

Changes in China's Domestic Politics and the Implications for Taiwan

Qiao Mu
Beijing Foreign Studies University

Abstract

Given China's crucial role as one of three actors in a triangular relationship across the Taiwan Straits, China's domestic politics have relevance to developments both in Taiwan and in American policy. This paper examines recent changes and developing trends in the PRC's leadership, nationalism, localism, and public opinion, all of which will have implications for Taiwan.

The Hu–Wen Administration, which marks the fourth generation of PRC leadership, advocates using The New Three People's Principles to implement a Harmonious Society of people-centred politics within the context of a 'New Deal'. Although this sentiment was received positively by James Soong during his visit to the PRC in 2005, the Administration's aim is to give long-term legitimacy to the CPC's one-party government, and to ease rising tensions in China's society. While the new leaders make political use of economic growth, they continue to maintain strict control over mass media and in many cases remain willing to use force to maintain stability. Hu Jintao's praise of the North Korean regime reflects his unwillingness to make any dramatic ideological alterations, although the 2005 memorial given to Hu Yaobang indicates he is willing to make some popular changes. The Anti-Secession Law is for the internal purpose of balancing China's nationalism and localism, rather than for the external purpose of deterring Taiwan from seeking to change the status quo. Although the government attempts to make use of Chinese nationalism, its huge impact and new form will shake the CPC's legitimacy and the economic growth on which its stability relies. Trends towards reverse-nationalism and transnationalism are more concerned with China's democratization than its reunification. Further, given the increasing development gap in different regions of China, the emerging localism has conflicting ideas on development priorities and distribution, and on the Taiwan question. Three perspectives on Taiwan can be found from China's north to its east and southeast regions: war, peace, or compromise. Further, among public opinion, there are liberal, realistic, ideological, and identity-constructivist ideas which have evolved in relation to the Taiwan question and China's politics.

Introduction

In 2003, I was the chief editor of and main contributor to a book entitled *Jiedu Xin Zhengfu* (*Interpreting New Government*). This was just after the formation of the

Hu–Wen Administration at the 16th CPC Congress and the 10th National People's Congress. Several contributors to the book attempted to predict China's policy and the measures it would adopt on topics such as governmental structural reform, finance and taxation, state-owned enterprises, agriculture, peasants and rural areas, and anti-corruption. I wrote the first chapter, which was a general analysis of the new leadership, and the last chapter, which considered foreign affairs policy and China's reunification: i.e., the Taiwan question. However, the publishing house, the CPC History Press, thought the topic of Taiwan was so sensitive and complicated that the chapter was deleted to avoid possible political trouble.

In my deleted chapter, I conclude that the PRC's new leadership, consisting of comparatively young technocrats, will be less dogmatic in its ideology and more pragmatic in governance. As it attempts to spur economic growth, it may also carefully initiate long-delayed political reforms and approach social problems in a scientific way, thus maintaining lasting stability and giving long-term legitimacy to their governance. Since Taiwan is a strategic problem rather than a tactical one, it needs much more time and greater attention from China's economy and politics in order to achieve reunification. However, given that the leadership has only from five to ten years in power, so long as the authority in Taiwan does not declare an independent Taiwan Republic, it will do more than reaffirm the 'one country two systems' principle, in order to maintain the *status quo*. If Taiwan's leaders provoke China verbally or promote a referendum, Chinese leaders will probably reduce the pressure of rising Chinese nationalism by reaffirming their willingness to use military means, either through words and media attacks or by launching a military exercise. It may, though, be better to wait and see: Hu Jintao doesn't like to express the same kind of rhetoric as of that often used his predecessor, Jiang Zemin.

Since 2003, there have been many changes in China's politics and policies. On the one hand, the Chinese leadership has promoted the idea of 'the Harmonious Society', but on the other hand it takes tough measures in relation to Chinese civil rights activists and has enacted an Anti-Secession Law to reinforce commitment to reunification. While China is arguing that its rise is a peaceful development, it eagerly wants the EU to remove its arms embargo, and the violence of anti-Japanese demonstrations makes the world worry again about Chinese nationalism. Further, although the Chinese economy is growing continuously, internal economic conflicts have increased progressively due to uneven development. An emerging localism is challenging the central governmental authority, not only in the socio-economic field (trade, investment, taxation, environment, education), but also to a greater or lesser extent in relation to political and foreign affairs. News media remain tightly controlled, but public opinion is diverse and this is widely reflected on the internet and in word-of-mouth conversations. This paper will examine the recent changes in PRC leadership, nationalism, localism, and public opinion, all of which will have specific implications for Taiwan.

