

3. The Influence of Domestic Politics and the Decision-Making Process

Four interrelated aspects of Taiwan's domestic environment exert a decisive influence on foreign and defense policies:

- *The Political Process.* The structural dynamics of a rapidly changing, competitive multiparty system marked by increasing numbers of political actors, intense political struggles, contending policy views, and a weak commitment to the norms of the democratic process.
- *Senior Elite Composition and Outlook.* The changing makeup and values of political and military leaders in response to the forces of democratization, institutional evolution, generational change, and economic development.
- *Societal Views.* The growing influence on the polity of public opinion and interest groups, especially concerning critical issues such as state identity, cross-Strait relations, national security, and specific foreign and defense policies.
- *The Decision-Making Apparatus.* The structural dynamics of an increasingly complex and in some ways uncoordinated pattern of decision-making concerning national security, foreign, and defense policies.

This chapter discusses the major features of each of these four areas as they have evolved in recent years and their general policy implications. The chapter concludes with an overall assessment of the present and likely future influence exerted by Taiwan's domestic environment on foreign and defense policies, especially regarding pragmatic diplomacy and ballistic missile defense.

The Political Process

As indicated in the previous chapter, the democratization process on Taiwan has produced major changes in the ROC political system. These changes hold significant implications for the content and direction of ROC policies in general and for foreign and defense policies in particular.

During the fifties, sixties, seventies, and most of the eighties, the ROC political system was dominated by a single political party—the KMT—and the views and

activities of a single paramount leader—first, Chiang Kai-shek and then his son Chiang Ching-kuo. The KMT was for most of this period a Leninist-type party organization. Hence, the party and its predominantly Mainland Chinese leadership controlled the major activities of all key government agencies and supervised a network of cadres charged with carrying out its policies. The KMT controlled all major spheres of political and social life, and all key decisions, government appointments, and policies were decided through the party's organizational procedures. Party membership was especially high in the civil service, farmers' groups, and the ROC military. In particular, a strong KMT political commissar system was constructed by Chiang Ching-kuo within the armed forces. This ensured party control of the military and greatly reduced the possibility of coups. The KMT also played a key role in various socialization functions, co-opted significant local elites, monopolized the media and educational systems, and generally sought to mobilize the population behind the regime and to propagate the ROC government's policies and ideology. At times, however, the KMT regime also relied on brute force to ensure obedience, suppress resistance and prevent the emergence of genuine opposition political movements.¹

This single-party power structure—labeled by some observers as a kind of developmental authoritarian dictatorship—provided a mechanism for rule by the minority of Mainland Chinese who had fled to Taiwan in the late forties. Although the KMT expanded its membership over the years to include a clear majority of native Taiwanese, few of these individuals reached high office until the later years of the Chiang Ching-kuo era. Moreover, despite extensive Taiwanization, the party remained under the ultimate control of Mainlanders and hence the regime reflected the interests of this minority segment of the population throughout most of this period.

Within the KMT leadership, ultimate power was exercised by the party chairman and discipline at lower levels was enforced through observance of the Leninist principle of democratic centralism.² Chiang Kai-shek held the post of KMT chairman from 1949 until 1975, and Chiang Ching-kuo held the post from 1975 until 1988, when Lee Teng-hui—a native Taiwanese and a technocrat—became chairman. Prior to 1988, the KMT-led ROC regime was a highly personalistic

¹This paragraph is based on Keith Maguire, *The Rise of Modern Taiwan*, Ashgate Publishing, Hampshire, England, 1998, pp. 32–33. Also see Tien Hung-mao, *The Great Transition: Political and Social Change in the Republic of China*, Hoover Institution, Stanford, 1989; and Thomas B. Gold, "Domestic Roots of Taiwan's Influence in World Affairs," in Robert G. Summer and William R. Johnson, eds., *Taiwan in World Affairs*, Westview Press, Boulder, Colorado, 1994, p. 197.

²This principle permitted scope for considerable internal party debate over key issues. But once the debate had concluded and a decision was made, the party and its members were bound by the policy.

political system. Both Chiang Kai-shek and Chiang Ching-kuo (but especially the former) ruled through personal prestige and by balancing various internal KMT party factions and ROC government institutions. Hence, although the political system was not entirely monolithic, Chiang Kai-shek ensured ultimate control by deliberately providing the only link between the many contending parts of the KMT regime. The extensive diffusion of power and overlapping of party and state functions also served to strengthen the power of the paramount leader.³

Beginning in the mid-eighties under Chiang Ching-kuo, and especially under Lee Teng-hui, Taiwan's political system gradually evolved toward a representative democracy. This process was marked by (1) a gradual increase in open political competition, leading to the creation of a competitive multiparty system; (2) the emergence of the National Assembly and Legislative Yuan into fully representative parliamentary bodies entirely elected by the ROC population; (3) the removal of restrictions on freedom of the press and of information and on the evolution of independent civil-interest groups; (4) a steady reduction in the influence exerted by the KMT over the government, the military, and the media and the accompanying gradual Taiwanization of the power structure; (5) concerted efforts to mobilize Taiwan society in support of the regime through the expansion of local elections; and (6) the overall increasing importance of public opinion to decision-making and leadership interactions.⁴

As briefly discussed in the previous chapter, the mainstream KMT under Lee Teng-hui sought to maintain its legitimacy and control while guiding and encouraging a process of democratization and constitutional reform. Lee initially maneuvered against both die-hard conservative factions within the KMT, who clung to the original nationalist beliefs of the Chiang Kai-shek era, and radical proponents of Taiwan democratization and independence, primarily represented by the DPP. He sought to build legitimacy for the KMT by simultaneously co-opting the views of the rising DPP and weakening the influence exercised by conservative Chinese nationalists while avoiding repudiating the beliefs of the KMT's original Mainlander supporters.⁵ In this effort, Lee faced a dilemma: On

³Peter R. Moody, Jr., *Political Change on Taiwan*, Praeger, New York, 1992, pp. 19–25.

⁴Most of these points are adapted from Jürgen Domes, "Electoral and Party Politics in Democratization," in Steve Tsang and Hung-mao Tien, eds., *Democratization in Taiwan: Implications for China*, St. Martin's Press, Inc., New York, 1999, p. 49. For a useful overview of the democratization movement in Taiwan, also see Samuel S. Kim, "Taiwan and the International System: The Challenge of Legitimation," in Robert G. Sutter and William R. Johnson, eds., *Taiwan in World Affairs*, Westview Press, Boulder, Colorado, 1994, pp. 170–175. We are also indebted to Shelley Rigger for bringing to our attention the efforts undertaken by the KMT government in the eighties to promote local elections and in general to mobilize Taiwanese in support of the ROC regime, as part of an overall pattern of "mobilizational authoritarianism."

⁵As KMT-sponsored democratization proceeded in the late eighties and early nineties, the DPP emphasis switched from stressing democratization to advocating a somewhat more ambiguous "self-

one hand, a continuation of the past policy based on a rigid understanding of the “One China” concept would have prevented the expansion of cross-Strait ties, possibly alienated much of the population, and dragged the ROC into a self-imposed diplomatic isolation. On the other hand, rejecting the “One China” concept outright would have probably split the KMT and possibly set off a civil war. In other words, Lee was forced to maneuver between the apparent goals of independence and reunification, keeping the KMT right wing, the PRC, and the DPP off-balance. He “. . . chose to square the circle of promoting independence and upholding a Chinese identity by suggesting that there should be two states within the framework of one Chinese nation.”⁶

