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**CHALLENGES OF CROSS-STRAIT RELATIONS  
FOR THE ROC'S NEW GOVERNMENT**

**BY**

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## ABSTRACT

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On March 18, 2000, President-elect Chen Shui-bian ended more than 50 years of Kuomintang (KMT) rule in Taiwan and initiated the first peaceful transfer of power in 5,000 years of Chinese history. Mr. Chen's victory has raised many questions about Taiwan's future.

Based on the historical efforts and the current cross-strait policy of both sides, this project examines the challenges that has confronted by the Republic of China's (ROC) new government, in terms of political, economic, military and psychological perspectives.

According to these challenges, this analysis suggests that the new government should take the right remedial steps to correct the shortcomings, resolve the challenges of cross-strait relationships and of political posture, and focus on enhancing international cooperation and support, in order to build up a more secure and prosperous circumstance in the future.



## TABLE OF CONTENTS

<b>ABSTRACT</b> .....	<b>III</b>
<b>CHALLENGES OF CROSS-STRAIT RELATIONS FOR THE ROC'S NEW GOVERNMENT</b> ....	<b>1</b>
<b>BRIEF HISTORY OF CROSS-STRAIT RELATION</b> .....	<b>2</b>
<b>PRC'S POLICY OF TAIWAN ISSUE</b> .....	<b>2</b>
<b>CROSS-STRAIT POLICY OF ROC'S NEW GOVERNMENT</b> .....	<b>3</b>
<b>CHALLENGES OF CROSS-STRAIT RELATION FOR ROC'S NEW GOVERNMENT</b> .....	<b>4</b>
<b>POLITICAL</b> .....	<b>4</b>
<b>ECONOMIC</b> .....	<b>5</b>
<b>MILITARY</b> .....	<b>6</b>
<b>PSYCHOLOGICAL</b> .....	<b>7</b>
<b>RECOMMENDATION</b> .....	<b>8</b>
<b>CONCLUSION</b> .....	<b>11</b>
<b>ENDNOTES</b> .....	<b>13</b>
<b>BIBLIOGRAPHY</b> .....	<b>17</b>



## CHALLENGES OF CROSS-STRAIT RELATIONS FOR THE ROC'S NEW GOVERNMENT

This is a time of historic change in Taiwan. With his stunning, electoral victory, on March 18, 2000, President-elect Chen Shui-bian ended more than 50 years of Kuomintang (KMT) rule in Taiwan and initiated the first peaceful transfer of power in 5,000 years of Chinese history.<sup>1</sup> Few knew what was to come when the presidential race ended that Saturday evening. The winner was announced at 7:25 p.m.: Chen of the DPP, won 39.3% of the vote. Independent Soong was just 310,000 votes behind with 36.8% and Vice President Lien Chan, candidate of the ruling KMT, received 23.1%. The voter turnout was nearly 83%.<sup>2</sup>

The days following the election had been a swirl of events that would have been unthinkable prior to the election. The Democratic Progressive Party (DPP), long the standard bearer of Taiwan's pro-independence movement, is debating a proposal to drop the advocacy of independence from its charter. A third major political force, which derived from the KMT is emerging, thanks to supporters of presidential candidate James Soong Chu-yu. This has occurred because Chen Shui-bian edged out Soong by two-and-a-half percentage points.

The event is more than a simple transfer of power to the opposition. It represents a milestone victory of "native Taiwanese" over "mainlanders."<sup>3</sup> The former, whose ancestors migrated from China centuries ago, make up 73% of Taiwan's population. Yet the island has largely been controlled by the latter, who came to Taiwan with the KMT in 1949, even though they represent just 13% of the populace.<sup>4</sup> Chen's election not only vindicated democracy in Taiwan, but also it embodied the desire of many Taiwanese to seek control of their own destiny, free of historical baggage from the KMT-Communist conflict. Taiwan may finally begin to divorce itself from the Nationalist-dominated chapter in history and assert itself with a new identity.

