

# Cross-Strait Relations since 1949: From Radicalism to Conservatism and Back Again

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## Abstract

A consideration of changing nationalist dynamics offers a useful narrative for understanding relations across the Taiwan Strait since 1949. It is argued that nationalist discourses in China and Taiwan have moved through periods of relative conservatism and relative radicalism and that understanding these changes is key to explaining the on-going shifts of accommodation and hostility across the Strait. While not excluding international and elite level politics, this narrative enables a consideration of societal level issues in the relationship and suggests a periodisation of cross-Strait tensions located within the dynamics of internal politics rather than according to the problematic and sometimes unsatisfactory dictates of external global or international frameworks such as the Cold War.

Over half a century has passed since the foundation of the People's Republic of China (PRC) and the retreat of the defeated Nationalist (KMT) regime to Taiwan. It is possible to categorise the dynamics of the 50 plus years in a variety of ways or to construct a variety of explanatory narratives of the relationship – in terms of Cold War structures, the dynamics of the regional system, domestic elite politics or economic development. This chapter approaches the relationship in terms of competing nationalist visions. This perspective has been chosen as it provides a helpful antidote to analyses of the relationship across the Strait that have over-emphasised external dynamics or granted too much autonomy to the state elites in Beijing and Taipei; a consideration of competing nationalisms will hopefully include attention to societal-level dynamics, which have been relatively under-assessed. From its origins in the civil war between Mao's radical nationalism and the conservative nationalism of Chiang Kai-shek, the cross-Strait relationship went through several reconfigurations before the emergence of the current contradiction between growing economic interaction and greater political distance. This chapter argues that, notwithstanding external intervention into the Strait, domestic political dynamics and, in particular, changing elite and popular aspirations for the nation have been the motor powering cross-Strait dynamics. The contending nationalisms across the Strait have shifted from competing radical versus conservative nationalist visions (in the 1950s and 1960s) to competing conservative visions (in the 1970 and 1980s), and ultimately to the current situation where a significant minority on the Taiwanese side envisions a different na-

tion entirely while popular nationalism on the Chinese mainland increasingly calls for reunification.

This chapter takes the form of an historical chronology. Any attempt to impose periodisation on complex interactions is highly problematic, and the author has made a conscious attempt to periodise the relationship according to the internal dynamics of the Chinese situation rather than with reference to the regional or international system. Following a discussion of Taiwan's contested status in international society, this chapter examines the conflict between radical and conservative nationalism that culminated in the Chinese Civil War and the retreat of Chiang Kai-shek to Taiwan in 1949. This civil war framework provided the key context of cross-Strait relations until the late 1950s, when superpower concerns over the volatility of the situation after 1958 saw cross-Strait relations subsumed and subdued by the wider Cold War agenda of the superpowers. However, the PRC's alienation from international society by the mid-1960s saw the emergence of ultra-radicalism in the Cultural Revolution being met by an ultra-conservative response from the Chiang Kai-shek regime in Taiwan. This collapsed in the 1970s following the opening of relations between the PRC and the United States and the emergence of the "One China Doctrine", along with the gradual breakdown of the bipolar Cold War framework in East Asia.

For much of the 1980s the situation in the Taiwan Strait was characterised by two competing conservative nationalisms under Deng Xiaoping and Chiang Ching-kuo that enabled a breakthrough to occur at the end of the decade. However, the 1990s saw a more assertive

conservative nationalism develop in the PRC, while conservative Chinese nationalism in Taiwan gave way to a new factor, viz. separatist Taiwanese nationalism. Since 1996 the relationship has seen increased radicalisation on both sides of the Strait, with popular Chinese nationalism in the PRC calling for reunification while Taiwanese popular nationalism increasingly calls for a future independent of a Chinese state.

## Historical and legal contexts: what is Taiwan?

Ambiguity has been the defining feature of Taiwan's status in international society from the nineteenth century to the present. The status of Taiwan has been contested for most of its history, and periods when the international community has enjoyed a settled agreement on the island's status are the exception rather than the rule. The only time the island's status was not ambiguous was the period from 1895 to 1945 when the island was formally ceded to Japan as a colony under the terms of the Treaty of Shimonoseki. It is symptomatic of Taiwan's special character that there is no simple term with which to describe the island – every possible expression is contested: “country”, “state”, “island”, “province”, “political entity” and a range of other terms have been used, each one with its supporters and detractors. For the student of international politics this causes particular problems, as simply naming the object of your study (the Republic of China, the ROCOT, Taiwan, Taiwan province, Chinese Taipei or “The Customs Territory of Taiwan, Penghu, Jinmen and Mazu”) means committing oneself to a – perhaps unwanted or unwitting – position in a deeply politicised debate. This confusion becomes even greater when considered in Chinese, where “state”, “country” and “nation” are all typically referred to by the same character, *guo*.