Over time, the dynamics of the struggle over power and policy produced an array of political parties and internal party groupings representing both contending personalities and different approaches to basic issues such as Taiwan’s national identity, relations with Mainland China, aspects of foreign and defense policy, and domestic reform. The KMT initially split into two parties: the majority, mainstream KMT under Lee Teng-hui, which championed continued democratization and a highly diluted “One China” concept, and the minority New Party (NP), dominated largely by second-generation Mainlander Chinese nationalists who were unhappy both with corruption in the KMT and with what they viewed as the “Taiwanization” of KMT ideology and leadership.⁷ Subsequently, the mainstream KMT split yet again, largely on the basis of a political and personal dispute between Lee Teng-hui and James Soong Chu-yu, the highly popular former governor of Taiwan. Soong had strongly resisted Lee’s efforts to eliminate the provincial governorship post—as part of the latter’s general effort to end the political expressions of Taiwan’s status as a part of present-day China—and also did not accept Lee’s decision to support the relatively unpopular former ROC Premier Lien Chan as his successor for the presidency. When Soong announced in late 1999 that he would compete with Lien Chan in the March 2000 presidential election, he was ejected from the KMT and eventually established the New Taiwan People’s Party, which was subsequently renamed the People’s First Party (PFP).

determination,” which many read as a codeword for independence. The conservative, anti-mainstream KMT, in contrast, stressed the necessity to maintain the constitutional order and hinted that the ROC military might not defend Taiwan if an independent republic were proclaimed. Each side accused the other of treason, i.e., the conservatives accused the DPP of betraying the bedrock beliefs of the ROC regime and the DPP accused the KMT of selling out to Beijing. See Cal Clark, “The Republic of China’s Bid for UN Membership,” *American Asian Review*, Vol. 13, No. 2, Summer 1995, pp. 12–14.

⁶Michael Yahuda, “The International Standing of the Republic of China on Taiwan,” in *The China Quarterly*, No. 148, December 1996, p. 1333.

⁷The Chinese New Party was formed in August 1993. Its policy positions are discussed below.

More recently, the humiliating defeat of Lien Chan in the March 2000 election has produced a further, even more important division of the KMT: between pro-Lee Teng-hui and pro-Lien Chan groups. Lien Chan's supporters blamed Lee for Lien's loss in the March 2000 election and distanced themselves from the former president, especially after he was forced to resign as head of the party. Lee Teng-hui in turn became increasingly critical of Lien and the KMT leadership, including the efforts of the KMT-led LY to obstruct and undermine the activities of the Chen Shui-bian government. Lee's increasing sympathy for the Chen government and especially his open support for a newly formed rival to the KMT—the Taiwan Solidarity Union (TSU)⁸—led the KMT to expel him from the party in September 2001. This development has further weakened the KMT.

The original DPP has also fragmented over time, largely as a result of internal differences over the issue of Taiwan independence. The majority of the DPP membership eventually adopted a more moderate and diverse policy stance keyed to democratization, social and political reform, and a reduced emphasis on independence (discussed further below). In protest, a minority of more radical, pro-independence members left the party to form the Taiwan Independence (or National Construction) Party in December 1996.⁹ Hence, both minority parties—the New Party and the Taiwan Independence Party—emerged largely due to dissatisfaction over the more moderate stances on self-determination and independence adopted by the mainstream of the KMT and DPP in their efforts to build or consolidate public support and amass political power.¹⁰

In addition to this overall fragmentation of the political spectrum, Taiwan's major political parties—the KMT and DPP—have become subject to a variety of specific internal and external pressures and divisions that significantly influence political and policy behavior.

In the case of the KMT, the internal defection from the mainstream KMT that eventually resulted in the People's First Party began as an internal dispute between Lee Teng-hui and James Soong, as indicated above. This division still resonates within the KMT today (more on this point below). Moreover, the departure of Lee Teng-hui from the KMT has led many observers to conclude that a new, more popular political figure must replace Lien Chan if the party has any chance of regaining power. One possible candidate is the popular KMT

⁸This new political party—formed in August 2001—includes many former KMT members and regards Lee Teng-hui as its spiritual mentor.

⁹Other, smaller political parties have also emerged in the process of democratization and political maneuver, but they exert little influence over the distribution of power in the system.

¹⁰I-chou Liu, "The Development of the Opposition," in Steve Tsang and Hung-mao Tien, eds., *Democratization in Taiwan: Implications for China*, St. Martin's Press, Inc., New York, 1999, pp. 72–73.

mayor of Taipei, Ma Ying-jeou. As Minister of Justice in the early nineties, Ma moved forcefully against criminal elements in Taiwan society and has consistently taken a strong stand against party corruption. He has also distanced himself from corrupt elements associated with Lien Chan and the more pro-independence leanings of some of Lee Teng-hui's followers, and is an advocate of deeper political reform, including a review of Taiwan's electoral system. Hence, Ma to some degree represents the forces for greater domestic reform and greater restraint on the independence issue within the KMT. However, Ma's popularity is largely limited to Taipei, and he reportedly angered many KMT members during the 2000 presidential election when he appeared to support the anti-Lien Chan, anti-Lee Teng-hui demonstrators who gathered around KMT headquarters at that time.¹¹

Opposition to any further movement toward independence has arguably grown significantly within the KMT since the departure of Lee Teng-hui from the party. Conservative or cautious party members largely oppose what they view as further efforts by the KMT to establish the political, legal, and conceptual foundations for Taiwan's permanent separation from the Mainland. Some party members, perhaps including leaders such as Ma Ying-jeou, apparently oppose the actions taken by Lee Teng-hui near the end of his rule to advance Taiwan's independent status, such as the promulgation in July 1999 of the "two states" concept.¹² It is unclear to what extent Lien Chan currently supports this concept. Lien's views on cross-strait issues and foreign and defense policy have been very close to those of Lee Teng-hui, since Lien served as the latter's foreign affairs minister, premier, and vice president. However, he has been more explicit than Lee in voicing support for eventual reunification, under conditions of common democracy, freedom, and prosperity. And Lien has been less vocal than Lee about alternatives to unification.¹³ Lee Teng-hui's ejection from the KMT has resulted in the further repudiation of many of Lee's views by pro-Lien Chan KMT officials.

The KMT is also significantly influenced by the political realities of a corrupted power base. During the authoritarian era, the party co-opted local political factions to control the limited electoral process in place at the local level. These KMT-dominated factions relied heavily on institutionalized vote-buying mechanisms to secure electoral support, using funds obtained through local

¹¹We are indebted to Shelley Rigger for this observation.

¹²In an interview with a German journalist given on July 9, 1999, Lee stated that the relationships between the ROC and the PRC was a "special state-to-state relationship." This provoked a strong reaction from Beijing, as well as from some non-Chinese observers, who declared that such a remark was tantamount to the explicit repudiation of the notion of "One China."

¹³We are indebted to Shelley Rigger for this point.

governments' procurement and regulatory authority, as well as through land speculation. During the eighties, as opposition candidates received greater public support and the effectiveness of vote-buying declined, many local factions recruited criminal elements to protect their electoral bases and demanded significant pay-offs from the KMT leadership in return for their support. The party also became increasingly dependent upon support from the growing business community and privileged business operations that generate many millions of dollars a year in dividends. As a result, the former institutional insulation that had existed between the party-state leadership and the business sector has disappeared, and major scandals of corruption, bid-rigging, and shady financial deals involving KMT politicians, government officials, and business magnates have become commonplace. With the expansion of electoral competition, this overall pattern of corruption has been transmitted into national representative bodies. The Legislative Yuan has become an arena of bargaining between groups that act as surrogates for local factions and business interests, and many LY members now have links with criminal elements.¹⁴

The KMT's increased reliance on what is known as "money politics" or "black gold" has presented it with a major dilemma: If it undertakes major efforts to end the KMT's corrupt relations with local factions, open up the internal decision-making system, and liquidates its corporate holdings, it will likely garner notable public support; however, such efforts could also significantly weaken its political base.¹⁵ This issue has led to divisions within the KMT over the pace and scope of the internal reform process. Lee Teng-hui's mainstream faction, which began from a weaker power base within the party-state apparatus than the conservative Mainlander faction, relied extensively on the business community, local factions, and criminal elements. Hence, both Lien Chan's supporters and former Lee Teng-hui supporters—especially the gangster-politicians among them—are undoubtedly less enthusiastic about carrying out major structural reforms in the future than emergent pro-reform leaders such as Ma Ying-jeou.

