

Appendix 73 -- Taiwan White Paper on Relations across the Taiwan Straits (1994)
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TAIWAN'S MAINLAND AFFAIRS COUNCIL

Introduction

Many countries throughout history have experienced periods of division and reunification, and the history of China is also one of periodic partition and unity.

Modern China has been unable to escape this historical cycle. Since 1949, the Chinese people have lived in one of two societies on either side of the Taiwan Strait with different ideologies and political, economic, and social systems.

In order to end this confrontation and estrangement between the two sides of the Taiwan Strait and to achieve a strong and prosperous nation, the government of the Republic of China (ROC) has, since 1987, adopted concrete measures to promote social, cultural, and economic exchanges between the two sides of the Strait in a forward-looking, pragmatic, active, and moderate way. In February 1991, the ROC government drew upon the insight of people inside and outside the ruling party in drawing up the "Guidelines for National Unification," part of an attempt to form a national consensus for the advance toward unification.

However, creating the conditions for unification requires sincere cooperation between the two sides of the Strait. And completing the momentous task of unification is even more dependent on the joint efforts of the two sides. For this reason, the ROC government believes that it must present a detailed and exhaustive explication of relations between the two sides of the Taiwan Strait, in the hope that this will enable people at home and abroad to gain a thorough understanding of the government's thinking, position, and actions regarding the issue of national unification. In this way we may pool our wisdom and efforts and work together to create a democratic, free, and prosperous China.

The Origins and Nature of the Division Between the Two Sides of the Taiwan Straits

1. The Founding of the Republic of China

After the Opium War in the mid-nineteenth century, enlightened Chinese began to perceive the evils of despotism. They were convinced that if China failed to become independent and strong, if it did not introduce reforms and establish a democratic republic, it would be impossible to reverse its decline. Then in 1912, under the leadership of Dr. Sun Yat-sen and thanks to the self-sacrificing struggle of the revolutionaries, Asia's first democratic republic--the Republic of China--was born.

In the early years of the Republic, China was extremely unstable, suffering from warlord strife within and the bullying and humiliation inflicted by the great powers from without. In an effort to save China and make it strong and prosperous, Dr. Sun Yat-sen had combined the finest elements of Chinese and Western thinking into the Three Principles of the People. His Principle of Nationalism was aimed at recovering China's independence and autonomy; his

Principle of People's Rights is interpreted as political democracy; and the Principle of the People's Livelihood seeks to achieve equitable prosperity and to avoid the ills of both capitalism and communism, thus combining political and social revolution. The Three Principles of the People offered the correct answer to the question, "Whither China?" that had been asked ever since the Opium War.

2. The Birth and Development of Communism in China

At that time, however, the situation in China and the world at large provided an opportunity for the development of communism. During the October Revolution of 1917, the Bolsheviks under Lenin seized power in Russia. Soon after, they established the Third International as a means of promoting world revolution, and neighboring China was the first country to feel its impact. The year 1919 saw the outbreak in Peking of the May Fourth Movement, which had a profound and far-reaching influence. The doctrine of "out-and-out Westernization," which made an appearance during the May Fourth period, provided an opening for the introduction of Marxism to China. In July 1921, a handful of leftist intellectuals established the Chinese Communist Party (CCP), which acted as a branch of the Third International. From then on, communism began to spread on Chinese territory, and in 1924, the Kuomintang (KMT, or the Nationalist Party), under Soviet influence, adopted a policy of "allying with Russia and accommodating the communists," which allowed the CCP to develop and become strong within the ranks of the KMT.

During the Northern Expedition [launched by the Nationalist government in 1926 to unite China], the CCP took advantage of the internal strife caused by the partition of the country under warlord regimes to foment large-scale peasant uprisings in Nanchang, Changsha, Hailufeng, and Canton, directing its efforts from then on toward seizing power through "armed struggle." In November 1931, the CCP established a "Chinese Soviet Republic" in Juichin, Kiangsi Province, drawing up a "constitution" and organizing a "provisional central government." By using the term "soviet" in the title of its government, the CCP was demonstrating that it was an offspring of Moscow, the "proletarian motherland." This act also marked the beginning of the division of China once again.

After the Marco Polo Bridge incident of 1937, the whole country rallied to resist the Japanese invaders. During this period, the CCP forces adopted the tactic of "devoting one-tenth of their efforts to resisting the Japanese, two-tenths to coping with the Nationalist central government, and seven-tenths to building up their own strength," expanding their bases and increasing their firepower. After the Japanese defeat, the CCP was able to take advantage of the Chinese people's exhaustion to launch an armed rebellion and sweep across the entire Chinese mainland. In October 1949, the CCP established the People's Republic of China in Peking, and the ROC government transferred from Nanking to Canton, and thence to Taipei. Since then, China has been a temporarily divided country under two separate governments on either side of the Taiwan Strait.

