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DEMOCRACY ON TAIWAN COULD CHALLENGE U.S.-CHINA POLICY

INTRODUCTION

The government of the Republic of China (ROC) on Taiwan long has been recognized as a valuable strategic ally of the United States. The island of Taiwan's location only 90 miles from the coast of Asia makes its air bases and port facilities among the most geopolitically important in the world. Since moving to Taiwan in 1949, the ROC government repeatedly has offered the use of the island's facilities to U.S. forces in time of war. This offer remains in effect today.

In addition to its strategic value to the U.S., the ROC has proved to be one of the most important models of how free enterprise unleashes economic growth. Nations throughout the Third World, particularly in Latin America, look to the ROC as a model for their own economic development. The ROC's promotion of free trade also has served U.S. economic interests admirably.

Model for Developing Countries. More recently, the ROC has demonstrated that it may become an important model for developing countries evolving toward democracy. The U.S. long has encouraged such a development not only because democracy is an American ideological goal, but also because greater democracy on Taiwan could lead to greater internal stability on the island and hence contribute to peace in East Asia.

The ROC has witnessed rapid political change over the past decade. Island-wide elections last December saw competition between two political parties--the first ever in any Chinese nation. The election resulted from ROC President Chiang Ching-kuo's promise in September to end martial law and terminate the ban on political parties. ROC and foreign observers hailed these decisions and the election as proof that the political system is becoming more democratic.

Democracy on Taiwan, however, is almost certain to cause problems for U.S. relations with the mainland's People's Republic of China (PRC). Beijing has pressured Washington to force Taipei to negotiate reunification. Yet it seems clear that the vast majority of the 19 million people on Taiwan have little sympathy with the mainland communist government. As the citizens of the ROC thus gain a

stronger political voice, their determination not to become part of the mainland may make a Taiwan-mainland reunification more difficult. This poses a challenge for U.S. policymakers: How to encourage democracy on Taiwan and at the same time maintain friendly relations with the PRC.

U.S.-CHINA POLICY

Since the normalization of relations between the U.S. and the PRC began in the early 1970s, U.S.-China policy has been vague on the so-called Taiwan issue, or the legal status of Taiwan. Washington deliberately has left unresolved the question of whether Taiwan is or is not part of the territory of the People's Republic of China. Though Beijing is highly sensitive to this question, it has not prevented U.S.-PRC relations from improving dramatically during the past four U.S. administrations.

In the Shanghai Communique, signed at the end of President Richard Nixon's visit to the PRC in February 1972, the U.S. stated that it "does not challenge" Beijing's position that "there is but one China and Taiwan is a part of China." The U.S. statement was interpreted by most to mean that, while Washington did not agree with PRC assertions, the Nixon Administration did not want the Taiwan issue to impede better relations with the PRC.

Treating Taiwan as a Nation-State. In the December 15, 1978, normalization agreement with the PRC, the Carter Administration recognized Beijing "as the sole legal government of China," but said nothing about the PRC's legal claim to Taiwan. To ensure that the shift in diplomatic recognition did not adversely affect Taiwan's international standing, the U.S. Congress in April 1979 passed the Taiwan Relations Act. The TRA treats Taiwan as a nation-state in all but name, referring to the "people of Taiwan" rather than the "Republic of China." Taipei's diplomats are given diplomatic privileges in the U.S., and Taiwan is allowed the use of U.S. courts.

The TRA also declares that any threat of the use of force against Taiwan, including boycotts or embargoes, would be considered a "grave concern to the United States." Observers took this to mean that the U.S. assumed major responsibility for Taiwan's security and sought to preserve a peaceful climate for the ROC's continued economic and political development.

Improved relations with the PRC during the Nixon, Ford, and Carter Administrations were built upon two assumptions:

- 1) **That the PRC shared a common interest** with the U.S. in countering the massive buildup of Soviet forces throughout the world and particularly in Asia;
- 2) **That the U.S. could maintain relations** with Taipei and at the same time, improve Washington-Beijing relations.