For the KMT, these internal factors are complicated by external pressures from those above-mentioned former KMT members or groups that split from the party during the Lee Teng-hui era, for both ideological and political reasons. The defection of conservatives to form the Chinese New Party was the main cause for

¹⁴Tien Hung-mao and Yun-han Chu, "Building Democracy in Taiwan," *The China Quarterly*, No. 148, December 1996, p. 1150. Also see Yun-han Chu, "The Challenges of Democratic Consolidation," in Steve Tsang and Hung-mao Tien, eds., *Democratization in Taiwan: Implications for China*, St. Martin's Press, Inc., New York, 1999, pp. 152–153, 155; Yun-han Chu, "Taiwan's Unique Challenges," *Journal of Democracy*, Vol. 7, No. 3, 1996, pp. 69–82; and Hughes, pp. 86–88.

¹⁵Julian Baum, "Under My Thumb," *Far Eastern Economic Review*, Vol. 161, February 26, 1998, p. 26.

the loss of voter support for the KMT in the December 1995 Legislative Yuan and March 1996 National Assembly elections.¹⁶ The New Party developed a significant following in the early nineties by championing both reconciliation with the Mainland and, equally important, clean government.¹⁷ By the mid-nineties, it constituted roughly 14 percent of the electorate. About half of its support came from traditional KMT strongholds (Mainlander families, public-sector employees, and military veterans). But it had also developed significant support among the young and emerging educated middle class in the urban areas, as well as among many women, suggesting that it represented many elements of the new, united Taiwan.¹⁸ Although the New Party's fortunes have declined significantly in recent years as a result of internal divisions and continued public skepticism toward its unificationist orientation,¹⁹ it continues to exert some political leverage in the LY, competes with the DPP and KMT among independent voters, and thus represents a potential coalition partner for the KMT under some circumstances. Hence, the KMT cannot ignore its views and influence. This has become especially true since the DPP won the presidency in March 2000.

The People's First Party represents a more significant source of pressure on the KMT, albeit one that might prove to be short-lived. It enjoys considerable—and likely growing—influence largely due to the popularity of its leader and founder, James Soong. Despite being a Mainlander and having served as a senior party operative for the KMT in the eighties and during most of the nineties, Soong managed to develop enormous public and local factional support as provincial governor. He speaks the local Taiwanese dialect, has traveled widely around the island, attempts to understand and represent the views and desires of local communities, and used his office to develop a clientelist base among local KMT leaders. He also expresses a pragmatic view toward relations with the Mainland that appears to resonate with many ROC citizens.²⁰ He favors efforts to reduce

¹⁶Hung-mao Tien and Yun-han Chu, "Building Democracy in Taiwan," *The China Quarterly*, No. 148, December 1996, p. 1159.

¹⁷The New Party does not favor quick reunification, but is more conciliatory than the KMT toward relations with the Mainland. Unlike the mainstream KMT and the DPP, it supports the rapid establishment of direct links across the Strait and favors the "one country, several seats" (*yiguo, duoxi*) concept of United Nations representation. It also supports the negotiation of a confederate entity, followed by a federation embracing the two Chinese states. See Jean-Pierre Cabestan, "Taiwan's Mainland Policy: Normalization, Yes; Reunification, Later," *The China Quarterly*, No. 148, December 1996 pp. 1274–1275.

¹⁸Steven M. Goldstein, *Taiwan Faces the Twenty-First Century: Continuing the 'Miracle,'* The Foreign Policy Association, Headline Series, No. 312, June 1997, p. 65.

¹⁹According to Goldstein (p. 65), the New Party is united "... simply around the issue of opposition to what the KMT government has become under Lee Teng-hui."

²⁰At the same time, a significant number of Taiwan citizens apparently regard Soong as above all a political opportunist, willing to modify his policy stance for personal power. They point to the

tensions with the PRC, including cross-Strait negotiations, a thirty-year non-aggression agreement, an all-party conference to build a national consensus on how to improve relations with the PRC, and a lessening of inflammatory rhetoric on both sides.²¹ The PFP under Soong does not have the power base and contacts of the KMT, however.²² It is composed primarily of former KMT and CNP members who supported Soong's presidential bid. Thus, the PFP will likely lose influence or disappear altogether if Soong's popularity declines or he leaves the political stage. Moreover, the coalition that backs him contains highly contradictory elements, such as groups strongly opposed to corruption (e.g., many urban intellectuals) as well as corrupt local officials. However, over at least the short term, the PFP represents a significant political force in Taiwan politics, especially given the demoralized state of the KMT following its humiliating defeat in the March 2000 presidential election and the general unpopularity of KMT head Lien Chan.

The newly formed Taiwan Solidarity Union arguably constitutes an even more serious source of potential pressure on the KMT than the PFP, especially if it emerges as a vehicle for the establishment of a Lee Teng-hui–Chen Shui-bian anti-KMT coalition. The TSU has introduced 39 candidates for the December 2001 legislative elections and espouses a political platform that largely reflects the views of Lee Teng-hui. This includes a stress on the “special ethnic relationship” between China and Taiwan, the pursuit of “constructive engagement” between the two sides that is peaceful, equal, and mutually beneficial, and a close identification, in domestic, foreign, and defense matters, with the interests of Taiwan as an independent political entity.²³

Thus, although KMT legislators continue to hold by far the most seats in the Legislative Yuan, the party runs the risk of becoming even more divided, pressured, and out of step with public sentiment on many issues, and could lose badly in future elections. Overall, the KMT must thus work with both the NP and the PFP to shore up its declining influence, and yet not abandon the political center to the DPP or a DPP-TSU coalition. In this effort, the KMT must eventually confront more squarely the above-mentioned dilemma posed by its continued reliance on money politics, and generally reflect more effectively the increasingly

fact that Soong had been an extremely loyal supporter of Lee Teng-hui—and increased his power as a result—prior to the falling out between the two leaders.

²¹For example, Soong is opposed to the provocative “Two States” theory espoused by Lee Teng-hui in July 1999.

²²Moreover, Soong likely lost support as a result of the abolition of the Provincial Assembly. That body was arguably Soong's strongest institutional base.

²³See “New Taiwan Solidarity Union gets big-name support,” Taiwan Government Information Office, at <http://publish.gio.gov.tw/FCJ/past/01082423.html>.

sophisticated middle class values of the populace.²⁴ It will probably also be forced to reassess its obstructionist stance toward the Chen Shui-bian government, which is viewed by significant numbers of Taiwan's citizens as excessively disruptive.

The DPP also confronts a range of internal and external pressures and divisions. The party has been characterized by factional rifts since its formation in the late eighties. The departure from the DPP of radical pro-independence elements to establish the Taiwan Nation Building Party in October 1996 did not end—or even appreciably reduce—the DPP's internal divisions. Many factions still exist within the DPP today, including the Justice Alliance, the Progressive Alliance, New Era, New Energy, the Welfare State Alliance, and the New Tide Faction. In general, factional members are primarily organized on the basis of personal associations, not policy views. However, differences do exist over critical issues. Some members are increasingly moderate on the critical issue of independence: although certainly sympathetic to the pro-independence movement, many do not want to press the issue in ways that threaten stability across the Strait. Such sentiments in part reflect the interests of strong business elements, especially groups involved in trade with the Mainland. In contrast, groups such as the New Tide faction generally support the independence movement (indeed, some more radical members of the New Tide faction remain very assertive on the issue of independence), are less influenced by business interests, and are more concerned with corruption and social reform issues.²⁵

The overall moderation of the mainstream DPP (discussed below) and a trend toward the greater institutionalization of party factions have combined to reduce the intensity of factional strife in recent years. However, a number of high-ranking party leaders continue to openly advocate independence for Taiwan, sometimes using rather provocative language. This has become a more significant problem ever since Chen Shui-bian was elected president, by a very slim plurality of votes, in the March 2000 election. Holding a relatively weak mandate and facing a legislature dominated by largely anti-DPP forces, Chen has been forced to move further and further toward the moderate center of Taiwan politics and thereby risk antagonizing the more radical elements of the DPP. Moreover, the DPP increasingly faces its own internal difficulties with the “money politics” phenomenon described above. Although Chen's presidential

²⁴Robert Sutter, “Taiwan's Role in World Affairs: Background, Status, and Prospects,” in Robert G. Sutter and William R. Johnson, eds., *Taiwan in World Affairs*, Westview Press, Boulder, Colorado, 1994, p. 15.