Noticeably quiet and taking a "wait-and-see"<sup>5</sup> stance was China. In the run-up to the election, Beijing leaders, who have long considered Taiwan an estranged province, had threatened war if the island's people chose to go the way of independence. Given China's traditional hostility toward the DPP and its pro-independence platform, their response to Chen's election victory has been curiously muted. Mr. Chen's victory has raised many questions about Taiwan's future as well as its relations with Beijing and Washington. In terms of Cross-Strait Relations, this paper will examine the postures and challenges for the Republic of China's (ROC) new government by discussing some fundamental issues.

## **BRIEF HISTORY OF CROSS-STRAIT RELATION**

For some three decades following 1949, military opposition with actual armed clashes at times, persisted between the People's Republic of China (PRC) on the mainland and the ROC on the eastern side of the Taiwan Strait.<sup>6</sup> The subsequent nine years or so, saw less furious confrontation but there still was no engagement. Private-level exchanges and consultations began in November 1987 when the ROC government started allowing mainland visits by ROC citizens wishing to see their relatives. Taipei terminated the Period of National Mobilization for Suppression of the Communist Rebellion. In April 1993, top negotiators from both sides, all non-governmental, met in Singapore for the first talk. That was supposed to be the beginning of benign interactions.

Early in 1996, as the ROC was ready for its first-ever popular presidential election (to elect the ROC's 9th-term President), the PRC staged massive military exercises.<sup>7</sup> The PRC test-fired ballistic missiles into waters outside the Keelung and Kaohsiung harbors in an attempt to influence voters. Relations between both sides worsened. In October 1997, Mainland China invited Koo Chen-fu, chairman of the Taipei-based Straits Exchange Foundation (SEF), was scheduled to visit Beijing and Shanghai. In July 1999, Beijing reacted vehemently to the former President Lee Teng-hui's "special state-to-state relationship" statement, and immediately called off the expected Taipei visit later that year by Wang Daohan, chairman of SEF's counterpart ARATS (Association for Relations Across the Taiwan Strait). In February 2000, Beijing issued a White Paper with very strong language on the "One China Principle and Taiwan Issue," emphasizing that the "People's Republic of China is the sole legitimate government representing all of China" and that the Taiwan Strait was facing a "serious crisis." The White Paper then spelled out the "three ifs"<sup>8</sup> of conditions that would make the PRC resort to arms against Taiwan. The following month (March 2000), just before the ROC was to elect its 10th-term President, Beijing voiced an even more forceful warning against voters who might opt for Taiwan independence. Tensions mounted in the Strait and in East Asia, causing intense concerns in international sources everywhere.<sup>9</sup>

## **PRC'S POLICY OF TAIWAN ISSUE**

The People's Republic of China has in recent years threatened military action only if Taiwan declared independence or in the event of foreign invasion of the island. Chinese leaders previously threatened invasion if Taiwan developed nuclear weapons, or if unrest broke out on the Island.<sup>10</sup>

Beijing has used a mixture of military coercion and peaceful inducement over the past half-century in its attempt to take Taiwan back. Military coercion was China's priority in its early years when it planned to "liberate" Taiwan by force. Beijing's peaceful offense was launched in 1979 when it suggested talks with Taiwan. Beijing's military threat resulted from its frustration over Taiwan's success in holding firm on the sanbu<sup>11</sup> (three no's) policy against Beijing's peaceful offense.

On February 21, 2000, less than a month before Taiwan's second direct presidential election, Beijing released a White Paper stating that China would use "drastic measures, including military force, to safeguard China's sovereignty and territorial integrity" if Taiwan indefinitely refused "peaceful reunification through negotiations."<sup>12</sup> This newest China-Taiwan policy indicated that mainland PRC's attitude and strategy toward Taiwan have basically remained the same; that is, continuing its saber-rattling and military threat against Taiwan while actively attracting Taiwanese investors and capital with a view to integrating them into the mainland economy and reducing the Taiwan government's independent discretion.

Right before the inauguration of the new president, the PRC released "The White Paper" trying to impact Taiwan's policy. The blunt warning demonstrated Beijing's increasing frustration with Taipei's foot-dragging on peaceful reunification, particularly after the return of Hong Kong and Macau to China. This new demand certainly raised the stakes in the possibility of military conflict across the Taiwan Strait. The threat is hardly new, however.