Six different periods of authority can be identified in Taiwan: aboriginal, Dutch, Qing, Japanese, Guomindang and, from March 2000, democratic. Up to the late Qing (1873/74), however, it must be remembered that arguments regarding the “sovereignty” of or over Taiwan are misguided. Sovereignty as it emerged in Europe was an alien concept in East Asia, being introduced as a result of Western imperialism (Bull and Watson 1984; Gong 1984). However, it is possible to say that at various times the Ming and Qing Empires were able to exert varying degrees of authority or control over the island, and that the extent of this control increased over time, up to the point that Taiwan became a province of the Qing Empire in 1885. Taiwan became a “sovereign” part of the Qing Empire as understood by modern international law only as a response to Meiji Japan's “Taiwan Expedition” of 1874, which also resolved the sovereign status of Okinawa (Gordon 1965). This “absence of sovereignty” over Taiwan has enabled those sympathetic to Taiwanese independence to argue that Taiwan was never truly “a part of China” (Ng 1971). While this position has some strength, it is important to be cau-

tious about applying Western standards of sovereignty retrospectively to determine contemporary status. By contrast, those who support the idea that Taiwan is and should remain a sovereign part of “China” claim that the long historical interaction between the island and the Chinese mainland means that the “foreign” incursions into Taiwan do not alter the significance of the PRC's claim to sovereignty over the island (Taiwan Affairs Office 1993).

Ambiguity returns to Taiwan's status with Japan's defeat and surrender in 1945. Japan's terms of surrender required the Japanese government to accept the provisions of the Potsdam Declaration, Article 8 of which stated that Japan would accept the terms of the Cairo Declaration. The Cairo Declaration of November 1943 stated that

Japan shall be stripped of all islands in the Pacific which she seized or occupied since the beginning of the First World War in 1914, and all the territories that Japan has stolen from the Chinese such as Manchuria, Formosa [Taiwan] and the Pescadores [Penghu], shall be restored to China.

Arguably these declarations did not fully resolve the legal status of the island and there remains debate within the literature over the question of whom (or what) Taiwan was returned to (Copper 1982; Joei 1988).

The island of Taiwan, along with the Penghu Islands and some small islands just off the coast of the Chinese mainland, has been under the jurisdiction of the Republic of China (ROC) since 1945. The ROC claimed to represent “China” in the international community and was recognised by a majority of the world's states, despite the obvious inconsistency between the area of “China” that was under KMT control and the area it claimed to represent. After a gradual decline in support, the ROC's formal international position was transformed in the 1970s, starting with the ROC's loss of the China seat in the United Nations and accelerating with Nixon's visit to the PRC in 1972. By the end of the 1970s, support for the ROC's position from other states had dwindled to just 30 or so countries and the legitimacy of the ROC's position was profoundly questioned. Through the 1980s the ROC's legitimacy continued to decline – the PRC was regarded as increasingly progressive by the West and Japan, while Taiwan still languished under martial law and presented an increasingly absurd claim to be the sole legitimate government of the China (Long 1991).

The domestic political transformations in Taiwan in the 1990s have led to new agendas with regard to the status of Taiwan. Some of these have been internally driven, most notably the collapse of the claim by the ROC to represent the whole of China and the acceptance by its government that the ROC represents only those territories under its control. The emergence of an effective and functional democratic system on the island has led to the claim that Taiwan's domestic political institutions increase the credibility of the government's claim

that it represents a de facto independent political entity, although there is no obvious correlation between the effectiveness or domestic legitimacy of a state's domestic political institutions and sovereign statehood in international society (Deans 2001a). The impact of the election of Chen Shui-bian and the (formally) pro-independence Democratic Progressive Party further complicates the issue of Taiwan's status as it suggests a growing sympathy for formal independence from China among a significant proportion of Taiwanese, and demonstrates how the appeal of Chinese nationalism has faded in Taiwan while a distinct Taiwanese nationalism has begun to emerge.

## Radical and conservative nationalism in China and Asia

The conflict across the Strait is not a "Cold War" conflict – while the Cold War shaped the evolution of the relationship, cross-Strait relations are fundamentally the result of a set of dynamics internal to Chinese history and politics. The impact of Western – and especially Japanese – imperialism has fundamentally shaped politics and identity in China. Although the Qing Dynasty had already entered a period of significant turmoil and unrest, the nature of the collapse of pre-modern China and the forms of political governance that replaced it were shaped by foreign incursion, especially by the Japanese. Conservative and radical nationalism comprise the two key forms of Chinese response to modernity in the 20th century. Conservative nationalism strongly influenced by liberal Western thought emerged in China at the beginning of the century and was predominantly an urban phenomenon. Its main social bases in China were amongst intellectuals with exposure to the West and amongst the new urban bourgeoisie and capitalist classes. It tended to support the structure of the international system and co-operation rather than confrontation with the Western powers as a means for achieving the nationalist project. In China the key vehicle for conservative nationalism was the Chinese Nationalist Party (KMT) led by Sun Yat-sen and then Chiang Kai-shek, and was the project of the Republic of China (ROC). Radical nationalism emerged in China at a slightly later date, after the founding of the ROC, and became politically significant following the May 4th Movement of 1919. In contrast to conservative nationalism, radical nationalism had strong roots in the countryside as well as the cities. It was influenced much more strongly by the Marxist-Leninist tradition, although Marxism-Leninism is mainly a tool for achieving nationalist objectives. Its social base was tied more to the working classes and the Chinese peasantry, and it shared with Marxism-Leninism a rejection of the

key tenets of the organisation of the international system. The key vehicle for radical nationalism in China was the Chinese Communist Party (CCP), led from the 1930s by Mao Zedong (Deans, forthcoming).

