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Conflict or Compromise: China's Perceptions and Intentions Regarding Us Defense Policy Towards Taiwan

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CONFLICT OR COMPROMISE: CHINA'S PERCEPTIONS AND INTENTIONS REGARDING US DEFENSE POLICY TOWARDS TAIWAN

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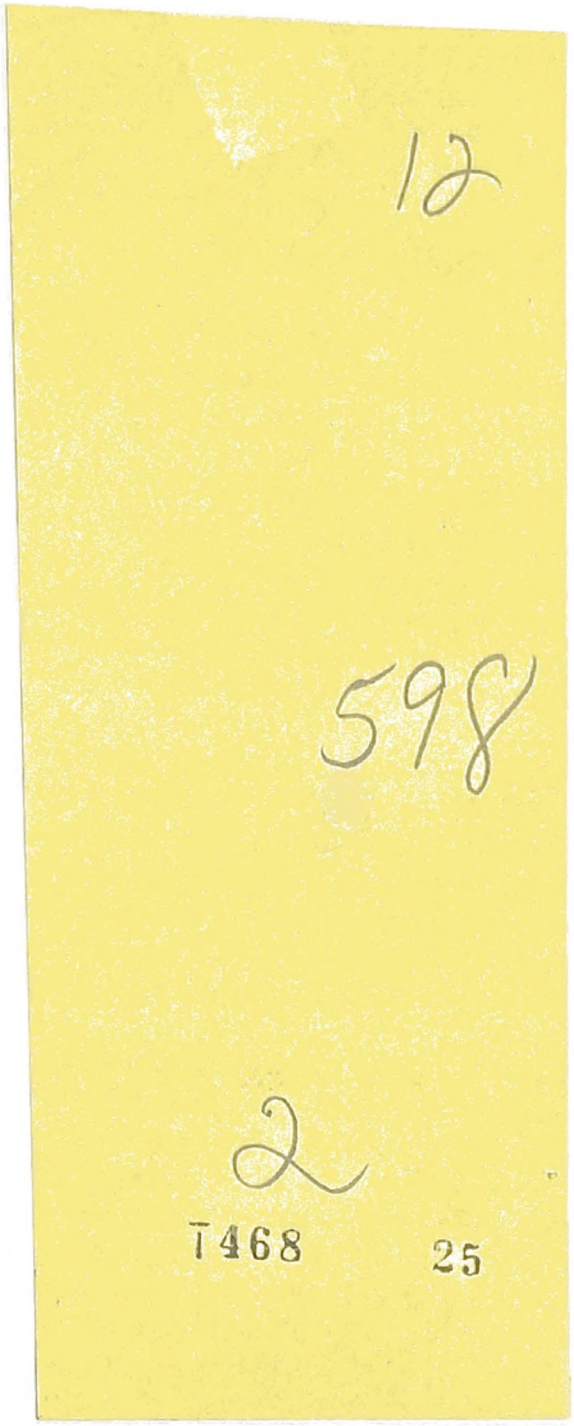

ABSTRACT

Gabriel Weiss: Conflict or Compromise: China's Perceptions and Intentions Regarding US Defense Policy Towards Taiwan (Under the direction of Dr. Joshua Howard)

China's perception of Taiwan as a "renegade" province continues to be a source of contention in Sino-US relations. Domestic pressures have reinforced Beijing's commitment to enforcing the One-China policy and regaining Taiwan. In recent years, the US has failed to reduce weapons sales to Taiwan. Additionally, America has displayed a willingness to employ military force in defense of its global interests. These factors have led China to perceive the US as a potential foe—particularly in regards to the Taiwan issue.

Committed to regaining Taiwan, China currently pursues a dual approach in regards to facilitating reunification—civilian and military. The civilian approach entails working towards reunification via political and economic influence. The military approach involves preparing the PLA for a potential cross-Strait contingency. With an increasingly powerful military, China plans to deter the US from intervening in defense of Taiwan. If peaceful means fail, China hopes to develop the PLA to the point that it would overcome any joint Taiwanese and American resistance in a conflict over the island.

Beijing currently employs a reactive policy of active defense. The policy is active in that China seeks to deter and preempt potential violations of the One-China policy. On the other hand, the PRC's strategy is reactive in that Beijing's relationship to the US remains based on the degree to which America adheres to the One-China policy. In the event of a perceived violation of its One-China policy, China responds with sharp rhetoric and threatening displays of force. This allows the PRC to satisfy the needs of domestic consumption while at the same time deterring further perceived encroachments on China's territorial sovereignty. Still, China currently prefers a peaceful solution to the Taiwan issue and avoids letting its relationship with the US deteriorate completely.

The balance of power in the Taiwan-Strait is currently shifting in China's favor. Whether by peaceful means, or with military force, the PRC is gradually moving to ensure reunification with Taiwan. If the US hopes to resolve the Taiwan issue in its favor, Washington must act quickly—possibly by facilitating the creation of a "One-Nation, Three-System" arrangement. This solution has the potential to defuse the Taiwan issue as a lingering source of contention in Sino-US relations.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF ABBREVIATIONS

CCP	Chinese Communist Party
CMC	Central Military Commission
DOD	Department of Defense
DPP	Democratic People's Party
GMD	Chinese Nationalist Party (Guomindang/Kuomintang)
PLA	People's Liberation Army
PLAAF	People's Liberation Army Air Force
PLAN	People's Liberation Army Navy
PRC	People's Republic of China (Mainland China)
RMA	Revolution in Military Affairs
ROC	Republic of China (Taiwan)
SAR	Special Administrative Region

INTRODUCTION

Relevance

As the People's Republic of China and the United States continue to develop their precarious relationship, certain factors will determine whether this relationship will ultimately be marked by mutual cooperation or outright hostility. Notably, the possibility of Taiwan declaring independence, and China's view that Taiwan remains a "renegade" province, as well as US military support for Taiwan, continue to be sources of contention. If not properly handled, the view of Taiwan as the "unsinkable aircraft carrier" has the potential to direct China and the US towards increasingly dangerous levels of competition. As the PRC continues to develop a relationship with the US while enforcing its "One-China" policy and working towards Taiwan's reunification with the mainland, it remains necessary to observe the numerous factors that guide, hinder, and shape Chinese military policy.

Thesis

Using numerous scholarly secondary sources, updated raw data compilations, and primary sources including open-source government publications, particularly CCP *White Papers,* I seek to assess China's policies vis-à-vis Taiwan and the US, the modernization of the PLA, and China's plans and intentions regarding the lingering Taiwan issue. I argue that the PLA and CCP perceive US defense policy towards Taiwan as a violation of

its One-China policy.[1] Therefore, the US remains a credible threat to China's goal of reunification. Economically, China regards the US as a cooperative partner. In terms of reunification however, the PRC perceives America as a potential enemy. Although China's leaders hope for increased economic cooperation with the US, the PLA continues to prepare for an eventual contingency against America over Taiwan.

China currently employs economic, diplomatic, and political influence in its endeavor to peacefully reclaim Taiwan. At the same time, the PRC seeks to deter a US intervention in defense of the island. By use of its growing military prowess, and through its reactive policy of "active-defense,"[2] China hopes to dispel any American intention of militarily defending Taiwan's autonomy. As Beijing exerts increasing influence across the Taiwan Strait, I propose that Washington must act expediently if it wishes to facilitate a favorable resolution to this issue, possibly through the orchestration of an "One-Nation, Three System" arrangement.

Summary of Chapters

In the first chapter of this study, I chronicle the origins of the Taiwan Strait issue, its development over the last several decades, and its influence on today's Sino-US relationship. This chapter explains China's official policy of working towards reunification with Taiwan as part of the CCP's One-China policy. This policy has not only led government officials to desire reunification, but has also instilled in the minds of

[1] While both the PRC and the ROC maintain their own versions of the One-China policy, the mainland's version of the policy states that Taiwan remains a "renegade" province of the one-and-only "real" China—the PRC.

[2] The PRC's strategy of "active-defense" advocates punitive economic, diplomatic, or military action in order to preempt the enemy from threatening China's security or prosperity. Thus, China's strategy is *active* in regards to deterring and preempting Washington. On the other hand, the PRC's strategy is *reactive* in that Beijing's relationship to the US remains based on the degree to which America adheres to the One-China policy.

millions of Chinese individuals a deep desire to regain Taiwan. Taiwan has become intrinsically connected to China's national pride. Many CCP leaders fear that, should they fail to reclaim Taiwan (and thereby fail to complete the Communist Revolution); their credibility could be questioned. As a result, Taiwan appears to be as much a domestic issue to China as it remains a foreign issue.

This chapter also explains America's policy of strategic ambiguity towards Taiwan. Currently, the US declares neither that it will support, nor that it will fail to support, the island in the event of a Chinese incursion. Because of this policy, and in light of the numerous military actions that the US has engaged in over the last several decades, Chinese leaders feel they are in a Catch-22 situation– pressured by their own people to regain Taiwan, but unable to do so without a possible conflict against America. However, the dynamics of this situation are changing. Sino-Taiwanese relations have progressed (intermittently) over the last several years and China continues to develop cross-Strait relations based on trade, tourism, and even political dialogue. Beijing's effort to bridge the gap has resulted in speculation that the PRC may eventually facilitate reunification by way of economic and political influence.[3]

In chapter two, I evaluate Beijing's enforcement of the One-China policy and the PLA's intentions regarding reunification. Additionally, I examine the nature and purpose of China's military modernization, as well as the condition and posture of the PLA today. In order to understand the PLA's posture, it remains necessary to understand the nature of PLA leadership. As scholars such as Wang Weicheng have shown, the PLA is not an

[3] The PRC currently pursues a two-pronged approach in regards to reunification—civilian and military. The bulk of this thesis focuses on the military approach. The civilian effort is headed by the CCP's United Front Work Department. The United Front, among other things, exists as a nominally popular front which works towards reconciliation and reunification with Taiwan. This effort is carried out through trade unions, youth organizations, academic and economic exchanges, and numerous other means.

independent entity.[4] Rather, the so-called "Party-Army" is merely an extension of the CCP, and therefore acts only in accordance with, and under the guidance of the supreme Chinese leadership.[5]

In gauging Beijing's perception of American leaders, I support scholars such as David Shambaugh who recognize that CCP officials are growing increasingly fearful of an eventual US intervention in Taiwan.[6] This has led the PLA to focus its modernization towards a potential conflict with the US over Taiwan.[7] As a reflection of the PLA's growing ability to counter a possible US intervention, a RAND Corp. study points out that in the coming years the PLA may well achieve military superiority in the Taiwan Strait.[8]

Although the PLA continues to prepare for a potential conflict with the US, Chinese leaders recognize the catastrophe that hostility over Taiwan would entail, and presently avoid direct military confrontation over the island. As a result, China currently seeks to convey an increasing *image* of strength, thereby deterring the US from a possible intervention.[9] In short, China may remain unprepared to face the US in a conflict today,

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[4] As dictated by the *Constitution of the People's Republic of China*, the PLA is led by two Central Military Commissions; the State CMC as well as the Party CMC. As membership of both the State CMC and Party CMC remains identical, the directives issued by these councils are usually also identical. While the majority of members on the CMC are military Generals, the chairman of the CMC remains General Secretary of the CCP and President of the PRC, Hu Jintao. Thus, ultimate military command authority rests securely in the hands of the Party. From: David Shambaugh, *Modernizing China's Military: Progress, Problems, and Prospects* (Berkeley: University of California Press, 2004), 11-14.

[5] Vincent Weicheng Wang, "The Chinese Military and the "Taiwan Issue": How China Assesses Its Security Environment," *Conference Papers - International Studies Association* (2007), *Political Science Complete*, Accessed February 22, 2010: 1-32.

[6] This includes CCP leaders such as Jiang Zemin who intensified PLA modernization efforts following the 1995 Third Taiwan Strait Crisis. From: Susan L. Shirk, *China: Fragile Superpower* (New York: Oxford UP, 2008), 191.

[7] Shambaugh, *Modernizing China's Military*, XX-7.

[8] Robert D. Kaplan, "The Geography of Chinese Power," *Foreign Affairs* 89.May/June, 2010, 36.

[9] Kaplan, "The Geography of Chinese Power," 22-41.

yet it endeavors to modernize its military in the event of a future conflict, and in the meantime projects an image of strength in order to deter increased US aggression.

China's efforts to deter intervention fit into the PLA's policy of "active defense." The PRC justifies this strategy on the basis of perceived violations of the One-China policy. Such violations include America's willingness to deploy forces during the Third Taiwan Strait Crisis and its continued weapons sales to Taiwan. These events have exacerbated Sino-Taiwan-US relations, have sharpened China's bold rhetoric in regards to defending its claim over Taiwan, and have strengthened China's conviction to enforce the One-China policy, even in the face of a possible US intervention.

In the third chapter of this thesis, I gauge China's reactions to certain situations (such as US involvement in the Third Taiwan Strait Crisis as well as the 2010 US weapons sale to Taiwan). In order to assess the CCP's actual adherence to enforcing its One-China policy, I discuss the PRC's official standpoint on the Taiwan issue. As the CCP claims, and as scholars such as Jia Qingguo contend, China maintains a reactive policy towards the United States in regards to the Taiwan issue.[10] That is, China's actions and policies towards the US are entirely contingent upon US policy towards China and Taiwan. As part of this policy, the CCP remains inflexible and unwilling to compromise on its claim over the island, and China will resist any attempt on the part of Washington, or Taiwan, to undermine the One-China policy. This behavior on China's part is in keeping with its official strategy of active-defense.