3. A Struggle between Systems: The Essence of China's Division

In traditional China, periods of partition were attributable to struggles for power, the

division of the country indicated a division of ruling power and jurisdiction, it had nothing to do with ideology. Division of the kind that exists now between the two sides of the Taiwan Strait is unprecedented in Chinese history. On the surface, it seems to result from the struggle for power between two political parties during the Chinese Civil War. But it stems essentially from the influence of the international political situation and an alien ideology, which eventually took the form of a struggle between the "China of the Three Principles of the People," which is founded on Chinese culture, and "Communist China," rooted in Marxism. It is also a struggle between two contrasting political, economic, and social systems and two different ways of life. In particular, after four decades of division under two different systems, there is an obvious disparity in economic and social development between the two sides. This is a concrete manifestation of the struggle over the question, "Whither China?" that is the essence of the division between the two sides of the Taiwan Strait and the real reason why China is divided. If this fundamental difference is not removed, it will be extremely difficult for China to move from division to unity.

The fundamental reason why China cannot be unified is not, as Peking would have it, that a section of the Taiwan population wishes to separate itself from China, neither is it due to the "interference of certain foreign forces." It is that the political system and level of economic development in mainland China, and its frequent large-scale and violent power struggles, have destroyed people's confidence in the CCP regime. When mainland China's young people, who have grown up under communism, are doing their best to get out of the country, or refusing to return once they have left, or being refused permission to return when they wish to; when thousands of mainland Chinese are illegally emigrating when none of the most ardent Chinese supporters of unification in Taiwan and overseas are willing to settle in mainland China; and when Peking will not countenance even the minimum degree of democracy in Hong Kong, how can the CCP regime blame us for hesitating over unification? If there was freedom and democracy in mainland China and if its economy came up to modern standards, who among the Chinese would not wish to see their country united? How could foreigners interfere?

The crux of the problem thus lies with no one else but the CCP regime itself. This is why the ROC government has repeatedly insisted that "there is no Taiwan problem, only a China problem."

The Development of Cross-Strait Relations

1. The Evolution of Peking's Taiwan Policy

For a long period of time, the Peking regime sought to "liberate" Taiwan by force. In October 1949, Peking launched an amphibious attack on the island of Kinmen (Quemoy), but its forces were heavily defeated. Then in September 1954, the CCP armed forces began their bombardment of Kinmen, sparking off a crisis in the Taiwan Strait. In January 1955, they carried out a bloody attack on Ikiangshan Island and occupied the Tachen Islands. In 1958 came the "August 23 bombardment" of Kinmen, an event that sent shockwaves around the world. One might say that up to the time of the August 23 attack, Peking was seeking to complete the task of unification by force, though it would at the same time occasionally call

for the "peaceful liberation of Taiwan."

After the failure of the attempt to take Kinmen by force, mainland China was struck by a series of disasters. First came the natural and man-made calamities that stemmed from the "three red banners" program, then the split with Moscow resulted in the withdrawal of all Soviet aid. With the outbreak of the Cultural Revolution in 1966, the mainland was brought even nearer to the brink of collapse. In addition, the regime experienced armed border clashes with India and the Soviet Union. Beset by difficulties within and without, Peking lacked the resources to undertake any further military action with regard to Taiwan, apart from calling loudly for "peaceful liberation."

As Peking-Moscow relations deteriorated and the entire communist camp was split, the United States-- deeply antagonistic toward the Soviet Union and eager to extricate itself from the Vietnam War--began to align itself with Peking against the Soviets. Strategic considerations brought about an alleviation of tension between Washington and Peking, causing the focus of the conflict between Taiwan and mainland China to shift outward from the Taiwan Strait into the international arena. Now, the competition between the two sides took the form of attempts at international isolation and counter-isolation.

In 1979, the United States established diplomatic relations with the CCP regime and broke off official ties with the Republic of China. No longer afraid that Washington would intervene directly in relations between the two sides of the Strait, Peking made an important change in its strategy toward the ROC. In order to create an impression of peace in the international arena that would facilitate the promotion of its economic reform and opening-up program, Peking launched a "smiling offensive." In propaganda aimed at Taiwan, the CCP dropped references to "liberation," replacing them with "peaceful unification." On January 1, 1979, the standing committee of mainland China's National People's Congress (NPC) issued a "letter to Taiwan compatriots" which called for the "peaceful unification of the motherland" and the establishment of the "three links and four exchanges." At the same time, Peking stopped its bombardment of Kinmen and Matsu. In September 1981, the chairman of the NPC standing committee, Yeh Chien-ying, issued a nine-point proposal "concerning the return of Taiwan to the motherland and the realization of peaceful unification."

Then in 1984, Teng Hsiao-p'ing put forward the "one country, two systems" unification formula. Though all these declarations were issued in the name of "peaceful unification," to this day the Chinese Communists have refused to give up the option of using force to solve the unification problem.

2. The ROC Government's Efforts to Promote Cross-Strait Relations

The ROC government has always believed that a change of system in mainland China is crucial to solving the China problem. Therefore, at its twelfth national congress in April 1981, the ruling Kuomintang put out a call for the "unification of China under the Three Principles of the People," claiming that the only way to unify China was to implement the Three Principles throughout the entire country. These calls became the central theme of the Republic of China's mainland policy. In other words, the dispute between the two sides of

the Strait hinged on whether a free and democratic China or a China under communist dictatorship best fulfilled the aspirations of the Chinese people and served the interests of the world as a whole. The ROC government's chief reason for advocating "unification under the Three Principles of the People" was that the practice of these two contrasting systems over the past three decades or more, both on the two sides of the Strait and in the world at large, had resulted in the utter defeat of Marxism-Leninism, while the Three Principles had proved better suited to the conditions of China and therefore able to solve the "China problem." Political movements launched under the communist system, such as land reform, the "hundred flowers," the "three red banners," and the Cultural Revolution, had cost the Chinese people dearly, and even the CCP itself was now describing them as "catastrophes." In Taiwan, however, the ROC government had implemented Sun Yat-sen's Three Principles of the People and had promoted economic development and political reform in a moderate and gradual manner, creating prosperity and democracy on a scale unprecedented in Chinese history.

