Policy Towards Taiwan

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This presentation explores leadership decision-making on the Taiwan Strait issue. This is a subject on which we know very little. Much of what we know comes from Chinese sources who may have limited knowledge or who, even if they know a lot, may wish to shape our understanding of the subject. So we must be cautious in anything we say. I present an inventory of what we think we know.

Who is the Leadership?

For purposes of this paper, I follow Michael Swaine's functional approach and his conclusion that on decisions concerning Taiwan the following are key:[1]

First is an individual we call the paramount leader, who retains ultimate decision-making power. Today, that leader is Hu Jintao. It is not automatic that the Party general secretary and state chairman should be the paramount leader. But because the Taiwan Strait issue is critical to the legitimacy of the CCP and tied to war and peace, it is almost inevitable that the person holding those positions will be ultimately responsible for the issue.

Second is a small, informal nuclear circle of senior leaders who supplement the paramount leader in his role. Those leaders may include Zeng Qinghong, Jia Qinglin, and Liu Yandong.

Third is the Politburo Standing Committee (PB-SC), one member of which takes charge of Taiwan policy. I infer that today that person is Jia Qinglin.

Fourth are the members of the Central Military Commission and those senior leaders of the State Council who have some responsibility for Taiwan matters.

Finally, there is the Taiwan Affairs Leading Small Group (TALSG). The TALSG is the forum where decision-makers interact with senior officials from the implementing organs in the Party, government, and military systems. After the 2002-2003 leadership transition, Hu Jintao became TALSG chair and Jia Qinglin the vice-chair. According to a report from a Hong Kong communist media outlet in December 2003, the other members were: Tang Jiaxuan, a state councilor and former foreign minister; Wang Gang, director of the CCP central committee's general office; Liu Yandong, head of the CCP's united front work department; Wang Daohan, head of ARATS; Chen Yunlin, head of the TAO; Xu Yongyue, minister of state security; and Xiong Guangkai, deputy chief of staff for intelligence.[2]

The TALSG is first and foremost a party body. It functions as a coordination and supervision mechanism between the PBSC and analogous party, state and military organizations involved in Taiwan affairs.

I do not include members of the Politburo as a whole. Concerning Taiwan, the apparent role of that body is to build consensus for the decisions of the paramount leader and the PB-SC. Given the radioactive nature of the issue, the average Politburo member may prefer to avoid any responsibility for it. At the same time, a functional rather than positional approach leaves open the possibility that a member of the Politburo or its Standing Committee who has no responsibility for the Taiwan Strait issue may see a political advantage in criticizing those members who are when the latter make a mistake—an issue to which we will return.

Received "Wisdom"

We know that before Hu Jintao, Wen Jiabao, Zeng Qinghong, et al., took power, they went through a vetting process in which they had to reassure their seniors that their views on the whole gamut of policies reflected continuity not change. Concerning Taiwan, Hu Jintao expressed confidence that the proliferating web of economic and social ties will inevitably lead to a mutually satisfactory solution. He regarded Chen Shui-bian and the forces he represented as a temporary phenomenon. The key to progress was Taiwan's acceptance of the one China principle and the 1992 consensus. "Taiwan independence" was a problem that deserved serious attention, and "the choice between war and peace was Taiwan's to make." It was to prevent independence that China would not and could not renounce the use of force.[3] Zeng Qinghong placed a similar emphasis on the one-China principle and the need to reserve the option of using force. He also highlighted the generosity of the one country, two systems offer to Taiwan, particularly how it was better than what Hong Kong had secured.[4]

Both Hu and Zeng, therefore, were speaking from Jiang Zemin's script. And this demonstrates how old ideas can constrain the deliberations of new leaders. Twenty-six years after the outlines of one-country, two systems were first sketched and after Taiwan has repeatedly said "no," the ghost of Deng Xiaoping sits at Hu Jintao's decision-making table. It is possible of course for clever leaders to fashion creativity within the confines of orthodoxy. We know that the economic reforms of the 1980s had to be fashioned in that way. We do not know whether Hu, Wen, and Zeng have the cleverness to transform a sow's ear into a silk purse. But if one were to create a silk purse, it is probably easier to start with a piece of silk than with a sow's ear, except when one of the guardians of the sow's ear is still around.