Through evaluating China's responses to certain perceived violations of the One-China policy, I assert that many officials within Beijing disagree on how to resolve the

[10]QingGuo Jia, "Learning to Live with the Hegemon: Evolution of China's Policy Toward the US Since the End of the Cold War," *Journal of Contemporary China* 14 (2005): 395-407, *Historical Abstracts*, Accessed February 22, 2010, 369-400.

Taiwan Issue.[11] However, it appears evident that the CCP remains, for the most part, committed to regaining Taiwan and unwilling to compromise its enforcement of the One-China policy. Furthermore, I support Jia's claim that Chinese policy towards the US remains a reaction to US policy towards China. Still, I continue to argue that Chinese leaders, despite bold rhetoric, would currently avoid a military confrontation over Taiwan.

In my fourth and final chapter, I argue that despite China's current Catch-22 predicament regarding Taiwan, time is actually on China's side. As China continues to develop increasingly closer relations with Taiwan, the possibility of China arranging reunification on its own terms appears ever more likely. Militarily, China will continue to develop its forces to the point that the US could well be unwilling, or even incapable, of successfully defending Taiwan against a PLA attack. In the meantime, China can maintain its inflexible and reactive policy. This allows Beijing to attack the US and Taiwan rhetorically when threats to the One-China policy are perceived. By so doing, the CCP can satisfy domestic consumption needs vis-à-vis Chinese national pride and popular aspirations for reunification.

The PLA's growing power, as well as deepening Sino-Taiwanese relations, suggests that China's propensity to alter the status-quo in the Taiwan Strait, perhaps rashly so, will increase in the coming years. Whereas scholars, such as Scott L. Kastner, support a continued policy of strategic ambiguity on America's part,[12] I would suggest that Washington should act swiftly if it has any intention of resolving this issue in its

[11] While China maintains a high degree of secrecy concerning inner-party disagreements, the ambiguity in China's responses suggests differing approaches among CCP leaders.

[12] Scott L. Kastner, "Ambiguity, Economic Interdependence, and the US Strategic Dilemma in the Taiwan Strait," *Journal of Contemporary China* November (2006): 651-69, *America: History & Life*, Accessed February 22, 2010.

favor. The US should facilitate the arrangement of a "One-Nation, Three-System" resolution to the Taiwan issue. Under such an arrangement, Taiwan could relinquish its sovereignty to China, while retaining a high degree of autonomy, much the same as Hong Kong has done with the "One-Nation, Two-System" arrangement. If done discreetly, this arrangement could possibly defuse the current tension surrounding this issue while allowing China to "save-face."

CHAPTER ONE: THE TAIWAN ISSUE

A Violent Beginning

China's recent history has lent symbolic importance to the Taiwan issue. On October 1, 1949, after almost 18 years of continuous bloodshed, Mao Zedong's victorious forces marched into Beijing and declared the birth of the People's Republic of China. Meanwhile, Chiang Kai-shek, taking with him the tattered remnants of the Nationalist army as well as many of the valuables and precious artifacts of China, fled the mainland and declared Taipei, Taiwan as the provisional capital of the Republic of China. The ROC's official capital, however fanciful, remained in Nanjing.

Almost immediately after establishing their respective governments, the ROC and PRC set to reclaim each other's territory. Having been badly beaten in the brutal Chinese civil war, the ROC lacked any hope of quickly regaining the lost mainland. By August, 1950, the CCP's People's Liberation Army managed to conquer the Hainan, Wanshan, and Zhoushan Islands from the ROC. Following these military actions, as well other largely indecisive campaigns, China and Taiwan settled into a hostile stand-off. The two governments would continue in an official state of war until 1979.[13]

Undoubtedly, after decades of gripping poverty, imperialist exploitation, and brutal war, the PRC had more than enough domestic issues to resolve without worrying about regaining its "renegade" province. In fact, Taiwan was not even a part of the

[13]John K. Fairbank and Roderick MacFarquhar, *The Cambridge History of China,* (Cambridge: Cambridge UP, 1991), 820.

traditional Chinese homeland. Rather, it had been added to China's territory, along with Tibet, Xinjiang, Mongolia, and Manchuria, during the Qing Dynasty. In the early 1940's, Mao Zedong had told the American journalist Edgar Snow that Taiwan would gain independence as soon as China defeated Japan. However, history had added symbolic significance to this small strip of land adjacent to China's Fujian Province.[14]

In the aftermath of the Sino-Japanese War of 1895, Taiwan was added to Japan's emerging empire. As a colony, the island became a symbol of Chinese suffering under the oppression of foreign exploitation during the nation's so-called "century of humiliation." Following Chiang Kai-shek's withdrawal to Taiwan and the establishment of the ROC in Taipei, the island became a focal point of the CCP's endeavor to "reunify" China. Existing in defiance of the Communist's claim to govern China, and lying less than 100 miles from the PRC's borders, the ROC was a natural irritant to CCP rulers.

From the onset of this precarious situation, Beijing geared the nation to retake Taiwan. During the 1950's, PLA troops were stationed in Fujian across the Strait from the ROC. In towns and cities across China, civilians were encouraged to donate scrap metal as each pot or pan might be used to make the one shell that liberates Taiwan. While China dreamed of Taiwan's "liberation," the ROC played to its advantage the support of a significant third party—the United States.[15]

The Triangular Relationship

Chiang and his government had experienced a long, albeit complex, relationship with the US. America supported the GMD with material and financial assistance during World War II, and continued favoring the GMD to the CCP during the ensuing Chinese

[14] Shirk, *China: Fragile Superpower*, 185-187.
[15] Ibid.

Civil War. Although some American leaders, such as General Joseph Stilwell, viewed the KMT as less than competent and more than corrupt, Washington felt obligated to maintain its support of the Nationalists.[16] After 1950, Taiwan was seen as a critical piece in the Cold War fight against communism.[17]

Following Mao's ascent to power, President Harry S. Truman determined Mao to be "intensely anti-American." Furthermore, the PRC was viewed by Americans in a similar light as the Soviet Union, and therefore just as dangerous to American democracy. During the Korean War, the US showered the Nationalists with military aid. When 300,000 PLA troops threatened the island with invasion, the US Seventh Fleet was dispatched to the Taiwan Strait. President Truman quickly established a policy of supporting the ROC and opposing the PRC. Frozen Sino-US relations would ensure the cessation of almost all communication between Washington and Beijing for the next twenty years. According to historian Warren I. Cohen, it was the United States' perception of the PRC as an enemy, and its subsequent support for Chiang's regime, that lent credibility to the ROC's existence.[18]

As McCarthyism and anti-communist fervor consumed America, US support of the ROC intensified. As a result, the ROC was honored with membership on the United Nations Permanent Security Council. Additionally, President Dwight D. Eisenhower included into the 1954 Sino-American Mutual Defense Treaty a commitment to protecting Taiwan against communist aggression. Taiwan was now acting as a US-

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[16] General Joseph Stilwell was the commander of all US forces in China during World War II. Before being relieved, General Stilwell had submitted scathing reviews of Chiang Kai-shek and the Nationalist leadership.

[17] Warren I. Cohen, *America's Response to China: a History of Sino-American Relations*, 5th ed, (New York: Columbia UP, 2010), 191-205.

[18] Ibid, 195-201.

supported thorn in the side of Communist China. Accordingly, General Douglas MacArthur referred to the island as an "unsinkable aircraft carrier."[19]

During both the First Taiwan Strait Crisis of 1954-5 and the Second Taiwan Strait Crisis of 1958 the PRC and ROC exchanged artillery fire but ceased hostilities without decisive gains or losses. America responded to these crises by passing the Formosa Resolution and by supplying Taiwan with desperately needed military aid.[20] In this way, Washington proved itself willing to honor its commitment of defending the ROC. Following these short-lived engagements, no peace treaty was signed. Rather, the mainland and Taiwan entered a bloodless, albeit hostile, state of mutual existence.[21]

The CCP would not forget the United States' support of the Nationalists. In the eyes of the CCP, the PRC had done nothing to warrant the disdain of the US. Rather, they saw their role as one of impeding America's hegemonic aims, and therefore as the victim of US animosity. America's ready support of Taiwan's military left China convinced of Washington's willingness to resort to force whenever it felt threatened.[22] Similarly, Washington's political containment of the PRC left China with the impression that the US would not hesitate to maintain its global influence.[23] Having been labeled the enemy of the United States, China had no choice but to reciprocate the sentiment.[24]

During the Cold War, China set to building its military as well as its economy. Mao alleged that western nations would neither respect nor fear China until they possessed advanced industry and weaponry, including nuclear arms capability. Drawing

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[19] Shirk, *China: Fragile Superpower*, 185.
[20] The 1955 Formosa Resolution authorized the President to defend Taiwan's offshore islands.
[21] Steve Yui-Sang Tsang, *The Cold War's Odd Couple*, (London: I.B. Tauris, 2006), 115-155.
[22] Shirk, *China: Fragile Superpower*, 181-183.
[23] Rosemary Foot, "Chinese Strategies in a US-Hegemonic Global Order: Accommodating and Hedging," *International Affairs* 82.I (2006): *Academic Search Premier*, Accessed February 5, 2011, 77-94.
[24] Jia, "Learning to Live with the Hegemon," 398-408.

at first on its partnership with the Soviet Union, China struggled to modernize. Following the Sino-Soviet split in 1960 and the PRC's relative isolation from the world, Beijing reached out to former colonial states. To non-aligned nations, China appeared as an ideal alternative to traditional powers. By so doing, China sought to increase its geopolitical influence.[25]

By 1966, as the country was thrown into the turmoil of the Cultural Revolution, a brightly colored "big character" banner or perhaps a stirring patriotic speech would remind the Chinese people of their rightful claim to Taiwan. Meanwhile, US involvement in Vietnam intensified China's perception of America as an imperialist aggressor. China's split with the Soviet Union however, would provide the PRC and the US with an opportunity to join in cooperation against a common foe.[26]

The Normalization of Relations

Rapprochement between the United States and China was facilitated largely by PRC Premier Zhou Enlai and by National Security Advisor Henry Kissinger. The process, supported by Chairman Mao and President Richard Nixon, was solidified in the 1972 Joint Communiqué of the United States of America and the People's Republic of China (the Shanghai Communiqué). This document stated both governments' intention to work towards the restoration of full diplomatic relations, enabled the two countries to engage in trade, and expressed America's recognition of the One-China policy. Notably, this document gave China a sympathetic partner in the rivalry against the Soviet Union

[25] Ibid.
[26] Foot, "Chinese Strategies in a US-Hegemonic Global Order," 77-94.

and paved the way for subsequent cooperation.[27] Still, the communiqué failed to explicitly endorse the PRC's version of the One-China policy.[28]

In the years to come, the Joint Communiqué on the Establishment of Diplomatic Relations (January 1, 1979), the August 17th Communiqué of 1982, and the original Shanghai Communiqué would become known as the Three Joint Communiqués. These documents declared the commencement of official US and PRC relations and reaffirmed both sides' wish to strengthen ties. Additionally, the communiqués stated the desire of both countries to avoid the hegemony of any nation in the Asia-Pacific region. Finally, on January 1, 1979, the United States formally recognized that the government of the PRC was the legitimate government of China. One year after the formal recognition of the PRC, President Jimmy Carter terminated the 1954 Sino-American Mutual Defense Treaty. Thus, the United States had facilitated the cessation of formal relations with Taiwan.[29]

Meanwhile, the Republican Party and the pro-Taiwan "China-lobby" had raised objections to Washington's "betrayal" of Taiwan. The Taiwan Relations Act, passed by the US Congress in 1979, was designed to solidify America's commitment to the island. This Act instructed the US to treat Taiwan as any other sovereign nation would be treated. Additionally, Washington was required to "provide Taiwan with arms of a defensive character," and to "maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan." However, the Taiwan Relations Act did not require

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[27] Ibid, 77-94.
[28] "Joint Communiqués," *Taiwan Documents Project Gateway*, Accessed February 06, 2011. <http://www.taiwandocuments.org/doc_com.htm>.
[29] Ibid.

the US to intervene militarily for Taiwan. Furthermore, the terminology of "Republic of China" would no longer be used.[30] Finally, in the 1982 communiqué, America committed only to gradually decreasing its arms sales to the island rather than halting them completely.[31] This last determination would prove particularly irritating to Chinese leaders.

