold referenda on two issues—whether Taiwan should build up its military in the face of the growing threat from China and whether Taiwan should negotiate with China (the subjects of the referenda that Chen proposed changed considerably over time). On election day, a Pan-Blue boycott resulted in only 45% of the electorate voting on them (as opposed to the 80% who voted in the presidential race), causing them to fail despite overwhelming support of the votes cast because they obviously could not get the 50% of the electorate necessary for passage.²³

The same logic applies to Chen Shui-bian's campaign promise to promote major constitutional change and revision.²⁴ On the one hand, DPP factions and members have long advocated the need for a new Constitution to achieve, in essence, Taiwanese independence by, for example, renaming the country the Republic of Taiwan; and Lee Teng-hui and the Taiwan Solidarity Union are now strongly advocating a new Constitution for a new nation. On the other hand, the need for constitutional change and reform in Taiwan is very widely acknowledged as well. Consequently, just as with the referendum issue, Chen's advocacy of constitutional reform appealed both to the Pan-Green base (while raising fears in Beijing and, to a lesser extent, Washington) and to the "moderate middle" of the citizenry as well, framing the issue in a way that probably benefited Chen at the polls.

The high point of the Pan-Green campaign was the "2-2-8 Hand-in-Hand" rally which was held "to protest China's military threats and to give the world a clear message that the people of Taiwan want peace, not war." The rally involved a human chain of an estimated two million people that stretched from the north to the south of Taiwan, with Chen Shui-bian and Lee Teng-hui clasping each other's hands in Miaoli County. The huge turnout certainly proved the rally to be a tremendous success in igniting Pan-Green supporters. It also was highly symbolic. It was held at 2:28 p.m. on February 28th, thereby commemorating the tragedy of "2-2-8" (see Footnote 1). In addition, it was modeled on a 1989 human chain in what were then the Baltic Republics of Estonia, Latvia, and Lithuania of the Soviet Union, protesting the Soviet occupation of what are now three independent nations.²⁵ The implicit calls for "ethnic justice" internally and independence from China externally, therefore, were far from subtle. This certainly reinforced perceptions that Chen had abandoned "strategic ambiguity" and was willing to "push the envelop" on the independence issue.

The Implications of Chen's Victory for Cross-Strait Relations

The results in 2004 were quite dramatic as Chen won re-election by the razor-thin margin of 50.1% to 49.9% against the Lien-Soong ticket, helped to victory almost certainly by a failed assassination attempt against Chen and his vice president on election eve which created a significant jump in support for the Green ticket in tracking polls.²⁶ The 2004 presidential election in Taiwan appeared momentous to many, despite the almost even division of the electorate. Not only did Chen win re-election, but public opinion on national identity and cross-Strait relations was seemingly redefined to become considerably closer to the Pan-Green position. Support for this conclusion does not just come from those sympathetic to Chen and Lee Teng-hui. Rather, it is strongly validated by the actions and words of the Pan-Blue leadership. For example, during their finally massive campaign rallies both Lien Chan and James Soong kissed the ground in Taipei and Taichung respectively to demonstrate their devotion and loyalty to Taiwan; and Lien Chan was quoted as saying, "There is one state on each side of the Taiwan Strait," thereby echoing what was seen as a highly provocative argument by Chen Shui-bian just two years before.²⁷

Such changes in Taiwan politics would be expected to roil cross-Strait relations. Certainly, China had seemingly concluded before the campaign was very far along that Chen was a "splittist" determined achieve Taiwanese independence. Thus, while Chen's inaugural speech (as in 2000) was fairly conciliatory, this time Beijing's response was much harsher and threatened both formally and informally to attack Taiwan if Chen continued his path toward independence.²⁸ During the Summer of 2004, Chinese war games and charges by top Taiwan officials that China was preparing for war suggest heightened dangers in the Taiwan Strait.²⁹ Still, many observers saw the relations between Beijing and Taipei as returning to an uneasy equilibrium somewhere between "cold peace" and "cold war."³⁰

The run-up to the elections for the Legislative Yuan in December again spurred Chen and the Green bloc to stress Taiwanese nationalism in their campaigns, to such an extent that not just Beijing but Washington as well began to express fears that Chen's support for Taiwanese independence was threatening peace and stability in the Taiwan Strait.³¹ In addition to replicating his strategy in the presidential campaign, Chen came under pressure because of competition that DPP candidates faced from TSU rivals in multi-member districts who advocated Taiwanese independence:

But in the final weeks of the campaign, politics within the pro-independence bloc took an alarming turn for President Chen. Frustrated that he had not moved even faster toward independence after winning a second term last March, many hard line advocates of independence began switching their support to the Taiwan Solidarity Union.³²

Thus, as the elections for the Legislative Yuan approached, the stage seemed to be set for cross-Strait relations to degenerate into the second and more pessimistic scenario sketched in the Introduction of escalating tension and potential for a military crisis. Indeed, the Bush administration evidently con-

cluded from Chen Shui-bian's presidential campaign that the assertiveness of the Taiwan government in moving toward independence ran the real risk of creating a crisis in the Taiwan Strait.³³

The degeneration of cross-Strait relations after 1995 has apparently been fueled by growing nationalism in both Taiwan and China that limits the policy space available to the two regimes. Thus, cross-Strait relations have clearly become what Robert Putnam terms a "two-level game" in the sense that events at both the domestic and international levels influence each other.³⁴ In particular, both the Chen government in Taiwan and the communist regime in China have used nationalism to gain popular support and legitimacy.³⁵ Domestic politics, therefore, forces both to be more confrontational in cross-Strait relations than they might otherwise be just to keep "face" before domestic audiences and constituencies. The potential for conflict is multiplied, moreover, by the highly emotional and symbolic nature of the issues involved. For example, the actual international position and status of Taiwan would be unlikely to change much, if at all, if it changed its name from the Republic of China to the Republic of Taiwan. However, for many in the Pan-Green base, Taiwan cannot be Taiwan without such a name change. Conversely for Beijing and many Chinese, China cannot be China if such a name change were to occur.

Yet, both Chen's Pan-Green government and the communist regime in Beijing have strong incentives to reconsider their possible collision course. Both hold power in countries with generally good economies, although significant economic and political problems are easy to discern on both sides of the Strait. The outbreak of military hostilities, in contrast, threatens both societies. Taiwan stands to lose its democracy and prosperous economy, as well as suffering huge military and civilian casualties. China, whose spectacular development over the past quarter of a century rests on burgeoning links with the global economy, would turn itself into an international pariah, even if it emerged victorious—which, given the U.S.'s "strategic ambiguity," is by no means certain.

More fundamentally, the policies of both governments appear to be counterproductive to their own most cherished goals. The Pan-Green coalition in Taiwan wants Taiwan to have a government that is of, by, and for the Taiwanese themselves. It would be hard to argue that this is not the case at the moment or that the only major threat to it comes from the possibility of PRC military action. Beijing wants to prevent a formal declaration of Taiwanese independence in the short run and to establish Unification in the long run. Arguably, without the Chinese intimidation over the last decade, Lee Teng-hui or Chen Shui-bian might have declared independence (but just as arguably, they might not have). The cost to China's goals has been considerable, though. Beijing's bullying has created massive resentment in Taiwan that makes any deal with China on Unification impossible and creates an increasingly stronger popular base for Taiwanese independence. More particularly, China's policy has undercut the position of Chen Shui-bian's rivals in Taiwan politics. By demanding that Chen Shui-bian accept the "One China Principle," Beijing made it hard, if not impossible, for the Pan-Blue leaders to articulate a position about how they would deal with China more productively than the

Chen administration has. Thus, indirectly and inadvertently, Beijing even seems to be supporting the Taiwan foreign policy that it hates and despises.

In fact, the political dynamics in and between Taiwan and China as 2005 opened seemed, if anything, to be moving back toward the stability of the “more things change, the more they stay the same” scenario. To a goodly extent, this probably derives from the results of the December legislative elections in Taiwan. The Pan-Green coalition was widely expected to gain a majority in the Legislative. However, the Blue bloc retained its narrow majority by winning 114 of the 225 seats. Domestically, the electoral defeat of the Greens was widely attributed to radicalism of their campaign.³⁶ In response, Chen took the polar opposite policy tack to appealing to his “base constituency” by, at least according to very public rumors, beginning to flirt with James Soong and the People’s First Party—who are detested by many Taiwanese nationalist for their allegedly pro-Unification and decidedly anti-independence positions—in an attempt to take advantage of continuing personal strains between Soong and KMT Chairman Lien Chan.³⁷ While the prospects for a formal coalition between these leaders and parties remains doubtful because of the huge ideological gap between them, even tentative and preliminary discussions indicate Chen Shui-bian to be an extremely pragmatic, if not cynical, politician. China, presumably reassured by the outcome of the legislative elections, seems to be taking a less confrontational approach toward Taiwan as well.³⁸ For example, in mid-January 2005, representatives of Taiwan’s Civil Aeronautics Administration and China’s Civil Aviation Administration, meeting in Macau, agreed on a series of direct flights between China and Taiwan for Chinese New Year.³⁹ This certainly represents a breakthrough in the way the two sides have dealt with each other and indicates that, at least for the moment, neither thinks that the scenario of escalating tensions and crises is too probable.