Leadership

Since Hu Jintao (head of the CPC, PRC, and People's Liberation Army) and Wen Jiabao (PRC Premier and Member of the Standing Committee of the Political

Bureau of CPC) came into power in 2003, their so-called Fourth Generation Leadership has made many changes in China's politics, ideology, society, and policy on Taiwan. Overseas Chinese media labelled these as changes as 'Hu-Wen's New Deal', and domestic media applauded their measures as a 'People First Policy' or 'Humane Administration'. There is constant media coverage of their inspections and close contacts with ordinary people, along with reports of Hu's words on people's welfare, as well as Wen's tears for the poor and the help he gave to a peasant-worker for her to get her wage. I will analyse the political implications of the Hu-Wen New Deal.

Change 1: From Three Represents to New Three Principles of the People

Although Hu has been a Member of the Standing Committee of the Politburo for many years, he used to be careful to give the spotlight to Jiang Zemin and other leaders. After he became President, he emerged from Jiang's shadow and began to build his own authority. Jiang's political legacy is the theory of Three Represents, which had been put into CPC's charter before Jiang retired. Since Jiang's Three Represents was long, abstract, and difficult to grasp (The Chinese Communist Party 'must always represent the requirements of the development of China's advanced productive forces, represent the orientation of the development of China's advanced culture, and represent the fundamental interest of the overwhelming majority of people in China'), Hu simplified its meaning and concentrated on the last Represent, the interest of the people. He developed his own ideas, which are: '(1) Power must be used for the sake of the people; (2) [Cadres'] sentiments must be tied to those of the people; and (3) material benefits must be sought in the interest of the people.' This is called 'The New Three Principles of the People'.

The name was a reminder of Sun Yat-Sen's original 'Three Principles of the People' ('nationalism, democracy, people's livelihood'), which was central to the doctrine of the KMT. When James Soong, Chairman of Taiwan's People First Party (an opposition party which had split from the KMT), visited China in 2005, he quoted Hu's New Three Principles and wrote the following words in Sun Yat-Sen's Mausoleum in Nanjing: 'Government of the people, by the people and for the people; Three Principles of the People will unify the Greater China.'

Like Abraham Lincoln, Sun Yat-Sen stressed the power *of* the people, meaning that power belongs to the people. Government *by* the people means *democracy*, and the power of government or the ruling party comes from people. However, Hu's principle stresses the power of the CPC rather than the power of the people. According to him, the party should use its power for the people, but he does not explain who gives the party its power, how the party gets its power, and who can supervise or balance the power. Consequently, although Hu's principle seems to be an improvement on the CPC's older doctrine, it falls short of the belief expressed on Taiwan, that sovereignty belongs to the people ('*zhu quan zai min*').

Change 2: From Building a Well-Off Society to a Harmonious Society

The Harmonious Society is another change in Hu's thinking. Previously, both Deng Xiaoping and Jiang Zemin aimed at building a well-off society. Deng encouraged a

proportion of the population to get rich first, and Jiang advised ‘fewer words, bigger fortune’ (*‘men sheng fa da cai’*). Deng and Jiang tried to use economic growth and market prosperity to maintain social and political stability, but following thirty years of economic reform under a deadening political stability, there are numerous social problems, and a large-scale social crisis is emerging. The gap between the rich and the poor, between urban and rural areas, and between east and west is widening. Chinese society appears to be well off, but there is everywhere corruption, pollution, unemployment, poverty, violence, large-scale accidents, drugs, AIDS, prostitution, and organized crime. Education, housing, and health care remain unaffordable, there is a loss of respect and morality, and conflicts between the haves and the have-nots. So, in order to build up his authority and maintain a lasting stability, Hu initiated the idea of building a harmonious society instead of, as previously, a well-off society that focuses on material prosperity only.

The new leadership also revised the concept of ‘Two Civilizations’. Previously, this referred on the one hand to material civilization (economy and wealth), and on the other hand to spiritual civilization (culture and value). Now, there are ‘Three Civilizations’; political civilization has been added, which refers mainly to constructing democracy and the rule of law under the leadership of CPC. However, this ‘on the third hand’ has another connotation in Chinese: only a thief has three hands.

To build a harmonious society, the government has taken some popular measures. For example, some amendments have been made to the constitution to confirm that the country preserves human rights and protects private property: the long-standing agriculture tax was abolished in 2006 to decrease the burden on the rural population, and the central government calls on local government and real estate developers not to press ahead with demolishing houses without the prior agreement of the owner or occupier.