While these agreements did serve to ease Sino-US relations during China's reform period, certain points of opacity would prevent Chinese leaders from completely altering their view of the United States as a potential threat. The Taiwan Relations Act led to what has been labeled "strategic ambiguity" on America's part. That is, the US Government neither confirms nor denies that it will intervene in defense of Taiwan in the event of a cross-Strait conflict. While this policy has been subject to criticism,[32] it does allow the US a high degree of flexibility in regards to the Taiwan issue and can act as a deterrent to possible Chinese aggression. Yet, the policy remains flawed as it fails to present any strategy for resolving this issue—it merely allows the tension across the Taiwan Strait to continue festering.[33]

These three communiqués, as well as the Taiwan Relations Act, had a transformational effect on Sino-US relations.[34] While the communiqués facilitated bilateral exchange and gave rise to one of the world's most important trade partnerships,

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[30] United States, Congress, Conference Committees, 1979. *Taiwan Relations Act: Conference Report to Accompany H.R. 2479*, (Washington: U.S. Govt, 1979).
[31] "Joint Communiqués," *Taiwan Documents Project Gateway*.
[32] This policy has been subject to intense criticism since its inception. Many have argued that the policy puts the US in a position of weakness. For example, Secretary of Defense Donald Rumsfeld strongly advocated altering America's policy towards direct and publicly stated military intervention on the Island's behalf in the event of hostilities. From: Ibid.
[33] Ibid.
[34] The three communiqués (issued by the White House), and the Taiwan Relations Act (issued by Congress), have worked at cross purposes: the three communiqués promote deepening ties with the PRC while the Taiwan Relations Act solidifies the American commitment to Taiwan.

they also became the focal point of enduring tensions over the Taiwan issue. In the years since its signing, the PRC has lodged numerous complaints against the Taiwan Relations Act. The Act has been labeled a threat to China's national integrity, an affront to the county's territorial sovereignty, and a hindrance to the stability of relations vis-à-vis the Taiwan issue.[35] Finally, the Second Communiqué, particularly the clause calling for a gradual reduction of US arms sales to Taiwan, has often been cited in China's anti-US rhetoric. These complaints have been made as Washington has neither ceased nor even reduced its sale of weapons to Taiwan.[36]

The CCP for its part, attempted to dispel any ambiguity regarding its own policy. In its 1982 Constitution, the PRC professed its steadfast position of claiming rightful rule over Taiwan and of enforcing the so-called "One China" policy. Both the CCP and GMD created their own interpretations of the One-China policy, each claiming their government was the legitimate representative body of the Chinese nation. The *Preamble* of the *Constitution of the People's Republic of China* explicitly states that there exists only one China—the PRC, of which Taiwan remains a "sacred territory:"

> *"Taiwan is part of the sacred territory of the People's Republic of China. It is the lofty duty of the entire Chinese people, including our compatriots in Taiwan, to accomplish the great task of reunifying the motherland."*[37]

The last decades have marked a generally productive period in Sino-US relations, particularly in regards to trade and economic collaboration. Deng Xiaoping's visit to the US in 1979 was met largely with enthusiasm by spectators on both sides of the Pacific.

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[35] "China Opposes US Congress' Resolution on Taiwan (19/07/04)," *中华人民共和国驻美国大使馆*, February 06, 2011.

[36] People's Republic of China. State Council. Information Office, *White Papers of the Government: China's National Defense in 2008,* Chinese Communist Party, January 20, 2009, Accessed March 11, 2010, 2.

[37] *CONSTITUTION OF THE PEOPLE'S REPUBLIC OF CHINA,*" The People's Daily, 3rd paragraph, 10th line, 1982-12-04.

Importantly, after witnessing the technological capability of the US, Deng refocused his own nation's technological modernization. This enabled increased Sino-US trade and collaboration. Throughout the 1980s, Presidents Ronald Reagan and George H.W. Bush built upon the three communiqués and developed increasingly cooperative and personal relationships with Chinese leaders. While Sino-US relations did suffer following the 1989 Tiananmen Square incident, bilateral exchanges quickly resumed following the government crackdown. Still, the Taiwan issue managed to endure as a cause of contention. During the same decade, the PLA began utilizing the nation's growing capital to develop its force-projection capabilities—the capabilities necessary to strike Taiwan.[38]

Concurrently, Taiwan and the mainland began developing their workable, albeit precarious, relationship. In 1992, following a meeting of PRC and ROC leaders, both China and Taiwan professed their belief in the existence of only "One-China," but agreed each party was entitled to its own definition of the One-China policy.[39] At the same time, the PRC and ROC initiated a trade partnership that would soon account for roughly 40% of Taiwan's exports.[40] Other events, however, exacerbated Sino-Taiwanese relations.

Lee Teng-hui, chairman of the GMD and President of the ROC from 1988 to 2000, was suspected by the PRC of having pro-independence sympathies. Following a US Congressional decision to grant President Lee an American travel visa in 1995, the exacerbation of Sino-US-Taiwanese relations resulted in the Third Taiwan Strait Crisis of 1995-6. This crisis, which involved threatening military exercises and weapons testing

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[38]Shirk, *China: Fragile Superpower.*

[39]一個中國，各自表述』共識的史實」序：「一個中國，各自表述」共識的意義與貢獻." 國家政策研究基金會--全球資訊網, *NPF Backgrounder*, Accessed March 25, 2011.

[40] Banyan. "Taiwan's Commonsense Consensus," *The Economist*, February 26, 2001, 50.

on both China's and America's part,[41] would result in Beijing's recommitment to prepare for decisive action against the US over Taiwan.[42]

The Third Taiwan Strait Crisis illustrated China's refusal to relinquish its claim over Taiwan.[43] It also revealed Beijing's hesitancy to decisively engage the US and sacrifice amiable bilateral relations over the Taiwan issue.[44] However, the US deployment of carrier battle groups during this particular crisis reinforced China's perception that the US was willing to use force. On one hand, this compounded China's fears of hostility with the US over Taiwan. On the other hand, American actions led China to intensify its military modernization efforts in case of a potential conflict over Taiwan. [45]

Following this crisis, Chinese President Jiang Zemin was reported to have said that China would be "getting tough" on Taiwan and the US.[46] Following numerous rhetorical attacks against America and the ROC, Jiang ordered the creation of timelines for reunification. In the eyes of many Chinese citizens, regaining Taiwan took on an almost mystical importance. It began representing a kind of birthright; something that was wrongfully taken from them and must be regained. Many Chinese continue to regard China as incomplete without its missing piece and have likened their claim over Taiwan to the eighteenth century American concept of "manifest destiny."[47]

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[41] Threatening military exercises included China firing missiles over Taiwan one week before the Presidential election.
[42] Shirk, *China: Fragile Superpower, 185-195.*
[43] Andrew Nathan & Robert Ross, *The Great Wall and the Empty Fortress*, (New York: W.W. Norton and Company, 1998), 221.
[44] Shambaugh, *Modernizing China's Military*, 329-35.
[45] Ibid, 2-6.
[46] Shirk, *China: Fragile Superpower, 191.*
[47] Ibid, 186-190.

Still, as China's economy grew, many Chinese felt that economic progress and stability were much more important than regaining Taiwan. However, Susan L. Shirk, former United States Deputy Assistant Secretary of State with responsibility for China, explains that the myth linking Taiwan to CCP survival grew so prevalent that it facilitated the conversion of the myth into a kind of political reality. In Shirk's own words, to the PRC, "Taiwan is not about territory – it is about national honor."[48]

During the 1990's, the CCP completed its divorce with its socialist legacy. In the resulting ideological vacuum, the rise in domestic fervor over Taiwan coincided with a growing sense of Chinese nationalism. With no Cultural Revolution-style banners to march behind, Chinese patriots longed to see the emergence of a strong China; one treated with respect on the global stage. A deep desire to reverse the injustices of China's "century of humiliation" spread across China. Such nationalism was epitomized by passionate student protests in response to the Third Taiwan Strait Crisis, the accidental 1999 US bombing of the Chinese embassy in Belgrade,[49] and numerous other causes. Chinese media sources were quick to point fingers at the US and condemn its "imperialist aggression."[50] To the protestors, Taiwan had little to do with strategy and geopolitical influence. Echoing Shirk's words, one Chinese visitor to America called Taiwan "a matter of our history and honor."[51]

China's Catch-22

According to scholar Rosemary Foot, Chinese leaders have held an implicit understanding of world powers. According to this understanding, a nation's rise to

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[48] Ibid, 185-6.
[49] While the US claimed this bombing to be accidental, many in China believed it to be intentional.
[50] Xiaoxiong Yi, "The Rise of a New Chinese Nationalism," *Coshocton Tribune*, March 25, 2009.
[51] Trudy Rubin, "Chinese Won't Back Down on Taiwan," *The Vindicator*, April 27, 2005.

hegemony and its ability to maintain that hegemonic power rests upon a willingness to garner resources, properly employ them, and thereby project power over others. This world view developed during China's Warring States period and emerged again in recent decades. Accordingly, CCP leaders quickly developed a view of the world wherein the US impeded Taiwan's reunification with the mainland. By extension, America threatened the enduring leadership of the CCP.[52]

Despite the hindrance the US posed to regaining Taiwan, Chinese leaders such as Jiang Zemin realized they had no choice but to endeavor to retake the island. At the minimum, they had to maintain an active stance against further perceived encroachments on Chinese national sovereignty vis-à-vis the US and its military support of Taiwan. Failing to do so would deny the Chinese people the satisfaction of completing the "incomplete" China. Such perceived weakness on the CCP's part would undoubtedly cause numerous Chinese people to question the legitimacy of the government and its ability to rule effectively.[53] Furthermore, this failure on the part of the CCP would lend hope to the numerous groups who resist communist rule.[54] Finally, a Taiwan under the tutelage of the United States would provide American forces with a potential launching ground for invasion. Therefore, the island represented a very tangible military threat to the mainland (Taiwan was in fact used as an American military base during the Vietnam War and the last US troops were withdrawn from Taiwan in 1979).

Despite the CCP's convictions regarding reunification, China could not ignore the military threat posed by the United States. America's willingness to dispatch carriers

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[52] Foot, "Chinese Strategies in a US-Hegemonic Global Order," 77-94.
[53] Shirk, *China: Fragile Superpower*, 181-9.
[54] Groups who resist communist rule include the Tibetans, the Uighurs, elements in Inner Mongolia, and numerous other dissenting factions. From: Kaplan, "The Geography of Chinese Power," 22-41.

during the Third Taiwan Strait Crisis had left CCP leaders convinced that a Chinese invasion of Taiwan would trigger US military action against China. This would be a conflict that China would likely be incapable of surviving. Unlike the Korean War, and later to the Vietnam War, the combat terrain and environment provided by a war over Taiwan would enable the US to bear down on China with the full weight of its combined armed forces. In terms of human cost, economic cost, and political cost, Jiang Zemin and others determined a military invasion of Taiwan to be an unsuitable option.[55]

Thus, China found itself between Scylla and Charybdis. On the one hand, in order to uphold national honor and to deny the US a military stronghold, Chinese leaders sought to reclaim Taiwan. On the other hand, for fear of provoking the US into a war and suffering the resultant losses, Chinese leaders could not realistically rely on direct military force to achieve reunification.

Into the Modern Era

In 1999, President Lee was once again the source of tension. Lee made the claim that Sino-Taiwanese relations were "state-to-state"[56] relations. This provocative statement, which would be labeled as the "two-states theory," infuriated the CCP leadership. The tension was mitigated however, when President Bush Sr. publicly rebuked the notion of the two-states theory.[57]

Still, this perceived violation of the PRC's One-China policy was enough to frightened the CCP bureaucracy. In a meeting following President Lee's declaration, Jiang asked his generals "If the United States intervenes to defend Taiwan, are you sure

[55] Wang, "The Chinese Military and the "Taiwan Issue,"" 8-14.
[56] Shirk, *China: Fragile Superpower*, 192.
[57] Ibid, 190-192.

you can prevail?"[58] The generals reported that the PLA was not yet capable of defeating the US military. Jiang then responded to the generals, reportedly promising "We are going to give you everything you need so that next time you are asked that question, you can say yes. Go back and develop the capabilities to solve the Taiwan problem by force if peaceful methods fail."[59] When asked to describe the policy decided upon during the meeting, one anonymous commentator offered the following summation of the CCP's new plan:

> *Avoid as much as possible a large-scale military action at present, pushing it off to the future when mainland China's military and economic might develops to give us the overwhelming advantage, and decide then whether we still need to use force to contain or stop Taiwan.*[60]

Undoubtedly, such statements shed light on China's conviction to reclaim Taiwan. Still, doubts exist as to whether such rhetoric is actual policy. After all, following the 1999 incident, the CCP quickly improved relations with Taiwan.[61] In 2000 however Chen Shui-bian was elected President of Taiwan. As chairman of the pro-independence Taiwanese opposition party—the Democratic People's Party (DDP), Chen's election signaled a cause of tension in cross-Strait relations. Tensions were further heightened following the 2001 spy-plane incident.[62] Such points of contention naturally pitted China against Taiwan and the US. One the other hand, Chen's election

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[58] Ibid, 193.
[59] Ibid, 193.
[60] Ibid, 193.
[61] Ibid, 191-194.
[62] In April 2001, a US reconnaissance plane, flying near the PRC, made an emergency landing on Hainan Island following a collision with a Chinese J-8 fighter jet. The crew of the US plane, which was thought to be spying on China, was not released until a letter of apology was released. From: Ibid, 161-196.

also strained Taiwan-US relations. Seeking continued economic collaboration with the PRC, Washington was less than enthusiastic of Chen's pro-independence inclinations.[63]

Cross-Strait relations were again tested in 2004 when President Chen placed a referendum about policies toward the mainland on the election ballot. The PRC feared that, if elected to a second term, Chen would draft a referendum to create a new constitution stating Taiwan's independence. The CCP responded with outrage. Despite another public disapproval of Taiwan's actions by an American President (this time George W. Bush), Chinese leaders still feared the following scenario: If Taiwan held a referendum, independence could be declared. China would have no choice but to attack Taiwan. The US would likely respond by attacking China. China's official response to this perceived threat was the ratification of the 2005 Anti-Secession Law. As stated in this Law, the PRC is legally obligated to use force in the event of a declaration of Taiwanese independence.[64]

Despite a lingering sense of animosity between Taiwan and the mainland, the election of the GMD's pro-rapprochement Ma Ying-Jeou to President of Taiwan in 2008 improved cross-Strait relations. Additionally, China has embarked on a plan of integration with Taiwan via political, diplomatic, and economic influence. Currently, over 60% of Taiwanese firms have investments on the mainland, over 40% of Taiwanese exports are bound for China's cities, the PRC draws over five hundred thousand Taiwanese tourists annually (using direct commercial flights), and CCP representatives wield increasing influence in Taipei's halls of power. China is not only attempting to pressure Taiwan militarily; it plans to envelope the island economically, socially, and

[63] Ibid, 168-199.
[64] Ibid, 181-197.

maybe even politically.[65] As it appears, China is taking advantage of its growing economic weight to further its interests. This weight however, also serves to complicate the CCP's current predicament.