These assumptions have proved correct. For example, since the 1979 normalization of U.S.-PRC relations, U.S. trade with the ROC has increased from

\$9 billion then to \$26.7 billion in 1986. Washington continues to sell large amounts of defensive arms to Taipei. Since 1979 these sales have totalled more than \$5 billion. At the same time that these steps have been taken to ensure Taiwan's prosperity and security, the U.S. has expressed keen interest in seeing the ROC become more open and democratic. This concern was written formally into the TRA and has been the subject of frequent hearings in the U.S. Congress.

Military Threats. While the U.S. since 1972 has refused to recognize PRC sovereignty over Taiwan or its 19 million inhabitants, Beijing has proposed unification talks to Taipei on a number of occasions. The PRC has made specific offers such as promising to allow Taiwan to keep its political and economic systems and even its military under the "one country, two systems" formula applied to China's resumption of sovereignty over both Hong Kong and Macau at the end of the next decade. But Beijing has also made threats to use military force against the ROC if its government refuses to negotiate.

As far as the ROC is concerned, Beijing has promised nothing Taipei does not already have. Public opinion polls on Taiwan reveal that more than 99 percent of the population does not want to live under communist rule. Both the ROC government and its citizens see serious disadvantages in unifying with the mainland. High among their concerns are the loss of their standard of living and personal freedoms. The ROC's per capita income is nearly ten times that of the PRC, while Beijing's record on human rights in the past two decades is one of the worst in recent history.

THE ROC AS AN ECONOMIC AND POLITICAL MODEL

U.S. interests are served very significantly by the existence of the ROC as a model to the developing world. Since 1949 the ROC has become one of the globe's great success stories, largely because of the ROC's adoption of the free enterprise system and, increasingly, democracy.

At the end of World War II the annual per capita income in Taiwan and on the mainland were the same--about \$50. In 1949, when the communists took control of the mainland and the Nationalists fled to Taiwan, the situation had changed very little. Today the ROC's per capita income nears \$3,500; in the PRC it is roughly \$400. The ROC has made this progress despite great handicaps. For example, Taiwan has a population density nine times that of the mainland; it has virtually no natural resources; and it lacks diplomatic relations with most nations of the world.

Number One in Growth. The ROC's economic growth has been built on astute policy. Land reform during the early 1950s was followed by a policy of export-led growth. A generally free internal market and trade have made the ROC the number one nation in the world in economic growth over the past two decades. It has grown faster than Japan, faster than South Korea, and many times faster than the U.S. and Western Europe.

Compared to the rapid growth of its economy, the pace of ROC political modernization was slow during the 1950s and 1960s. By the early 1970s, however, it quickened considerably. President Chiang Ching-kuo (then Premier) ordered government offices to accept suggestions and complaints from the public. According to opinion polls at that time, the Executive Yuan, the executive branch of the government, was more responsive to public demands than elected legislative organs.¹

The ruling Kuomintang (KMT) party and the government also began a program to bring equal representation of all ethnic groups into Party and administrative affairs. Individuals born on Taiwan (so-called Taiwanese), who comprise 85 percent of the island's population, were given preferential treatment in government employment and Party membership.

Cosmopolitan and Pluralistic. Meanwhile, restrictions were lifted on foreign travel and on the sale of books, magazines, and newspapers. Tourism was encouraged. The number of business contacts abroad increased dramatically and awareness of economic and political developments in other countries was encouraged.

Today, the ROC is highly cosmopolitan and pluralist. A larger portion of the ROC population than of the U.S. travels abroad each year. Opinion polls show a great public awareness of international affairs.

Prosperity has fostered the growth of a large middle class. According to recent polls, most of the ROC's population regards itself as middle class. Educational opportunities have expanded to the extent that the ROC is the leading developing country in the world in terms of its citizens' level of education.