The White Paper also reflects the ambition and impatience of Chinese President Jiang Zemin, who apparently hopes to secure a place in history by beginning the process of reunification with Taiwan. Jiang wants to come up with a framework for a solution, if not the solution itself.

### **CROSS-STRAIT POLICY OF ROC'S NEW GOVERNMENT**

In his inauguration speech on May 20, 2000, President Chen Shui-bian emphasized that [both sides] "should uphold the principles of democracy and parity and build upon the existing foundations to jointly deal with the question of a future 'one China', and seeking to mend fences with rival China, he will not declare the Island independent as long as China does not attack. "<sup>13</sup> Furthermore, President Chen, in his 2001 New Year's addresses, said the two sides are "from the same family, with shared goals of seeking co- existence and prosperity,"<sup>14</sup> although he reiterated that "one China" is an issue to be resolved in the future. He believe that "the one-China policy doesn't violate the Island's constitution,"<sup>15</sup> while urging Beijing to show

understanding and respect for the Island's 23 million residents' "free will in controlling their own destiny."<sup>16</sup> Chen also said he will relax restrictions on investment in the mainland by Taiwanese companies.

In terms of relations with Mainland China, the new government emphasized that Taiwan's future, prospects and life, and any possible changes in cross-Strait relations, is not something that any party, any individual, any government or any group can unilaterally decide.<sup>17</sup> The ruling DPP will not accept any preset stance on cross-strait relations, and any changes from the status quo will have to be agreed to by the people.

This is a clear expression of the government's stance on the "One China" issue and the relations with Mainland China. The two sides differ on the issue, but must put aside controversy and find an acceptable consensus through dialogue and exchange.<sup>18</sup>

## **CHALLENGES OF CROSS-STRAIT RELATION FOR ROC'S NEW GOVERNMENT**

### **POLITICAL**

President Chen, who won the election with less than 40% of the vote, has the difficult task of working with all the political parties in a bi-partisan effort to unite the country. The KMT still dominates the Legislative Yuan, controlling 117 seats out of 224 (although the number is expected to shrink as some KMT lawmakers defect to Soong's camp). The DPP has only 71 seats. To fulfill his campaign pledge to fight corruption and money politics, Chen needs to work effectively with other parties to get anything done.<sup>19</sup>

President Chen will have to find consensus within his own party. DPP member Chen Chao-nan has submitted a proposal to modify or get rid of its pro-independence position. (The move may have also been given some impetus by a statement by the Taiwan armed forces that they opposed independence, since their duty was to safeguard the nation's territorial integrity and prevent its break-up.) The bid to change the party's charter, however, could upset pro-independence diehards and precipitate a split between the DPP's hardline faction and its more pragmatic (but far larger) wing that is willing to go along with Chen's moderate stance.

Then there is the question of experience. Only 14 years old, the DPP is not fully ready for prime time. Unlike Lien and Soong, who in their KMT careers were given a string of key administrative jobs to groom them for higher office, DPP stalwarts have had few such opportunities. DPP candidates have won city and county executive positions, but the party has no experience at the central level. Besides Chen, the DPP has few members with Taiwan-wide

reputations. Most who have achieved prominence are aging veterans, among them Chen's running mate Annette Lu, who will soon become Taiwan's first female vice president. She spent more than five years in jail during the martial-law years.

But perhaps Chen's greatest challenge will be relations with Beijing.<sup>20</sup> He has gone out of his way to offer an olive branch, even inviting the mainland's chief cross-strait negotiator Wang Daohan to his inauguration. Yet, doubts remain about how effective he will be. Some foreign sinologists do not think that Chen has offered anything substantive enough for China to consider.

Despite Chen's seeming eagerness to go to Beijing for negotiations and despite China's willingness to treat Taiwan as an equal (as indicated by its recent White Paper on Taiwan policy), there remains a gap between the two sides' positions.<sup>21</sup> Beijing insists that the principle of "one China" be accepted by both parties before any talks. Chen, however, says he is willing to make "one China" a topic of discussion, but not a precondition for talks.