In the 1980s, the pace of economic liberalization, social pluralization, and political democratization was stepped up in Taiwan, causing the Republic of China to undergo a rapid transformation. Then, with the lifting of martial law, the government adopted a series of more open policies toward mainland China. On November 2, 1987, President Chiang Ching-kuo, inspired by traditional moral principles and humanitarian considerations, allowed Taiwan residents to visit their relatives on the mainland, ending nearly four decades of estrangement and marking a turning-point in relations between the two sides of the Taiwan Strait. From this time on, cross-Strait relations progressed from a state of complete estrangement toward people-to-people exchanges.

In May 1990, during his inaugural address after he was sworn in as the eighth president of the ROC, President Lee Teng-hui made the following announcement:

If the Chinese communist authorities can recognize the overall world trend and the common hope of all Chinese, implement political democracy and a free economic system, renounce the use of military force in the Taiwan Strait, and not interfere with our development of foreign relations on the basis of a one-China policy, we would be willing, on a basis of equality, to establish channels of communication, and completely open up academic, cultural, economic, trade, scientific, and technological exchange, to lay a foundation of mutual respect, peace, and prosperity.

President Lee also said that he hoped that "the period of mobilization for the suppression of communist rebellion" could be terminated, in accordance with the law, as quickly as possible. These solemn proclamations laid an important foundation for friendly interaction between the two sides of the Taiwan Strait.

In an effort to form a national consensus on various problems, the government convened a National Affairs Conference (NAC) in June 1990, during which it was agreed that the governments on the two sides of the Strait were both "political entities with de facto authority." The participants also called for a "relaxation of functional exchanges and an uncompromising attitude toward political negotiations" in relations between the two sides, and for relations to be handled by a special government agency and an authorized private

intermediary body. In addition, the NAC recommended that after the termination of "the period of mobilization for the suppression of communist rebellion," the Peking regime should be defined as a "confrontational competitive regime," and it also requested that the government draw up a cross-Strait relations law to regulate exchanges between the two sides.

In October 1990, President Lee invited individuals from the ruling and opposition parties and other figures outside politics to sit on a National Unification Council (NUC), charged with drawing up the "Guidelines for National Unification" which would define the goals for different phases of the ROC's future mainland China policy and constitute a long-range blueprint for national unification. In January 1991, the Executive Yuan (ROC Cabinet) set up the ministry-level Mainland Affairs Council to take charge of planning and handling mainland affairs on behalf of the government. The following month, the Straits Exchange Foundation (SEF) was established and authorized by the government to handle practical issues arising from cross-Strait relations that touched on government authority. The "Guidelines for National Unification," which serve as the guiding principles for relations across the Taiwan Strait, were passed by the Executive Yuan in March that year. Then on April 30, President Lee announced that the "period of mobilization" would be terminated at midnight on May 1, and in accordance with a resolution passed by the National Assembly, he also announced that the "temporary provisions" of the Constitution in force during the mobilization period would be annulled simultaneously.

Constitutionally speaking, this meant that the Peking regime was no longer regarded as a rebel organization. This was the Republic of China's first major gesture of goodwill toward the "Guidelines for National Unification." This announcement had two important implications for cross-Strait relations. First of all, it demonstrated that the ROC government had formally and unilaterally renounced military force as a means of national unification.

Secondly, it showed that the ROC government would no longer compete for the "right to represent China" in the international arena. The government held that there was "only one China," but "Taiwan and the mainland were both parts of China." and "Peking regime was not equivalent to China." Prior to unification, China was ruled by two separate governments which should have the right to participate alongside each other in the international community.

In July 1992, the ROC Legislative Yuan (Parliament) passed the "Statute Governing Relations Between the People of Taiwan and the Mainland Areas," which took effect on September 18 that year. This statute provided a legal basis for the government's handling of cross-Strait relations. Increasingly frequent exchanges between the two sides of the Taiwan Strait were giving rise to quite a few problems, and the need to establish systematic channels for solving disputes was becoming ever more urgent. In September 1990, the Red Cross organizations on the two sides of the Strait signed the first cross-Strait agreement between non-official bodies--the Kinmen Agreement--which was designed to handle the return of the large numbers of illegal immigrants from mainland China. Originally, the two sides had agreed that the mainland side would fetch the migrants and return them to their places of origin within twenty days of receiving notification from Taiwan. But the mainland side found various excuse for delaying, causing the nearly 30,000 illegal migrants who had crossed the Strait in the past few years to spend an average of 113 days in detention in Taiwan. It was to

solve such routine problems arising from cross- Strait exchanges that the SEF and its mainland Chinese counterpart, the Association for Relations Across the Taiwan Straits (ARATS) , met to exchange opinions on various occasions in Peking and Hong Kong. The two organizations also agreed that in order to establish effective channels for liaison, their respective chairmen would hold talks in Singapore in April 1993.