However, the concepts of ‘harmonious society’ and ‘political civilization’ are controversial. Some argue that a harmonious society requires respect for human rights, the fair distribution of public power and social wealth, the giving of a wide role to civil society, and allowing independent media to scrutinize the government, etc.; political civilization, meanwhile, requires democratization, transparency, general elections, and the rule of law rather than the rule of the party. Given the current situation and the CPC’s dictatorship in China, Hu’s theory is just an ideal to ease tensions in Chinese society. Real harmony and a real renewal of Chinese civilization would require substantial political reform in China, which the new leadership seems to have no intention to promote. That is why the PRC has no political attraction for democratized Taiwan.

Change 3: Keep Advanced Education [bao xian jiaoyu]

With the increasing decline of communist ideology in China, especially with the huge impact of the *Nine Commentaries on the CPC (jiu ping)*, and systemic corruption among CPC cadres, in 2003 Hu launched a nation-wide movement to educate CPC members and to mobilize the masses. This movement is called ‘Keep Advanced Education’, and its aim is for the CPC to become an advanced force leading China, with CPC members acting as role models in every aspect for the masses to follow and to learn from. The idea is not just for CPC members to be

educated in various forms of propaganda or to study the teachings of Marx, Deng, Jiang, and Hu himself, but rather for all the Chinese people to know about the latest developments, just as they are influenced every day by news media.

I doubt the motive and effectiveness of this expensive and time-consuming movement. For Hu, he may want to renew the Party during his term of governance. On one hand, he is maintaining a link with communism to ensure the Party's power and attraction; on the other hand, he is using the movement to build his own authority, prestige, and popularity, through constant reporting on his speeches, comments, and opinions, as expressed either at conferences or during inspections. Like many other brain-washing movements since China's opening up and reform, the Keep Advanced Education movement has *not* worked as well as Hu expected. Chinese people seem to believe in pragmatism and consumerism rather than communism. There are even many jokes at the expense of the movement: 'Advanced' in Chinese pronunciation sounds like 'xian', which means 'fresh'. So, the Chinese say it is better to put the CPC into a huge fridge to keep fresh. Further, there is also a similarity with 'xian jin xing', which means 'advanced sex'.

Hu may personally have a deep belief in orthodox communist ideology. Soon after he came to power, he stated that 'the comrades in North Korea and Cuba are always correct in politics'. This sentence astonished most Chinese. Kim Jong Il's visit to China in 2006 was kept out of the Chinese media. Further, the Chinese government has reinforced control over the media and army during Hu's term. The CPC's Ministry of Propaganda remains a powerful governmental organ which reaffirms the theory of 'pen and gun'; this was revealed in 2005, when an editor at *China Youth Daily* (a newspaper under the direct control of the Communist Youth League) posted an open letter on the internet complaining about censorship. This letter stated that the CPC remained committed to 'pen and gun', meaning media and army, to keep one voice and to safeguard political stability. Afterwards, a weekly section of that newspaper called *Freeze Point (Bin Dian)* was discontinued.

In Chinese, 'pen and gun' can also be called the 'Theory of Two Sticks' ('liang gan zi'). However, 'liang gan zi' is often read as 'er gan zi', which in northern China means 'foolishly bold'. 'Pen and gun' helped the CPC win and maintain power, and nowadays it seems that Hu still wants to use this approach to safeguard the regime. It is not a surprise that some liberal newspapers, such as the *South Metropolitan Daily (Nan Fang Dou Shi Bao)* and *New Beijing Daily (Xin Jing Bao)*, were reorganized, and some staff were fired, punished, or put into jail. For the heavily-controlled internet, the Chinese government is using its Golden Shield Project to block many foreign websites and to monitor many popular discussion forums in China.

In a larger sense, both Keeping Advanced Education and 'pen and gun' are strategies to avoid a so-called colour revolution (such as the Velvet Revolution) breaking out in China, and to avoid the CPC losing power, as happened to the KMT during the process of democratization. So, the CPC leaders fear both a colour revolution, as occurred in Eastern Europe and central Asia, and the democratization process as occurred in Taiwan.

The implications for Taiwan are that Beijing and Taiwan are getting closer in economy, trade, and even in culture, but further apart in politics and ideology. A lacking of common ground in politics is one of the obstacles to reunification.