## ECONOMIC

In 2000, Taiwan-China trade increased 25.8 percent to 32.39 billion US dollars. About 17% of Taiwan's exports go to Mainland China, which in fact is the largest single importer of Taiwan-made goods and services after the U.S. Taiwan has a \$40 billion investment in China, and its industries on the mainland employ about 2 million Chinese. Taiwan's investment in China is about as large as all of its investment in all of Southeast Asia. Because of the inseparable trade-relationship between both sides,<sup>22</sup> Taiwan's economic future has become very closely linked to China's political and economic stability. The new government could confront a critical economic crisis if Mainland China cut off the Taiwan-China trade.<sup>23</sup>

Other matters on Chen's plate are courting the business community. Chen will have to overcome the DPP's anti-business image and its inexperience in making economic policy. "The party's financial expertise isn't good enough," admits Chen's campaign manager Chiou I-jen.

Reforming Taiwan's "black-gold"<sup>24</sup> culture will be harder.<sup>25</sup> Campaign spending limits are routinely flouted; public, private and party funds are not separated or properly accounted for. Party-asset laws need to be introduced in order to apply greater disclosure and transparency. Previous efforts by DPP lawmakers to tackle money politics have largely failed. They have sometimes been met with intimidation, even physical attacks.

Finally, accession to the World Trade Organization (WTO) and globalization will be a great challenge.<sup>26</sup> After the rapid economic development of the past several decades, Taiwan has

arrived at a pivotal juncture of economic transformation.<sup>27</sup> The new government will face the challenges of opening its domestic market, competition from both the Chinese mainland and the rest of the world, and industrial transformation following accession to the WTO.<sup>28</sup> All of these changes will further impact the mainland's economy. Therefore, the challenges for the Chinese mainland in an open market economy will be maintaining growth and social stability while avoiding possible political risks, which could directly impact Taiwan's economic development.<sup>29</sup>

## MILITARY

Although the loyalty of the military has never been the problem for President Chen, the military threat from the PRC remains.<sup>30</sup> The PRC has in recent years dramatically modernized its People's Liberation Army (PLA) by acquiring advanced weapons from foreign countries and by making use of its own greatly increased ability to develop and produce arms. The PRC is a threat to the ROC and not just in terms of numerical superiority. The whole matter is now a race for better quality and larger quantity. "In the long term (2010-2020), China's qualitative edge over Taiwan's military forces could continue to increase."<sup>31</sup> After 2005, however, if projected trends continue, the balance of air power across the Taiwan Strait could begin to shift in China's favor, assuming, there is no significant improvement in Taiwan's air capabilities. "Particularly since the 1991 Persian Gulf conflict, the PLA has devoted considerable resources to the development of Special Operations Forces (SOFs). These units apparently have been assigned specific missions or tasks in a variety of Taiwan contingency operations."<sup>32</sup> "A PLA amphibious invasion of Taiwan probably would be preceded by a naval blockade, air assaults and missile attacks on Taiwan."<sup>33</sup>

Due to the PRC's continually increased military strength and heightened sense of urgency about settlement of the "Taiwan issue," the threat to our national security from the other side of the Taiwan Strait is ever more imminent as well as serious. Furthermore, the PRC is developing tactics and tools for "unlimited operations," information warfare, and asymmetric tactics to win a victory. Instead of remaining unchanged, the patterns of Beijing's intended strikes at Taiwan will be very diversified.

In terms of posture of readiness, President Chen has to deal with some defense outcomes.<sup>34</sup>

### Scenario And Approach

- Immediate and full-scale invasion" is the most likely form of conflict between the two sides.

- The possibility of a direct Chinese invasion of Taiwan—and expectations regarding the outcome of such an attack—is important in shaping overall perceptions of the balance between the two sides.
- The seizure and holding of the Island is the only alternative that guarantees Beijing's control when hostilities end.
- It is important to think through the manner in which the People's Liberation Army (PLA) might conduct the operation and steps would be needed to defeat it, such as using war games, and exercises to explore the "what-ifs" of that contingency.
- An invasion scenario incorporates a number of elements that could be components of other coercive strategies directed against Taiwan. Perhaps most significant is the employment of conventionally armed surface-to-surface missiles (SSMs) against targets in Taiwan.<sup>35</sup>