The Lingering Issue

China's growing economic ties with the United States has added yet a layer of complexity to China's situation regarding Taiwan. Perhaps more so now than ever, as China endeavors to attain an increasingly respectable position on the global stage, China's people wish to see their country respected. Taiwan remains a symbol of the fragmented China that must be restored to honor.[66]

Thus, CCP leaders find themselves desiring as much as ever before to retake Taiwan, but limited *more* than ever before in their ability to do so militarily without encountering potentially insurmountable consequences.[67] In addition to resulting in a tragic loss of life, a conflict with the US over Taiwan would put an abrupt end to US economic involvement in the mainland, thereby crippling China's prized economic growth. Furthermore, any aggression on the part of China would undermine the nation's hard-earned geopolitical influence.[68]

In addition to being a symbol of the PRC's endeavor to unify China under communism, CCP leaders worry that Taiwan is becoming an enemy stronghold. Although cross-Strait relations have improved, Taiwan continues to arm itself in preparation for an eventual conflict against China. Finally, Beijing worries that Taiwan remains a symbol of defiance to China's foes—both internal and external. For the sake of

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[65] Kaplan, "The Geography of Chinese Power," 22-41.
[66] Shirk, *China: Fragile Superpower*, 181-9.
[67] Ibid.
[68] Wang, "The Chinese Military and the "Taiwan Issue,"" 8-14.

preserving their territorial integrity, legitimizing their right rule, and maintaining national honor, CCP leaders such as Hu Jintao remain committed to regaining Taiwan. China currently expresses this commitment by preparing the PLA for a cross-Strait contingency.[69]

[69] Kaplan, "The Geography of Chinese Power," 22-41.

CHAPTER TWO: PLA PERCEPTIONS AND INTENTIONS

The government's job is to pursue peaceful reunification, but the military's job is preparation for war.

-Anonymous PLA Colonel[70]

China's Military Policy

The prevailing perception among PLA leaders seems to be that the US will defend its interests—in Taiwan and around the globe. Accordingly, the PLA remains committed to preparing for a potential cross-Strait contingency. China's official military policy,[71] as declared in the *Defense Policy* of the Ministry of National Defense of the People's Republic of China, is to "pursue a national defense policy which is purely defensive in nature."[72] The statement goes on to declare that:

> *China places the protection of national sovereignty, security, territorial integrity, safeguarding of the interests of national development, and the interests of the Chinese people above all else. China endeavors to build a fortified national defense and strong military forces compatible with national security and development interests, and enrich the country and strengthen the military while building a moderately prosperous society in all aspects.*[73]

References to national sovereignty and territorial integrity in the above statement surely echo an intention to defend the nation's claim over Taiwan. This statement however, contrasts with the 1982 *Constitution of the People's Republic of China*. The

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[70] Shirk, *China: Fragile Superpower*, 193.
[71] China's military policy is updated with minor revisions every year, but has remained free of notable changes since the ratification of the 2005 Anti-Secession Law.
[72] "Defense Policy," *Ministry of National Defense of the People's Republic of China*, Accessed February 20, 2011.
[73] Ibid.

Constitution explicitly states that it is the "duty" of the Chinese people to accomplish reunification. The above defense policy calls upon "strong military forces" to build a "fortified national defense." Rather than expect all Chinese to fight, this current defense policy relies on only the professional military to defend the nation. This change in vernacular reflects the pivotal transition from the "people's war" of Maoist China, to the "limited wars"[74] of today's China. [75]

These grand statements, officially solidifying China's claim over Taiwan, are echoed throughout the Chinese media. In the event of a perceived violation of the One-China policy (i.e. weapons sales to Taiwan), these statements become the basis for charged and threatening rhetoric. Such statements are aimed at America, issued by Chinese officials, and accompany power plays such as temporarily suspending diplomatic relations with Washington. According to this rhetoric, China remains willing to protect its claim over Taiwan with military force.[76] In reality, China currently avoids military confrontation.

In light of several factors, Robert S. Moss states that, "the Chinese leadership dares not risk war."[77] As it stands, a conflict with the US over Taiwan would in all likelyhood be too costly for the CCP to completely survive. Nonetheless, the PLA increasingly conveys an image of unbridled strength. This is illustrated not only through the utterance of threatening rhetoric, but also as witnessed through the PLA's

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[74] Mao's concept of "People's war," developed during World War II and used in Korea and Vietnam, focuses on overwhelming the enemy with a mass uprising of the people. Limited war on the other hand focuses on well-equipped and professionally trained forces striking the enemy with precision and speed.
[75] *Constitution of the People's Republic of China.*
[76] Chen Jie, "China Suspends Military Visits with U.S. Over Planned Arms Sales to Taiwan," *China Military Online English Edition*, PLA Daily, 31 Jan, 2010, Accessed February 20, 2010.
[77] Aaron L. Freidberg and Robert S. Ross, "Here Be Dragons: Is China a Military Threat?" *The National Interest* Sept.-Oct, 2009, 34.

aggressiveness. The venturing of PLAN vessels into the wider Pacific exemplifies this increased aggressiveness.[78]

The goal of China's military adventurism remains separate from merely provoking a confrontation. As stated by Robert D. Kaplan, "rather than fight the United States outright, the Chinese seek to influence US behavior precisely so as to avoid a confrontation."[79] That is, the PLA seeks to deter Washington from threatening China's territorial sovereignty by projecting such an image of strength that American leaders determine the costs of undermining the One-China policy to be unacceptable.[80]

The PLA appears to be sending mixed signals: it maintains an officially defensive posture, frequently threatens the use of force,[81] but claims it intends only to promote peace. The following quote, issued by Premier Hu Jintao in 2008, professes China's self-claimed commitment to peace:

> "*Anything that is conducive to the peaceful development of cross-Strait relations should be energetically promoted; anything that is detrimental to the peaceful development of cross-Strait relations must be firmly opposed.*"[82]

This profession of peace on the CCP's part appears to be in contrast to the PLA's official doctrine. The state-published 2008 PLA report, entitled *China's National Defense in 2008,* stresses the PLA's commitment to a strategy of "active defense."[83] This strategy advocates the development and strengthening of the PLA as a means by which to legitimize China's punitive responses in the event of an encroachment on its territorial

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[78] Kaplan, "The Geography of Chinese Power," 29-41.
[79] Ibid, 38.
[80] Ibid, 29-41.
[81] Such threats include missile test firings following the 2004 Taiwan referendum.
[82] United States of America, Department of Defense, Office of the Secretary of Defense, *Annual Report to Congress: Military Power of the People's Republic of China*, Washington, D.C., 2009, 41.
[83] People's Republic of China, *White Papers of the Government,* III.

sovereignty and as a means by which to deter any further affronts against its security.[84] In regards to the Taiwan issue, this strategy ensures that any perceived threat to the PRC's One-China policy will provoke a punitive response on China's part.[85]

By sending mixed signals the CCP attempts to mirror America's policy of strategic ambiguity. China attempts to convey to the United States the notion that, should they act in accordance with China's aims, their relations with China will prove peaceful and productive. Contrarily, should Washington violate the PRC's One-China policy, America should expect certain punitive responses.[86]

A Rude Awakening

While scholars continue to debate the nature, specifics, and goals of China's military modernization, they do agree that the PLA is modernizing at a rapid pace. Following the end of the Cold War,[87] Chinese military leaders began focusing on eventual contingencies over Taiwan. These preparations included the possibility of the US supporting the island's independence efforts. In 1985, under Deng Xiao-ping's tutelage, the Central Committee of the Communist Party of China, as well as the Central Military Commission, set the PLA on a course of modernization that privileged quality over quantity. In 1987, the PLA implemented multiple manpower reductions of over one million service members.[88] Since then, China's military has undergone dramatic changes.[89]

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[84] Ibid, I-III.
[85] Ibid, I-III.
[86] Shirk, *China: Fragile Superpower,* 2-11.
Richard Bernstein and Ross H. *Munro, The Coming Conflict with China, (*New York, NY: Vintage, 1998).
[87] Following the collapse of the Soviet Union, a Soviet invasion of China was no longer a feasible threat. Additionally, the US and China were no longer bound in cooperation against their common Soviet adversary.
[88] Instead of decreasing overall fighting ability, these manpower reductions have heightened the PLA's capability. A force of well-equipped and highly proficient soldiers is vastly superior to a rag-tag band of

The spectacle of US military dominance during the Gulf War would both shock and amaze China's military leaders. Witnessing how American forces could easily target and destroy Iraqi weapons systems, some of them identical to their own weapons, the PLA dedicated itself to a complete transformation.[90] In 1993, Chairman Jiang Zemin declared the "Revolution in Military Affairs" (RMA) to be an integral part of the nation's military strategy.[91] Beijing's military strategy shifted from "people's war" to "limited (or local) wars under high-technology conditions." Under this strategy, the PLA would focus its modernization on preparing for cross-Strait contingencies. These plans included employing small groups of highly trained soldiers supported with increasingly advanced technology. Additionally, air, naval and even space military strength, and the use of area-denial/anti-access capabilities would be used in combination to overwhelm the enemy.[92]

China's commitment to RMA was reinforced as the nation witnessed the Kosovo War, the Third Taiwan Strait Crisis, the 1999 bombing of the Chinese embassy in Belgrade, and the US invasions of Afghanistan and Iraq. The RMA manifested itself in the development of new defense policies, doctrinal initiatives, structural reforms, modified training regimens, and new weapon procurement programs. According to David Shambaugh, the focus of these modernization efforts has been the potential conflict with the US over Taiwan.[93]

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poorly supplied and inadequately trained troops. Such a force of well-equipped troops would be necessary if ever China endeavored to invade Taiwan. The PLA was reduced in size by another million men between 2003 and 2005. From: Shambaugh, *Modernizing China's Military,* 1-9.

[89] Xingzu Pu, *The Political System of the People's Republic of China, (*Shanghai: Shanghai's People's Publishing House, 2005), ch 11.

[90] Shambaugh, *Modernizing China's Military,* XX-7.

[91] Pu, *The Political System of the People's Republic of China,* ch 11.

[92] Shambaugh. *Modernizing China's Military: Progress, Problems, and Prospects,* 2-5.

[93] Ibid, 1-9.

The Third Taiwan Strait Crisis of 1995-6 especially served to shape China's military modernization. As Shambaugh suggests, the US' willingness to send two aircraft carrier groups into the Strait left PLA leaders with the resounding perception that America remains willing to employ force in defense of Taiwan. China's official military policy was focused again following the 1999 "two-state theory" crisis. It was in response to this crisis that President Jiang Zemin determined preparing to defeat the US in a contingency over Tawain would become the PLA's primary objective.[94] Shambaugh argues that China, being committed to regaining Taiwan, recognizes and prepares for possible confrontations with the US over the fate of the island.[95] Other scholars such as Michael D. Swaine contend that the recognition of the "One-China" policy by Washington remains enough for Chinese officials to refute the notion of American military involvement in Taiwan.[96] An assessment of the PLA's growth, however, lends credibility to Shambaugh's argument.

One unbiased measure of the PLA's intent is its budget. From 1996 to 2008, the PLA's disclosed (and most likely understated) defense budget increased by an average of 12.9 percent per year after the Third Taiwan Strait Crisis. Enabled by China's breathtaking economic development, this budget growth has financed the transformation of the PLA into a modern fighting force.[97] The following graph displays China's official PLA budget figures as well as US high and low estimates of actual defense expenditure:[98]

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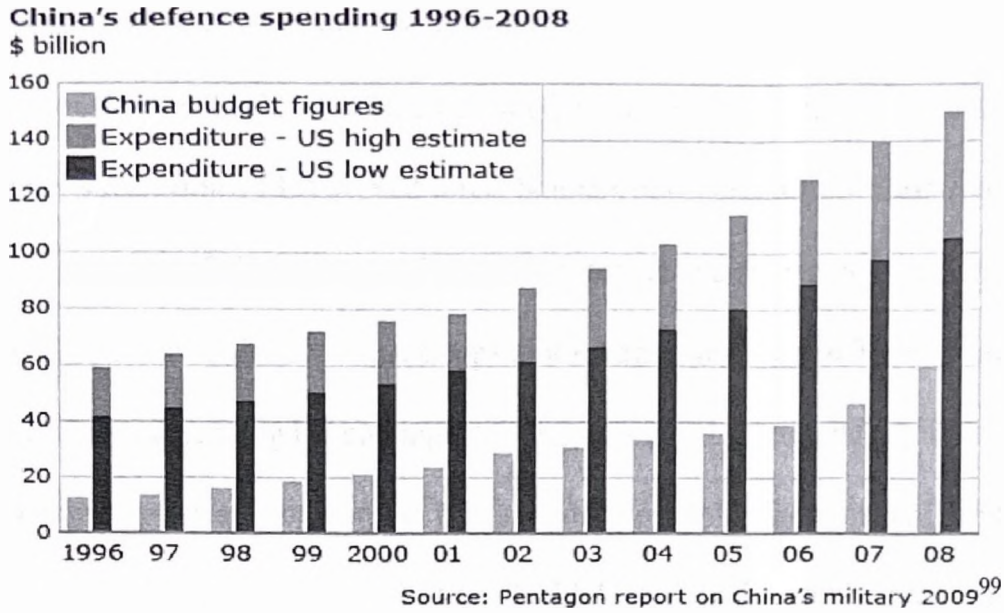
[94]Shirk, *China: Fragile Superpower,* 190-5.
[95] Ibid, 3.
[96]David M. Lampton, *The Making of Chinese Foreign and Security Policy: in the Era of Reform, (*Stanford: Stanford University Press, 2001), 310-315.
[97] Aaron L. Freidberg and Robert S. Ross. "Here Be Dragons: Is China a Military Threat?" *The National Interest* Sept.-Oct. 2009: 19-22.
[98]Michael Bristow, "BBC News - China Slows Rise in Military Spending," *BBC News – Home,* Accessed March 24, 2011.