Received Structures

New cohorts of leaders often inherit institutional structures that have established interests and modes of operations. These can enable leaders; they can also constrain them. There was no structure under Mao Zedong and Zhou Enlai. One was developed gradually under Deng Xiaoping and matured under Jiang Zemin. Comprehensively analyzed by Michael Swaine, it is the structure that the Hu Jintao leadership inherited when they took over in late 2002 and early 2003.

The PRC decision-making structure for Taiwan policy in the late 1990s below the level of leaders, as described by Michael Swaine, included the following elements:[5]

- The TALSG, the forum where decision-makers interact with senior officials from the implementing organs in the Party, government, and military systems.
- The ministerial-level Taiwan Affairs Office (TAO) of the Central Committee of the Communist Party and the State Council. The TAO serves as a general office for the TALSG, preparing agendas for its meetings, coordinating paper flows and interaction among relevant agencies, submitting analysis and policy recommendations to TALSG members, and supervising the work of Taiwan affairs offices at the provincial and lower levels. (The general office of the Central Committee plays a policy coordination function similar to that of the TAO, reviewing and distributing policy reports to senior leaders and drafting speeches.)
- The Ministries of Foreign Affairs and State Security under the State Council and the General Staff Department under the Central Military Commission. These are responsible for Taiwan issues in their area of competence. In addition, the Party's

united front work department has responsibility for developing party-to-party and people-to-people contacts between the two sides of the Strait.

- Under the jurisdiction of the TAO is the Association for Relations across the Taiwan Strait (ARATS), a semi-official body created in 1991 to conduct political contacts and address routine functional problems with Taiwan, through its counterpart, the Straits Exchange Foundation.

Connected in one way or another with most of these agencies is a variety of information collection and analysis organizations. The TAO has a research bureau that collects information, conducts policy research, and supplies policy proposals. Its sources include the Taiwan media, intelligence information, and first-hand contacts. The MFA has a Taiwan Affairs Office that produces analytic reports for senior officials based on reporting from PRC embassies and Xinhua offices. The Second Directorate of the General Staff Department of the People's Liberation Army collects intelligence relevant to the PLA's mission, while a variety of institutes produce analysis for the military. The Ministry of State Security directs the work not only of the China Institute for Contemporary International Relations, which provides analysis on the external dimension of the Taiwan Strait issue, but also of the Taiwan Studies Institute of the Chinese Academy of Social Sciences. There are also several institutes in Shanghai and one in Xiamen that provide an alternative stream of analysis.

Decision-Making Process

Swaine concludes that during routine periods the policy process on Taiwan has become "highly regularized, bureaucratic, and consensus oriented." As the issue has

become more complex, the number of actors has grown and their responsibilities has become more diverse. Decision-making is characterized by "extensive horizontal and vertical consultation, deliberation, and coordination." We can surmise, therefore, that if and when the leadership wishes to explore new ideas concerning Taiwan policy, it will task the TAO to prepare them, and that the TAO in turn will put out the word to subordinate units and analytic agencies. Papers are written, seminars are held, and recommendations are sent up through various hierarchies. Ultimately they return to the PBSC in a complicated review and coordination process where views are channeled through party, state, and government channels until they reach a fairly high level. Swaine tells us that it is the general office of the Central Committee that prepares recommendations for consideration by the senior leadership. "At the uppermost level of the policy-making process," he reports, "differing party, government, and military views are resolved or muted through a process of informal deliberation among the senior leadership."[6]

It is worth noting that although Swaine's information suggests a policy-making process that is more bureaucratic and institutionalized than before, it is still fairly centralized. Line agencies provide information and make recommendations (and later carry out instructions) but appear to have no role in the actual making of decisions. This is consistent with Chinese foreign policy-making as a whole.[7]

Swaine's portrait of the routine policy-making process was written during the Jiang period so it is worth asking whether it applies today. Some Chinese informants say that the role of the TALSG and the TAO is the same as before but that the TALSG does not meet very often. One informant noted that Hu Jintao relies on a more diverse set of

advisers concerning Taiwan, and particularly highlighted the role of Liu Yandong, the head of the CCP United Front Work Department. Another saw a more personalized style, summoning in a few experts from outside the government *per se* and drawing upon their opinions in making their opinions.