Accelerating Democracy. Because of rapid economic and political modernization, ethnic differences now play a diminished role in ROC politics. According to public opinion surveys, ethnic identification--distinguishing Mainland Chinese who came to Taiwan after 1945 and the native born Taiwanese on the island before 1945--is rapidly disappearing. Some 90 percent of KMT candidates in recent elections have been Taiwanese.

As the ROC has prospered economically and become more open, there has been a corresponding increase in demands from the population for greater democracy. This process has become accelerated over the last few years.

Just last year, President Chiang Ching-kuo, son of the late Nationalist leader Chiang Kai-shek, publicly promised that none of his relatives would succeed him. This announcement became necessary when there was speculation that one of his sons was accumulating political power. Other speculation pointed to the military as a likely locus of power in the post-Chiang era. Chiang also addressed this by declaring last year that the military will not rule on Taiwan. He already had

1. The ROC government has three legislative bodies. The National Assembly elects the President and Vice President and amends the Constitution; the Legislative Yuan passes laws and approves the budget; and the Control Yuan impeaches wayward officials and audits government expenditures.

demoted a leading military contender for presidential power. The likely successor to Chiang is ROC Vice President Lee Teng-hui, a Taiwanese.

Economic and political developments have made Taiwan attractive to Third World nations. The promotion of free enterprise and democracy are principal long-term objectives of the U.S. Hence, U.S. interests are served by Taiwan's accomplishments, and it is in U.S. interests to see that continued progress is made on the island.

ELECTIONS IN THE ROC

Taiwan held its first island-wide election in 1950, only one year after the Nationalist government moved from the mainland. Since then, nearly 70 major elections have been held at regular intervals. Few nations have more frequent elections than the ROC. These elections have become increasingly more open and competitive over time.

In 1980 the ROC held its first national election with non-KMT candidates competing significantly with the KMT. The non-KMT independents organized a political group known as Tang Wai (meaning outside the party), drafted and publicized their own platform, supported candidates for office, raised campaign funds, and helped each other campaign. The government accepted their participation in the election, even though the formation of new political parties was illegal at the time.

Open Debate. During this 1980 election for 205 seats in the National Assembly, Legislative Yuan, and Control Yuan, a fairly open debate of the issues took place. Tang Wai candidates accused the KMT of maintaining a one-party system and not allowing democracy to develop. They also charged the government with misrule and incompetence and with mismanaging foreign policy, particularly relations with the U.S. KMT candidates countered by charging the Tang Wai with unrealistic policies that could wreck the ROC's economic and political success. The voters had a clear choice; 70 percent of them went for the KMT.

In 1983 there was a national election for 71 seats in the Legislative Yuan. Again the electorate had a clear choice between the KMT and the Tang Wai on important issues. During this election, party competition was accepted as the norm, even though the Tang Wai remained formally an illegal political party.

Several months before last December's election for the Legislative Yuan and National Assembly, the government announced that the Tang Wai could maintain offices throughout the island to serve as campaign headquarters. This enabled Tang Wai to establish an official party organization. Chiang also announced the formation of a 12-member committee composed of representatives of both the KMT and Tang Wai to discuss political reforms, including the lifting of martial law and the formation of new political parties.

Eventual Reunification. The discussions, however, soon reached an impasse. A court ruling in a libel case and the resultant jailing of several Tang Wai

politicians led to indefinite delays of the talks. Finally, a number of Tang Wai leaders met in September and announced the formation of the new Democratic Progressive Party (DPP). The move was technically illegal, but Chiang blocked any action against DPP leaders or members. The DPP then announced a slate of candidates for the December 6 election.

During the campaign, DPP candidates carried their former Tang Wai party flag and identified themselves as members of the DPP. Their campaign platform called for expanded political freedoms, more party competition, less restrictive election laws, and "self-determination." This last plank was controversial. It meant the people of Taiwan should decide their own future and thus was widely understood to mean that they could choose to be independent from the mainland. The KMT and the ROC government, however, always have insisted on a one-China policy and eventual reunification with the mainland--a position also supported by the ruling Communist Party in the PRC.