Hu's background and experience might explain his belief in communist doctrine. He began his career as a political tutor at Tsinghua University in the 1960s. Most of his political years were in the leadership of the Youth League in the 1980s, then as CPC General Secretary in Guizhou, Tibet. He returned to Beijing in the early 1990s and was put in charge of ideology, propaganda, and the Party School. His promotion came from taking full advantage of the existing system; he is very familiar with its ideology and institutional structure and wants to make full use of these for his position and interest. In his on-going 10-year term, he has no need and no intention of changing the system.

The problem is that in today's China there seems to be no one but Hu who believes in communism. It would be fortunate if all the Chinese were to believe in communism, or fortunate if all the Chinese did not do so; however, it would be unfortunate if none of the Chinese believed in communism besides Hu, the country's leader.

Change 4: Peaceful Rise to Peaceful Development

The term 'China's rise' was probably first used in the early twentieth century by Zhou Enlai, when he was asked in his boyhood why he went to school. Prior to that, Sun Yan-Sen used the term 'restoring China', later replaced with 'reviving China'. Since then, 'reviving China' has been widely used in different periods and in many cases, but 'China's rise' did not become part of the discussion until 1998, when Professor Yan Xuetong published a book entitled *Assessment of the International Situation for China's Rise*. However, Yan's term was controversial at the time and was criticized by Chinese officialdom because it conflicted with Deng Xiaoping's foreign policy strategy: 'conceal abilities and bide time'. 'Rise' was also very sensitive, since it was thought to remind the world of the rise of Hitler's Nazi regime. However, Jiang later made several references to 'bringing about a great rejuvenation of the Chinese nation', which seemed have the same meaning as 'China's rise' in the Chinese context. In 2002, Jiang officially declared during the CPC's 16th congress: 'strive for a great rejuvenation of the Chinese nation'. At the same time, with China's entry into the WTO and successful bid for the 2008 Olympics, Chinese media and scholars came to make frequent use of 'China's rise' or 'China's peaceful rise'.

Hu Jintao also accepted the term 'China's rise'. Consequently, the Chinese government has given a great deal of money to the CPC's Party School and Ministry of Propaganda to develop a theory of 'China's Peaceful Rise'. However, the word 'rise' remains ambitiously aggressive, and has connotations of political and military aspects. Therefore, Chinese officials began instead to use the term 'peaceful development', which implies mainly economic and social affairs.

However, 'peaceful rise' and 'peaceful development' remain debatable at home and abroad, due to the meaning of the word 'peaceful'. Externally, the Chinese government hasn't renounced war as a solution to the Taiwan question, and is lobbying the EU to abolish its arms embargo. Internally, the CPC regime seems more and more dependent on the army, as well as armed and secret police to maintain stability. Facing rising social conflicts, the government is more often willing to use force to suppress the increasing mass assemblies and

demonstrations for civil rights, as seen in the shootings at Gongdong, Shaanxi, and Hebei. Further, Falun Gong followers and sympathizers continue to be intensely persecuted. Externally, there is a potential war across the Taiwan straits; internally, there are conflicts and oppressions. In such circumstances, can China indeed rise peacefully?

In the history of the world, there is no nation which rose without a war. China may be an exception due to its unique culture and huge domestic market, and the different international structure today. It may be assumed that China would rise peacefully, but if there is no democracy its rise may develop like that of Nazi Germany or the Soviet Union.

Change 5: Hu's Four Points on Taiwan before and after the Anti-Secession Law

Regarding China's Taiwan policy, Ye Jianying outlined Nine Principles in 1979, Deng announced 'one country two systems' in the mid-1980s, and Jiang's listed Eight Points in 1995 (Chinese leaders like to play number games). Since Hu Jintao came to power, he has outlined two slightly different Four Points on the Taiwan question.

The first Four Points were announced at the 10th NPC, when Hu was elected President of PRC:

- 1) Always adhere to the principle of One China;
- 2) Increase economic and cultural exchange between the two sides;
- 3) Pin the hope of reunification on the Taiwanese people;
- 4) Unite the people of both sides to promote the great rejuvenation of the Chinese nation.

The second Four Points came after the Anti-Secession Law. These were four 'Absolutely *Not*s':

- 1) Absolutely *not* waver on the principle of One China;
- 2) Absolutely *not* give up efforts for peaceful reunification;
- 3) Absolutely *not* change the guideline of pinning hope on the Taiwanese people;
- 4) Absolutely *not* compromise in fighting against Taiwan secession activities.