The Chinese Civil War, which was fought intermittently in the 1930s and brought to a conclusion between 1945 and 1949, was essentially a conflict between these two nationalist visions and their associated social and economic programmes. The defeat of Chiang Kai-shek's conservative nationalism saw him retreat to Taiwan, and US intervention in the Chinese Civil War in 1950 locked the conflict into a Cold War context until the 1980s. However, the Cold War framework superimposed by the two superpowers has obscured the internal nationalist underpinnings of this conflict and instead tended to frame it in the context of the global conflict between "capitalism" and "communism".<sup>1</sup> The key changes in the relationship derive from internal political and economic shifts within the PRC and Taiwan and are relatively unaffected by the global situation – the central regional dynamics of the relationship were put in place in the 1970s and the key breakthroughs in cross-Strait relations occurred before the collapse of the Cold War system between 1989 and 1991. Subsequent ups and downs have only been tangentially influenced by the changing preponderance of US power.

The nationalist projects of the CCP and the KMT have not remained static, and neither have the nationalist aspirations of the populations under their control. Rather they have changed and evolved, and have faced and posed fresh challenges as the political and economic systems on Taiwan and the Chinese mainland have changed over the last five decades. The conservative nationalism of the KMT developed into a progressive liberal nationalism from the late 1980s and through the 1990s. However, this progressive nationalism was subsequently overtaken by (or, less charitably, hijacked by) a new Taiwanese nationalism that rejects membership of the Chinese nation altogether and aspires to the creation of a distinct Taiwanese nation and state. Shih has convincingly argued that for Lee Teng-hui an anti-China strategy was at the heart of identity formation (Shih 2003). In the PRC nationalism remained heavily dominated by state discourse until the 1980s. It was called on to mobilise public support behind wider objectives, such as the Great Leap Forward. Following the Cultural Revolution, however, as the CCP moved away from appeals rooted in Marxism-Leninism-Mao Zedong thought, it increasingly returned to the nationalist aspirations the Party had espoused in its youth.

Nationalist education in the PRC was less confrontational in the 1950s and 1960s than was the case in the 1990s. A partial explanation of this is the gradual collapse of class-based analyses by the Party under Deng Xiaoping and Jiang Zemin. Under Mao, class was the

<sup>1</sup>It is interesting to note that a similar phenomenon of conflict between radical and conservative nationalism as responses to imperialism and modernity can be identified elsewhere in Asia at the same time. In Korea, mainly as a response to Japanese imperial rule, a radical nationalism led by Kim Il-sung and with similar social bases as its Chinese counterpart emerged and was backed by the Soviet Union. It found itself in conflict with the conservative nationalism of the US-backed Syngman Rhee regime. A similar argument could also be extended to the conflict in Vietnam.

dominant analytical framework, applied to both micro level issues in the countryside and to explanations of international relations. The reform programme initiated by Deng saw class analysis sidelined, and the discourse on China (especially with regard to the relationship with Japan) increasingly saw China portrayed as a victim, rather than the portrayal of China (and the CCP) as the victor, which had dominated propaganda in the 1950s and 1960s (Gries 2004). In turn, the post-1978 economic reform programme has significantly reduced the ability of the state to dominate society and a popular nationalism which goes beyond state objectives has emerged (Deans, forthcoming). National reunification and the return of Taiwan to the motherland has been a central component of this new popular nationalism as the status of Taiwan touches many of the most sensitive issues in recent Chinese history, in particular the impact of Japanese imperialism and American interventionism. It is important to remember here that the argument being advanced is not that changing nationalist agendas in the PRC and the ROC creates policy (although nationalist elites may do so), but rather that nationalist sentiment increasingly constrains the policy options that are available.

## 1949-1958: the on-going civil war

Cross-Strait relations in the decade which followed the foundation of the People's Republic of China in 1949 remained predominately part of the dynamics of the Chinese civil war. For the ROC the Chinese mainland was to be reclaimed in the near future and an end brought to the period of Communist rebellion. The decisive factor influencing the on-going civil war was the decision by the Truman administration to intervene in the civil war by stationing the US 7th Fleet in the Taiwan Strait in June 1950, thereby limiting or actively preventing serious direct military adventures by the PRC and the ROC (Grasso 1987). During the Korean War, CCP rhetoric over the Taiwan issue was restrained, but by the summer of 1954 and following the conclusion of the ROC-US Mutual Defense Treaty, public campaigns over the "liberation" of Taiwan increased in intensity. Stopler argues that the key issue motivating the Chinese leadership at this time was concern over the PRC's ultimate sovereignty over the island (Stopler 1985: 36-37). While the USA and the ROC were formal allies under the terms of the 1954 Mutual Defense Treaty, Goldstein has shown that the relationship is best understood as a "restraining alliance" whereby the US attempted to limit or restrict the actions of its more adventurous junior partner (Goldstein 2000). For the PRC leadership, Taiwan remained the "outlaw province" under the control of "renegades" and "running dogs" that was to be liberated by force. Small-scale conflicts such as the forced withdrawal of KMT forces from the Dachen Islands in 1955 continued until 1958.

The most significant episode in this period of cross-Strait relations was the Offshore Islands Crisis of 1958.

The late 1950s saw a marked radicalisation of politics in the PRC, centred on the launch of the "Great Leap Forward", a programme devised by Mao to push forward the rapid economic transformation of China. The Great Leap was accompanied by a radicalisation of the PRC's foreign policy position, in part inspired by the perceived success of the Soviet Union in gaining a technological advantage over the US following the launch of the sputnik satellite – one of the issues underlying Mao's statement in 1957:

it is my opinion that the international situation has now reached a new turning point. There are two winds in the world today, the East Wind and the West Wind. There is a Chinese saying, "Either the East Wind prevails over the West Wind or the West Wind prevails over the East Wind". I believe it is characteristic of the situation today that the East Wind is prevailing over the West Wind. That is to say, the forces of socialism have become overwhelmingly superior to the forces of imperialism (Mao 1957).