During the talks, Koo Chen-fu and Wang Daohan formally signed four agreements: the "Agreement on Document Authentication, " the "Agreement on Tracing of and Compensation for Lost Registered Mail," the "Agreement on the Establishment of Systematic Liaison and Communication Channels between the SEF and ARATS," and the "Koo-Wang Talks Joint Agreement." These laid a foundation for future talks on routine matters and systematic interaction between the two sides of the Strait. In accordance with these agreements, the SEF and ARATS have since held several rounds of follow-up talks, and continued to discuss problems arising from Cross-Strait exchanges.

3. The ROC Government's Conception of Cross-Strait Relations

Apart from demonstrating that after more than forty years of confrontation the two sides now intend to solve their disputes through negotiation, these talks also show that they mean to use the experience gathered through talks on routine issues to prepare the ground for future contacts and negotiations of a political nature. However, these talks have given rise to a number of disputes, on such subjects as the meaning of the term "one China," and the problem of legal jurisdiction. Problems like these affect the orientation of cross-Strait relations and if they are not solved will influence their development.

That the Republic of China has been an independent sovereign state since its establishment in 1912 is an incontrovertible historical fact. However, relations between the two sides of the Taiwan Strait are not those between two separate countries, neither are they purely domestic in nature. In order to ensure that cross-Strait relations develop toward friendly interaction, the ROC government has formulated the concept of a "political entity" to serve as the basis of interaction between the two sides. The meaning of the term "political entity" is quite broad; it can be applied to a state, a government, or a political organization. Only when the two sides of the Taiwan Strait set aside the "sovereignty dispute" for the time being will we untangle the knots that have bound us for the past forty years or more and progress smoothly toward unification. The concept of a "political entity" will help us loosen those knots.

The "Guidelines for National Unification" suggest the idea of "one China, two equal political entities" as a way of defining the future development of cross-Strait relations. This idea comprises the following:

- 1). The existence of the Republic of China is a simple reality that cannot be denied.
- 2). "One China" refers to China as a historical, geographical, cultural, and racial entity.
- 3). The division of China under two separate governments on either side of the Taiwan Strait is a temporary, transitional phenomenon in Chinese history, and the joint efforts of the two sides will inevitably put China once again on the road to unification. Therefore, in the process of seeking unification, the two sides may first eradicate mutual hostility through

routine people-to-people exchanges and then proceed to create the conditions for unification. The two sides should also respect, rather than exclude, each other in the international arena, and should renounce armed force as a means for achieving unification.

4). Room should be left for future political negotiations. It is precisely because China is divided into two political entities that we must bring about its unification through exchanges and negotiations. The "Guidelines for National Unification" clearly stipulate that in the long-term phase of consultation for unification, the two sides will establish a consultative body and complete the plans for unification through negotiation.

4. The ROC Government's Rejection of "One Country, Two Systems"

The Republic of China's understanding of the current temporary division of China between the two sides of the Taiwan Strait is completely different from Peking's idea of "one country, two systems." We believe that China, as it is traditionally defined, is currently divided into two political entities: mainland China which practices socialism, and a free and democratic Taiwan. In Peking's eyes, the "one country" is the "People's Republic of China," and Taiwan under the jurisdiction of the Republic of China can only be a "special administrative region" under Peking's rule. Although Peking may permit it to enjoy a "high degree of autonomy" within certain limitations, it must not violate the PRC "constitution" or the decrees of the "central government." This takes no account whatsoever of the existence of the Republic of China and indeed amounts to nothing more than annexing Taiwan, Penghu, Kinmen, and Matsu in the name of unifying China. The status of Peking's "two systems" is different too, with socialism as practiced in mainland China acting as the main force and capitalism as practiced in Taiwan only allowed to play a supplementary role, and only permitted to exist during a transitional period. The Peking authorities believe that they alone have the right to define and interpret the content and time-frame of the "two systems." Thus, the "two systems" is an expedient measure deriving from Peking's domination. In essence, the relationship between the two systems is one of principal and subordinate: one system represents the center and the other the local authority. Under this arrangement, Taiwan will be forced to give up its freedom and democracy, and to accept entirely the system prescribed by the CCP regime. It is obvious that the purpose of "one country, two systems" is to make the Republic of China surrender completely to Peking and the people of Taiwan abandon their free and democratic system. For this reason it is both unworkable and absolutely unacceptable to us.

The ROC government believes that from the point of view of political reality, China is at present temporarily divided into two areas under two essentially equal political entities, the government of the Republic of China and the Peking regime. Although these two entities differ in terms of the extent of their jurisdiction, their population, and the systems they implement, they should treat each other equally in the course of their interaction. And in the areas over which they have jurisdiction, each should have exclusive rights; neither entity should be able to exercise its rule in the territory of the other, or should one force its will on the other in the name of sovereignty.

5. The ROC Government's Adherence to the Goal of the Unification

The ROC government is firm in its advocacy of "one China," and it is opposed to "two Chinas" or "one China, one Taiwan." But at the same time, given that the division between the two sides of the Taiwan Strait is a historical and political fact, the ROC government also holds that the two sides should be fully aware that each has jurisdiction over its respective territory and that they should coexist as two legal entities in the international arena. As for their relationship with each other, it is that of two separate areas of one China and is therefore "domestic" or "Chinese in nature. This position is extremely pragmatic. These proposals are quite different from either "two Chinas" or "one China, one Taiwan."