## Results

- Taiwan's air bases must remain operable so that the Republic of China's Air Force (ROCAF) fighter force can keep up the fight against the superior numbers of the PLA Air Force (PLAAF).
- The ROC must maintain at least parity in advanced air-to-air weaponry.
- Pilot quality may be Taiwan's ace in the hole.
- U.S. involvement is important now and will likely grow increasingly vital.
- Antisubmarine Warfare is a critical Taiwanese weakness.
- Fast, stealthy missile boats and highly mobile land-based antiship missile launchers can help Taiwan exploit its inherent defensive advantages.
- The U.S. role in the naval campaign could be crucial.<sup>36</sup>

## PSYCHOLOGICAL

Right before the election of 2000, fears that Taiwan's governing Nationalist Party might lose the closely fought presidential election, caused the largest single-day point loss ever the ROC's stock market and the largest percentage decline in a decade. Some voters were frightened by the thought of Chen winning the vote. They were concerned his pro-independence background could lead to a war with Beijing. Paradoxically, the threat of military force exploited the fear of war in Taiwan so that war could be avoided. In Beijing's view, even a low-intensity armed conflict would do tremendous damage to Taiwan's vulnerable export-

oriented economy. If Beijing demonstrates its willingness to use force, so this view goes, most Taiwan people would be too vulnerable to stand up to a prolonged period of psychological terror and economic privation, and would have to come to terms with peaceful reunification.

Since President Chen took office in May 2000, the new administration has moved aggressively against corruption. In the wake of Justice Minister Chen Ding-nan's declared determination to "go after the biggest criminals," law enforcement agencies have carried out an unprecedented wave of raids on the premises of suspected criminals. In light of the possible receipt of kickbacks, many people expressed deep disappointment, and said that the new ruling party is just as corrupt as the old one.

Many Taiwanese business people with interests on the Mainland complain that they face a host of problems in doing business there, including an ever-increasing tax burden, frequent changes in mainland China's policies and regulations, children's education, insufficient intellectual property rights protection, extortion by criminal rings, Internet trade disputes and Taiwan's restrictions on mainland China-bound investment. Some businessmen also expressed worries about the current domestic political standoff between the Democratic Progressive Party minority government and the opposition-dominated Legislative Yuan. Many of them said they want to retain business roots in Taiwan and hope to see domestic political stability and harmony. All of this has a psychological affect on the population.

Ironically, for many young Taiwanese, China is a non-issue. They have not had the historical perspectives of their parents and grandparents. They could probably say: "We have nothing to do with them," "I don't think China would wage a war," or "Taiwan is a country. We are different. Why do they want us?" and so on. They don't really have an idea of what Mainland China is and the image of China is becoming a blur. In a recent government poll, 45% of those who responded identified themselves as "Taiwanese," whereas only 14% considered themselves "Chinese." (The remainder said they felt "dual identities.")<sup>37</sup> That is a big change from the past, when the overwhelming majority of people considered themselves to be Chinese. This change will make it more difficult for the government to deal with PRC.

## **RECOMMENDATION**

Because of the historical background and political challenges that the DPP confronts, I suggest, first of all, that the ROC should continuously participate in the international organizations (WTO, UN, etc) be proactive diplomatically. Ever since the Republic of China withdrew from the United Nations in 1971, Taiwan's foreign relations have been in a state of

chronic crisis, leaving the people of Taiwan with a diplomatic sword of Damocles hanging permanently overhead.<sup>38</sup> In the last 30 years, Taiwan has become an economic powerhouse, and Taiwanese have become world travelers, yet there's not a trace of Taiwan in the United Nations. The shooting may have stopped half a century ago in the Chinese Civil War, but the war has been extended by other means-diplomacy. In 1998, the PRC made the boast that by the year 2000 the ROC would have zero diplomatic partners, and it moved to undercut Taiwan's relationships with other nations. Beijing is still trying to achieve this goal. In July, a book published by the PRC entitled Chinese Foreign Policy, the Year 2000, declared that its most important foreign policy goal is to "reunify the country," and strongly attacked Taiwan's efforts to be admitted to the United Nations. In terms of its relationships with the US and Japan, Mainland China makes the "Taiwan problem" a top priority.<sup>39</sup>