Comparing these two four-point guidelines, we can find, apart from repeating the One China principle, Hu pays more attention to Taiwanese people, and he thinks that sooner or later the majority of the Taiwanese will support reunification. That is why the Chinese government valued so highly the visits of Lien Chan and James Soong. Chinese leaders think that Taiwan's domestic politics will change in favour of the One China policy when the KMT returns to power, since CPC can do no more but repeat the 'one country two systems' principle. Nevertheless, it is unknown whether Hu is aware that Lien and Soong wanted to make use of their mainland visits to make up for their loss in the presidential election. What they said in China is one story, and what did after they returned to Taiwan is another. What is more, Ma Ying-Jeou, the new chairman of the KMT, strongly advocates democracy, and that is the biggest challenge to the CPC's legitimacy.

Facing increasing pan-Green challenges for Taiwan's independence, the CPC now prefers the KMT, its historic rival, much more than any other group in Taiwan. The CPC always highlights the so-called '1992 Consensus', in which both sides agreed in the One China principle – although from Taiwan's perspective this refers to the ROC rather than the PRC. This is enough for Hu Jintao. He can use the resumption of this ambiguous term to ease the pressure of Chinese nationalism.

Further, Hu Jintao has made some changes; for example, commemorating Hu Yaobang, a liberal leader whose death triggered the movement in 1989. Having no direct link with the suppression in Tian'anmen Square, Hu is attempting to come out from Jiang Zemin's shadow and to build up his own prestige. Hu is comparatively young among Chinese politicians, and he has been in power much longer than the presidents of Taiwan.

Nationalism

The CPC was formerly opposed to nationalism, and prevented its growth in the PRC. Prior to the 1980s, it instead engaged in communist-style internationalism; for example, exporting revolution, involvement in the Korean War and in wars in Indo-Asia, and huge assistance to Third World countries and to Albania. Today, although China it is still governed by a communist party, it is run along lines of nationalism rather than communism. With the economic boom and the realization of the dream of China's rise, Chinese nationalism has become much stronger than before.

Chinese historically have a negative attitude towards several countries: Japan, for its invasion of China; the US, for its strategic containment, for the 1999 embassy bombing in Belgrade, and for the 2001 Hainan Island Incident; towards Russia, for lost territory; and even towards South Korea, which used to be behind China in development but which has now become China's economic competitor and cultural model (South Korean television series, pop music, and fashion are astonishingly and increasingly popular, although many Chinese are concerned about the impacts of *han liu*, a mania for Korean pop culture). However, concerning the Taiwan issue, Chinese nationalism is much more complicated. It involves not only history, territory, and sovereignty, but also shared culture, a prosperous community, and a love-hate relationship.

Like many other governments, the Chinese government wants to make use of nationalism, and so it is more likely to take control of it. That is why American and British diplomats were puzzled when there was sudden silence after two days of angry student demonstrations and protests at their embassies after the Yugoslavia embassy bombing. I was at Tsinghua University and witnessed how the government organized the demonstrations to ease an urgent pressure, and then stopped them out of a fear that rising nationalism would disturb its negotiations and compromises with the USA.

The reason for controlling Chinese nationalism is that the Chinese government is concerned that the continued growth of nationalism will cause instability, undermine the CPC's authority, and force it to take drastic measures against the provocative words of Taiwanese politicians. However, given that they cannot control Taiwan's voice, they instead try to control Chinese voices. This control

ranges from conventional mass media to the internet, and to mobile SMS at the 2005 anti-Japanese demonstration.

From 2006 on, all pay-as-you-go mobile users in China have had to re-register, giving their real name, address, and profession. The reason, aside from fraud and the sending of pornographic messages, is that SMS is often used for spreading political information that undermines the CPC's governing. At the anti-Japanese demonstration, there seemed to be no visible organizers or coordinators. Instead, many mobile users read and forwarded texts they had received, which told them the time, route, and even the slogans for the upcoming demonstration. People went to protest spontaneously and simultaneously. It was hard for police to find the organizer of the demonstration, though afterwards a man in Chongqing (named Xu Wanping) was arrested and sentenced to 12 years in prison. He was accused of illegally forming an organization with the intent of overthrowing the government by organizing anti-Japanese activities.