In the December election campaign, the KMT and DPP moderated their views as a result of the increased competition and a more sophisticated electorate. Some KMT members welcomed the DPP, saying that it would bring democracy to the political system and force the KMT to do better. Most DPP candidates stressed that they would play the role of a loyal opposition.

Two-Party Competition. In the elections, the DPP won 21 percent of the popular vote and 23 seats in the Legislative Yuan and National Assembly. This was much better than the Tang Wai had done in the past. The KMT won just under 70 percent of the popular vote, giving it 127 seats in both elective bodies.

More important perhaps than the numbers, the election demonstrated that two-party competition can work in the ROC and that a democratic system is evolving. To some extent, the process worked because of U.S. encouragement and the perception in the ROC that building a democratic system would improve the country's status in the international community.

THE END OF MARTIAL LAW

Another step in the ROC's political evolution is Chiang's recent decision to lift the martial law that had been imposed in 1948 as a "temporary provision." Under the martial law, civilians could be tried in a military court and given severe sentences for crimes deemed to endanger the nation. The foreign press consistently criticized Taipei for maintaining martial law in the face of the island's apparent stability and prosperity. The truth is, however, that martial law was never fully enforced on the island. In August 1950 the government banned arrests without warrants and blocked martial law decrees from being used to infringe on an individual's person or property.

Over the following three years, martial law provisions were revised again, restoring to civilian courts exclusive jurisdiction in all cases except those involving treason. Public defenders were provided for all defendants who could not afford

to hire an attorney and all curfews were lifted. The military assumed fewer internal security roles and concentrated instead on national defense.

Psychological Intimidation. Though public opinion polls in the 1970s revealed that few on Taiwan considered martial law even an inconvenience, those favoring political modernization and democracy argued that martial law should be abolished because it was psychologically intimidating and was sometimes used by police to suppress the exercise of political freedoms and civil rights. Martial law also seemed counter to the constitutional guarantees regarding freedom of speech and the press.

After May 1983, moreover, the U.S. Congress passed a series of nonbinding resolutions criticizing the ROC's martial law and urging continued "democratic progress." Reformist members of the KMT and a number of top government officials in Taipei made the same recommendation. The Tang Wai and other opposition politicians took up the issue, making it a major rallying point against the government.

Ready to End Martial Law. Many top KMT leaders and high government officials, however, wanted to retain martial law because of the continued serious military threats posed by Beijing. PRC leaders, after all, had been threatening to use military force should Taipei refuse to negotiate reunification. A significant segment of the population also felt that martial law facilitated the democratic process, because it maintained stability in a period of rapid economic and social change.

Nevertheless, early last year Chiang announced that discussions would be held on how to lift martial law. He argued that martial law damaged the ROC's image abroad and probably impeded ROC democratization. Last fall Chiang announced that martial law would be abolished once national security legislation had been enacted to provide for the nation's defense. And the Legislative Yuan currently is debating a national security law, some version of which will be adopted soon.

CONCLUSION

The ROC has served U.S. interests in a number of ways. Among them:

◆◆ The ROC supports the U.S. in its strategic and military efforts to contain communism in Asia. The ROC was an American ally in both the Korean and Vietnam wars and has offered the use of its excellent air and seaport facilities to the U.S. in the event of a confrontation with the Soviet Union.

◆◆ ROC's economic success serves as an example that free enterprise and a market economy provide the best strategy for growth for developing countries.

◆◆ The ROC's steady progress toward democracy has become a political model for the Third World.

While democracy in the ROC serves U.S. political interests and contributes to regional peace and stability, American policymakers must recognize that democracy

on Taiwan may make China's unification more problematic. The people of the ROC do not want to forfeit their economic prosperity and political freedom to join the communist mainland. Beijing may grow more impatient with the ROC in the future and step up pressure on Washington to help bring the two Chinese sides together. Should this occur, the U.S. must reaffirm to the PRC that U.S.-China policy remains inviolate: the U.S. will maintain friendly relations with the PRC, but also will continue to promote U.S.-ROC ties.

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