By adopting "one China, two equal political entities" as the framework for cross-Strait relations, the ROC government hopes that relations will develop in a peaceful, pragmatic, and rational direction. The Peking authorities should realize that this is the best way to promote the unification of China. In the course of cross-Strait exchanges, Peking should dismiss any misgivings it has concerning the ROC government's determination to achieve unification. What the Peking authorities should give urgent consideration to is how, given the fact the country is divided under two separate governments, we can actively create conditions favorable to unification and gradually bring the two "political entities" together to form "one China." Furthermore, both sides of the Taiwan Strait should adopt moderate unification policies; it is inappropriate to be too impatient, as more haste will only mean less speed. As long as both sides are sincere and determined, unification will surely be achieved in the end. Meanwhile, there is no point in the Chinese seeking unification for its own sake; unification should take place under a reasonable and sound political, economic, and social system and way of life. Therefore, we propose that the two sides of the Taiwan Strait should put all their efforts into establishing a united China that is democratic, free, and equitably prosperous. Once the ideological, political, economic, and social gap between the two sides is bridged as a result of our joint efforts, the unification of China will come naturally.

For the time being, the two sides of the Taiwan Strait should intensify their exchanges and resolve conflicts by means of negotiations on functional matters. Only when a certain amount of experience has been accumulated and certain successes achieved through such negotiations will it be possible for the two sides to start political contacts and talks. In other words, as functional negotiations become more frequent, and more and more agreements are signed, there will be more opportunity for political contacts and negotiations. The ROC government is pursuing its mainland policy in an orderly and gradual fashion in accordance with the "Guidelines for National Unification," and we hope that this will evoke a positive and well-intentioned response from the Peking authorities. In that way, the two sides of the Taiwan Strait may achieve friendly interaction, which will create conditions favorable to the peaceful and democratic unification of China.

6. The ROC Government's Principles for Handling Cross-Strait Relations

In the period prior to peaceful unification, the Republic of China proposes that cross-Strait relations be handled according to the principles of reason, peace, parity, and reciprocity. We should always think rationally when we are handling cross-Strait affairs and for a divided country, the principles of peace, parity, and reciprocity are the best expressions of reason. The unification of Germany, for example, was carried out according to the rational principles

of equal treatment, reciprocal contacts, and the peaceful resolution of disputes, while the way in which the European Union has rationally handled its progress from a customs union to a single market, and then to one big European family is another example we could learn from. If national unification is not handled in a rational way, the result will be another round of civil strife and chaos, with people being uprooted from their homes. The painful examples of Vietnam, and recently Yugoslavia, should serve as a warning to the two sides of the Taiwan Strait.

The principle of peace is fundamental to the handling of cross-Strait relations. From what President Lee Tenghui has said on many occasions, it is clear that he rejects the option of using armed force to resolve the problems of unification. His reasons for doing so are threefold. First of all, the trend in international affairs is toward negotiation rather than confrontation, and all countries should as far as possible avoid recourse to armed force in solving their conflicts. Secondly, cross-Strait interaction is no longer a game which one side can win outright, it is a "win-win" contest in which both sides must be prepared to compromise and both can further their own interests.

Thirdly, the best interests of the Chinese people can only be served by rejecting the option of armed force. Therefore, only when the Peking authorities choose an appropriate moment to announce that they reject the option of unification by force will a friendly atmosphere in which to conduct cross-Strait relations be created. To seek "territorial unification" through armed force is a shallow, parochial distortion of the true meaning of nationalism; an enduring, all-embracing form of nationalism can only be expressed in a "unification of systems" through democracy, freedom, and equitable prosperity. Peking has always used the excuse that the existence of "forces for Taiwan independence" and "foreign interference" prevent it from renouncing the option of using force against Taiwan. But advocates of Taiwan independence represent only a minority of the population, and it is surely senseless to bully the majority which identifies with the Chinese nation and Chinese culture just to attack that minority. And to claim to be resisting "foreign interference" while in reality to be directly threatening the security of the entire population of Taiwan is even more inconsistent.

Our third principle is parity, which means that Chinese people in both Taiwan and the mainland should be able to enjoy the same degree of dignity and respect. The ROC government believes that both the current people-to-people exchanges and future government-to-government talks should be conducted according to the principle of mutual respect for each other's people and government, and neither side should try to humiliate the other. For example, the Peking authorities are opposed to the use of "Republic of China," "ROC government," or "national" by any group from Taiwan visiting the mainland, and they will unilaterally change such titles to "Taiwan." They are also opposed to any government-to-government signing of agreements concerning cross-Strait exchanges, and they refuse to recognize that our government has any legal jurisdiction. In addition, Peking always forces us to change our name to "Chinese Taipei" when we take part in any international organizations or activities, in an attempt downgrade the Republic of China's international standing. Actually, such actions could only have the effect of generating a high tide of separatist feeling in Taiwan.

Reciprocity is the fourth principle underlying our policy toward mainland China. Exchanges between the two sides of the Taiwan Strait should serve the interests of both parties; relations should always be "win-win" rather than "zero sum." Only when exchanges are conducted on a reciprocal basis will we be able to establish mutual trust and mutual understanding, and only then can relations be broad-based and long-lasting, and make steady progress.