Both Mao and Chiang sought a policy of confrontation and a full-scale resumption of the civil war, and both hoped for, and possibly expected, the support of their superpower backer. However, the two superpowers preferred to pursue a strategy of accommodation with one another and both were alarmed by the bellicose attitudes in the Taiwan Strait and attempted to reign in their more aggressive junior partners. The two superpowers had been forced into an unwanted degree of confrontation by the Chinese civil war. For the US, Chiang had engineered a strategy of entrapment which had required a powerful military message from the US to the PRC. The Soviet Union saw its relations with the PRC severely strained by what Moscow regarded as the bellicose and provocative strategy of Mao – a strain that the Eisenhower Administration may have deliberately tried to provoke (Gaddis 1987). Domestically in both Taiwan and the PRC the dominant versions of nationalism were the state discourses of reunification. KMT rule over Taiwan was strongly authoritarian and promotion of the idea of "independence" for Taiwan was a very serious offence, punishable by long prison terms. Political exile was also common and the Taiwan independence movement grew mainly overseas, especially in Japan (Chen 1992). In the PRC the agenda for reunification was maintained as part of major education campaigns, especially during the Great Leap Forward. Particular anger was focused on the role of the United States in perpetuating the division of China and was also directed at the dangers of the revival of Japanese militarism in the context of on-going Japan-ROC relations (Deans 1998).

## 1959-1965: civil war as a "Cold War"

While the Cold War dynamic was never absent from post-1949 cross-Strait relations, it became the principal organising parameter following the 1958 Crisis. The two

superpowers maintained their position of signalling to both sides that they would not support large-scale military action by either Chinese state, and the relationship entered a period of relative quiet. The gradual widening of the Sino-Soviet split through the 1960s and the deepening American military and diplomatic commitment to the war in Vietnam saw the cross-Strait conflict move lower down the agenda of the superpowers. While there were periods before 1958 when the possibility of “peaceful liberation” was advanced by the CCP, such as following the Bandung Conference in 1955, it was only after 1958 that the strategies of the PRC and the ROC shifted mainly to the diplomatic arena with growing competition for international recognition. The PRC saw a gradual improvement in the simple “numbers game” of diplomatic partners, including the very significant advance of achieving recognition from France in 1964. Nonetheless, the ROC remained the dominant diplomatic power, retained its seat in the United Nations and as a permanent membership of the Security Council. It also enjoyed full and comprehensive diplomatic relations with the two key regional powers, the United States and Japan. This period saw a more rational economic strategy emerge in the PRC as Mao’s influence over domestic policy declined and the more conventional thinking of Liu Shaoqi and Chen Yun dominated (Gray 2002).

On Taiwan, the KMT engineered a period of rapid economic growth, fostered by a state structure aimed at promoting and developing the economy (Wade 1990). This period can be characterised as one of nationalist conservatism for both the ROC and the PRC – both China and Taiwan were controlled by authoritarian Leninist or quasi-Leninist regimes with powerful and intrusive control over their domestic societies, ensuring there was no domestic opposition to the ruling party, and both sides claimed the mantle of Chinese nationalism, representing the Chinese people and their struggle against imperialism. However, radicalisation in the PRC in the late 1960s along with fundamental changes in the objectives of the United States were soon to see a fundamental transformation of the international context within which the cross-Strait relationship had developed since 1949.

## **1966-1970: ultra-radicalism versus ultra-conservatism**

Cross-Strait relations were relatively quiet during the early Cultural Revolution (1966-70), despite the domestic turmoil. Between 1966 and 1968 the People’s Republic of China withdrew almost entirely from international society (Zhang 1998). One key dimension of the radicalisation of the Cultural Revolution was a rejection of the past – China’s heritage was regarded as feudal and backward, a factor contributing to China’s weakness. The past was to be overturned. In the ROC, partially as a response to this, “traditional” Chinese values were celebrated and pushed to the forefront of education in

the Chinese Cultural Renaissance Movement, a state project to reinvigorate traditional Chinese culture and protect it in the face of the Maoist attempts to condemn the past. In the context of Chinese nationalism, the parameters of cross-Strait relations in this period saw the PRC engaged in an ultra-radical re-imagining of the Chinese nation, while the ROC leadership engaged in an ultra-conservative campaign of reification of the past. Along with the hostile international environment, these very different visions of the Chinese nation ensured that no breakthrough in contact was possible, although a major transformation in the latter arena was to set the stage for wider changes in the cross-Strait relationship. The turmoil of 1966-68 further worsened the relationship between the PRC and the USSR, leading to significant military confrontations along their shared border. This, in turn, contributed to the triumph of realism over idealism in Mao’s approach to foreign relations and was the beginning of the process of opening up to the United States.

## **1971-1979: the “One China Policy” as paralysis and transformation**

The paradigmatic shift in cross-Strait tensions was the ROC’s loss of international legitimacy that followed its withdrawal from the UN and the recognition of the PRC by the United States and Japan. However, the leadership transition in the PRC and Taiwan, coupled with uncertainties in US domestic politics in the 1970s, meant that cross-Strait ties were static following the key breakthrough in 1972 until the emergence of the PRC’s new agenda on cross-Strait relations from 1979.