The overall international environment has not changed, but Taiwan's government has. Now, the DPP, with which the Chinese Communist Party has no historical relationship, is the ruling party. In line with the old saying "the newborn calf doesn't know that it should fear the tiger,"<sup>40</sup> the new government needs to be especially active on the diplomatic front. Although the new government is executing so-called "Flexible diplomacy"<sup>41</sup> and "Soft diplomacy"<sup>42</sup>, in looking at the diplomatic struggle between the ROC and PRC, it is still useful to distinguish three arenas: the Asia-Pacific situation, formal diplomatic relations and international organizations.

In terms of the Asia-Pacific situation, the PRC strongly resists any international support for Taiwan, such as the idea of placing Taiwan within the scope of the "Guidelines for US-Japan Defense Cooperation." The US Congress in September 2000 passed a resolution granting the PRC permanent normal trade relations, bringing the bilateral relationship another step forward. Thus, the attitude of the US has become one of the key factors in cross-strait relations. The United States constantly should be lobbied to support Taiwan's participation in the international arena, including joining more international organizations, as well as, other international activities.

Although Taiwan does not have many cards to play in developing formal diplomatic relationships, in recent years, Taiwan's economic power, including both financial assistance and overseas investment, has added another card to play, which the ROC should take advantage of. As for the UN and its affiliated organizations, like the World Health Organization or UNESCO, the ROC faces countless obstacles. In fact, the ROC is currently the only nation that enjoys sovereignty and is excluded from United Nations. But, you cannot only look at the results of efforts to enter the UN. One also has to look at the significance of the process. Applying for entry to the UN demonstrates that Taiwan is a sovereign state and is qualified to be a UN

member. This reminds the international community to be aware of Taiwan's existence. In addition, efforts to re-enter the UN are not only excellent training for diplomatic personnel, but also provide a regular test of how secure relations are between the ROC and its diplomatic partner states. The PRC worked for 21 years to gain entry to the UN, while we have only been at it a few years. There's no point in getting overanxious.

The new government must learn to live with the reality that independence is unlikely. The government should avoid provoking an excitable, if slightly neurotic, Beijing leadership that sees danger and conspiracy at every turn. Taiwan should not try to maneuver America into harm's way, because war is not inevitable.

Above all, president Chen must try to heal the gaping rifts in Taiwan society opened by an extremely divisive election, along both party and ethnic lines.<sup>43</sup> Toward this end, his proposal to bring all key groups into the governing apparatus is a step in the right direction.

On the economic front, Chen must come to an accommodation with a business community that has long had close relationships with the KMT and harbored deep reservations about the left-leaning DPP. One imperative is to give his party a more pro-business image, to reassure both domestic and foreign investors. So it is no surprise that Chen should seem even more eager than his election rivals to expand commercial relations with the Mainland. "We want peace! Let's make money," he proclaimed. Faced with such a herculean agenda, Chen will need to bring all the imagination, sensitivity and finesse he can muster to the task.

In terms of the military aspect, the ROC urgently needs sufficient self-defense weapons since the PRC announced, on March 6, 2001, that it would boost its military budget by almost 18 percent this year to a record 141 billion yuan (\$17 billion), warning of drastic military changes in the world. In order to implement the mission of national defense, Taiwan needs to consider:

- The amount of force needed to support Taiwan in the near term appears to fall considerably short of what is usually thought of in the Pentagon as that needed to prosecute a major theater war (MTW).
- Attention should focus on helping Taiwan get the most out of its existing inventory of advanced platforms rather than selling the ROC entirely new weapon systems.
- Taiwan's air defense C<sup>2</sup> network continues to suffer from limitations in intelligence fusion and data transmission. These shortcomings should be an important priority for rectification.
- In terms of sharing information and intelligence, a shared picture of the evolving threat would also likely make it easier for the two sides to reach agreement on arms sales and other modes of U.S.-Taiwan defense cooperation.