Reciprocal actions cannot be considered in a one-sided or partial way, they must take into consideration both parties and the situation as a whole. Since the two sides have different conceptions of exchanges, they have different opinions regarding their scope and speed. In economic exchanges and trade, for example, although the Peking authorities claim that no one is trying to "swallow up" anyone else, they have actually adopted a tactic of "the strong devouring the weak," and they hold that economic exchanges should be elevated to a strategic level so as to "tie up Taiwan." The ROC government, on the other hand, holds that cross-Strait economic exchanges should be developed steadily and gradually according to the principles of complementarity and mutual benefit. In other words, Peking hopes to use cross-Strait economic exchanges to achieve its goal of annexing Taiwan as quickly as possible, whereas the ROC government hopes that such exchanges will promote mutual understanding, dispel hostility, and narrow the gap between the people on the two sides of the Strait, so that their relations will become complementary and reciprocal.

Domestic and External Factors Affecting Cross-Strait Relations

1. International Factors

The Various factors influencing relations between the two sides of the Taiwan Strait may be roughly divided into three categories: international factors, factors originating in mainland China, and factors within Taiwan itself. As far as international factors are concerned, the international community may be said to have entered a new era in the 1990s. After an experiment lasting more than seventy years, communism proved itself to be ultimately unacceptable. This was because the communist countries had long used the "dictatorship of the proletariat" to suppress freedom and democracy, thus provoking dissatisfaction and resistance from all strata of society, while the system of socialist public ownership and the planned economy had resulted in economic stagnation, making it impossible to raise living standard. These were the chief reasons for the disintegration of the Soviet Union and the collapse of communism in Eastern Europe. In the post-Cold War situation, the PRC's role as a strategic ally of the West underwent a change; the Western countries began to pay more attention to the suppression of human rights in mainland China, and the international community began to take a more reasonable attitude toward the division of China under two separate governments on either side of the Taiwan Strait. Other countries also realized that the Republic of China could play a role in the mainland's reform and opening up process, and recognized the importance of security in the Taiwan Strait to the stability of Asia and the economic development of the Asia-Pacific region.

In addition, the growing importance of economic interdependence in international relations has also been beneficial to cross-Strait detente. In 1991, Taiwan, mainland China, and Hong Kong all joined the Asia-Pacific Economic Cooperation (APEC) forum, and the two sides of

the Strait are expected to be joining the General Agreement on Tariffs and Trade (GATT) in the near future. The increased prosperity that economic liberalization is bringing to the Asia-Pacific region will encourage Peking to speed up the pace of reform and opening up, which will benefit cross-Strait relations and narrow the gap between the two sides, thus creating conditions advantageous to the peaceful unification of China.

International trends toward integration and division are also having an impact on relations between the two sides of the Taiwan Strait. During the Cold War period when ideology was all-important, the unification policies of divided countries were usually influenced by bloc policies and as a result tended to be uncompromising. Unification was necessarily carried out by force. Since the end of the Cold War, the reemergence of the idea of integration has encouraged divided countries to start once again on the path to unification. One example is the way that the East German people's desire for a free and democratic political and economic system and the national sentiments of the people of West Germany brought about the democratic unification of Germany in October 1990. Another example is how North and South Korea, on the basis of peace and parity, signed a non-aggression and reconciliation pact in December 1991. These examples of divided countries being encouraged to progress toward detente and unification by changes in the world political and economic order are characteristic of the post-Cold War period.

Also since the end of the Cold War, some long-repressed ethnic groups have experienced a revival of nationalism which has engendered notable separatist demands.

The Soviet Union, for example, has split into fifteen separate countries, while the two ethnic groups making up Czechoslovakia agreed by common consent to divide into two separate states: the Czech Republic and Slovakia. Yugoslavia was also influenced by separatism and has disintegrated as a result.

These two trends of integration and separatism have had an impact on Taiwan too.

In Taiwan, the passing of the "Guidelines for National Unification" was an affirmation of the trend toward integration, while on the other hand, proposals for Taiwan independence have been stimulated by the separatist trend. The ROC government believes that the unification of China is the common aspiration of Chinese people at home and abroad in their quest for a strong and prosperous country and the long-term development of the Chinese nation. We want to encourage the realization of this goal.

However, we have to admit that Taiwan is a democratic society, with complete freedom of speech and thought, which has inevitably been influenced by both integrationist and separatist ideas. Subjectively speaking, the ROC government believes that we should work toward integration, but in objective terms, the degree of acceptance which these two trends enjoy among the people of Taiwan will depend on the future development of relations between the two sides of the Taiwan Strait. If cross-Strait relations do not develop favorably, the shadow of separatism is not likely to be dispelled and may indeed grow darker still in Taiwan. On the other hand, if there is friendly interaction between the two sides, the development of separatism will be hindered.

2. Factors within Mainland China

The situation within mainland China and the CCP regime's policy toward Taiwan constitute another set of factors influencing cross-Strait relations. The goal of the Republic of China's mainland policy is to establish a political and economic system and a way of life conducive to the survival and development of the entire Chinese people. We are pleased that Peking has speeded up the pace of its economic reform and opening up.