It is widely agreed that Mao’s move to take up relations with the United States was motivated by fears that the Soviet Union presented a graver threat to the PRC. This period saw a shift away from Mao’s idealism in his approach to international relations to a more power-centred realist position. Under the influence of Henry Kissinger, the Nixon Administration, in turn, was pursuing a highly realist approach to foreign relations and Nixon was anxious to engineer a withdrawal of the United States from Vietnam for both domestic and international reasons. Taiwan, however, remained a significant issue for both sides. For the PRC the objective of national reunification remained important, while the ROC retained a significant number of influential and powerful backers in Washington. The compromise brokered – that the USA accepted the PRC’s position that Taiwan was a part of China, while the PRC and the ROC governments understood that the US would only tolerate a peaceful solution to the Taiwan issue – has remained at the heart of this tri-lateral relationship ever since.

Internally, both the ROC and the PRC underwent significant leadership transitions in the mid-1970s which led to a degree of policy sclerosis and conservatism in approaches to cross-Strait relations. The death of Mao Zedong and other key figures of the first-generation lead-

ership in the PRC and the death of Chiang Kai-shek on Taiwan meant that neither side was in a position to push forward new policy initiatives while succession remained uncertain or unconsolidated. In terms of nationalist discourses, the PRC in general enjoyed a move away from the radicalism of the Cultural Revolution. Simultaneously, the PRC's entry into the United Nations, along with the departure of the ROC, saw Beijing triumph in the battle for international recognition, with the vast majority of the world's states recognising the PRC as the sole legitimate government of China by the end of the decade. For the Chinese Communist Party this marked "victory" in the civil war and the delegitimation of the ROC in international society, and prepared the way for the peaceful initiative towards the KMT that emerged in the early 1980s.

On Taiwan, the state discourse remained one of conservative Chinese nationalism and increasingly one of self-reliance. However, the 1970s were to see the first significant pressures for political change begin to emerge within Taiwanese society – the ostensibly nationalist, anti-Japanese "Protect the Diaoyutai Movement" of 1972 came at the height of uncertainty regarding the ROC's status. The political space opened by this movement was a factor in the growth of pro-democracy agitation in Taiwan later in the 1970s (Deans 2000). As the decade progressed, pressure for change grew, culminating in the Kaoshiung Incident in 1979, which saw national elections cancelled and a number of opposition political activists arrested. In the 1970s there were fundamental shifts in both the internal and external dimensions of the cross-Strait relationship which were to express themselves in the following decade.

## 1980-1987: "one country, two systems" and competing conservative nationalisms

The 1980s saw a remarkable transformation in the political and economic situation in the PRC, while the ROC continued to enjoy high rates of economic growth, although this was coupled with a growing problem of legitimacy for the KMT. External actors played only a minor, but broadly facilitating, role in this period (Swaine 2001). The United States achieved a solid working compromise regarding the Taiwan issue that was premised on maintaining the status quo and ensuring that neither side attempted to change the relationship in a way that resulted in conflict. The deepening of the Cold War in Europe under Reagan was only of peripheral significance in Asia, to the still deadlocked cross-Strait relationship.

For much of the 1980s the initiative in cross-Strait relations shifted to the PRC. The political and economic transformations initiated by Deng Xiaoping along with a sophisticated diplomatic strategy with respect to both the US and Japan supported the continuation and strengthening of the "peaceful reunification" strategy. The PRC appeared as the progressive and dynamic half of the dyad, while the ROC's on-going claim to rep-

resent the whole of China (including Mongolia) on the basis of elections held in the late 1940s was increasingly ridiculed. The new strategy developed by the CCP regarding cross-Strait relations emerged from the normalisation of relations with the United States. The "one China policy" was accompanied by a move that promoted "peaceful reunification", but which retained the use of force as an option under certain circumstances (Zhao 2002). The policy position adopted by the CCP was to promote reunification under the banner of "One Country, Two Systems" and this has remained at the heart of the PRC's strategy ever since. Although devised as a mechanism for securing reunification with Taiwan, the policy was subsequently applied to resolve the issue of the return of both Hong Kong and Macao to China. The "system" envisioned under the proposals referred primarily to the economic system (i.e. the capitalist system of Taiwan and the socialist system of the PRC), although the reform programme and the marketisation of the PRC have increasingly made this distinction less relevant. Instead, "system" is increasingly taken to be the differing domestic political institutions that exist in the PRC and Taiwan.

In both the PRC and Taiwan the state formulations of nationalism took on conservative casts, which narrowed the differences between the two ruling elites and allowed important breakthroughs in the relationship to occur. In the PRC Deng Xiaoping moved away from the radicalism of Mao, downgraded class struggle and focused instead on economic development and conservative readings of the Chinese nation and nationalism that were readily accepted in Chinese society at large. Growing conservative nationalism can be seen in the move to "rehabilitate" Chiang Kai-shek in 1985 (the fortieth anniversary of the defeat of Japan) and the celebration of his "patriotic spirit and personal sacrifices" (Long 1991: 176).