Notes

1. Following fifty years as a Japanese colony (1895-1945), Taiwan was returned to Chiang Kai-shek’s Republic of China (ROC) at the end of World War II. The ensuing military rule of Taiwan in the late 1940s was quite harsh and repressive, culminating in the tragedy of the February 28, 1947 or the 2-2-8 Incident in which a limited popular uprising brought a massive retaliation that resulted in an estimated 10,000 to 20,000 deaths, mostly by execution. Consequently, many Islanders (i.e., long-time residents of Taiwan) became quite alienated from the KMT regime that was dominated by Mainlanders (i.e., Chinese who had come to Taiwan with Chiang Kai-shek in the late 1940s). In ethnic terms, both the Mainlanders and almost all the Islanders were and are Han Chinese. Yet, the legacy of 2-2-8 and the composition of the top levels of the Kuomintang party-state generated significant tensions between the 15% Mainlander minority and many Islanders. The Islanders, in turn, are divided between Hoklo or Taiwanese (65% of the population) and Hakka (15% of the population) depending upon origins in China; and, in addition, somewhat under 5% of Taiwan’s citizens are nonHan aborigines. See Melissa J. Brown, *Is Taiwan Chinese? The Impact of Culture, Power, and Migration on Changing Identities* (Berkeley: University of California Press, 2004); Thomas B. Gold, *State and Society in the Taiwan Miracle* (Armonk, NY: M.E. Sharpe, 1986); Alan M. Wachman, *Taiwan: National Identity and Democratization* (Armonk, NY: M.E. Sharpe, 1994).
2. John F. Copper, *China Diplomacy: The Washington-Taipei-Beijing Triangle* (Boulder, CO: Westview, 1992); John F. Copper, *Taiwan’s 2004 Presidential and Vice Presidential Election:*