The Rising Power

Similar to China's economic development, the modernization of the PLA has been both rapid and comprehensive.[100] In regards to personnel, the PLA has the largest active-duty military force in the world (approx. 2,285,000 service members, with an additional one million serving in the reserves or paramilitary).[101] While exact troop placements of the PLA are not known, it is believed that a sizeable portion of the PLA is stationed on China's shores adjacent to Taiwan. During a crisis (i.e. the 2004 Taiwan referendum), it was reported that additional PLA forces moved towards the Taiwan Strait and stood-by for possible missions.[102]

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[99] China has a long-standing tradition of understating its disclosed defense budget. The US gathers intelligence on PLA growth and then figures the estimated high and low actual budged. From: Ibid.
[100] Ibid, 19-25.
[101] James Hackett, *The Military Balance 2010,* (Oxfordshire: Routledge, 2010). 398-404.
[102] Shambaugh, *Modernizing China's Military,* 284-312.

Over the last ten years, especially since Chinese military attaches have witnessed US forces in Iraq and Afghanistan, the PLA has emphasized the development and training of professional soldiers armed with modern weaponry. Training has fostered an increasingly stream-lined PLA ground force. Soldiers now benefit from class-room instruction as well as field training and numerous tactical and strategic-level exercises.[103] Many of these exercises involve PLA troops rehearsing an invasion of Taiwan while fighting against a defending US contingent. Using combined arms units (i.e. mechanized infantry), these exercises take place on beaches which resemble the shores of Taiwan.[104]

Despite breathtaking modernization, the PLA remains decisively inferior to the United States in terms of power projection over the Pacific region.[105] Still, those elements responsible for the power projection capability of the PLA—the PLAN, PLAAF,[106] and the Second Artillery Corps (strategic nuclear or missile force), are also developing rapidly. The PLA has undertaken a comprehensive weapons procurement program that involves developing domestic weapons systems and purchasing weapons from abroad, many of these coming from Russia.[107] Echoing the growing capability of the PLA's arsenal, Chinese Lieutenant General Xiong Guangkai, chief of intelligence and deputy chief of the General Staff, mused to former Assistant Secretary of Defense Chas W. Freeman Jr. that the US "will not [want to] sacrifice Los Angeles to protect Taiwan."[108]

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[103] United States. Office of the Secretary of Defense. *The Military Power of the People's Republic of China: Annual Report to Congress*. 2009.
[104] Shambaugh. *Modernizing China's Military*, 310-327.
[105] Freidberg and Ross, "Here Be Dragons," 22-30.
[106] PLAN: People's Liberation Army Navy; PLAAF: People's Liberation Army Air Force
[107] United States, *The Military Power of the People's Republic of China.*
[108] Nancy Bernkopf Tucker, *Dangerous Strait: the U.S.--Taiwan--China Crisis*, (New York: Columbia UP, 2005), 218.

As Shambaugh points out, the PLA's modernization focuses largely on weapons systems designed to counter US military hardware; particularly American naval weaponry that would be deployed in the Taiwan Strait.[109] Since the PLA's recommitment to preparing for possible anti-US contingencies in 1999, China's military has accrued a formidable array of weapons systems. Although reports of PLA procurement suffer due to China's lack of military transparency, military analysts judge the PRC to have what may soon be the world's largest submarine fleet (over 45 diesel-powered subs, with a likely 20 nuclear-powered subs). Additionally, the PLA is reported to have purchased over 1500 Russian surface-to-air missiles. China has procured hundreds of Russian fighter jets and is developing anti-aircraft carrier technology (including CJ-10 naval cruise missiles released in 2009). The nation has also manufactured a formidable fleet of domestically-made J-10 fighter jets (the PLAAF has an estimated 2,500 total aircraft). Finally, the PLA is completing production of its first aircraft carrier and is developing it second-strike missile capability.[110]

According to a 2009 RAND study, by 2020, "the United States will no longer be able to defend Taiwan from a Chinese attack."[111] The PLA will soon overwhelm whatever force the United States could muster in the defense of the island. The findings in the RAND Corp. echo the 2009 Department of Defense report *Military Power of the People's Republic of China.* According to this report, the PLA continues to focus on increasing its military strength in the Taiwan-Strait region. The DOD report states that China prefers a peaceful resolution to the Taiwan issue. As long as developments seem to

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[109] Shambaugh, *Modernizing China's Military*, 4.
[110] Military analysts are unsure whether or not the aircraft carrier is already operational. From: Kaplan, "The Geography of Chinese Power," 22-41.
[111] Kaplan, "The Geography of Chinese Power," 36.

favor Taiwan's reunification with the mainland, China will defer the use of force. The report further states that the PLA will continue to build-up its troops and weaponry across the Strait from Taiwan. This is done in order to coerce Taiwan and its supporters into abiding by the One-China policy and in order to swiftly respond to any affronts to China's security. The PLA's buildup of men and material along the Strait was intensified first following the Third Taiwan Crisis, then following the 1999 "two-state theory" affair, again following the DPP's rise to power in 2000, after the 2004 Referendum, and finally following the 2010 US weapons sale to Taiwan. [112]

Despite a notable improvement in cross-Strait relations following the election of Ma Ying-Jeou as President, PLA forces in the Taiwan Strait region maintain a determinedly aggressive posture.[113] PLA weaponry in the region includes a large arsenal of short-range ballistic missiles, enhanced amphibious weapons systems, and advanced long-range anti-air systems. The DOD report notes that the PLA in the last three or four years has produced the weaponry and force projection capabilities necessary to launch an invasion of Taiwan.[114] Moreover, the PLA weapons procurement program continues to be based largely on weapons systems designed to counter US military hardware. This would include American air craft carriers, submarines, cruisers, destroyers, and possibly amphibious landing craft.[115]

Responding to the PLA's modernization, Taiwan has continued developing its own military force. With 300,000 active military personal, about 500 aircraft, and a navy of 100 vessels, the Taiwanese military remains a force to be reckoned with. Chinese

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[112] United States of America, *Annual Report to Congress: Military Power of the People's Republic of China*, 30-45.
[113] United States of America, *Annual Report to Congress*, 41.
[114] Ibid, 42.
[115] Shambaugh, *Modernizing China's Military*, 4.

weapons systems, supplied largely by the US, are postured to counter a Chinese invasion.[116] As Michael S. Chase asserts, "the US-Taiwan security relationship is closer today than it has been at any time since 1979."[117] Still, the Taiwanese military cannot compete with the sheer size of the PLA.[118] Military analysts predict that the PLA would overwhelm Taiwan's defenses within three days—in all likelihood securing the island before a sizeable US force could arrive to intervene. [119]

As China's military strength continues to grow so too does its boldness. Historically, the PLAN was relegated to the waters within the "first island chain" (extending from Korea, running along Japan's West Coast, and stretching to Australia). In recent years, China's navy has ventured into the wider Pacific. This has sent a message of aggression to the US and Japan.[120] Additionally, China's release of images of the brand-new Chengdu J-20 Stealth Fighter in January 2011, some of which were apparently stolen from the movie Top Gun, sent shock waves through the Pentagon. Finally, almost on a weekly basis and without fear of retribution, government-sponsored hackers from within China attack the servers of the US military.[121] In light of these power plays, it would appear that China endeavors not only to modernize and expand its military capability, but also to project the appearance of power.

Eyeing the US with Suspicion

Much of China's policy towards the US is based on its perception of Washington's intentions and actions. Scholars such as Jia Qingguo contend that China's

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[116] GlobalFirepower.com, "Military Strength of Taiwan," *World Military Strength Ranking*, Accessed April 23, 2011.
[117] Tucker, *Dangerous Strait*, 163.
[118] GlobalFirepower.com, "Military Strength of Taiwan."
[119] Freidberg and Ross, "Here Be Dragons," 22-30.
[120] Kaplan, "The Geography of Chinese Power," 32-36.
[121] Ron Fraser, "China: US Kowtows to the Enemy," *TheTrumpet.com*, January 24, 2011.

policy towards America remains purely reactive to the perceived hostility or goodwill of the United States.[122] China's perception towards the United States has been negatively influenced by America's foreign policy over the last decades. As Shambaugh observes, US intervention in Kosovo and Serbia in 1999 led China to perceive the US as willing to intervene internationally. Beijing perceived such involvement to be under the pretense of "humanitarian intervention" and carried out with the goal of expanding American hegemony. China's fears increased as a result of the "Clinton Doctrine" when considering its own ethnic troubles in Xinjiang and Tibet. China expected that following the conclusion of the Cold War, US military deployments and strategic alliances around the globe would decline. Consequently, Beijing felt threatened as US military influence only grew throughout the 1990's and 2000's.[123] Particularly in regards to Taiwan, the PLA remains fearful that the US will extend its perceived sense of global entitlement towards resolving the Taiwan issue in its own best interest.[124]

Sino-US relations are very much determined by America's status as the world's only remaining super-power. Both Shambaugh and Jia contend that China lives under the specter of US hegemony.[125] Shambaugh goes on to observe that some PLA and CCP leaders perceive US involvement in Central Asia as part of a broader American strategy to encircle China, leaving only its northern border with Russia free of any US military presence.[126]

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[122] Qingguo Jia, "Learning to Live with the Hegemon: Evolution of China's Policy Toward the US Since the End of the Cold War," *Journal of Contemporary China* 14 (2005): 395-407, *Historical Abstract*, Accessed February 20, 2010, 369-400.
[123] Shambaugh, *Modernizing China's Military*, 5.
[124] Ibid, 307-320.
[125] Jia, "Learning to Live with the Hegemon," 397-400.
[126] Shambaugh, *Modernizing China's Military*, 6.

The advanced capability and global reach of America's military has left Beijing feeling threatened by Washington's tactical, strategic, and technological superiority.[127] Over the last few years, the phrase 美国威胁论 (meiguo weixie lun – lit. *American threat theory*) has been referenced by a growing number of Chinese politicians, academics, members of the media, and average citizens. This phrase describes the perceived American effort to contain, counter, and suppress China's growing influence. As part of this theory, some Chinese theorists believe that the US will attempt to contain PLAN expansion into the Pacific by using Taiwan as a blocking-zone against China.[128]

Above all, PLA leaders perceive the United States as a nation willing to employ force, project power over others, and thereby maintain its global hegemony. This leaves many within the ranks of China's government with the impression that the US would in fact intervene on Taiwan's behalf in the event of a cross-strait conflict. While some believe Washington would defend Taiwan in order to protect strategic interests, others speculate that America would intervene purely to maintain an image of strength. Undoubtedly, US actions during the Third Taiwan Strait Crisis reinforced the notion of America's willingness to use force.[129]

The Third Taiwan Strait Crisis had some additional effects. Firstly, recognizing America's willingness to employ force, Chinese leaders appeared all the more eager to improve relations. Beijing therefore facilitated open-ended, top-level state visits between Washington and Beijing during 1997-98. Additionally, some Chinese leaders had observed that the Taiwan Strait Crisis, and the inherent threat of force, had actually served to enhance the Taiwan-US relationship. Having forced Taiwan and the United

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[127] Ibid, 7.
[128] Richard Bernstein and Ross H. Munro, *The Coming Conflict with China*, (New York, NY: Vintage, 1998).
[129] Shirk, *China: Fragile Superpower*, 181-189.

States into hasty cooperation in the face of a looming PLA threat, the Chinese realized they had emboldened President Lee Teng-hui and solidified his bond with America. Unsurprisingly, in later years China would be less hasty in giving the Americans and Taiwanese cause to strengthen their partnership.[130]

Similar to the Third Taiwan Strait Crisis, the March 2004 Taiwan referendum once again threatened to exacerbate cross-Strait relations. Shirk points out that, in the eyes of Chinese leaders, this proposed referendum threatened to facilitate the creation of a governmentally-led independence movement in Taiwan. PLA officers worried they could be backed into a position where using force would be the only possible option to terminate the independence effort. PLA officials expected that the US would have no choice but to "save face" and honor its commitment to safeguard Taiwan. Although the situation did not result in hostilities, it did remind Chinese leaders of the likely willingness of Washington to defend Taiwan, and therefore encouraged them to increasingly prepare for cross-strait contingencies.[131] This sentiment was solidified by President Hu Jintao's passage of the *Anti-Secession Law*, which accelerated the speed of PLA modernization and legally formalized the policy of using "non-peaceful means" against a Taiwanese independence movement.[132]

According to Shi Yinhong, three main schools of thought exist among CCP leaders in regards to the future of relations with the United States. The majority group hopes for long term cooperation, realizes that such an optimistic hope remains unrealistic, and considers the possibility of either an active war or a cold war with the US. The second group, smaller but influential, do in fact believe in long term bilateral cooperation

[130] Ibid, 190-196.
[131] Ibid, 181-190.
[132] Ibid, 206-210.

but only after enduring "agonized mutual adaptation." Finally, the third and smallest group, decidedly less optimistic than the others, remains convinced of eventual warfare as the US will, "never tolerate a China as a world power or even No. 2 great power in Asia and the Pacific."[133]

Some scholars such as Wang Weicheng continue to argue that PLA officials view America's leaders to be much less hawkish than some claim them to be. Wang argues that Chinese leaders imagine US military officers to maintain the same aversion to violence over Taiwan that they themselves adhere to. Particularly in light of increasingly strong Sino-US economic ties, the argument is made that many CCP and PLA leaders recognize an American refusal to allow the situation to deteriorate completely.[134] Despite this possibility of calmer perceptions, however, many within China's leading circles are increasingly nervous of perceived US militarism leading to a potential cross-Strait conflict. Accordingly, the PLA is modernizing at a rapid pace. If need be, China's military may soon be prepared to take Taiwan by force.[135]

[133] Foot, "Chinese Strategies in a US-Hegemonic Global Order: Accommodating and Hedging," 77-94.
[134] Wang, "The Chinese Military and the "Taiwan Issue,"" 10-16.
[135] Shirk, *China: Fragile Superpower*, 181-189.