For much of the early 1980s, policy on cross-Strait issues in the ROC was sclerotic and hindered by uncertainty and a lack of direction. The KMT faced a growing legitimacy deficit as the institutions of martial law proved increasingly expensive and ineffective in the face of mounting societal pressure for change. The ROC's international legitimacy was constantly decreasing as the majority of the international community shifted recognition to the PRC. To confront these challenges, Chiang Ching-kuo accelerated the processes of "Taiwanisation" that had begun in the 1970s and initiated growing top-down reform and greater democratisation, culminating in the lifting of martial law in 1987. In terms of nationalism, the state project under Chiang Ching-kuo remained conservative, although the first pressures of a growing Taiwanese identity were beginning to make themselves felt in the cultural arena. As well as initiating domestic political reform, Chiang Ching-kuo oversaw the opening of indirect links between the PRC and the ROC. A series of incremental moves following the lifting of martial law saw travel restrictions imposed on ROC citizens lifted and the inauguration of a new era in cross-Strait relations.

## 1988-1996: the emergence of Taiwanese nationalism

The cross-Strait relationship underwent a remarkable transformation following the tentative contacts of the mid-1980s. Commercial and economic exchange across the Taiwan Strait boomed after 1988, and continued to grow strongly despite the changes in the international system marked by the end of the Cold War in Europe and the political turmoil and economic retrenchment that followed the crackdown on the student-led reform movement in the PRC in 1989. The emergence of indirect trade, travel and investment did not lead to a closer political relationship, however. In the context of nationalisms, the "opening" of China to the people of Taiwan became a factor in the debates on Taiwan over Taiwanese consciousness and Taiwanese nationalism. It is important to note that the transformation of this relationship preceded the end of the Cold War in Europe, and economic exchange was only marginally set back by the events of 1989; the end of the European Cold War and the turmoil associated with the 1989 student-led reform movement only had a peripheral impact on the emerging relationship.

The PRC's strategy in this period was to demonstrate that the best future for Taiwan lay in increasing political and economic interaction with the Chinese mainland. The economic reform processes initiated by Deng demanded both a stable regional and global environment for the PRC as well as making China an increasingly attractive partner for investment and trade. The strategy of pursuing peaceful reunification remained paramount, and a successful compromise over this was achieved by the senior leadership of the CCP (Ji 1999: 77-81). This strategy saw the opening of indirect contact between the two sides, culminating in the Koo-Wang Talks. As part of this process the PRC believed that a consensus had been reached on the issue of "one China" under which both sides accepted that there was "one China", but differed in the precise definition of the terms. From the perspective of the CCP, important progress was being made with regard to reunification, and the "Eight Point Proposals" made by Jiang Zemin in January 1995 laid out the hopes of the Chinese leadership concerning the future of the Taiwan question. Jiang's "Eight Points" offered a combination of enticements to Taiwan, promising the island considerable autonomy within the PRC after reunification, while maintaining the threat to use military means to prevent the island becoming independent. As such, the "Eight Points" demonstrated considerable continuity vis-à-vis Taiwan policy within the PRC as well as being the result of compromise between different groups within the CCP and the PLA.

In 1991 the ROC announced its *Guidelines on National Reunification*, which were premised on the following argument: "Both the Mainland and Taiwan are parts of Chinese territory. Helping to bring about unification should be the common responsibility of all Chinese peo-

ple" (National Reunification Council 1991). The *Guidelines* outlined a three-stage process leading to reunification, involving the development of exchanges and reciprocity, followed by the development of mutual trust and co-operation including opening direct links and finally a period of consultation and unification. The Guidelines underpinned the Taiwanese position during negotiations with the PRC in which a consensus was reached on the idea of one China, albeit with different interpretations. However, the changing political situation on Taiwan, in particular the emergence of a democratic electoral system and the increasing political significance of the issue of Taiwan's status in international society, led to far greater complexity in the cross-Strait relationship. The growing pluralisation of Taiwanese society and the gradual collapse of the quasi-Leninist political structures meant that public opinion and, increasingly, voter preferences became a factor in the relationship – the cross-Strait dialogue was no longer just a conversation between two ruling parties. As Rigger (1999) and Chu (1999) have shown, identity politics in Taiwan increasingly became the key focus of Taiwanese politics in the 1990s and also the motor which drove both the KMT and DPP's policies towards the PRC. After the initial enthusiasm regarding greater contacts with China and the on-going boom in economic exchange, political and social links became frayed. Lee Teng-hui, a native Taiwanese who had risen to senior positions in the KMT under Chiang Ching-kuo, succeeded Chiang as president following his death. However, it soon became clear that Lee was considerably more cautious on the issue of reunification than his predecessors, and after some initial compromises, Lee began to stall on cross-Strait negotiations. A key incident occurred in 1994 when a number of Taiwanese tourists died during a fire in Qiandao. This event became notorious and the focus of a range of conspiracy theories in Taiwan. As a consequence, popular antipathy towards the PRC rose and both the leadership of the KMT under Lee and the main opposition Democratic Progressive Party (DPP) began to promote an agenda that was increasingly against reunification and in favour of independence.

By 1995 President Lee was increasingly pursuing an agenda that infuriated the PRC's leadership. This included holding interviews in which he questioned Taiwan's Chinese heritage and attempted to raise Taiwan's profile in the international community by exploiting Taiwan's political friends and allies overseas, especially in the United States and Japan (Shih 2003; Deans 2001b). In 1995 Lee made a "private" visit to the US that caused considerable embarrassment and anger amongst the Chinese leadership, which rejected US assertions that the visit was a private one (Zhao 1999: 116-7). Beijing then conducted a series of missile tests in the Taiwan Strait to demonstrate its annoyance at the visit and opposition to Taiwanese independence. The missile tests were repeated in March 1996 during the presidential elections; the Chinese leadership sent a warning to Taiwanese voters of the possible consequences of voting for independence. The extent to which the missile tests

provided a “crisis“ in relations between the US and the PRC is open to question (Deans 2001a: 38), but they clearly marked a nadir in cross-Strait exchange. The aggressive behaviour of Beijing knocked the confidence of the people of Taiwan in the prospect of improved ties with China and increased the determination of President Lee to pursue a future for Taiwan that was not dependent on the PRC.