²⁵John Fuh-sheng Hsieh, “Chiefs, Staffers, Indians, and Others: How Was Taiwan's Mainland China Policy Made?” in Tun-jen Cheng, Chi Huang, and Samuel S.G. Wu, *Inherited Rivalry: Conflict Across the Taiwan Strait*, Lynne Rienner Publishers, Boulder, Colorado, 1995, pp. 144–145.

victory has led to a rapid growth in the DPP's membership, many of its new members are opportunists and individuals associated with corrupt personal political machines operating at the local level.²⁶

The DPP's internal challenges are compounded by the external difficulties it faces in the effort to consolidate its political and social base and become Taiwan's majority party. The DPP originally built significant public support by championing democracy, independence, and the Taiwanization of the political process, thus at first providing a stark counterpoint to the undemocratic, conservative, pro-Chinese, KMT-dominated power structure. However, by the mid-nineties, the DPP's appeal to democratic ideals and a separate Taiwan identity had exhausted much of its electoral utility in the face of Lee Teng-hui's successful effort to co-opt many of its pro-democracy positions and to Taiwanize much of the KMT leadership, and after the unexpected rejection by the public of the DPP's radical independence platform during the 1991 National Assembly elections. The DPP realized at that time that it might lock itself into a position of permanent opposition by continuing to emphasize the creation of an independent Taiwan republic; such a position was viewed as excessively dangerous by the largely pragmatic Taiwan electorate and especially by stability-minded business elites and the growing middle class (more on these groups below).²⁷ Even the DPP's drive for Taiwan to enter the United Nations lost steam when Lee Teng-hui decided to co-opt the UN membership campaign in 1993. Over time, DPP and mainstream KMT views in a variety of areas—including domestic reform, Mainland policy and foreign policy—became increasingly convergent.²⁸ Such DPP moderation led to the formation of the explicitly pro-independence Taiwan Nation Building Party (*Jianguo Dang*) mentioned above. However, this party has garnered little support among the Taiwan electorate.

Thus, in order to maintain its public support, the DPP has focused less on national identity and independence in recent years and more on those domestic issues that the KMT has been less willing and able to address, such as social welfare, the environment, and corruption.²⁹ However, the DPP has thus far generally failed to appropriate such basic social issues and translate them into a

²⁶We are indebted to Shelley Rigger for this observation.

²⁷Hung-mao Tien and Yun-han Chu, "Building Democracy in Taiwan," *The China Quarterly*, No. 148, December 1996, pp. 1148–1149. The DPP introduced a "welfare state" platform in the 1992 LY campaign.

²⁸For example, the DPP endorsed Lee Teng-hui's effort to resist pressure for lifting the ban on direct air and sea links with the PRC. See Hung-mao Tien and Yun-han Chu, "Building Democracy in Taiwan," *The China Quarterly*, No. 148, December 1996, p. 1148. Also see Moody, pp. 164–165. More on this point in the next section.

²⁹Hughes, p. 86.

stable and growing base of support.³⁰ This is partly because these issues have also been strongly championed by minority parties such as the PFP, as well as by individual KMT members such as Ma Ying-jeou. The party has also been unable to shake voter suspicion that it has an excessively provocative stance on the independence issue, and that its leaders do not possess enough experience and knowledge to rule Taiwan. The notion that the DPP lacks sufficient competence to govern Taiwan has arguably been strengthened as a consequence of the many political problems that have plagued the Chen Shui-bian presidency. As a result of all the above factors, the DPP is rarely able to garner more than 30 percent of the vote in national elections and continues to hold a relatively small number of seats in the LY. However, the pro-Lee Teng-hui Taiwan Solidarity Union might provide critical political support and governmental experience to the DPP as a partner in a future DPP-TSU coalition.

A final feature of Taiwan's evolving political system that merits consideration is its lack of maturity as a democratic, constitutional order with well-defined and commonly observed rules of the game. As Chu Yun-han asserts, the above political parties, factions, and individual leaders contend with one another in a near free-for-all environment marked by "... a lack of fairness and transparency in the election process, politicians' non-compliance with the democratic process, lack of protection for opposition parties' rights to participate in government, the administrative bias of the state machinery, the bias of the state-owned media, and the lack of autonomy in the private sector and the quality of candidates."³¹ Such features derive from a basic lack of trust, in which every major political player works to actively undermine each perceived opponent and thus avoids seeking a basis for political cooperation. This "zero-sum" approach to politics perceives all major aspects of the political system, including constitutional principles, as bargaining chips in the power struggle. The immature features of Taiwan's political system also reflect the continued influence exerted by KMT control mechanisms over the state apparatus, despite the fact that the KMT is now only one of several political parties and no longer directs the executive branch of government.

This focus on partisan political advantage, combined with the persistence of KMT influence over the state, has contributed not only to the creation of an acutely contentious and frequently unethical political process, but also to the emergence of an unstable constitutional order with uncertain lines of authority between key governmental players. In the mid-nineties, intense political

³⁰Moody, p. 165.

³¹Chu Yun-han, "Consolidating Taiwan's Democracy," *Taipei Times*, May 20, 2000.

struggles between the parties influenced the process of constitutional revision undertaken by Lee Teng-hui. This process led to basic changes in the balance of power between the executive and legislative branches of government, from a parliamentary-style system to a French-style semipresidential system in which a popularly elected president shares executive power with an appointed premier. Under this system, the president has the authority to appoint the premier and the cabinet without the formal approval of the legislature. Yet the views of the premier and the cabinet are expected to reflect the preferences of a majority of lawmakers. When this is not the case, the LY can propose a no-confidence vote against the premier. Under such a circumstance, the president can dismiss the legislature and force re-elections. However, unlike the French system, the president cannot dissolve the legislature in the absence of a no-confidence vote by the legislature. Hence, under this hybrid system, the president exercises considerable power when he is from the same party as the majority party in the legislature. But the system can also produce deadlocks or unpredictable consequences when the majority party in the LY is different from the president's party (i.e., in a situation of "cohabitation"), or when no party holds a majority, or when the president appoints a premier and a cabinet without consulting the legislature. Such a deadlock in fact emerged following the presidential election of March 2000, which resulted in a DPP president and a legislature dominated by the KMT.³² Hence, as Chu Yun-han argues, the president can exercise the power of appointment of the premier at his free will only when his party enjoys the majority control of the LY or it is too fragmented to act against the president. In the end, the LY has gained the most out of the realignment of power.³³

Finally, we should add that, under Chen Shui-bian, the power of the president has resided more completely in the institution, whereas the power of past presidents Chiang Kai-shek and Chiang Ching-kuo derived primarily from their positions as head of the KMT party apparatus and their personal relationships with key party and bureaucratic leaders. This is another reason why the Chen presidency is so weak compared to its predecessors.³⁴

³²Yun-han Chu, "The Challenges of Democratic Consolidation," in Steve Tsang and Hung-mao Tien, eds., *Democratization in Taiwan: Implications for China*, St. Martin's Press, Inc., New York, 1999, p. 151; Stephanie Low, "Scholars say Constitution at Heart of Political Crisis," *Taipei Times*, November 27, 2000.

³³Yun-han Chu, p. 164.

³⁴We are indebted to Shelley Rigger for this point.

Senior Elite Composition and Outlook

The combination of democratization, institutional evolution, generational change, and economic development has brought about a basic transformation in the composition, outlook, and background of Taiwan's political and military leadership, posing major implications for foreign and defense policies.