In terms of controlling nationalism, the Chinese government may relax controls on individual protests against Japanese militarism and Taiwanese secessionism, but they will maintain strict control over mass demonstrations and organized protests. Otherwise, such movements would naturally lead to the development of political organizations or underground parties calling for real freedom of expression, assembly, and symbolic association, as protected by the PRC's constitution. So, nationalism can develop into democratization. In particular, Chinese nationalism in relation to Taiwan is regarded nation-wide as a form of patriotism that is helpful to the cause of unification and of maintaining territorial integrity. The CPC regime is in a dilemma caused by nationalism: if nationalism is allowed free rein, the resulting democratization will probably mean the CPC losing power, as happened to the KMT in 2000; but if it oppresses nationalism in relation to Taiwan, it will be criticized by the Chinese people for a lack of patriotism, and lose legitimacy.

Of course, extreme nationalism is dangerous for China too: violence and damage to Japanese property (including Japanese-made cars) will frighten Taiwanese and foreign investors, who are rather important for maintaining the growth of the Chinese economy.

On the other hand, the Chinese government might need be vigilant over two related trends: these are reverse nationalism and transnationalism, both of which may challenge the CPC's legitimacy and cause political change in China.

Reverse nationalism refers to a form of fundamentalist nationalism which rejects perceived shortcomings in contemporary Chinese culture. Adherents attack the CPC for its past misconduct, and complain that its imported communist ideology has damaged or twisted the traditional culture and values of the Chinese nation. In contrast, Singapore, South Korea, and Japan are regarded as having made good use of Chinese culture, and China needs to learn from them.

Transnationalism refers to Chinese nationalism as spread overseas through Chinese immigration and diasporas. Adherents have absorbed ideas of democracy, liberty, and modernity, and they remain in constant contact with mainland Chinese through websites and other means of communication. The information that their websites convey often has a nationalist perspective. Although this is popular among Chinese both at home and abroad, such sites are disliked by the CPC and are usually shielded or monitored. Since the creators of these sites

have more opportunities to have contact with Taiwanese, their ideas on Taiwan are more tolerant and moderate.

With the development of new technology and increasing shuttling by Chinese between home and abroad, the CPC government will have to find a balance between the various new forms of Chinese nationalism. It is hard for the CPC to deal with the combination of nationalism, patriotism, and potential democratization; the last of these is often identified by Taiwan as a condition for a rather lengthy process of reunification.

Localism or local Protectionism

'Localism' often means 'local protectionism for economy and trade'. There are numerous examples of such localism in China. For example, in cities such as Beijing, Shanghai, and Wuhan, only locally-made cars are licensed as taxi-cabs. In 2006, an explosion at a chemical factory along a river in Jilin Province caused serious river pollution; this caused severe panic and loss in the province of Helongjiang, which is downstream, but the government of Jilin denied responsibility. A third example is a complaint made by the Vice-Minister of Education at a press conference in 2005, that the central government's policies could be implemented only within Zhongnanhai, where the government is based. This was because many provinces often ignored education policy, and did not like to offer financial aid to poor students.

An economic gap and the uneven regional distribution of resources mean that residents care only about their local economy and prosperity. Local officials quarrel with other regional leaders, and they bargain with central government. Powerful leaders at the centre, such as those from the wealthy areas of Shanghai, Guangdong, and Fujian, have to take measures favourable to the coastal provinces in order to get political and financial support. In the 1990s, smuggling was seen as a way to become rich, and there was organized smuggling in China from along the coastal areas of Liaoning, Hebei, Shandong, Jiangsu, and Zhejiang, to Fujian, Guangdong, Guangxi, and Hainan Island. Most of this organized smuggling was permitted by the local government, and customs officials and local police provided assistance to the smuggling companies. The scandal of the Xiamen (Amoy) Yuanhua smuggling case, in which many high officials were involved, was just the tip of the iceberg; such smuggling is always linked with corruption. The administration of Zhu Rongji spent a long time and put a great deal of effort into dealing with the smuggling, which caused considerable damage to the national economy and social order.

The emerging localism has come to have a great impact not only on China's economy and society, but also on Chinese politics and its Taiwan policy. In the mid-1990s, Zhu Rongji divided the national tax system into state taxation and local taxation. When, during the 1995–1996 Taiwan Strait Crisis, Lee Teng-Hui threatened to attack Shanghai with missiles if the mainland bombed Taiwan, public opinion in Shanghai as expressed on-line suggested that Shanghai's huge local tax revenue meant that it could build an independent Theatre Missile Defence system if the central government did not have a sufficient national defence budget.