The tensions of 1995 and 1996 marked the end of a chapter in cross-Strait relations. While the impact of the missile crises on economic exchange was only temporary, the longer-term impact on rising popular nationalism in both Taiwan and China was profound. In Taiwan, concern about the possible consequences of reunification led to growing debates over whether Taiwan’s future should lie in eventual reunification with the Chinese mainland. The early 1990s saw the return to Taiwan of significant groups of individuals who had gone into exile during the martial law period for their advocacy of Taiwanese independence. Sympathy for reunification declined markedly during this period and there was a steady growth among those who identified themselves as “Taiwanese“ before they considered themselves Chinese. A Taiwanese identity began to emerge in this period, which in turn influenced the party platforms and public pronouncements of the main political parties, pushing them further away from the prospect of reconciliation with China. On Taiwan this move was encouraged by President Lee Teng-hui, who after 1997 was increasingly identified not just with opposition to reunification, but with sympathy for Taiwanese independence.

## 1997-2004: the emergence of Chinese popular nationalism

The early to mid-1990s saw conservative, state-dominated nationalism as central to the PRC’s strategy and self-description. From the mid-1990s, though, popular nationalism became increasingly significant in the PRC and increasingly found itself in conflict with the emerging separatist nationalism apparent in Taiwan. The term “popular nationalism“ is used here to refer to the emergence of nationalist sentiment in the PRC that is no longer under the control or direction of the state. The CCP leadership continued to appeal to Chinese nationalism to legitimise its role, using state media and the education system to promote a particular vision of China and its future. However, disagreements within the leadership over emphasis and tensions over nationalist aspirations within the Chinese periphery (most notably in Taiwan and Tibet) saw emphasis at the state level shifted to a more inclusive patriotism (*aiguozhuyi*).

More significantly, nationalism became the rallying cry of those who challenged the CCP on a range of issues (Deans, forthcoming). The student-led reform movement of 1989 is perhaps the key turning point in the emergence of a new, popular nationalist discourse in the PRC that exists beyond the control of the Communist Party. The mid-1990s saw a growing expression of pop-

ular nationalism through the publication of books such as *The China that Can Say “No“* and the widespread use of the Internet as a vehicle for discussion by Chinese nationalists (Deans 2005). While the CCP has continued to mount patriotic campaigns and engage in the promotion of nationalism as a mechanism for promoting legitimacy, a popular nationalist discourse has increasingly offered a challenge to the CCP, as was seen in popular reaction to the dispute with Japan over control of the Diaoyutai/Senkaku Islands, the bombing of the Chinese Embassy in Belgrade, and the death of a Chinese pilot following a collision with an American spy plane. As Wu has argued, concerns over the domestic political legitimacy of the Chinese leadership have an effect on Chinese foreign policy and the Taiwan question in particular (Wu 2004). While public pressure on the Chinese leadership does not create policy, it does have the potential to reduce the CCP’s autonomy and restrict the ability to compromise over the Taiwan issue.

PRC strategy at the state level has moved on significantly from the confrontations of 1995 and 1996. Although recourse to a military solution remains clear and unambiguous as a last resort for Chinese policy, the tactics used by the senior leadership have been far more accommodating than those employed in the mid-1990s. On one level the PRC is appealing directly to the economic interests of the Taiwanese in developing and improving their relationship with the PRC. Explicit economic threats are rare, but both the Taiwanese government and Taiwanese business groups are well aware of the possible negative impact on Taiwan of a deteriorating relationship. While anger at Lee Teng-hui has been undisguised, the PRC leadership adopted a “wait and see“ policy with regard to the DDP Administration of Chen Shui-bian following his election in March 2000 (Zhao 2003). While the Chinese military clearly has interests and policy preferences with respect to Taiwan, David Shambaugh, a leading expert on the Chinese military, has shown that “the PLA’s (People’s Liberation Army) jurisdiction has been limited strictly to the military realm“ (Shambaugh 2002: 38). The emergence of the Fourth Generation leadership under Hu Jintao has led to some uncertainty over the future of cross-Strait relations, although early indications are that Hu intends to pursue a non-confrontational strategy on the Taiwan issue. Hu’s preferred approach to international affairs is probably best seen in his role promoting the idea of the “peaceful rise“ of China. While this position has critics within the PRC, Hu’s initial forays into international affairs seem designed to reassure China’s neighbours and partners that China’s growing economic and political significance will translate into a Chinese threat.

Since 1996 it has become increasingly difficult to envisage an “ROC strategy“ as such. Kuo is particularly scathing about the absence of strategic vision by Lee Teng-hui (Kuo 2002), although Goldstein has characterised Taiwan’s policy towards the mainland during this period as one of “pseudo-engagement“, an attempt to buy time on the assumption that true reconciliation is not possible – or perhaps even desirable (Goldstein



1999). Democratisation resulted in the emergence of a vibrant public discourse on Taiwanese identity, which meant that contending visions of the island's future became increasingly important amongst competing politicians. President Lee Teng-hui was elected on the basis of a popular mandate in 1996, and following this took the KMT further away from its original goals of national reunification. As his time in office grew longer, Lee proposed an increasingly radical reinterpretation of the relationship between the PRC and the ROC on Taiwan, culminating in a speech in 1999 that described the relationship between the ROC and the PRC as a "special state-to-state" relationship.