This basic transformation began in the seventies, largely in response to the government's need to strengthen legitimacy through accelerated economic development and the establishment of closer contacts with the native Taiwan populace. At that time, Chiang Ching-kuo initiated an effort to raise the overall educational level of KMT members, expand local elections, promote the notion of the Republic of China to ordinary Taiwan citizens, and in the process enrolled larger numbers of native Taiwanese and intellectuals into the middle and lower ranks of the party.³⁵ By 1974, Taiwanese constituted a majority of the KMT, and they comprised over 55 percent of the party in 1976. Among new recruits, the share of Taiwanese was over 75 percent.³⁶ This transformation gradually expanded upwards, during the Lee Teng-hui era, to include the most senior levels of the KMT political elite. Li Cheng and Lynn White highlight the dramatic decrease in average age, increases in educational level, and rise in the percentage of native Taiwanese in the ROC cabinet and KMT Central Standing Committee (CSC) in the eighties.³⁷ However, this development has thus far not extended in a major way into the leadership of the ROC armed forces, which is still dominated by Mainlanders or individuals from Mainlander families. Over time, younger, better educated, more pragmatic and specialized civilian leaders and bureaucrats who were more oriented toward the local affairs of Taiwan and the requirements for economic and social development largely replaced the traditional Mainlander elite of ideologues, party professionals, and military men.³⁸ A large number of these leaders held advanced college degrees—many from the United States—in the natural sciences, engineering, and especially the social sciences, humanities, and the law, and few had any meaningful experience in the armed forces.³⁹ This development gave the KMT “. . . the resources it needed to shift its main efforts from its original revolutionary goals (that is, retaking the Mainland) to running

³⁵Li Cheng and Lynn White, "Elite Transformation and Modern Change in Mainland China and Taiwan: Empirical Data and the Theory of Technocracy," *The China Quarterly*, Number 121, March 1990, p. 7; Dickson, pp. 114–115.

³⁶Dickson, p. 127.

³⁷Li Cheng and Lynn White, 1990, p. 9.

³⁸Gold, p. 188; Dickson, pp. 114–115.

³⁹Moody, p. 107.

local elections and developing Taiwan's economy."⁴⁰ As a whole, the largest occupational groups in the KMT remain government and party officials and workers, while the number of soldiers in the party has declined significantly since the early seventies, indicating a trend away from military objectives.⁴¹

Equally important to the above developments, as a result of deepening democratization and the retirement of aging KMT conservatives in the late eighties and early nineties, party leaders at all levels gradually became representative politicians whose power derived from the support of the voters, not the party organization.⁴² This development led to the introduction of a wide variety of individuals into leadership posts, not only in the KMT, but also among the newly formed opposition parties and of course within the Legislative Yuan. Members of the emergent Taiwan middle class, professionals from various walks of life, and successful businessmen ran for office in all parties. As a result of this development, the internal composition of the political parties has mattered less than their share of the popular vote, their basic record and policy platform, and the views and connections of individual candidates. At the same time, it should be noted that some party leaders—especially within the KMT—continue to emphasize traditional personalized relationships and patterns of rule and to resist the emergence of new leaders more attuned to popular sentiment.

Several general conclusions relevant to ROC foreign and defense policies can be drawn from these basic changes in the Taiwan political elite.

First, geographical origins have become much less relevant as an indicator of party policies and general political outlook, at least between the two major political parties. Overall, the strategies of representatives and parties are increasingly linked to public opinion and elections and less concerned with party traditions and ideology.⁴³ Second, the general inclusion of more Taiwan-born descendants of native Taiwanese families among these parties suggests increasing support among the political elite as a whole for the development of a separate Taiwan identity. Third, the expansion among party ranks of both intellectuals and technocrats on the one hand and public-oriented politicians on the other hand arguably increases the possibility of tensions not only among politicians with differing political and policy agendas, but also between

⁴⁰Dickson, p. 125. In the economic sphere, the inclusion of young intellectuals into the KMT coincided with and reinforced a shift in the KMT's economic strategy, toward export-oriented industrialization.

⁴¹Dickson, pp. 128–129.

⁴²Dickson, p. 115.

⁴³Dickson, pp. 116, 129.

politicians and professional career bureaucrats.⁴⁴ Fourth, the growing gap between civilian, native Taiwanese politicians and Mainlander-oriented military officers creates strong mutual suspicions, as discussed in greater detail below.

The above basic transformation in Taiwan's political elite, along with the broader impact of rapid economic development, democratization, and the growing threat from the Mainland, has created certain common basic values and policy outlooks among the vast majority of Taiwan's new leadership.⁴⁵ In general, the majority of Taiwan's elite desire to maintain Taiwan's high rate of economic advance, to strengthen the democratic process, to raise Taiwan's international stature and influence, and to improve Taiwan's security through the development of a stronger military and the establishment of closer relations with democratic industrial powers. These attitudes are largely reflected in the views of Taiwan's public, as indicated below.

In the specific areas of foreign policy and defense policy, the bulk of Taiwan's political elite apparently agree on a wide range of basic principles and policy positions, reflecting the overall pragmatism and growing moderation of Taiwan's dominant political center.

In the foreign policy arena, these principles include the following:

- Widespread agreement that ROC foreign policy should uphold Taiwan's basic existence as a sovereign, independent state. Hence, all political parties—except possibly the New Party—believe that Taiwan should enjoy full membership in the United Nations as a sovereign state, and should generally strive to expand its overall level of political and diplomatic presence as a sovereign state in the international arena, including participation in as many international organizations as possible.
- Broad acceptance of the notion that foreign policy and foreign relations should include a wide variety of activities and interactions, both formal and informal, governmental and non-governmental, and should not focus exclusively or even primarily on the advancement of Taiwan's formal diplomatic status. This notion was a basic pillar of Lee Teng-hui's policy of pragmatic diplomacy and is still widely recognized by elites today.

⁴⁴At least one analyst has drawn attention to the apparent shift that occurred during the Lee Teng-hui era in the makeup and outlook of those in charge of cross-Strait policy, from experienced professionals to politicians and nonprofessional elites. See Tse-Kang Leng, p. 75. Other observers have noted the tensions that apparently existed during the Lee Teng-hui era in the foreign policy area between Lee and his political advisors and the professional foreign policy establishment.

⁴⁵The following general discussion of leadership views within Taiwan's political parties presents the mainstream viewpoint in each case. It is recognized that extreme, non-mainstream views are also held by some party members.

- Support by most political elites for the development of close ties with as many Asian states as possible, and the strengthening of relationships with key players in the region, especially the United States and Japan.
- Recognition that Taiwan's regional and global economic presence and influence should be used to expand international political support for the ROC and to reduce economic dependence on the Mainland; at the same time, support has dropped in recent years for the specific strategy of "dollar diplomacy" as practiced by the Lee Teng-hui government.
- Support by the leaders of both major parties for greater transparency in the conduct of foreign affairs, partly to reduce suspicions that the government continues to engage in "dollar diplomacy" in its efforts to attract new allies and to retain established ones.
- Stress by both major parties on increased people-to-people contacts and greater efforts by Taiwan to communicate its message to the international community, to gain the support and understanding of ordinary people around the world.
- In the related area of cross-Strait relations, support by most elites for efforts to increase understanding with the Mainland, to encourage democracy in China, and to deal with China on the basis of equality and mutual respect. Although leaders encourage trade and investment with the Mainland, they do not want such contacts to provide China with political leverage, as indicated above. Hence, they strongly support efforts to diversify and deepen Taiwan's foreign economic relationships beyond China.⁴⁶

In the area of defense policy, there are many similarities in outlook among Taiwan's political elite, especially the leaders of the KMT and the DPP. First, and perhaps foremost, all ROC leaders are clearly committed to the development and maintenance of an effective military. However, it is unclear whether they support a strong military primarily for *political* purposes as part of a larger political strategy towards Beijing and Washington, or primarily for genuine *warfighting* purposes to deter or defeat a possible attack from the Mainland. Each viewpoint suggests a different approach to military development and defense strategy.⁴⁷

The former perspective would largely derive from three key assumptions. First, Taiwan's security rests primarily upon the level of political and military support it receives from the United States and Japan. Second, any conflict with the

⁴⁶"Lien Promotes 'Peace Zone' Concept," *United Daily News*, February 1, 2000.