Returning to Swaine's analysis, he argues that centralization will become even more pronounced in a crisis. The politburo standing committee tends to assert itself relative to the TALSG. Senior military leaders and the CMC participate in decision-making that has a military dimension.[8] Non-Taiwan cases like the Belgrade bombing and the EP-3 crash indicate a general tendency for some senior leaders to make early judgments based on limited (and wrong) information and so hijack the policy response. At times of crisis and nationalistic fervor, moreover, analysts who might offer sound yet controversial judgments of an adversary's intentions are reluctant to do so.[9] There is some evidence that more recently the PRC has sought to remedy the defects in its decision-making process concerning Taiwan. For example, the agencies responsible for interpreting developments on the island are probably more accurate in their analysis of events and their significance, and the temptation to over-react has been resisted. Beijing showed greater restraint as the campaign for March 2004 presidential election unfolded.[10]

Whether in routine or crisis mode, we know little or nothing about the fine detail of the proposals that the top leaders receive from the decision-making apparatus that is supposed to serve them. Is the analysis of the situation they face sharp are muddled? Are options provided or is the choice somehow predetermined, either from above or below? To dwell on the analysis issue, one factor that contributes to Chinese decision-making concerning Taiwan, I believe, is misperception about the intentions of the island's

leaders. This is a big and controversial subject. In my view, however, Beijing has tended to read Lee Teng-hui's and Chen Shui-bian's opposition to the one-country, two-systems formula as opposition to unification and evidence of separatism *per se*. It has not understood fully the dynamics of Taiwan's democratic system and sometimes interpreted political maneuvers as evidence of policy challenges.

This discussion suggests a system in which senior leaders may be the captive to the bureaucratic institutions that serve them. This is not to suggest that institutions deliberately ill-serve their leaders. It is that the system creates a kind of mutual captivity between leaders and institutions, in which innovation is stifled. It appears, for example, that the Beijing policy process, which had prepared the Anti-Secession Law in anticipation of a pan-Green victory in the December 2004 Legislative Yuan elections, was not supple enough to put the legislation on hold when the pan-Green lost and the political balance of forces on Taiwan changed significantly.[11] Although Robert Suettinger's judgment on how the new Chinese leadership would cope in a future crisis is not directed specifically to Taiwan, it is still germane. "At some point, . . . Hu [Jintao] and Wen [Jiabao] may find themselves in a situation in which they need reliable information, short time-frame decisions, and sound judgment on a foreign policy issue. It is fair to wonder whether the decision-making system currently in place in China—opaque, non-communicative, distrustful, rigidly bureaucratic, inclined to deliver what they think the leaders want to hear, strategically dogmatic, yet susceptible to political manipulation for personal gain—will be up to the task of giving good advice."[12]

Policy Debates and Politics

To what extent do Chinese leaders disagree over Taiwan policy? As a first cut, we might look for differences in leaders' statements on the issue. By and large, there are none. They stick to a pretty standard *tifa*, changes to which reflect adjustments to the situation and not leadership differences.

Another approach is to ask two different questions. On the one hand, is the issue complex in a substantive sense, generating competing answers on how to solve the problem of the day? On the other hand, can Taiwan policy become a pawn in the power struggle between Chinese leaders? Analytically, these are two separate issues, and we can thus generate four possible outcomes. If substantive complexity and politicization are both high, there is a high-stakes struggle. If the former is high but the latter is low, there is a more technocratic approach; leaders will share the same goals but disagree on the means. If complexity is low and politicization is high, then we will expect political opportunism as rivals of the current leaders attack them. If both variables are low, there is routine policy-making.

(Note that there are other variables that might be considered. Is Taiwan policy "bundled" with other issues? The most extreme example of bundling was the line struggle of the Mao period. Second, a question of the post-Deng period, to what extent does public opinion affect decision-making? How does each affect the effort to cope with complexity and politicization?)[13]