The significance of the "special state-to-state" announcement is that it may have represented an abandonment of the "one China policy" that has been central to the peaceful maintenance of cross-Strait relations since the 1970s – and indeed may be a step in a process of declaring Taiwanese independence. David Shambaugh has suggested that Lee's announcement marks a major shift and that the announcement greatly increased insecurity and the danger of conflict in the region (Shambaugh 1999). There is an inherent problem in any attempt to explain and define the exact intent of Lee Teng-hui and that is the imprecision of the Chinese vocabulary in which the discourse is rooted (Sicherman 1999; Faison 1999). The Chinese term *guo* can be translated as "country", "state" or "nation", leaving room for great ambiguity. It is therefore significant that the official translation of Lee's remarks used the term "state" to express *guojia* in English.

The lack of clarity over the "special state-to-state" statement has continued to exist since Chen Shui-bian's election. During his 2000 election campaign, Chen made some comments accepting Lee's position, but criticised him for making it. Following his inauguration he initially stated that it was not the policy of his administration, but subsequently he echoed the policy. While there were some symbolic improvements in relations with the PRC during Chen's first term as President, most notably the opening of direct travel between the offshore islands and the Chinese mainland, the Chen Administration continued to attempt to slow down Taiwan's growing economic interaction with the Chinese mainland while pursuing a domestic strategy of promoting "Taiwanese" in contrast to the PRC's model of Chineseness. Early into his second term, Chen has continued to pursue a broadly separatist agenda, including announcing plans to abolish the National Reunification Council that established the parameters of the ROC's policy in 1991. While the popular mood for reunification in the PRC has grown, Taiwanese society has become deeply polarised. Fewer and fewer people on Taiwan identify themselves with the idea of China promoted by Beijing, and a significant minority including many in the ruling party believe that Taiwan's future must lie as an independent state, separate from China.

Since 1997 the United States has found itself increasingly involved with the Taiwan question. US military deployments near Taiwan in 1996 demonstrated that

the American government was prepared to support its long-standing position that the Taiwan question should not be resolved by military force, and subsequent announcements from the Clinton Administration made it clear that this should not be regarded as a *carte blanche* for the Taiwanese side to pursue whatever direction they preferred. Early in the Bush Administration's period of office, it did appear that a possible shift in US policy was under way – in April 2001 Bush remarked that the US would do "whatever it takes" to defend Taiwan, and episodes such as the EP3 spy plane incident suggested it would take a hard line on the PRC. However, following the September 11 attacks on the United States, the Bush policy towards the PRC became much more accommodating. At the same time the DPP administration was increasingly regarded as being a destabilising influence that was threatening wider US objectives. The clearest demonstration of the changes in the US position came in December 2003 during the visit of Premier Wen Jiabao to Washington. Asked about the situation in the Taiwan Strait, President Bush replied:

Let me tell you what I've just told the Premier on this issue. The United States government's policy is one China, based upon the three communiqués and the Taiwan Relations Act. We oppose any unilateral decision by either China or Taiwan to change the status quo. And the comments and actions made by the leader of Taiwan indicate that he may be willing to make decisions unilaterally to change the status quo, which we oppose (US Government 2003).

This is perhaps the strongest public condemnation of Taiwan issued by the United States to date and was regarded as a serious blow to the aspirations of the Chen Administration. It was not a change in US policy as such, but the re-affirmation of the direction taken by Nixon and Kissinger and all subsequent US administration's with regard to the issue. As such, US policy has more in common with the conservative policy of the PRC rather than the more radical and revisionist position that has come to dominate politics within Taiwan.

## Conclusions

Considering the politics of cross-Strait relations through the lens of competing nationalist visions demonstrates considerable continuity in the relationship. This approach puts the Chinese dynamics of the relations at its centre and moves external considerations, such as the importance of the Cold War or the role of the superpowers, to the periphery. An examination of the nationalist dynamics involved shows that there have been periods, such as the 1950s or the late 1960s, when the leaderships on both sides held irreconcilable views. At other times, most notably during the 1980s, a conservative conception of the Chinese nation dominated and this enabled important breakthroughs to occur. As such, the relationship can be understood to have moved from a paradigm of radicalism to a paradigm of conservatism.

The conservative agenda enabled the commencement of dialogue and significant breakthroughs with regard to personal exchanges, trade and investment with the result that the extent of exchanges between the two sides has never been higher. However, the nationalist dynamics that underpinned the conflict have evolved rather than disappeared. The conservative nationalism of the Chiang regime and its aspirations for national reunification have come to be challenged by a newly constructed Taiwanese identity that has begun to aspire to an independent Taiwanese state. While the Chinese Communist Party has abandoned the radicalism of Mao and is increasingly dominated by conservative conceptions of Chinese nationalism, it has found itself confronted by growing popular nationalism and demands for reunification. These demands may prove to be a serious problem for a leadership which intends to take a gradualist approach to the reunification question. However, there is no inevitability that the nationalist dynamic in Taiwan will increasingly push for independence – the trend towards separatism is not inevitable, and may be strongest in those generations who grew up in pre-democratic Taiwan, while younger Taiwanese who encounter the dynamic China of Hu Jintao may regard it with less fear and hostility: the nationalist dynamics could be reconstructed again.

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