⁴⁷The following three paragraphs are taken from Michael D. Swaine, *Taiwan's National Security, Defense Policy, and Weapons Procurement Process*, RAND, MR-1128-OSD, Santa Monica, California, 1999, pp. 31-33.

Mainland would almost certainly require swift and forceful intervention by the United States if Taiwan were to survive, since Taiwan likely would not be able to mount an effective defense on its own for more than a few days or weeks at most. Third, Beijing recognizes that any use of force against Taiwan would pose dire consequences for regional stability and prosperity and hence seriously undermine its larger regional goals. As a result of these assumptions, Beijing is viewed as highly unlikely to use direct military force against Taiwan, as long as the possibility of a strong and swift U.S. reaction exists—and would be at least very reticent to do so under almost any circumstances. Hence, at present, the military threat from Beijing is viewed as being largely political in nature, i.e., as part of a broader PRC strategy of coercive diplomacy designed to deter movement toward greater independence and to weaken U.S. political and military support for the island (in part by convincing the United States that the Taiwan issue is a matter of war or peace for Beijing). However, this type of “threat” (some would say bluff) does not presuppose an actual intention to attack Taiwan.

From this perspective, a strong ROC military is viewed primarily as a political instrument, i.e., to convey Taiwan’s defiance, to reassure the Taiwan public that they are secure from Chinese military intimidation and coercion, and, most important, to strengthen U.S. ties with Taiwan. The last objective becomes increasingly important as China’s capabilities increase and Taiwan’s relative ability to provide for its own defense declines. Hence, Taiwan’s armed forces are primarily seen as symbols of reassurance and resolve, not as key components of a larger force structure designed to attain genuine warfighting objectives; U.S. weapons systems are valued primarily as critical indicators of greater American support for the island. As a result of these assumptions, Taiwan should primarily emphasize the acquisition of highly visible and/or sophisticated weapons platforms, preferably from the United States, and not less-visible support systems and other forms of “software” essential to the creation of a serious warfighting capability.⁴⁸

The latter (warfighting) perspective would derive from an assumption that Beijing sees the utility of employing direct force against Taiwan and may indeed be preparing, not just threatening, to use such force in the future, and that the United States might not respond to a Chinese attack swiftly and forcefully enough to limit escalation and ensure Taiwan’s security in the early stages of a conflict. Moreover, such a viewpoint probably also assumes that Beijing’s willingness and ability to employ force will likely increase over time, thus

⁴⁸Interviews in Taipei, June–July 1998.

potentially increasing the likelihood of a miscalculation leading to war. The logical conclusion drawn from this perspective is that Taiwan must create and maintain a military capable of repelling an attack from the Mainland and of holding on for an appreciable period of time, presumably until the United States arrives. Hence, from this perspective, major foreign weapons platforms and their support systems should be evaluated on the basis of their true capability to successfully sustain military resistance against a Mainland attack. Many interviewees strongly suspect that most ROC politicians adhere to the former viewpoint regarding the military threat from Beijing and how best to deal with it, whereas most military leaders adhere to the latter viewpoint.

Second, both the KMT and the DPP have advocated the acquisition by Taiwan of medium-range surface-to-surface missiles, more potent offensive naval weapons such as submarines, and greater force projection capabilities overall, to deter, preempt, or degrade a Chinese military attack. Lien Chan has even stressed the importance of offensive missiles as the pillar of a second-strike capability. This concept implies a more active and outward-oriented defense strategy in place of Taiwan's traditional concept of resolute defense or a purely defensive posture. In particular, this strategy reportedly emphasizes the conduct of warfare beyond the main island of Taiwan,⁴⁹ and to some observers implies the acquisition of capabilities to retaliate against targets such as Shanghai and Beijing.

Third, both the KMT and the DPP support consideration of confidence building measures (CBMs) to defuse misunderstandings and misperceptions between the two sides of the Taiwan Strait, including notification of military exercises and the establishment of a hot line. James Soong has also mentioned the idea of CBMs and a hot line, but has not elaborated on these points.

Fourth, both the KMT and the DPP have supported a peace agreement with China. While Lien Chan has proposed the idea of a confederation, Chen suggests the establishment of permanent representative missions in the two capitals, and Soong has at times proposed "a 30-year non-aggression pact" with China, followed by a 20-year European-style integration. Lien, Soong, and Chen would all reportedly accept a U.S. role as endorser and guarantor in any cross-Strait peace agreement.⁵⁰

⁴⁹The desire to acquire those capabilities necessary to keep any conflict with Mainland China away from Taiwan's shores as much as possible has been voiced by Chen Shui-bian in particular.

⁵⁰"Taiwan Presidential Candidates' Perspectives on National Defense," Cheng-yi Lin, Research Fellow, Institute of European and American Studies, Academia Sinica, ROC, at <http://www.dsis.org.tw/peaceforum/papers/2000-02/TP0002002.htm>.

Fifth, both parties propose the substantial exchange of military intelligence with countries such as the United States and Japan and the establishment of direct and secure communications with their forces. They also favor improvements in Taiwan's joint air and naval operation capabilities and direct operational links with both U.S. and Japanese forces.

Sixth, both parties also stress the use of certain areas where they presumably enjoy a comparative advantage over the Mainland, such as information warfare. For example, they support the idea of carrying out offensive information operations against the PRC when Taiwan's security is threatened. The DPP in particular stresses the acquisition of command, control, communications, computer, intelligence, surveillance, and reconnaissance (C4ISR) systems to achieve information warfare superiority.

Seventh, under a digital or computerized armed force, both Lien Chan and Chen Shui-bian advocate a more streamlined defense structure and reductions in the total number of armed forces. Lien Chan proposes to reduce the number below 320,000; Chen argues for a further reduction to 250,000.

Finally, the leaders of both major parties also favor the development of early warning and missile defense systems and improvements in Taiwan's passive defenses. The DPP in particular advocates the deployment of long-range early warning radar, space reconnaissance and surveillance assets, and tactical unmanned aerial vehicles in order to reinforce its early warning systems (more on missile defense systems below). James Soong has also stated that he supports any efforts to improve Taiwan's defense force, including a missile defense system.⁵¹

Regarding ballistic missile defense, we should add that Taiwan political leaders from every segment of the ideological spectrum largely focus on the political aspects of BMD at the expense of the complicated military aspects of the problem. They seek to reassure the Taiwan public that "something" is being done to protect the population from Chinese ballistic missile attack. They also portray missile defense as a means of strengthening U.S.-Taiwan defense cooperation, thereby enhancing the ability of the island to resist coercion from the Mainland. At the same time, Taiwan politicians remain sensitive to possible Chinese perceptions and reactions. Members of the Legislative Yuan regularly question the cost and utility of expensive and vulnerable early warning radars and lower-tier missile defense systems, but few understand the technical and financial aspects of the issue. Moreover, while leading politicians have been publicly

⁵¹Ibid.

supportive of missile defenses, in private they are reportedly more cautious. Many in the elite maintain that missile defense, especially Upper Tier (UT) systems, are not yet proven, too provocative, and too expensive. As a result, government officials and leading political figures studiously seek to avoid giving the impression that they want to press the United States to make a decision on Upper Tier BMD systems in Taiwan. Indeed, although the acquisition of various elements of land- and sea-based Lower Tier (LT) systems are under way, Upper Tier faces significant obstacles. There are fears, for example, that it could provoke a PRC preemptive strike. Moreover, the timeline for the deployment of key systems is very long—as much as 10–20 years for limited coverage systems—and the systems integration requirements are enormous, with reforms of air defense and C3I posing the most vexing challenges.