A popular Chinese saying fully expresses the impact of localism impact on China's Taiwan policy: 'Beijing prefers war, Shanghai prefers peace, Amoy prefers

surrender to Taiwan' (*'Beijing zhu zhan, Shanghai zhu he, Xiaomen zhu xiang'*). While Beijing is the military centre and political capital, Shanghai by contrast has attracted a large amount of Taiwanese investment and thousands of Taiwanese residents, and Xiamen/Amoy (the closest city to Taiwan) has a considerably tight economic tie with Taiwan. People in Shanghai and Xiamen are afraid that war would destroy their prosperity, and that tension would prevent economic cooperation with Taiwan. Xiamen people in particular admire the Taiwanese lifestyle, and they would probably like to become a part of Taiwan, as Jinmen (Kinmen).

The passing of the Anti-Secession Law also reflects differing local perspectives. Although the overwhelming majority of the NPC's more than 2,000 representatives voted in favour of the law, there were two abstentions and three non-responses. Given that the people's representatives come from different parts of China, this rare case might reflect signs of localism.

The articles of the Anti-Secession Law indicate that the law's targets include localism or those with different views on Taiwan. Two articles out of the total ten relate to *all* Chinese people, rather than just 'Taiwan secessionists':

Article 2 ...Safeguarding China's sovereignty and territorial integrity is the common obligation of all Chinese people, the Taiwan compatriots included.

Article 4 Accomplishing the great task of reunifying the motherland is the sacred duty of all Chinese people, the Taiwan compatriots included.

In the long history of the Chinese empire, there were always struggles between central government and local forces. The death blow to the Qing Dynasty was when several provinces declared independence after the nationalist rebellion in Wuhan. Consequently, the Chinese government has to control emerging localism, preventing it from misleading or obstructing Taiwan policy, or from perhaps even leading to other provinces seeking separation.

Public opinion

Theoretically, the mass media sets the agenda of public opinion, and public opinion is reflected by the mass media. In China, however, media are tightly controlled and subject to strict censorship, and are instead treated as a mouthpiece through which the CPC publicizes policy. Consequently, information about Taiwan is often one-sided and misleading. For example, instead of explaining Taiwanese democratization and giving an even-sided view of political affairs, China's media are more likely to report verbal abuse or physical conflict in the Legislative Yuan, and to give coverage to demonstrations and temporary disorders on the streets. In contrast, there is hardly any reference to the fact that society as a whole remains stable. In my opinion, Taiwan politicians' quarrels or fights in congress are much more preferable than the fights that occurred during the Cultural Revolution, or the shooting in Tian'anmen Square. The scandals in Taiwan politics are problems in the process of democratization; however, China's media suggests to the public that this shows the poor quality of Taiwan politics, the

ridiculousness its elections, and why the same kind of the democracy would not be good for Chinese people.

My research on Chinese public opinion relating to Taiwan is not based on Chinese media reports of comments. It is instead derived from an independent questionnaire involving students at Beijing Foreign Studies University. Thirty student volunteers from different family backgrounds and from different areas of China were sent to rural and urban areas in the east and in the west. Each student took 20 copies of the questionnaire on China's domestic affairs and Taiwan. This was done twice, during the winter and summer vacations of 2005 respectively. The valid return rate was 522 copies, representing 87 per cent.

The interviewees were asked to rank a list internal issues with which they were most concerned. The reunification of the motherland did not come in the top five concerns, but instead came after housing, anti-corruption, social security, education, and pollution, but before unemployment, hosting the Olympics, travel safety, and inflation.

However, in a list of external affairs, it ranked second after China-US relations, but before Diaoyu Island, exports, and study abroad. Table 1 shows how differences are perceived.

What is the biggest difference between the mainland and Taiwan?	
Economy	49 per cent
Political system	35 per cent
ideology and education	12 per cent
People	3 per cent
Language	1 per cent
Culture	0 per cent
What is the most important reason for Taiwan's secession?	
Conspiracy by the USA	31 per cent
Secessionists in power	27 per cent
Economic gap	26 per cent
Political and ideological differences	10 per cent
Changes in Taiwanese identity	6 per cent
Which is the most important factor to achieving reunification?	
The rise of China	32 per cent
Economic and personal exchanges	21 per cent
War	18 per cent
A change of Taiwan's authority	17 per cent
Chinese military deterrent	12 per cent

Table 1: Chinese attitudes to Taiwan

For most ordinary Chinese, the Taiwan issue is not as important as their housing, education, or health care. However, in a large sense, Taiwan *is* regarded as a strategically important territory of China and a vital issue in China-US relations.

A further analysis of the questionnaires, placing the relevant information into a theoretical framework, reveals four kinds of thinking in Chinese public opinion about Taiwan.