- Democracy's Consolidation or Devolution?* (Baltimore: University of Maryland, School of Law's Series in Contemporary Asian Studies, 2004); Harry Harding, *A Fragile Relationship: The United States and China Since 1972* (Washington DC: Brookings Institution, 1992); Martin L. Lasater, *The Taiwan Conundrum in U.S. China Policy* (Boulder, CO: Westview, 2000); Robert G. Sutter and William R. Johnson, eds., *Taiwan in World Affairs* (Boulder, CO: Westview, 1994).
3. Chien-min Chao, "The Republic of China's Foreign Relations under Lee Teng-hui: A Balance Sheet," pp. 177-203 in Bruce J. Dickson and Chien-min Chao, eds., *Assessing Lee Teng-hui's Legacy in Taiwan's Politics: Democratic Consolidation and External Relations* (Armonk, NY: M.E. Sharpe, 2002); John Fuh-sheng Hsieh, "Taiwan's Mainland China Policy under Lee Teng-hui," pp. 185-199 in Wei-chin Lee and T.Y. Wang, eds., *Sayonara to the Lee Teng-hui Era: Politics in Taiwan, 1988-2000* (Lanham, MD: University Press of America, 2003).
 4. Robert Sutter, "Taipei's Struggle for Influence over U.S. Policy," pp. 171-189 in Chien-min Chao and Cal Clark, eds., *The ROC on the Threshold of the 21st Century: A Paradigm Reexamined* (Baltimore: School of Law's Series in Contemporary Asian Studies, 1999).
 5. Tun-jen Cheng and Yung-ming Hsu, Issue Structure, the DPP's Factionalism, and Party Realignment, pp. 137-173 in Hung-mao Tien, ed., *Taiwan's Electoral Politics and Democratic Transition: Riding the Third Wave* (Armonk, NY: M.E. Sharpe, 1996).
 6. Shelley Rigger, *From Opposition to Power: Taiwan's Democratic Progressive Party* (Boulder, CO: Lynne Rienner, 2001); T.Y. Wang, "'One China, One Taiwan': An Analysis of the Democratic Progressive Party's China Policy," pp. 159-182 in W.C. Lee, ed., *Taiwan in Perspective* (Leiden, NTH: Brill, 2000).
 7. Rigger, *From Opposition to Power*; Shelley Rigger, "Is Taiwanese Independence *Passé*? Public Opinion, Party Platforms, and National Identity in Taiwan." pp. 47-70 in Chien-min Chao and Cal Clark, eds. *The ROC on the Threshold of the 21st Century: A Paradigm Reexamined* (Baltimore: School of Law's Series in Contemporary Asian Studies, 1999).
 8. Chia-lung Lin, "National Identity and Taiwan Security," pp. 60-83 in Alex C. Tan, Steve Chan, and Calvin Jillson, eds. *Taiwan's National Security: Dilemmas and Opportunities* (Aldershot, UK: Ashgate, 2001); John Fuh-sheng Hsieh, "Whither the Kuomintang?" pp. 111-129 in Bruce J. Dickson and Chien-min Chao, eds., *Assessing Lee Teng-hui's Legacy in Taiwan's Politics: Democratic Consolidation and External Relations* (Armonk, NY: M.E. Sharpe, 2002); Rigger, "Is Taiwanese Independence *Passé*?"; Wang, "'One China, One Taiwan.'"
 9. Wei-chin Lee, "Taiwan's 'Cultural Revolution': Identity Politics and Collective Action Since 2000," paper presented at the Annual Meeting of the American Political Science Association, Chicago, 2004.
 10. Deborah A. Brown, "Taiwan's 2000 Presidential Election and Cross-Strait Relations," pp. 101-153 in Deborah A. Brown, ed., *Taiwan's 2000 Presidential Election: Implications for Taiwan's Politics, Security, Economy, and Relations with the Mainland* (New York: Center for Asian Studies, St. John's University, 2001).
 11. John F. Copper, *Taiwan's 2000 Presidential and Vice Presidential Election: Consolidating Democracy and Creating a New Era of Politics* (Baltimore: University of Maryland, School of Law's Series in Contemporary Asian Studies, 2000); Shelley Rigger, "Taiwan in 2002: Another Year of Political Droughts and Typhoons," *Asian Survey* 43:1 (January 2003), 41-48; Shelley Rigger, "Taiwan in 2003: Plenty of Clouds, Few Silver Linings," *Asian Survey* 44:1 (January 2004), 182-187.
 12. Cal Clark, "Growing Cross-Strait Economic Integration," *Orbis* 46:4 (Fall 2002), 753-766; Ming-chi Chen, "Sinicization and Its Discontents: Cross-Strait Economic Integration and Taiwan's 2004 Presidential Election," *Issues & Studies* 40:3/4 (September/December 2004), 334-341; T.Y. Wang, "Lifting the 'No Haste, Be Patient' Policy: Implications for Cross-Strait Relations," *Cambridge Review of International Affairs* 15:1 (April 2002), 131-139.
 13. Cal Clark, "Prospects for Taiwan-China Economic Relations under the Chen Shui-bian Administration," pp. 311-337 in Deborah A. Brown, ed., *Taiwan's 2000 Presidential Election: Implications for Taiwan's Politics, Security, Economy, and Relations with the Mainland* (New York: Center for Asian Studies, St. John's University, 2001); Rigger, "Taiwan in 2003."
 14. Cal Clark, "Democratization and the Evolving Nature of Parties, Issues, and Constituencies in the ROC," pp. 135-159 in Peter C.Y. Chow, ed., *Taiwan's Modernization in Global Perspective* (Westport, CT: Praeger, 2002).
 15. Jacques deLisle, "The Aftermath of Taiwan's Presidential Election: A Symposium Report," (Philadelphia: Foreign Policy Research Institute, 2004, www.fpri.org).