Despite significant movement by both the KMT and the DPP toward a more moderate and pragmatic center, the elites of both parties continue to hold contrasting positions on the basic issue of national identity, as well as with regard to specific aspects of both foreign and defense policy. While supporting the establishment of the above-mentioned Three Links, the DPP leadership at the same time assiduously avoids the use of any policy formulations or statements that might link Taiwan with the Mainland politically, even over the long term. Unlike most KMT leaders, they resist the idea that eventual unification on the basis of a common foundation of democracy and prosperity is or should be the objective of the ROC government. At most, they will state that it is a possibility, while implying that it is not a priority. Indeed, the DPP leadership rejects KMT notions such as “One China respectively interpreted by each side” (i.e., the so-called 1992 “consensus”) or “One China in the future” as part of a misleading “One China” myth. Instead, DPP leaders tend to imply that any future relationship with the Mainland, under even the best of conditions, should in some sense preserve the complete sovereignty of Taiwan as an independent state. Moreover, they assert that Taiwan needs to reach a national consensus on preserving the island’s *total* autonomy. Although many of these basic positions have been downplayed by the Chen Shui-bian government since it took office—as indicated by Chen’s New Year’s Eve reference to “political integration” noted above—they continue to be held by various DPP leaders.

In the foreign policy area, DPP leaders criticize what they see as the KMT’s excessive past emphasis on the “One China” issue, the relationship with the Mainland, and hence the past competition with Beijing over sovereignty issues in foreign affairs, especially with regard to Taiwan’s diplomatic presence. They assert that ROC foreign policy has been dominated by a passive reaction to international forces, has lacked a proactive ability to identify and analyze future

international trends, has overemphasized short-term results and traditional formal diplomatic relations, and has neglected nontraditional diplomatic work. In contrast to these alleged deficiencies, DPP leaders call for a “middle way” in foreign policy, based on a “new internationalism” that more actively promotes Taiwan’s participation in a wider range of international activities while placing less emphasis on any short-term gains in Taiwan’s diplomatic status.⁵² The objective of such activities is to present an image of Taiwan as a committed and loyal supporter of and participant in democracy, human rights, humanitarian relief, economic and trade cooperation and development, people-to-people contacts and cultural exchanges, party and local government diplomacy, and a clean and healthy natural environment. Such actions will thereby confirm that Taiwan “. . . respects the world’s mainstream values, actively engages in international interactions, and extensively participates in various levels of international affairs, instead of being a ‘trouble maker.’”⁵³ This, in turn, will presumably increase greatly Taiwan’s value to the international community and provide Taipei with greater international support and leverage, thus strengthening Taiwan’s security and well-being as a sovereign nation.

In reality, this basic logic (i.e., to increase Taiwan’s value to the international community through a variety of interactions outside the diplomatic realm) also underlay many aspects of ROC foreign policy during the Lee Teng-hui era. Indeed, it is the basis of Lee’s strategy of “pragmatic diplomacy,” as suggested above. Many of the differences between the major parties consist largely of emphasis and tone. For example, the DPP emphasizes the need for ROC foreign policy to promote activity in a variety of NGOs in such areas as environment, education, medical science, human rights, disarmament, technology, economics, trade, military issues, and environmental protection.

The DPP leadership strongly emphasizes “democracy and human rights” as the core principle of international collaboration and foreign aid, in part in order to avoid the impression that Taiwan’s foreign policy is centered on “money diplomacy” or “spendthrift diplomacy” and to show that Taiwan stands firmly on the side of democracy and joins the international community’s effort to promote the development of democratic institutions and individual rights. The DPP leadership therefore advocates the establishment of a fixed annual budget for international humanitarian assistance. In the view of some DPP members, this emphasis on human rights as a key principle in international relations strengthens Taiwan’s global stature by providing an alternative to Beijing’s

⁵²Although such a stance does not imply less attention to such activities as the effort to gain admission to the United Nations.

⁵³DPP Foreign Policy White Paper.

unremitting stress on state sovereignty. The DPP elite also emphasizes greater involvement by the ROC government in international environmental protection efforts.

As part of the overall effort to expand Taiwan's people-to-people contacts, the DPP leadership stresses the replacement of the Overseas Chinese Affairs Commission with a special task force designed to organize all overseas Taiwan groups and organizations to help advance Taiwan's international interests. In apparent contrast, the KMT leadership under Lien Chan states that the government of the ROC has a "historical duty" to assist overseas Chinese and thus to improve the links with and services provided to overseas Chinese.

The DPP elite also stresses the development of relationships with selected smaller but nonetheless important powers, such as the Benelux and Scandinavian countries, which might not be global powers but are influential in their regions. Finally, while agreeing with the KMT on the need to diversify Taiwan's international economic contacts and resist excessive dependence on the Mainland, the DPP provides more detailed recommendations on how to realize these objectives.⁵⁴

Taiwan's other political parties in some cases show more significant differences on foreign policy issues. For example, the New Party leadership generally reflects the views of the former conservative, Mainland Chinese KMT leadership prior to the Lee Teng-hui era. They thus continue to support ROC claims to sovereignty over both Taiwan and the Mainland, adopt a basically zero-sum approach to the diplomatic competition with Beijing, and strongly endorse cross-Strait political talks on the issue of reunification. In stark contrast, the Taiwan Independence (or National Construction) Party generally pushes the adoption of policies designed to confirm the total and permanent independence of Taiwan as a sovereign state entirely separate from the Mainland. Unfortunately, James Soong and the PFP have expressed few concrete positions on foreign policy beyond those mentioned above.

As indicated above, the KMT and DPP leaderships generally seem to agree on most essential aspects of defense policy. However, some notable differences exist.

⁵⁴For example, the DPP White Paper stresses efforts to concentrate on developing high-tech and innovative industries, to diversify Taiwan's export market, upgrade products so that China would rely on Taiwan for upgrading their technology, and raise the cost of a trade war between the two, to lift the inbound investment ratio restriction of foreign capital in Taiwan, and to strengthen the auditing of inbound Chinese capital into Taiwan.

At the most basic level, the DPP is a strong advocate of tighter civilian control over the military, more strenuous efforts to uproot alleged waste and corruption by military officials, and the creation of a force structure that is less oriented toward the interests of the ground forces.⁵⁵ These objectives all derive from the fact that some members of the DPP elite harbor a significant level of suspicion and even hostility toward the ROC military and the professional officer corps in particular. Many DPP leaders reportedly view the ROC military as an excessively secretive and corrupt institution that is hostile to the independence-oriented objectives of the DPP and largely resistant to civilian oversight. These beliefs stem primarily from the above-mentioned fact that the ROC military functioned until very recently as an instrument of KMT rule—possessing few ties to any civilian leaders beyond the ROC president—and that the bulk of the officer corps is still composed of Mainlanders, many of whom allegedly continue to support the values and outlook of more conservative KMT and New Party members. This is viewed as especially the case among the senior officers of the ROC Army. Hence, many DPP leaders insist that the first step to building a more secure Taiwan is to bring the military more fully under civilian control,⁵⁶ to remove the dominant influence of conservative KMT elements, and to reduce what is regarded as an excessive emphasis on the maintenance of inappropriate ground force capabilities, as opposed to more appropriate air and naval capabilities.⁵⁷ In response to these views, many KMT officers in the Taiwan military—as well as many conservative KMT politicians—believe that the DPP’s primary intention in seeking greater legislative oversight of the military is to weaken the overall political strength of the KMT by eliminating KMT influence within the armed forces. They also fear that the DPP’s efforts at military reform (including drastic reductions in the size of the ROC Army) will reduce Taiwan’s aggregate military capabilities.

⁵⁵DPP leaders also strongly support a reduction in the term of compulsory military service, from 2 years to 1.5 years.

⁵⁶DPP leaders also stress the need to strengthen civilian control over both the Ministry of Defense and the National Security Bureau.

⁵⁷The above DPP views have exerted a significant indirect influence by generating greater public support for closer media and LY scrutiny of the military, especially regarding defense strategy and budget/procurement matters, and particularly in the wake of the procurement scandals of the early 1990s. Such closer scrutiny has produced four significant consequences to date. First, and perhaps most notable, it has contributed to broader efforts by the LY to reduce defense spending in certain areas. Such spending is increasingly seen as excessive because of corruption or as unduly benefiting the interests of KMT conservatives in the Army as opposed to the overall interests of the military. Second, it has greatly extended the time required to complete the procurement process, as a result of greatly increased levels of LY involvement in that process. Third, it has led to greater efforts by the Ministry of National Defense (MND) to strengthen its role as an intermediary between the LY and the military. The establishment in recent years of such MND offices as the Military Procurement Bureau was motivated in large part by the increased need to respond to LY involvement in the procurement process. Fourth, it has contributed greatly to the effort to place Taiwan’s military leadership directly under MND and LY oversight.