Realistic Thinking

This perspective sees Taiwan's secession as due to two factors: China lacks the force to deter it, and China cannot risk confrontation or conflict with US before it can match US power militarily and strategically. The continued growth of China's economy and defensive power will solve the Taiwan problem. The realistic view, also called the 'power' or 'strength' approach, is more popular among ordinary Chinese people.

Liberal Thinking

This perspective stresses free trade, and takes the view that increasing exchange of economy and individuals on both sides will gradually lead to an interdependent integration.

During this process, both sides will increase existing cooperation and construct new institutions to extend cooperation from the economic to the political level. The liberal view puts great emphasis on cooperative institutions and organizations, which it is believed will lead to deeper union, like the development from the EEC to the EU. This perspective is also called 'institutionism', and it is popular among industrial and commercial groups. (In Chinese, 'money' and 'forward' have the same sound of 'qian'. 'Xiang qian kan' will lead to 'xiang qian kan'; that is, looking at money together will result in looking forward to a mutually beneficial union.)

Ideological Thinking

In this perspective, Taiwan's secession is due to the different ideologies and political systems of Taiwan and China. The reunification of a nation-state, as a highly political matter, needs common ground in politics and ideology. Since it is ridiculous for Taiwan to give up its democracy, the only possible way is to promote China's democratization. However, thus far there is no other party which can replace the CPC's dominant role in the mainland, and the cost of political change in China will be unbearable. Without stability, the economy will experience crisis, and China will experience a crisis like that of the former Soviet Union. In that case, China will lose not only the CPC's totalitarianism, but also Taiwan or other territories. Witnessing what happened to Russia, many Chinese officials think that to seek reunification with Taiwan is also a struggle or competition between Taiwan's system and mainland socialism with Chinese characteristics. At the moment, they think 'one country two systems' is sufficient.

Identity Constructivism

This view is taken by many intellectuals, who think that Taiwan's different history and its long-term lack of contact with the mainland have resulted in Taiwan

constructing its own identity, consciousness, values, and way of living. Taiwanese speak Chinese, just like many people in Singapore and Malaysia also speak Chinese, but they are not Chinese like mainlanders. Military means or two systems can unite the country physically, but hardly mentally. For real and lasting unification and reconciliation, both sides need to construct a common ground in culture, tradition, value, and religion respectively in the process of building a civil society.

There may also be some other public opinions; for example, some Chinese say 'let it be, let Taiwan go as it likes. Do not spend so much money to bid for diplomatic relations in Latin America, Africa, and Oceania. Concentrate on China's economy and defence; once China rises and becomes a superpower, it will take over Taiwan and maybe more.'

Conclusion

Facing increasing separation from Taiwan, China's politicians have two options: peaceful means or military means. Both options require them to take into account their leadership position and many changing aspects of China's domestic politics. If Taiwan will maintain the *status quo* for five to ten years, China would like to choose a peaceful solution, which is simply to repeat stiffly the policy of 'one country two systems' without substantially effective measures.

However, choosing a peaceful way does not mean that China's present leaders believe that Taiwan will return to the motherland peacefully and willingly. Rather, it is chosen because they do not want to risk their term of office, economic growth, or political and social stability. The problem can instead be passed to the next generation of leaders, just as their predecessors passed it on to them. Deng Xiaoping promised that China's reunification was one of the three great tasks that would be accomplished in 1980s. Later, in the mid-1990s, he said he firmly believed that the future generation would find a wiser and better way to solve the Taiwan problem.

If Chinese leaders choose military means, there will be three possible outcomes: victory, defeat, or stalemate. Stalemate would be as same as the current *status quo*, and so declaring war would serve no purpose. Defeat would mean Taiwan's complete independence, and this is another reason not to choose war. Victory would certainly bring about China's reunification, but it would be hard to obtain while the US remains a superpower and while there are other uncertain variables relating to the Taiwan issue domestically and internationally. These difficulties mean that Chinese leaders would not wish to declare war; they will instead continue to seek a possible peaceful solution, hoping that authority over Taiwan can be achieved through negotiation. At the same time, their focus is on domestic politics, and the need to reinforce stability and legitimacy in a country where nationalism is rising along with the economy, and where it is difficult to block democratization.

Address for Correspondence

Prof. Qiao Mu, Center for International Communications Studies, School of English and International Studies, Beijing Foreign Studies University, 2 North Xisanhuan Road, Haidian District, Beijing, China 100089.