- Because the United States and Taiwan had achieved only a minimum level of interoperability, enhancing the ease of cooperation between Taiwanese and U.S. forces—even to the extent of ensuring that the two countries' forces can merely stay out of one another's way in a crisis—is in the interests of both sides, and even small and discreet steps could be valuable.<sup>44</sup>
- Specifically, in a new Taiwanese defense concept of preparing to fight Chinese attackers by engaging them 50 miles off Taiwan, Taiwan desperately needs more advanced, longer-range weaponry, early warning capabilities, several new hardware platforms, particularly submarines and advanced destroyers.
- To take part in the plan of the USA's Theater Missile Defense (TMD) could be the good optional cooperation to release the threats of worse scenario – missile attack by the PRC.<sup>45</sup>

On the psychological perspective, since more than 60% chose not to vote for the perceived pro-independence candidate, the new government should listen to the voice of majority voters. Besides, the new government needs to educate the new generation by making certain that it understands the seriousness of the issues with the Mainland. Although both sides share the same ancestral, cultural, and historical background, the people of both sides have, due to long periods of separation, developed vastly different political systems and lifestyles. These differences not only have obstructed empathy and friendship, but also even led to confrontation. Both sides must uphold the principles of democracy, parity, goodwill, reconciliation, active cooperation, and permanent peace. They must build a foundation of mutual confidence to create conditions for cooperation to deal jointly with the question of a future "One China." Through governmental and people to people exchanges, the two sides should be able to remove unnecessary obstacles and bring a win-win situation.

## **CONCLUSION**

Under the prerequisite of maintaining peace and prosperity, the new government, led by President Chen, still needs to be self-prepared to wisely handle the challenges that have already been confronted. These challenges can be divided into four categories, which are political, economical, military and psychological aspects.

In terms of national threat, the PRC will be the main issue that the new government should be carefully dealing with. Declaring independence would be dangerous and unwise. Taiwan's future depends on how its leaders resolve the incompatibility between cross-strait

relationships and of political posture. Furthermore, the new government should focus on enhancing international cooperation and support, especially with the US,<sup>46</sup> in terms of economic development and self-defense capability. The new government will be expected, under the full support of the united people, to continue the achievements of the old government and initiate a more secure and prosperous circumstances in 21st century.

WORD COUNT = 4585

## ENDNOTES

<sup>1</sup> China post, "Cross-Strait Task Force Reaches Consensus," 20 march 2000, available from <<http://www.chinapost.com.tw/detail.asp?ID=3790&GRP=A>>; Internet; accessed 10 January 2001.

<sup>2</sup> Ibid.

<sup>3</sup> Steven M. Boldstein, Taiwan Faces The Twenty-First Century: Continuing The "Miracle," (New York, NY, Foreign Policy Association, No. 312, 1998), p. 18-22

<sup>4</sup> China post, "Cross-Strait Task Force Reaches Consensus," 20 march 2000, available from <<http://www.chinapost.com.tw/detail.asp?ID=3790&GRP=A>>; Internet; accessed 10 January 2001.

<sup>5</sup> Ibid.

<sup>6</sup> Published by Mainland Affairs Council, "Relations Across The Taiwan Straits," available from <<http://www.mac.gov.tw/>>; Internet; accessed 20 February 2001.

<sup>7</sup> Ibid.

<sup>8</sup> In its "White Paper on Taiwan", Beijing issued "Three Ifs" that could result in a military attack on Taiwan: "if Taiwan declares independence, if a foreign force invades Taiwan or if Taiwan indefinitely rejects reunification."

<sup>9</sup> Published by Mainland Affairs Council, "Relations Across The Taiwan Straits," available from <<http://www.mac.gov.tw/>>; Internet; accessed 20 February 2001.

<sup>10</sup> Zbigniew Brzezinski, The Grand Chessboard, New York, Basic Books, 1997, p. 151-160

<sup>11</sup> Three no's: no contact, no negotiation, no compromise

<sup>12</sup>

<sup>13</sup> CNN, "Taiwan's new president takes office; seeks to calm China," 21 May 2000; available from <<http://www.cnn.com/2000/ASIANOW/east/05/20/taiwan.inauguration.03/index.html>>; Internet; accessed 3 February 2001

<sup>14</sup> Ibid.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

<sup>17</sup> Edwin J. Feulner, A New Era Of Opportunity For Taiwan, Washington D.C. (Heritage Lectures No. 664, The Heritage Foundation, April 28, 2000), p. 3-4

<sup>18</sup> Ibid.