On the question of complexity vs. politicization, the only case for which we have much information is the 1995-1996 crisis that followed Lee Teng-hui's visit to the United States. That was a case that is now a decade old, one that occurred on the watch of another paramount leader and at a time when both China and the United States were

beginning to adjust to the impact of Taiwan's democratization on cross-Strait relations. Western scholars disagree to some extent on the degree of elite conflict. Robert Suettinger, who as in the U.S. government at the time, concludes that during the 1995-1996 crisis that "there can be little doubt that leadership frictions and competition for power continued throughout the period, and may have intensified, given the high tension of the situation." At least two of Jiang's civilian political rivals—Qiao Shi and Li Ruihuan—used the Taiwan crisis to put Jiang on the defensive. What is less clear is whether there was a split between the military and the rest of the leadership on how to respond to the Lee visit. One school of thought, represented by Suettinger, John Garver and Tai-ming Cheung, concludes that the military had opposed civilian policies for some time and used events like the Lee visit to impose their views on Jiang, constraining his options and forcing a tougher policy that employed training exercises as tools for intimidation. They along with some civilians constrained Jiang's options. Others, particularly Michael Swaine and You Ji, tend to dismiss the idea of deep division over Taiwan. They see a consultative policy process (not a factional one), in which the leadership altered its policy consensus to respond to changing circumstances. Both civilian and military leaders agreed that a tough response to Lee's visit was required. The military was one participant in that process and had a relatively significant impact when national security issues were on the agenda. Actors differed on the timing and nature of the response. Civilians stressed diplomatic and political measures while military officers favored military ones. Andrew Scobell splits the difference. He confirms that the PLA led the charge in advocating a hard-line response to the Lee visit, but also finds that by

October 1995, civilian and military leaders had reached a consensus on a tougher approach.[14]

My best judgment is that we lack the information to determine the degree to which some members of the leadership use the issue of Taiwan policy today to somehow undermine Hu Jintao's position. My *hunch* is that the level of politicization is low. This is not to say that issues of political power are not involved. Taiwan may well have been at play concerning how long Jiang Zemin would remain in what positions. Nor is it to say that disagreements concerning Taiwan policy do not occur. Indeed, we should expect that they would. This is a tough issue, in part because Taiwan's leaders have posed challenges, in part because China's leaders have not understood the nature of those challenges, and because they have chosen not to maintain the kind of communications channels that would permit crisis prevention and stabilization. When a new challenge emerges, there will be those in the Chinese national security system who will argue that the threat is serious (perhaps more serious than it is objectively) and that Beijing must respond robustly to demonstrate its resolve. The decision-making circle that addresses that proposal may be overly centralized and somewhat dysfunctional, particularly in a crisis. The very real danger remains that China's leadership, because of those defects, will somehow miscalculate and provoke a crisis or conflict that is objectively unnecessary.

Yet this appears to be a circle of leaders that understands that the stakes on Taiwan policy are too high to play politics. Hu Jintao appears to have addressed Jiang's last appeal to remain in office quite skillfully. Moreover, the Hu-Wen (or perhaps Hu-Wen-Zeng) leadership's response to Chen Shui-bian's 2003-2004 provocative campaign proposals also was fairly deft, displaying Chinese resolve but relying on Washington to

do the heavy lifting. And that response suggests that there may actually be some learning going on. For Beijing has become somewhat modulated in its reactions to the challenges that it perceives from Taiwan. It used displays of force in 1996, general threats of force in 2000, and pressures on Washington in 2003-04. And although the leadership could not stop the momentum of the anti-secession law, it did proceed with the openings to Taiwan's opposition parties and more subtle appeals to Taiwan interest groups.

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[1] Michael D. Swaine, "Chinese Decision-Making Regarding Taiwan, 1979-2000," in *The Making of Chinese Foreign and Security Policy in the Era of Reform*, edited by David Michael Lampton (Stanford University Press, 2001), pp. 289-336.

[2] "Hu Jintao to Meet Chairmen of Taiwan Businessmen's Associations on 25 December," *Wen Wei Po*, December 25, 2003, FBIS, CPP20031225000017 [accessed June 12, 2004]. An earlier report by a Taiwan newspaper omitted Wang Gang but included Guo Boxiong, vice chairman of the Central Military Commission; see Wang Yuyan, "PRC Leading Group for Taiwan Affairs Restructured. Hu Jintao is the Head," *Lianhebao* (United Daily News), May 29, 2003, FBIS, CPP20030529000071 [accessed June 5, 2003].

[3]Hu also said that although China would allow the Taiwan people to manage their own affairs after unification, "that did not mean that they could declare independence through a referendum." Finally, Hu alleged that it was American interference that was the reason the Taiwan issue had been unresolved for so long. Zong Hairen, ed., *Disidai* (The Fourth Generation)(NY: Mingjing chubanshe [Mirror Publishers], 2002), pp. 72-73.