16. Copper, *Taiwan's 2004 Presidential and Vice Presidential Election*; deLisle, "The Aftermath of Taiwan's Presidential Election;" Rigger, "Taiwan in 2003."
17. Issues in Taiwan and the reasons why all except the national identity one faded are discussed in Clark, "Democratization and the Evolving Nature of Parties;" Dafydd Fell, "Measurement of Party Position and Party Competition in Taiwan," *Issues & Studies* 40:3/4 (September/December 2004), 101-136.
18. Mikael Mattlin, "Referendum as a Form of *Zaoshi*: The Instrumental Domestic Political Functions of Taiwan's Referendum Ploy," *Issues & Studies* 40:2 (June 2004), 155-185.
19. Stanley B. Greenberg, *The Two Americas: Our Current Political Deadlock and How to Break It* (New York: St. Martin's, 2004).
20. Copper, *Taiwan's 2004 Presidential and Vice Presidential Election*.
21. Rigger, "Taiwan in 2003," p. 186.
22. Mattlin, "Referendum as a Form of *Zaoshi*."
23. Copper, *Taiwan's 2004 Presidential and Vice Presidential Election*; Mattlin, "Referendum as a Form of *Zaoshi*;" Shelley Rigger, "New Crisis in the Taiwan Strait," *Foreign Policy Research Institute E-Notes*, 2003 www.fpri.org.; Rigger, "Taiwan in 2003," James A. Robinson, "Taiwan's First Major Referenda: Observations from Afar," *Issues & Studies* 40:3/4 (September/December 2004), 361-370.
24. Rigger, "Taiwan in 2003."
25. Yun-ping Chang, "Two Million Rally for Peace," *Taipei Times*, 29 February 2004, p. 1.
26. Copper, *Taiwan's 2004 Presidential and Vice Presidential Election*; John Fuh-sheng Hsieh, "The March Surprise: Taiwan's Presidential Election of 2004," paper presented at the Annual Conference of the American Association for Chinese Studies, College of William and Mary, 2004.
27. T.L. Huang, "Saturday's Massive March Fills Pan-Blue Sails," *Taipei Times*, 15 March 2004, p. 1; Gary Rawnsley, "The Day after the Night Before: Thoughts on the 2004 Presidential Election," Institute for National Policy Research, University of Nottingham (UK), *Taiwan Perspective e-Paper*, April 2004, www.tp.org.tw.
28. Richard Baum, "Washington Hopes for Best, Beijing Prepares for Worst" New Haven: Yale Global Online, New Haven, 2004, www.yaleglobal.yale.edu; Joseph Kahn and Chris Buckley, "Sharp Words from China for Leader of Taiwan," *New York Times*, 20 May 2004, www.nytimes.com.
29. Shu-ling Ko, "Yu Shyi-kun Says China Wants War," *Taipei Times*, 23 August 2004, p. 1.
30. deLisle, "The Aftermath of Taiwan's Presidential Election;" Chen-yuan Tung, "Cross-Strait Relations after Taiwan's 2004 Presidential Election," Institute for National Policy Research, University of Nottingham (UK), *Taiwan Perspective e-Paper*, April 2004, www.tp.org.tw.
31. Keith Bradsher, "In Taiwan Ballot, Ties with Beijing Seem to be a Winner," *New York Times*, 12 December 2004, www.nytimes.com; John F. Copper, "Taiwan's Coming Legislative Election," International Assessment and Strategy Center, *Publications*, 29 November 2004, www.strategycenter.net.
32. Bradsher, "Taiwan Ballot."
33. Robert Sutter, "In the Wake of Taiwan's 2004 Elections/Referenda: Rethinking U.S. Policy Options," *Issues & Studies* 40:3/4 (September/December 2004), 371-380.
34. Robert D. Putnam, "Diplomacy and Domestic Politics: The Logic of Two-Level Games," *International Organization* 42:3 (Summer 1988), 427-460.
35. See Yongnian Zheng, *Discovering Chinese Nationalism in China: Modernization, Identity, and International Relations* (Hong Kong: Cambridge University Press, 1999) for a discussion of the rise of nationalism in China.
36. Bradsher, "Taiwan Ballot;" Shu-ling Ko and Caroline Hong, "Pan-Blue Status Quo Entrenched by Poll Success," *Taipei Times*, 12 December 2004, page 2.
37. Caroline Hong and Debbie Wu, "DPP-PFP Coalition Seems Inevitable," *Taipei Times*, 10 January 2005, p. 3; Jewel Huang and Caroline Hong, "DPP Courting Soong to Take up SEF Helm," *Taipei Times*, 4 January 2005, p. 3; Tai-lin Huang, "Chen Claims Soong Will back Arms Bill," *Taipei Times*, 18 January 2005, p. 1.
38. Eric Teo Chu Cheow, "Taiwan as a Determinant in Japan's Troubled Relations with China," Institute for National Policy Research, University of Nottingham (UK), *Taiwan Perspective e-Paper*, January 2005, www.tp.org.tw.
39. Hsiao-wen Wang, "Agreement Reached on Direct Flights," *Taipei Times*, 16 January 2005, p. 1.

Copyright of East Asia: An International Quarterly is the property of Transaction Publishers. The copyright in an individual article may be maintained by the author in certain cases. Content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.