However, we also notice that although the Peking authorities have decided to establish a "Chinese-style socialist market economy" to promote economic development and improve the people's standard of living, and also to serve as a basis for the continuation of their regime, politically they are still upholding the so-called "four cardinal principles" (the socialist road, the people's democratic dictatorship, the leadership of the Communist Party, and Marxism-Leninism-Mao Tse-tung thought) which underpin their one-party dictatorship. This policy of political "leftism" and economic "rightism" is riddled with inconsistencies. The unending economic and financial crises that mainland China has suffered in recent years, the widening gap between rich and poor, and the appearance of all kinds of social problems are all results of this policy. If the Chinese Communists do not undertake political reforms they will find it difficult to break out of the economic vicious circle they have been trapped in for so long, with its periodic loosening and tightening of restrictions. Domestic political trends in mainland China will have an impact on the Taiwan people's attitude to unification. Whenever the Taiwan people are asked in public opinion polls whether they prefer unification or Taiwan independence, a far higher proportion opt for the former rather than the latter when the condition is that mainland China is a liberal democracy. In contrast, when the condition is that Peking remains a one-party dictatorship, the proportion of respondents who prefer unification falls abruptly, while support for independence rises. From this it is obvious that the degree of democracy or dictatorship on the mainland will have a deep impact on the Taiwan people's views on unification.

Peking's Taiwan policy also has an impact on the Taiwan public's feelings about unification. The CCP leaders have never relinquished the threat of using force against Taiwan. In addition, Peking has always sought to prevent the Republic of China from participating in international activities and tried to have it removed from various international organizations or its status downgraded. Peking has also done its utmost to sabotage the Republic of China's relations with its friends, hindering it from developing aviation rights, purchasing arms and military equipment necessary for its defense, and exchanging high-level official visits and developing normal contacts with other countries. Hostile actions such as these naturally make Chinese people in Taiwan wonder why their own brethren should seek to harm them.

The Chinese Communists have enforced this diplomatic blockade for many years, seemingly without realizing that it contains the following inconsistencies. Firstly, Peking is making use of international forces to besiege Taiwan, while at the same time opposing the "internationalization" of the so-called Taiwan question; secondly, it claims that when Taiwan opens air links with foreign countries this is a "political issue with an impact on sovereignty," while at the same time claiming that the question of direct flights between Taiwan and the

mainland is purely an economic issue; and thirdly, it is trying to restrict the international activities of the people of Taiwan, Penghu, Kinmen and Matsu, on which their prosperity depends, while simultaneously harping on about "national sentiment." If Peking does not wake up to the fact that its actions do not correspond to its words, and if it continues to use high-pressure tactics to elbow the Republic of China out of the international community, it will not only fail in its task, it may also stir up more hatred for its regime in Taiwan and obstruct progress toward national unification.

To tell the truth, in some areas of international relations the interests of the two sides of the Taiwan Strait already run parallel to each other. It is a pity that the Chinese Communists have not taken this into consideration and had instead allowed the two sides to waste their precious resources and energies on a diplomatic struggle. If the two sides could only coexist in the international community, both would have more room to maneuver on the world stage; the Chinese people would have a louder voice in international affairs and would no longer cancel each other out. Not only that, this multifaceted learning process would be conducive to reasonable contacts between the two sides, foster brotherly feeling interaction between them, and increase the likelihood of eventual unification. As for the Republic of China's bid to join the United Nations, if we could successfully participate in all UN organizations and activities and use the experiences accumulated over the past four decades or more to make a contribution to the international community, winning even more international respect for the Chinese people, the CCP regime would have no reason for trying to stop us, as long as this was done on condition that the two sides of the Strait declare publicly that they are seeking a united China. The experience of East and West Germany shows us that joint participation by the two halves of a divided nation in the international community by no means damages the prospects for unification--indeed, it can have the effect of easing tension and creating conditions favorable to unification as well as safeguarding the interests of the entire people. Not so long ago, North and South Korea adopted a similar course of action. We believe that in this era of detente, the two sides of the Taiwan Strait should think of some way to dispel their hostility. The ROC government has already taken a big step forward in this direction, and if Peking can understand this and make a response, we are confident that this will facilitate the development of cross-Strait relations toward unification.

3. Factors Arising from Developments within Taiwan

Another factor influencing relations between the two sides of the Taiwan Strait is the future political and economic development of Taiwan. It might be said that the Republic of China on Taiwan has undergone a quiet revolution in recent years. Economically, it has become the world's fourteenth largest trading nation, and the world's seventh largest foreign investor. It is also ranked twentieth in the world in terms of average per capita income, and the government's foreign exchange reserves are almost without equal. Politically speaking, the Republic of China has established the first democracy in China's history, according respect for human rights and the rule of law.

After this accumulation of economic strength and social and cultural vitality had found its release through democratization and liberalization, it had an impact in two directions: toward the outside world in the shape of the ROC's "pragmatic diplomacy," and toward mainland

China where it has acted as an important catalyst for the expansion of all kinds of people-to-people exchanges. Thus, recent developments in cross-Strait relations may be seen as originating to a large extent in Taiwan's economic growth and political democratization. It is a pity that the Peking authorities have not only failed to understand this cause and effect relationship, but actually ridicule or attack Taiwan's democratization process, and accuse us of pursuing a "two Chinas" or "one China, one Taiwan" policy in the name of pragmatic diplomacy. They unreasonably interfere with the Republic of China's external relations and scheme to reduce the scope of its international activities.