[4] Zeng also dwelt on U.S. responsibility for blocking unification. Zong, *Disidai*, pp. 318-320.

[5] Michael D. Swaine, "Chinese Decision-Making Regarding Taiwan, 1979-2000," in *The Making of Chinese Foreign and Security Policy in the Era of Reform*, edited by David Michael Lampton (Stanford University Press, 2001), pp. 289-336.

[6] Swaine, "Chinese Decision-Making Regarding Taiwan," 307-309.

[7] Swaine, "Chinese Decision-Making Regarding Taiwan," 309. Regarding foreign policy as a whole, Ning Lu concludes: "the most important characteristics . . . are that it is highly centralized and that in terms of key decisions it is very much personalized." Ning Lu, *The Dynamics of Foreign-Policy Decisionmaking in China* (Boulder, Col.: Westview Press, 1997), p. 76. Chen Youwei, a former PRC diplomat identifies several pathologies in Beijing's decision-making: reading the worst intentions into an adversary's actions; ideological ossification; divorce from reality; faulty intelligence; and the "celestial mentality" that assumes an air of self-importance. See Chen Youwei, "China's Foreign Policy Making as Seen Through Tiananmen," *Journal of Contemporary China*, vol. 12, issue 37 (November 2003), pp. 715-722.

[8] Swaine, "Chinese Decision-Making Regarding Taiwan," 309.

[9] Bonnie S. Glaser and Phillip C. Saunders, "Chinese Civilian Foreign Policy Research Institutes: Evolving Roles and Increasing Influence, *China Quarterly*, no. 171 (September 2002), p. 615.

[10] For an example of this restraint in operation, one in which PRC Taiwan specialists argue for "calmness" in Beijing's response to Chen Shui-bian's August 2002 statement that there were "two countries on each side" of the Taiwan Strait, see "Roundup: Chen Shuibian's Blunt Remarks Stir Up Turmoil, Mainland Experts Call on Making a Counterattack with Rationality and Calmness," Zhongguo Tongxunshe, August 9, 2002, FBIS, CPP20020809000090. Presumably, the scholars' public advice was a similar to what they were telling officials. And by inference, the officials listened.

[11] Bonnie Glaser, "The Anti-Secession Law and China's Evolving Taiwan Policy," Taiwan Perspective E-Letter, Institute for National Policy Research, Issue No. 67, March 21, 2005, http://www.tp.org.tw/eletter/story.htm?id=20007206.

[12] Robert L. Suettinger, "China's Foreign Policymaking Process," paper prepared for a Center for Strategic and International Studies meeting on "PRC Policymaking in the Wake of Leadership Change," October 31, 2003.

[13] On these issues, see David M. Finkelstein, "China Reconsiders Its National Security: The Great Peace and Development Debate of 1999," Project Asia, The CNA Corporation, December 2000, pp. 5-7; and Joseph Fewsmith and Stanley Rosen, "The Domestic Context of Chinese Foreign Policy: Does Public Opinion Matter?," in *Making of Chinese Foreign and Security Policy*, edited by Lampton, pp. 158-169

[14] Robert L. Suettinger, *Beyond Tiananmen: The Politics of U.S.-China Relations, 1989-2000* (Brookings, 2003), pp. 224-225, 245-246, 262-263; John W. Garver, *Face Off: China, the United States, and Taiwan's Democratization* (University of Washington Press, 1997); You Ji, "Changing Leadership Consensus: The Domestic Context of War Games," in *Across the Taiwan Strait: Mainland China, Taiwan, and the 1995-1996 Crisis*, edited by Suisheng Zhao (New York: Routledge, 1999), pp. 77-98; Michael Swaine, "Decision-Making Regarding Taiwan," pp. 319-327; Tai Ming Cheung, "Chinese Military Preparations Against Taiwan Over the Next 10 Years," in *Crisis in The Taiwan Strait*, edited by James R. Lilley and Chuck Downs (National Defense University Press, 1997); Andrew Scobell, "Show of Force: Chinese Soldiers, Statesmen, and the 1995-1996 Taiwan Strait Crisis," *Political Science Quarterly*, vol. 115, no. 2 (Summer 2000), pp. 227-246.