<sup>19</sup> Shelley Rigger, Politics In Taiwan – Voting For Democracy, (New York, Mpg Books Ltd, 1999), p. 188

<sup>20</sup> Ibid, p. 190

<sup>21</sup> Ibid.

<sup>22</sup> Edwin J. Feulner, A New Era Of Opportunity For Taiwan, (Washington D.C. Heritage Lectures No. 664, The Heritage Foundation, April 28, 2000), p. 3

<sup>23</sup> Steven M. Boldstein, Taiwan Faces The Twenty-First Century: Continuing The “Miracle,” (New York, NY, Foreign Policy Association, No. 312, 1998), p. 68-69

<sup>24</sup> “Black gold” relates to political bribery and illegal political contributions.

<sup>25</sup> Shelley Rigger, Politics In Taiwan – Voting For Democracy, (New York, Mpg Books Ltd, 1999), p.186-187

<sup>26</sup> Thomas L. Friedman, The Lexus And The Olive Tree, (New York, Farrar, Straus Giroux, 1999), pp.212-213

<sup>27</sup> Ibid.

<sup>28</sup> Steven M. Goldstein, Taiwan Faces The Twenty-First Century: Continuing The “Miracle,” (New York, NY, Foreign Policy Association, No. 312, 1998), p. 66-67

<sup>29</sup> Peter C. Y. Chow And Bates Gill, Editors, Weathering The Storm – Taiwan, Its Neighbors, And The Asian Financial Crisis, (Washington, D.C. Brookings Institution Press, 2000), p. 183

<sup>30</sup> Andrew Scobell and Larry M. Wortzel, The Asia-Pacific In The U.S. National Security Calculus For A New Millennium, (PA, Strategic Studies Institute, March 2000), p.17

<sup>31</sup> The Annual Report On The Military Power Of The People's Republic Of China published by Department of Defense of the U.S., June 2000

<sup>32</sup> Ibid.

<sup>33</sup> Ibid.

<sup>34</sup> David A. Shlapak, David T. Orletsky, and Barry A. Wilson, Dire Straits? Military Aspects of the China-Taiwan Confrontation and Options for US Policy, (RAND National Security Research Division), 2000

<sup>35</sup> Ibid.

<sup>36</sup> Ibid.

<sup>37</sup> Isabella Ng, "Taiwan's Youth - Talkin' 'Bout Their Generation," TIME Asia, 6 March 2000; available from <<http://www.time.com/time/asia/magazine/2000/0306/taiwan.youth4.html>>; Internet; accessed 21 January 2001

<sup>38</sup> Eric Lin, "Stand Up and Join In! ROC Diplomacy on the Move," 7 August 2000; available from <[http://db.sinorama.com.tw/en/search/show\\_issue.](http://db.sinorama.com.tw/en/search/show_issue.) >; Internet; accessed 20 January 2001.

<sup>39</sup> Ibid.

<sup>40</sup> Translated from Chinese old saying.

<sup>41</sup> Eric Lin, "Stand Up and Join In! ROC Diplomacy on the Move," 7 August 2000; available from <[http://db.sinorama.com.tw/en/search/show\\_issue.](http://db.sinorama.com.tw/en/search/show_issue.) >; Internet; accessed 20 January 2001.

<sup>42</sup> Ibid.

<sup>43</sup> Shelley Rigger, Politics In Taiwan – Voting For Democracy, (New York, Mpg Books Ltd, 1999), p.190-193

<sup>44</sup> David A. Shlapak, David T. Orletsky, and Barry A. Wilson, Dire Straits? Military Aspects of the China-Taiwan Confrontation and Options for US Policy, (RAND National Security Research Division, 2000)

<sup>45</sup> Peter Brookes, Theater Missile Defense: How Will It Recast Security And Diplomacy In East Asia? (The Heritage Foundation, August 17, 2000)

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