At the same time, Peking is attempting to "use trade and investment for political ends and to use the people to pressure the government" in an effort to expand its influence over Taiwan and force the ROC government to accept its "one country, two systems" arrangement. This combination of persuasion and pressure fails to take into account political and economic development trends in Taiwan in recent years and pays no regard whatsoever to the real wishes and welfare of the people of Taiwan. If it continues, it will inevitably have a negative impact on the unification of China and normal exchanges between the two sides of the Strait.

Since the lifting of martial law and the ban on the formation of new political parties in 1987, the rights of assembly and association and freedom of speech granted by the Constitution have been completely guaranteed in Taiwan. A consensus has gradually been formed among the people of Taiwan that we are "all in the same boat" and that Taiwan is a *gemeinschaft*, or community. This belief in a Taiwan community does not by any means imply that Taiwan's 21 million people are indifferent to Chinese history or that they have abandoned the ideal of a unified China, it simply means that their future welfare and security are closely bound up with the fate of Taiwan. Another manifestation of this feeling of community is the way in which public opinion plays a guiding role in government policy-making. In the course of formulating its mainland policy, the ROC government must periodically consult a wide range of public opinion. As democracy matures in Taiwan, public opinion will necessarily become the government's most important reference for formulating mainland policy.

Taiwan is already a democratic, pluralistic society. Opposition members occupy a considerable number of seats in the Legislative Yuan, and their opinions inevitably have an influence on the government's mainland policy. Where national identity and cross-Strait relations are concerned, the ruling party and the opposition differ quite considerably. But although the various parties may have different opinions concerning mainland policy, their ultimate purpose is to consider the welfare of the people of Taiwan. They always have to give careful consideration as to the impact of their proposals on the security and welfare of Taiwan's 21 million people.

Furthermore, what the ROC government and the Peking authorities should be struggling for is the long-term well being of the entire Chinese people. In this struggle, any rash proposals or distortions of national identity will go against the interests of all Chinese people.

Conclusion

1. Division Is a Misfortune for the Chinese People

The division of China under two separate governments is a great misfortune for the Chinese people, less so for the Chinese people on Taiwan. After the communist takeover of mainland China, the territory of Taiwan, Penghu, Kinmen, and Matsu was preserved as a base for nurturing China's future vitality. After forty years of effort, the Republic of China on Taiwan has created a degree of democracy and prosperity unprecedented in Chinese history. These forty years or more have seen the transformation of Taiwan from a remote offshore island into a pivotal force directing China's future.

The government of the Republic of China led the Chinese people through eight years of bloody war to a final victory over the Japanese imperialist invaders, abrogated the unequal treaties, and made China a founder-member of the United Nations with a permanent seat on its Security Council. But since the Peking regime was established in mainland China in 1949, the people of the mainland have suffered. The CCP regime has endlessly provoked military clashes with its neighbors, while at home it has been racked by power struggles and purges, creating a situation of backwardness and destitution under communist rule.

2. The Contribution Peking Should Make Toward Unification

We call on the CCP to further promote its economic reforms and carry out all-round political reform, as this alone can deliver our mainland compatriots from poverty and want and allow them to live lives of humanity and dignity. We also call on the Peking regime to face up to the problems confronting relations between the two sides of the Taiwan Strait, to realize the fact that China is a divided country under two separate governments, and to pursue the development of cross-Strait relations in earnest according to the principles of reason, peace, parity, and reciprocity. This is the only way we can create an opportunity for the peaceful unification of China. We believe that the Chinese people are absolutely opposed to either military threats or the devastation of war. Threats only increase mutual hostility and war would destroy both sides. Anyone who resorts to arms in the name of unification will be condemned by history. Only when we develop our fellow feeling as Chinese and treat each other equally will the obstacles to cross-Strait relations be overcome and will we draw closer together.

3. The True Worth of Unification Lies in Democracy, Freedom, and Equitable Prosperity

"Peaceful unification," however, is not enough; we should have "democratic unification." Only unification under a free and democratic system will give the Chinese people happiness and enable China to make a greater contribution to world peace, security, and prosperity. If China were unified under a dictatorship and human rights were violated, it would pose a grave threat to world peace and as such would not be tolerated by other countries. At the same time, we believe that the real significance of unification lies not only in the achievement of a strong and prosperous country and the long-term development of the Chinese nation, it also lies in enabling the Chinese people to enjoy democracy, freedom, and equitable prosperity. If we cannot achieve this, unification will be completely meaningless and worthless.

Looking back over the past and forward to the future, the ROC government will continue to

adhere to the stance of "giving priority to humanitarian concerns and gradually expanding people-to-people exchanges, increasing mutual understanding by focusing on cultural exchange, and expanding economic and trade ties according to the principles of complementarity and mutual benefit." We will make every effort to promote cross-Strait relations to encourage the favorable development of interaction between the two sides. The ROC government will also continue to devise a forward- looking, pragmatic, active, and moderate strategy for overall exchanges, and will neither draw back on account of Peking's hostility, nor make rash advances in response to Peking's enticements. We are confident that the wisdom and efforts of the entire Chinese people will help us to create a new situation, speed up political, economic, and social modernization in mainland China, and eventually complete the sacred mission of unifying China under democracy, freedom, and equitable prosperity.