CHAPTER THREE: GAUGING CHINA'S REACTIONS

Inflexibility or Limited Concessions

Scholars such as Jia Qingguo contend that China maintains a purely reactive policy towards the United States in regards to the Taiwan issue. That is, China's actions and policies towards the US are entirely contingent upon US policy towards China and Taiwan. Therefore, the feasibility of a peaceful resolution to the Taiwan issue remains entirely dependent on America's ability to act in accordance with China's goals.[136] China's reactive policy suggests that Beijing remains unwilling to compromise and inflexible in enforcing the One-China policy.[137] Scholars such as David M. Lampton, on the other hand, argue that China maintains a degree of flexibility and a potential to compromise. Lampton contends that China values a cooperative relationship with the US over the immediate realization of its goal of regaining "renegade" Taiwan. By gauging China's reactions to perceived violations of the One-China policy,[138] it becomes evident that Beijing maintains an inflexible and reactive policy, but only to a certain point. China's reactive policy is geared largely to its domestic audience. By all appearances, China is not prepared to end its relationship with the US.[139]

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[136] Jia, "Learning to Live with the Hegemon," 369-400.
[137] Ibid, 369-400.
[138] An Analysis of Competing Hypothesis is conducted later in this chapter to objectively compare the conflicting arguments.
[139] David M Lampton, *The Making of Chinese Foreign and Security Policy: in the Era of Reform,* (Stanford: Stanford University Press, 2001), 310-12.

The Third Taiwan Strait Crisis

The Third Taiwan Strait Crisis of 1995-1996 provides a case study whereby China's reactions can be clearly observed. Tensions first arose when President Lee accepted an invitation from Cornell University, his alma mater, to speak on "Taiwan's Democratization Experience" in June 1995. The US State Department initially declined to issue Lee a visa and insured their Chinese counterparts that Lee would not enter the US.[140]

When the US Congress granted a travel visa to President Lee, China was forced to choose between reacting as strongly as it had threatened and sacrificing the perception of absolute strength in favor of a peaceful resolution to the problem. Immediately following Congress's approval of Lee's visa in May 1995, China responded by blaming the US for ruining Sino-US relations. In July of the same year, the PLA mobilized forces in Fujian and began conducting missile tests 60 kilometers from Taiwanese territory.[141]

China's forthright response sent a clear message to the ROC and the US; any actions impeding China's enforcement of the One-China policy would be responded to with force. This response reflected China's adoption of "active defense" and supported the notion that China maintains a reactive policy.[142] Continued missile launches in August of 1995 and amphibious assault exercises during the following November only reinforced China's declaration of inflexibility towards Taiwan and the US.[143]

Following the PLA's missile tests, the US responded by ordering first one, then two carrier battle groups into the Taiwan Strait. China likewise moved naval units into

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[140] Andrew Nathan & Robert Ross, *The Great Wall and the Empty Fortress*, (New York: W.W. Norton and Company, 1998), 22.
[141] Ibid, 19-24.
[142] People's Republic of China, *China's National Defense in 2008*, III.
[143] Nathan & Ross, *The Great Wall and the Empty Fortress*, 19-24.

the Strait and intensified missile testing.[144] This incremental escalation of force in response to perceived US intimidation once again supports the concept of China's reactive and inflexible policy.

However, David Shambaugh notes a relevant, albeit little-known, inconsistency in China's conduct during this crisis. Throughout the Third Taiwan Strait Crisis, even as top-level diplomatic relations were temporarily halted, China refused to cease military-to-military relations with the US. Shambaugh concludes that China kept this "back door" of relations open in order to preserve a means of communication with the US while publicly projecting an image of aggression. This back door of relations involved multiple unplanned visits between senior US and Chinese military leaders and provided an opportunity for both parties to engage in reconciliatory dialogue.[145] The fact that China preserved military-to-military communication supports the argument that China does *not* ascribe to a purely reactive policy, but rather maintains at least some degree of flexibility.

Although China refused to halt military relations with the US during the Third Taiwan Strait Crisis, this crisis ultimately led China to grow more resolute in its inflexibility.[146] After witnessing America's deployment of two carrier battle groups to the Taiwan Strait, China concluded that the US was willing to employ force against China in order to defend Taiwan. This strengthened China's conviction that it should prepare for potential contingencies against the US.[147] Additionally, China concluded from the crisis that it held a regional advantage over the US and Taiwan in terms of deployable missiles. Even after firing as many missiles as the US and Taiwan had altogether in the region,

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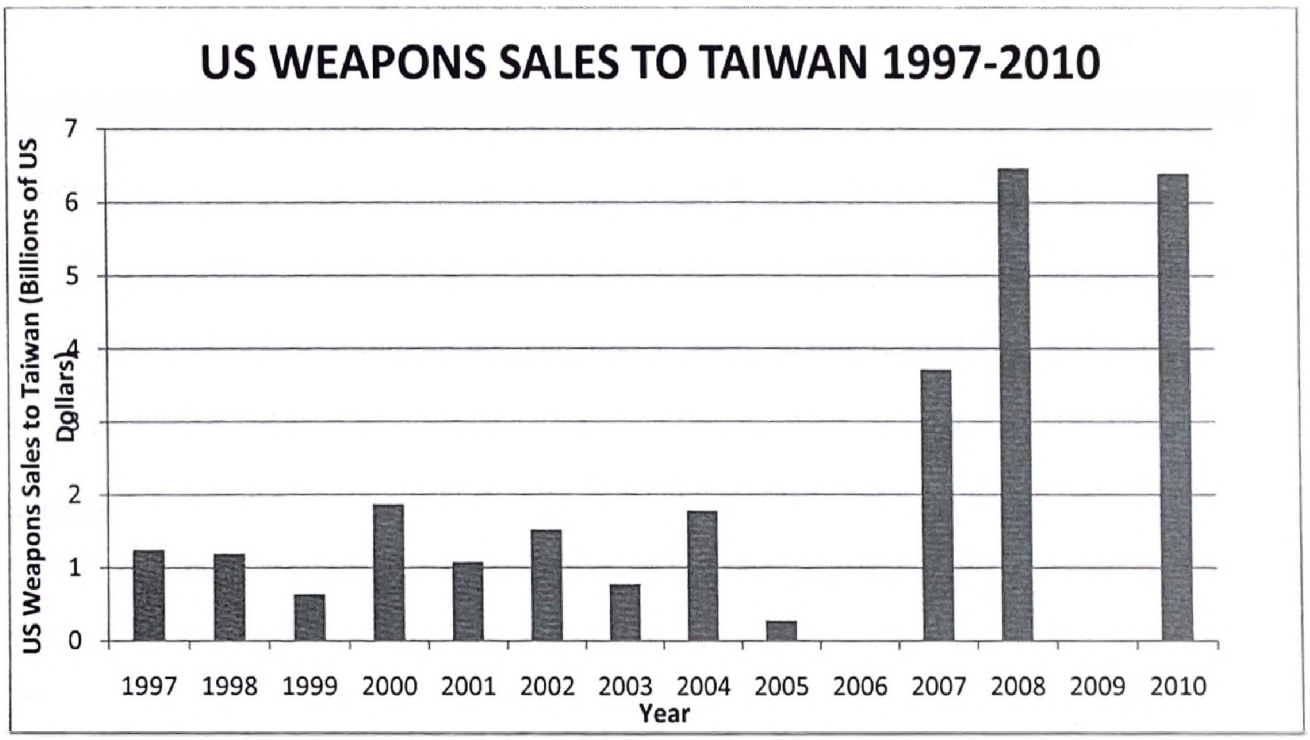
[144] Ibid, 19-24.
[145] Shambaugh, *Modernizing China's Military*, 333.
[146] Ibid, 333.
[147] Ibid, 2-4.

China still had vast stockpiles of unused missiles. China realized that their missile superiority could be used to wreak havoc in Taiwan and counter US military assets in the event of an armed conflict. This realization emboldened Chinese military leaders and strengthened Beijing's commitment to stubbornly regaining Taiwan.[148] As a result, China's willingness to make concessions in regards to peacefully resolving the Taiwan issue was drastically diminished following this crisis.

Continued Weapons Sales

Over the last decade, the US has increased its volume of weapons sales to Taiwan. Continued US weapons sales have caused China to doubt American intentions towards the One-China policy. Above all, China perceives continued weapons sales as a violation of the 1982 Joint Communiqué wherein the United States agreed to gradually reduce its weapons sales to Taiwan.[149]



Source: Congressional Research Service

[148] Ibid, 322-324.

[149] "Joint Communiqué on Arms Sales to Taiwan, Third Joint Communiqué of the United States of America and the People's Republic of China," *Taiwan Documents Project Gateway*, Accessed February 20, 2010.

Table two, which displays the transfer of major conventional weapons from the US to Taiwan from 1997 to 2010, illustrates that the US has failed to reduce weapons sales to Taiwan. Weapons sales packages included radar systems, surface-to-air missiles, aircraft, and other weapons systems which would be used by Taiwan in the event of a PLA incursion.[150]

In condemning the above weapons sales to Taiwan, the CCP draws on legal arguments to accuse the United States of engaging in irresponsible behavior. In the CCP White Paper entitled *China's National Defense in 2008*, the CCP claims that continued weapons sales to Taiwan by the US pose a serious impediment to Sino-US relations. The report blames the US for violating the 1982 Joint Communiqué and for acting as the unlawful protector of Taiwan. In response to continued weapons sales, the report reiterates China's dedication to the One-China policy and its right to defend its "national sovereignty."[151] However, despite this negative assessment of US behavior, the report also credits the "thwarting" of pro-Taiwanese independence movements as having temporarily stabilized the Taiwan issue.[152] Although the PRC often justifies its policy by citing the 1982 Joint Communiqué, it should be noted that legally this communiqué is a non-binding document. Furthermore, the target audience of this White Paper includes the US Government, other foreign governments, and China's domestic audience. Thus, the report attempts to strengthen, justify, and reinforce China's policy at every turn.[153]

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[150]Shirley A Kan,"Taiwan: Major U.S. Arms Sales Since 1990." *Defense-aerospace.com: the Professional Website for Aerospace, Defense and Military News and Information, Congressional Research Service,* Accessed February 22, 2011.

[151] People's Republic of China, *China's National Defense in 2008,* II.

[152] Ibid, I.

[153] Ibid, I-III.

China's condemnation of continued weapons sales, as well as its stated relief at the subsiding of pro-Taiwanese independence movements, signify China's adherence to an inflexible and reactive policy towards the US. That is, US weapons sales to Taiwan incensed China's anger and negatively impacted the CCP's perception of the US. Conversely, the DPP's fall from political power (brought about, in part, by Washington's refusal to support a pro-Taiwanese independence position) positively impacted Chinese perceptions of the US. In both these cases, the CCP adheres to a reactive policy.[154]

CCP criticisms of continued US weapons sales to Taiwan are frequently tailored to China's domestic audience. Chinese news sources label continued weapons sales as a particularly negative cause of tension in Sino-US relations.[155] While the harsh language used in Chinese news articles to describe continued weapons sales does reflect an inflexible and reactive policy, Lampton points out that such language could be used more to send a message to the Chinese people than to the US.[156] Any sign of weakness shown by the CCP in regards to enforcing the One-China policy causes anger and dissatisfaction within China. The strong language used in government reports and news articles to describe the US is designed not only to deter Washington, but also to appease the nationalistic desires of the Chinese people.[157] The fact that the CCP could exaggerate its disapproval of US policy in order to appease its populace undermines the argument that China adheres to a purely reactive policy.

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[154] Ibid, I-II.

[155] Cui Xiaohuo,"Taiwan Remains Sticking Point in Sino-US Ties," *China Daily Website - Connecting China Connecting the World*, Accessed April 21, 2010.

Jie Chen, "China Suspends Military Visits with U.S. Over Planned Arms Sales to Taiwan."

[156] China's sharp rhetoric in response to weapons sales seems to be constant over the last several years. In a 1999 Dallas Morning News article, Beijing's accusations of the US are similar to current comments. Such comments include labeling the US "militaristic," "arrogant," "hegemonic," and "imperialistic." From: Jones, Gregg Jones, "US-China Relations Hit Rough Times," *The Dallas Morning News*, May 12, 1999.

[157] Lampton, *The Three Faces of Chinese Power*, 242.

Despite friction caused by continued weapons sales and other issues (i.e. currency wars, trade deficit, national debt, etc.), the period since 2001 has generally been productive in terms of Sino-US relations.[158] Similarly, Sino-US military-to-military communications have become increasingly positive over the last decade (beginning with China's official support of America's Global War on Terror in 2001).[159] Since then, the two nations have works towards the creation of a "G2" economic conference (first suggested in 2005), and Premier Hu Jintao and President Barrack Obama have developed an amenable friendship.[160] This positive trend in Sino-US relations, which occurred even as the US continued to sell weapons to Taiwan, illustrates a strong desire on the part of China and America to build and sustain a cooperative bilateral relationship. These factors detract from the view that China prescribes to an exclusively reactive and inflexible policy. Rather, these factors suggest that China values the creation and sustainment of a cooperative relationship with the US over the immediate realization of its goals.

The 2010 Weapons Sale

Regardless of certain positive trends in Sino-US relations, perceived violations of the One-China policy quickly continue to result in China's condemnation of the US. The most recent US weapons sale to Taiwan in January of 2010, for instance, caused a high degree of tension between the United States and the PRC. The weapons package, worth $6.4 billion, included the sale of 114 Patriot missiles, 60 Black Hawk helicopters, 2

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[158] 2001, when China came out in full support of Bush's Global War on Terror and joined the World Trade Organization, generally marks the beginning of a period of increased Sino-US cooperation—particularly in terms of trade.

[159] James Mulvenon, "Sino-U.S. Military Relations and the Admiral Fallon Visit," *China Leadership Monitor* 18 (2006): 1-6.

[160] Foreign Policy Association, Resource Library, Viewpoints, Moving the G-2 Forward," *Foreign Policy Association: Homepage*, Accessed April 25, 2010.

President Bush's relationship to Hu was arguably more cooperative than President Obama's. From: "President Hu Jintao and US President-elect Barack Obama Discuss over Telephone -- Hunan Government," *Hunan -- Hunan Government*, Accessed April 25, 2010.

Osprey mine-hunting ships, 12 harpoon missiles, as well as communications equipment for Taiwan's F-16 fleet. However, despite repeated requests by Taiwan, the weapons package did not include F-16 fighter jets. [161]

During the January press conference in which the weapons sale was first announced, an Obama administration spokesperson from the Defense Security Co-operation Agency stated that,

> "*This [weapons sale] is a clear demonstration of the commitment this administration has to provide Taiwan the defensive weapons it needs and as provided for in the Taiwan Relations Act. This action is consistent with the US One-China policy based on three Joint Communiqués and the Taiwan Relations Act and contributes to maintaining stability and security across the Taiwan Strait.*"[162]

Unsurprisingly, China did not interpret this weapons sale as a means of promoting stability and security across the Taiwan Strait. A CCP press release stated that this weapons sale was in violation of the three Joint Communiqués, violated China's territorial sovereignty, and was entirely disrespectful of China's "core interests and concerns."[163] The press release went on to declare that, "China will firmly fight against any move to destroy China's national sovereignty, security, and territorial integrity."[164]

In response to the weapons sale, the Chinese Government announced it would suspend military-to-military relations with Washington, impose sanctions on US companies selling arms, and review its cooperation with the US on key issues such as Iran and global climate change.[165] Ceasing military-to-military relations is a frequent,

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[161] "BBC News - China Hits Back at US over Taiwan Weapons Sale," *BBC NEWS | News Front Page*, January 30, 2010, Accessed May 01, 2010.
[162] "BBC News - China Hits Back at US over Taiwan Weapons Sale."
[163] Chen, "China Suspends Military Visits with U.S. Over Planned Arms Sales to Taiwan," 1.
[164] Ibid, 2.
[165] "BBC News - China Hits Back at US over Taiwan Weapons Sale."

even expected, response from China. Experts anticipated military relations to resume after tensions diminished. China's threat to impose sanctions on US companies selling arms seems to be an empty threat since US firms are not allowed to sell weapons of any kind to China. But Beijing's threat to cease cooperating with the US on certain key issues could seriously undermine the enforcement of US foreign policy goals. Without China's cooperation, the US loses a large degree of credibility and effectiveness in enforcing such efforts as the prevention of Iranian nuclear proliferation and fighting global climate change.[166]

As expressed by President Hu Jintao during a visit to a Washington nuclear security summit, Sino-US military communication resumed in April of 2010. That same month, military relations took a decidedly positive turn when the American military attaché to Beijing was invited to view a demonstration flight of four Chinese manufactured J-10 fighters.[167] In keeping with China's reactive policy of inflexibility, the relatively expedient resumption of amiable relations was a reaction to American policy. Cara Anna argues that China's speedy resumption of relations is attributed to Washington's refusal to sell Taiwan the cutting-edge F-16 fighter jets (which would have given Taiwanese pilots a technological advantage over their PLA counterparts).[168]

China's immediate reaction to the 2010 weapons sale was in keeping with a reactive policy of inflexibility in regards to enforcing the One-China policy. Beijing's initial reaction of suspending military-to-military visits reflects the claim that China

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[166] This has led to speculation that China is using the Taiwan issue as political leverage against the US. From: Ibid.

[167] This is very much in keeping with the PLA's attempt not only to project power, but also to project the image of power.

[168] Cara Anna, "China Says Military Ties with US Still Suspended," *The Associated Press*, April 13, 2010.

would facilitate the deterioration of bilateral relations if the US violated the One-China policy. Similarly, following Washington's refusal to sell Taiwan fighter jets, the expedient resumption of military relations reflects the notion that China strengthens Sino-US cooperation as America acts in a manner to respect China's territorial sovereignty. China's responses send an unequivocally clear message to the US; Beijing's ability to cooperate with the US remains contingent upon Washington's ability to respect China's policies. This supports the notion that China maintains a reactive policy in regards to regaining Taiwan.[169]

China's Defense Policy

The CCP's apparent adherence to a reactive policy of inflexibility fits within the PLA's strategy of active defense. This strategy advocates the strengthening of the PLA to legitimize China's punitive responses to perceived threats of its territorial sovereignty. Additionally, the strategy is designed to deter future threats.[170] The development of PLA forces in the Taiwan Strait region can be interpreted as a reaction to perceived US and Taiwanese opposition of the One-China policy.[171] Therefore, China's current defense policy, bolstered by the continued build-up of PLA troops and weaponry across the Strait from Taiwan, suggests that China maintains a reactive policy of inflexibility.[172]

Although CCP policy and PLA growth do suggest China's readiness to actively defend its territorial claims, scholars such as Wang Weicheng doubt the willingness of CCP leaders to go to war. Beijing's goal of ensuring economic growth would be severely

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[169]Chen, 1-2.
Anna, "China Says Military Ties with US Still Suspended."
"BBC News - China Hits Back at US over Taiwan Weapons Sale."
[170]People's Republic of China, *China's National Defense in 2008,* I-III.
[171] Shambaugh, *Modernizing China's Military,* 4.
People's Republic of China, *China's National Defense in 2008,* I-III.
[172] United States of America, 41-43.

hampered by an armed conflict over Taiwan. For many officials within the upper-echelons of CCP leadership, going to war over the island is favorable only after all peaceful means have been exhausted.[173] This lends credibility to the notion that China values a cooperative relationship with the US and could be willing to make limited concessions in order to avert hostilities.[174]

Analysis of Competing Hypothesis

As stated by former CIA agent Richards J. Heuer, Jr., an Analysis of Competing Hypothesis (ACH), "is a tool to aid judgment on important issues requiring careful weighing of alternative explanations or conclusions."[175] Although this tool does not produce anything close to an empirical solution to any problem, it does assist in overcoming some of the natural biases of human analysis. In the following ACH, the opposing hypotheses discussed in this chapter regarding China's policy are tested against all evidence that has been presented. Each hypothesis is tested against each piece of evidence. If a particular piece of evidence supports the feasibility of a given hypothesis, the hypothesis is awarded a plus (+). Conversely, if a particular piece of evidence detracts from the feasibility of a given hypothesis, the hypothesis is given a minus (-). If a particular piece of evidence neither supports nor detracts from the feasibility of a given hypothesis, the hypothesis is awarded a zero (0). Finally, if a particular piece of evidence weighs especially heavily, it is given two pluses or two minuses. After each hypothesis has been tested against each piece of evidence, the results can be compared to shed light onto the relative strength of each hypothesis.

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[173] Wang, "The Chinese Military and the "Taiwan Issue," 8-14.
[174] Ibid, 8-16.
[175] Richards J. Heuer, *Psychology of Intelligence Analysis*, (New York: Novinka, 2006), 95.

Hypothesis

Hypothesis (H) 1: China maintains an attitude of patriotic inflexibility in regards to regaining Taiwan and enforcing the One-China policy. That is, China maintains a purely reactive policy in which Chinese perceptions and actions towards the US are entirely contingent upon the US's ability to respect China's territorial claims. China is inflexible in its goal to regain Taiwan and will sacrifice cooperative relations with the US should Washington impede reunification efforts.

H2: China will value amiable relations with the US over the immediate realization of its irredentist goals. China will be willing to make limited concessions and will favor a non-confrontational approach in regards to resolving the Taiwan issue.

H3: The CCP leadership has not yet reached a consensus on how to resolve the Taiwan issue. While some CCP leaders feel that the One-China policy should be enforced and protected at any cost, other leaders feel that amiable relations with the US should be preserved.

Evidence

- Evidence (E) 1: China's actions and policies towards the US are entirely contingent upon US policy towards China and Taiwan.
- E2: China values a cooperative relationship with the US over the immediate realization of its goal of regaining "renegade" Taiwan.
- E3: Immediately following Congress's approval of Lee's visa in May 1995, China responded by blaming the US for ruining Sino-US relations.
- E4: In July of the same year, the PLA began conducting missile tests 60 kilometers from Taiwanese territory and mobilized forces in Fujian.

- E5: Following the arrival of two US battle carrier groups into the Strait, the PLA moved naval units into the Strait and intensified missile testing.
- E6: Throughout the Third Taiwan Strait Crisis, even as both the US and China flexed their military muscle and even as top-level diplomatic relations were temporarily halted, China refused to cease military-to-military relations with the US.
- E7: Military relations during the Taiwan crisis involved multiple visits among senior US and Chinese military leaders that provided an opportunity for both parties to defuse tension and engage in productive dialogue away from the charged atmosphere of the public debate that was raging between the countries' civilian leaders.
- E8: After witnessing America's deployment of two carrier battle groups to the Taiwan Strait, China concluded that the US was willing to employ force against China in order to defend Taiwan.
- E9: After the Third Taiwan Strait Crisis, China realized its degree of missile superiority in the Strait could be used to wreak havoc in Taiwan and counter US military assets in the event of an armed conflict.
- E10: Continued US weapons sales to Taiwan have been detrimental to Sino-US relations and have caused China to doubt US intentions towards the One-China policy.
- E11: In the CCP White Paper entitled *China's National Defense in 2008*, the CCP clearly states that continued weapons sales to Taiwan on America's part pose a serious impediment to Sino-US relations. Furthermore, the report blames the US

for violating international law as declared by the 1982 Joint Communiqué and, thereby, acting as an unlawful protector of Taiwan. Finally, in response to continued weapons sales, the report reiterates China's dedication to the One-China policy and its right to defend its "national sovereignty."

- E12: The target audience of this white paper is the US Government, and other foreign governments and observers. Thus, an attempt is made to strengthen, justify, and reinforce China's position and policy at every turn.
- E13: Some scholars contend that the strong language used in government reports and news articles to describe the US and its continued weapons sales to Taiwan is only so harsh and pointed for the sake of appeasing the nationalistic desires of the Chinese people.
- E14: Despite the occasional Chinese Government and media condemnation of continued US weapons sales to Taiwan from 1997 – 2010, the general trend of Sino-US relations during this period was one of rapprochement.
- E15: A CCP press release stated that the 2010 US to Taiwan weapons sale was in violation of the three Joint Communiqués, violated China's territorial sovereignty, and was entirely disrespectful of China's "core interests and concerns." The press release went on to declare that, "China will firmly fight against any move to destroy China's national sovereignty, security, and territorial integrity."
- E16: In response to the weapons sale, the Chinese Government announced it would suspend military-to-military relations with the US, impose sanctions on US companies selling arms, and review its cooperation with the US on key issues such as Iran and global climate change.

- E17: Despite China's strong response to the weapons sale, military communication and cooperation on Iran, as expressed by President Hu Jintao during a visit to a Washington nuclear security summit, resumed between China and the US in April of 2010.
- E18: Following the US's refusal to sell Taiwan fighter jets and submarines, China facilitated the expedient resumption of military relations and Sino-US cooperation on international issues.
- E19: PLA forces in the Taiwan Strait region maintain a determinedly aggressive posture.[43] PLA weaponry in the region includes a large arsenal of short-range ballistic missiles, enhanced amphibious weapons systems, and advanced long-range anti-air systems. Additionally, hundreds of thousands of PLA soldiers stationed across the Strait from Taiwan regularly conduct exercises simulating an invasion of the island.
- E20: The current PLA weapons procurement program focuses on weapons systems designed to counter US military hardware; particularly the types of American naval vessels that would be deployed in the Taiwan Strait in the event of hostilities.
- E21: Among the vast majority of upper-echelon CCP and PLA leadership, the notion of going to war over Taiwan is favorable only after all peaceful means have been exhausted and only when the PLA can match the US in military strength.
- E22: Chinese leaders regard their US counterparts to possess the same inherent aversion to a collapse of cooperative efforts that they themselves prescribe to.

ACH

	H1	H2	H3
E1	+	-	0
E2	--	++	+
E3	+	-	0
E4	+	-	0
E5	+	-	0
E6	-	+	+
E7	-	+	+
E8	+	-	0
E9	+	-	0
E10	+	-	0
E11	+	-	0
E12	-	+	+
E13	--	++	+
E14	--	++	+
E15	+	-	0
E16	+	-	0
E17	-	+	+
E18	+	-	0
E19	+	-	0
E20	++	--	0
E21	-	+	+
E22	-	+	+

NB: Hypothesis 3 will not have points detracted as no item of evidence can assert a lack of ambiguity within China's leadership. With every item of evidence that contradicts another item of evidence, Hypothesis 3 is automatically awarded one point as each contradicting item of evidence implies ambiguity within China's leadership.[176]

[176]The back-door workings of Beijing's bureaucracy remain largely shrouded in mystery. The names of party dissenters to a given CCP policy are rarely released. Nancy Tucker describes the top-down nature of the Taiwan Affairs Leading Small Group—"the paramount government-party unit for deliberation, coordination, and decision making on Taiwan." In this secretive government bureau, Taiwan policies are discussed and then approved or declined. Whatever ambiguity exists within the CCP on how to handle the Taiwan issue usually does not make it past the doors of the Taiwan Affairs Group. Following the Third Taiwan Strait Crisis, it was this group of officials that approved Jiang Zemin's "Eight Points" (Jiang Ba Dian). These eight points focused on developing cross-Strait relations while at the same time reiterating China's staunch objection to pro-independence sentiment. From: Nancy Bernkopf Tucker, *Strait Talk: United States-Taiwan Relations and the Crisis with China*, (Cambridge, MA: Harvard UP, 2011), 206-210.

Result

While this ACH is by no means a definitive assessment of China's policy, it does reveal a likely high degree of ambiguity within CCP leadership on how to handle the Taiwan issue. Furthermore, it suggests that China's ruling elite is leaning towards an inflexible approach vis-à-vis arranging reunification. Still, this inflexible policy is not applied consistently. When considering the inherent risk that an inflexible policy entails (i.e. conflict with the US), one would imagine the concessions approach (Hypothesis 2), to have performed better than it did. If one assesses the long term development of this situation, however, it becomes evident that perhaps an inflexible policy on China's part may well prove fruitful.

CHAPTER FOUR: THE COMING STORM

Steady Wins the Race

Despite the predicament China now faces—needing to claim Taiwan in order to appease domestic consumption, but at the same time fearing a potential conflict with the United States, the PRC does have one distinct advantage over both the US and Taiwan – time. To a certain degree, China maintains a reactive policy of inflexibility.[177] Therefore, Beijing reacts to US willingness, or lack thereof, to observe China's national rights. Should the US respect the One-China policy, China will respond amiably. Conversely, should the US pose a perceived threat to Chinese territory, China will respond in kind to defend its sovereignty.[178]

Ironically, the CCP's reactive policy of inflexibility provides a large degree of flexibility on *how* to enforce the One-China policy. China cooperates with the US as long as America observes the PRC's One-China policy. Should the US perpetrate a perceived offense against the Chinese, i.e., continued weapons sales to Taiwan, Beijing can quickly suspend top-level relations, flood diplomatic and media channels with anti-US rhetoric, and even flex its military muscle in a show of force. These measures do well to temporarily appease domestic consumption and convey an image of strength on China's

[177]Although it remains impossible to discern exactly at what point China appears willing to compromise in order to avert catastrophe, certain levels of tension are met with China facilitating a resumption of normal relations. Other circumstances (i.e. the US stationing troops on Taiwan), would likely result in a complete breakdown of relations.

[178]Jia,"Learning to Live with the Hegemon," 369-400.

part. Meanwhile, China maintains key "back door" channels of communication with the US to prevent any irreparable damage to bilateral relations. After the Chinese people have witnessed the government's grand show of force, and after the US has been reminded of China's enforcement of the One-China policy, relations return to normal levels. Having asserted its claim over Taiwan, yet having suffered limited to no economic reprisal, Beijing has successfully managed to avoid a serious crisis over Taiwan for the time being.[179]

With China's reactive policy of inflexibility, time is on China's side. Over the last thirty years, China has borne witness to what remains history's most dramatic economic boom.[180] Most likely, China's economic rise will continue for years to come. In regards to the Taiwan issue, China continues to accrue the capital necessary to build an increasingly capable military force that prepares for contingencies against the US.[181]

The global image of China has improved significantly during recent years. Despite concerns over issues such as human rights abuses and corruption, China's economic boom has elevated the nation's position on the global stage. China's emergence as an economic powerhouse as well as its position as global financier has increased China's geopolitical influence. Additionally, Beijing is beginning to challenge the US' hegemony over the Asia-Pacific region.[182]

Finally, China's relationship with Taiwan itself has undergone dramatic transformations. Through trade, cultural exchanges, a thriving cross-Strait tourism industry, and even limited governmental dialogue, the Taiwan Strait has become even

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[179] Shambaugh, *Modernizing China's Military*, 330-40.
[180] Over the last ten years, China has experienced approximately 10% annual GDP growth.
[181] Ibid, 7.
[182] Kaplan, "The Geography of Chinese Power," 39-41.

narrower. This is illustrated by the 270 commercial flights that fly between Taiwan and the mainland every week.[183]

As long as China can maintain its reactive policy, avoid a showdown over Taiwan, and continue progressing in the aforementioned ways, time truly remains on China's side. The longer the Taiwan issue remains unresolved, the more likely China will be to garner a successful resolution for itself. In the decades to come, the peaceful absorption of Taiwan into the PRC will become an increasingly feasible outcome.[184]

Such absorption would negatively influence the United States. Increasingly, the US would lose its title as guardian of Taiwan and be denied the possibility of using the island as a strategic stronghold. Additionally, Washington's ability to exert power in East Asia would be seriously undermined. As a result, traditional Asian allies of the United States, such as Japan, might no longer be able to resist China's growing sphere of influence. Furthermore, as the US increasingly relies on trade with China, America will grow less willing, perhaps even unable, to keep the PRC out of Taiwan.[185]

As a result of the PLA's rapid modernization, American society will increasingly doubt the worth of militarily defending Taiwan. The costs of such a conflict, in both human and capital terms, could well be unbearably high. Beijing aims to modernize the PLA to such an extent that the US would rather lose Taiwan than fight to defend it. Naturally, the PRC would prefer a peaceful reunification with Taiwan to a violent irredentist war. The PLA's growing capabilities, both actual and perceived, will increasingly serve as a powerful deterrent to would be opponents of the One-China policy. However, in the event that the Taiwan issue does result in outright hostility, the

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[183] Ibid, 35-38.
[184] Shrik, *China: Fragile Superpower*, 187-9.
[185] Kaplan, "The Geography of Chinese Power," 22-41.

PLA continues to modernize with the goal of ensuring its decisive victory in such a scenario.[186]

China seems to have found a potentially favorable solution to the Taiwan issue. While maintaining its reactive policy and developing its relationship with the US, China can appease domestic consumption while avoiding the undesired consequences of military conflict. As Beijing strengthens its ties with Taiwan, continues its economic boom, and develops a capable military, China steadily moves closer to resolving this issue on its own terms.

An Urgent Mission

Scholars such as Scott L. Kastner continue to argue in favor of America's policy of strategic ambiguity. This policy does allow the US a large degree of flexibility and deters both Chinese aggression and Taiwanese independence. However, it does not properly take into account that in future years America's deterring ability will be greatly diminished.[187]

As time goes by, China's influence within the Taiwan Strait will continue to grow. Deepening ties between Taiwan and the mainland will increasingly relegate the US to the position of an observer rather than that of a participant. China's military capability in the Strait will grow unchecked. America's power projection in the Pacific, however, inherently limited by distance and the select number of US bases, will fail to keep pace with Chinese armament. Finally, whether in the creation of a highly militarized society or

[186]Wang, "The Chinese Military and the "Taiwan Issue," 2-32.
[187]Scott L. Kastner, "Ambiguity, Economic Interdependence, and the US Strategic Dilemma in the Taiwan Strait." *Journal of Contemporary China* November (2006): 651-69, *America: History & Life*, Accessed February, 22, 2010.

in some other manner, China's staggering population gap will in fact have some notable effect on the nation—an effect that could well be unfavorable to the US.[188]

For the time being, China would likely avoid engaging in hostilities against the US. With the exception of an American violation of one of the key conditions of the One-China policy (i.e. stationing troops on Taiwanese soil or supporting Taiwanese independence), China will continue to avoid confrontation with the US. Beijing will likely maintain this policy so long as it remains able to project an image of strength and a commitment to regaining Taiwan. Furthermore, expecting the likelihood of US intervention on Taiwan's behalf, the PRC will currently not risk catastrophe with blatant aggressive force.

The US still has some leverage in shaping the Taiwan issue. This leverage, however, is not permanent. As China continues to gain influence over the Taiwan Strait, CCP policy vis-à-vis Taiwan will become increasingly less reactive and substantially proactive—possibly to the point of blatant military adventurism (i.e. PLAN vessels venturing into traditionally US Navy waters). At some point, defending Taiwan could well become so unfavorable to the American public that leaders in Washington may determine intervention to be impossible. This would relinquish America's leverage altogether. Consequently, Washington's influence and power throughout the West Pacific would be seriously undermined. Accordingly, the US must employ its leverage in order to facilitate a favorable outcome to this issue before it is incapable of doing so.

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[188] Officials estimate that by the year 2020, Chinese men aged 20 to 45 will outnumber women of the same age by over 30 million. From: Dune Lawrence, "China Says Family Planning Policy Spurred Gender Gap," *Bloomberg Business & Financial News, Breaking News Headlines,* January 23, 2007.

"One Nation, Three Systems"

Although many possible methods of resolving the Taiwan issue exist, support for a "One Nation, Three System" arrangement may prove to be a prudent course of action for the US to pursue. The "One Nation, Two System" arrangement, first proposed by Deng Xiaoping in 1984, facilitates the existence of China's two Special Administrative Regions; Hong Kong and Macao. Under this arrangement, the SARs retain their unique economic system, local governmental organizations, judiciary system, financial services, immigration and customs, currency, and special international status. The PRC is responsible for the diplomatic relations and national defense of the two SARs and assumes sovereignty over Hong Kong and Macao.[189]

Extending such an arrangement to Taiwan has been a long-standing hope among people on both sides of the Strait.[190] The problem remains however, that the PRC would require the Taiwanese President to acknowledge the CCP's version of the One-China policy. Undoubtedly, to make such an acknowledgment would be far too humiliating for any self-respecting Taiwanese politician.[191]

A One Nation, Three System arrangement would entail all the same rights for Taiwan as the SAR's receive. Also, Taiwanese sovereignty would be transferred to Beijing. The current Taiwanese GMD administration, pro-rapprochement as it is, would be relatively cooperative in such an arrangement. From an economic perspective, Taiwan's relatively small, albeit specialized economy would benefit greatly from integration into China's massive market.

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[189] Shirk, *China: Fragile Super Power,* 183-201.
[190] Still, vocal opposition to such an arrangement remains strong in Taiwan.
[191] Ibid, 181-205.

In order to facilitate a successful resolution to this issue, the US would have to exert its influence towards drawing the CCP's and ROC's leaders together into discreet, top-level talks. Discreet negotiations, arranged by the US (the "protector" of one of the parties, and primary business investor of the other partner), would protect the proceedings from public scrutiny. This would allow China to be more forthcoming in negotiations without fearing public rebuke.

As part of this One Nation, Three System arrangement, the Taiwanese President would *not* acknowledge the PRC's One-China policy. This would be political suicide. Rather, China would sell to its populace the notion that Taiwan's transfer of sovereignty to Beijing was an act inherently *representing* acknowledgment of the One-China policy on Taiwan's part. This would appease China's domestic concern and national pride. Additionally, in order to preserve Taiwan's security, PLA forces would not be allowed to enter Taiwan. Rather, Taiwan would maintain a domestic "defense force;" much the same as Japan's military. This solution was originally suggested by Deng Xiaoping. Finally, although Taiwan would relinquish diplomatic responsibility to the PRC, the Island would be able to retain its own "regional representatives." These quasi-ambassadors, while unable to sign treaties, would ensure the Island's continued relationship with foreign nations. This would enable Taiwan to maintain its partnership with the United States.[192]

The One Nation, Three System arrangement would allow each party involved to benefit. China would assume sovereignty over Taiwan; thereby completing the Communist Revolution and legitimizing CCP rule in the eyes of the public. Taiwan would retain its security, autonomy, capitalist economy, and semi-presidential government. Although Taiwan's internal political system would remain unchanged, the

[192] Ibid, 181-205.

island's executive would report to the President of the PRC. Although Taiwan would lose its independence, it would not have to face humiliation by stating acknowledgment of the PRC's One-China policy. Furthermore, Taiwan's economy would benefit greatly from China's continued economic growth.

With the implementation of a One Nation, Three System arrangement, America would gain an acceptable resolution to the Taiwan issue. If this policy were to be enacted now, a leading cause of tension in the Sino-US relationship would be eliminated. In light of Taiwan's durable friendship with the US, the island and its people could serve as a powerful pro-US lobby within the new China. Finally, in the unfortunate event that Sino-US relations deteriorate (an unpleasant possibility as China continues to challenge the US for hegemony in the Pacific), Taiwan would serve as the perfect platform from which American forces could project power *over* the mainland and contain power *from* the mainland. Still, the creation of a One Nation, Three System arrangement remains merely an optimistic suggestion. Beijing's growing influence may well absorb the island in the years to come. For the time being, however, Taiwan remains a thorn in China's side. Despite drastic changes in Sino-Taiwanese-US relations over the last several decades, General Douglas MacArthur's appraisal of the island has had lasting relevance. So long as China fails to control Taiwan, this small strip of land off China's shores will always be "the unsinkable aircraft carrier."

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