Second, from a narrower perspective, DPP leaders appear to place great stress on enhancing the authority and responsibilities of the National Security Council (NSC) in order to make it into the supreme institution in the national security policy process, providing systematic policy formulation, implementation, and coordination of national-level long-term strategies among civilian and defense policy sectors. Some observers believe that the Chen Shui-bian government has indeed strengthened the role of the NSC in policymaking since taking office.

As in the case of foreign policy, James Soong and the PFP have taken few concrete positions on defense policy. Soong is generally depicted by his party as a peace-loving and responsible leader with cautious views in this area.

In addition to the above views of civilian political elites, the ROC military also obviously holds views on foreign and especially defense policy issues. In most areas relating to defense, military views often reflect the interests and requirements of the individual armed services. Hence, the more forward-oriented defense strategy mentioned above is reportedly supported by the ROC Air Force and the Navy, given the potential benefits such a strategy would presumably present for the force structure and budget allocations of both services. It is unclear, however, to what degree the senior military leadership as a whole supports the acquisition of an offensive precision-strike capability based primarily on ballistic missiles. Our sense is that this particular issue is a controversial one within the officer corps.

Among proponents, two basic schools of thought exist on the sort of specific offensive capabilities Taiwan should acquire.⁵⁸ One group argues that the acquisition of an offensive counterforce capability is necessary to deter China from launching a conventional attack against Taiwan, and—if deterrence fails—to significantly degrade China's ability to sustain such an attack against Taiwan. These forces would consist essentially of several hundred short-range ballistic missiles (SRBMs) and air assets capable of striking China's ports, theater C3I nodes, and missile launch sites. The second group argues that Taiwan must focus on acquiring offensive strategic countervalue capabilities to threaten major Chinese cities in Central and Southern China, such as Shanghai, Nanjing, Guangzhou, and Hong Kong. These would consist essentially of a relatively small number of intermediate-range ballistic missiles (IRBMs) or medium-range ballistic missiles (MRBMs) with large conventional or perhaps even nuclear or biological warheads, intended purely as a deterrent against an all-out Chinese assault on Taiwan.

⁵⁸This analysis is based on interviews conducted in Taipei in 1998 and 1999.

There are many opponents to the acquisition of either type of offensive capability, however. These individuals point out that Taiwan could not develop a large enough offensive counterforce capability to credibly threaten the extensive number of potential military targets existing on the Mainland. Moreover, it would likely prove extremely difficult to locate and destroy China's large number of mobile SRBMs, while Taiwan's relatively small missile force and infrastructure would be a top priority target for Chinese missile, air, and special forces attacks. In addition, an offensive countervalue capability would be of very limited value, opponents argue, because (a) the Chinese would likely be undeterred if Taiwan were only able to threaten Central and Southern cities and not Beijing, and (b) any type of credible countervalue capability would almost certainly require warheads armed with weapons of mass destruction (WMD), which the United States would oppose. An offensive countervalue capability would thus likely prove to be inadequate and could greatly exacerbate U.S.-Taiwan relations. Moreover, it might also provoke a massive preemptive Chinese strike, or at the very least a massive Chinese counterstrike that would almost certainly devastate Taiwan.

Different service-based viewpoints are especially evident in the case of ballistic missile defense.⁵⁹ From a political or psychological perspective, many military officers support the idea of missile defense. On a more concrete military level, however, most are extremely skeptical of the military effectiveness of the proposed systems. First, given the relative size and sophistication of the missile threat posed by China, ballistic missile defense in Taiwan faces greater operational challenges and must meet higher expectations than similar systems in the United States or Japan. In terms of challenges, Taiwan's lack of strategic depth and the vulnerability of its missile defense and early warning infrastructure greatly complicate the operational situation, not to mention the increasingly large inventory of Chinese missiles with widely varying ranges and payloads. Despite these challenges, however, the expectations of the effectiveness of missile defense systems among the domestic population remain unrealistically high, potentially imperiling national morale during a crisis. Second, there is widespread concern that the announcement of the sale of UT systems to Taiwan could provoke Beijing to act preemptively. Third, many military officers are wary of the costs of missile defense, and worry that the systems will decimate their already insufficient procurement budgets.

Among the armed services, the ROC Navy is clearly the most supportive of missile defense, because it potentially has the most to gain. The naval platform of

⁵⁹Ibid.

choice for either Navy Area Wide or Navy Theater Wide is a ship equipped with the AEGIS Combat System, the most advanced naval system in the world. Prior to 1996, the ROC Navy had received preliminary approval for a limited form of AEGIS to be transferred to Taiwan under the auspices of the so-called Advanced Combat System (ACS), which would have fitted a downgraded version of AEGIS onto four modified Perry-class frigates. The Navy eventually abandoned this purchase, in order to meet other budgetary demands. Since the 1995–1996 crisis, the Navy has sought to revive this program, initially disguising a request for a full version of AEGIS on four larger ships (likely a 9500-ton platform like the Arleigh Burke-class, or the Spanish F-100) under the name of the Evolved ACS program. More recently, however, the ROC government has openly requested that Washington sell it several AEGIS-equipped destroyers. At the same time, even the strongest supporters in the Navy recognize that the costs of such a purchase, which would likely be more than US\$1 billion per ship, would cause too much interservice rivalry and opposition. As a result, supporters of the new ACS program describe it as a “national” system, while the Navy’s top priority continues to be the acquisition of 8–12 diesel-powered submarines. The sale of such submarines was approved by the United States in April 2001.

The least supportive service branch is the ROC Army, which views missile defense as outside its primary mission: defending the Taiwan coast from massed PRC attack. The Army does support some aspects of the PAC-3 system, possibly even Theater High-Altitude Air Defense (THAAD), and desires to control the C3I infrastructure associated with the systems, but other services (primarily the Taiwan Air Force) have a stronger claim on the latter. The Army is very concerned about the cost and feasibility of BMD, but is even more concerned that the high costs of AEGIS and the early warning radars will require deep personnel cuts, which would disproportionately affect the Army.

In the middle is the ROC Air Force (ROCAF). The ROCAF exhibits strong support for missile defenses, primarily for political and psychological reasons. It recognizes that the missile defense architecture will directly benefit its air defense effort. More important, the ROCAF will be the primary beneficiary of upgrades to Taiwan’s sensor networks, early warning capability, and C3I infrastructure, as well as the expected hardening of airfields around the country.

The above discussion of elite backgrounds and viewpoints poses several basic implications for Taiwan’s foreign and defense policies. First, certain common basic values and policy outlooks exist among the vast majority of Taiwan’s political leadership. In the specific areas of foreign policy and defense policy, the bulk of Taiwan’s political elite apparently agree on a wide range of basic principles and policy positions, reflecting the overall pragmatism and growing

moderation of Taiwan's dominant political center. The concept of flexible or pragmatic diplomacy is widely supported among elites, although dollar diplomacy is not. Second, the elites of both parties nonetheless continue to hold contrasting positions on the basic issue of national identity. This difference arguably poses the greatest single danger for a radical—and possibly adverse—shift in Taiwan foreign or defense policy in the future. Third, many of the differences between the KMT and the DPP on foreign and defense policies are largely ones of emphasis and tone, not basic substance. Perhaps the most significant difference among political elites relates more to the two areas of cross-Strait relations and basic attitudes toward the ROC military and military leadership in particular. The KMT under Lien Chan is probably more inclined than Chen Shui-bian's DPP to espouse a version of the "one China" concept that would permit resumption of a cross-Strait dialogue. Moreover, a significant difference apparently exists between political and military elites over the ultimate purpose of Taiwan's defense strategy and armed forces. Fourth, there is growing support among both civilian and military elites for a more forward-oriented (some would say offensive) military strategy, designed to increase deterrence and, if necessary, degrade the ability of the Mainland to prosecute direct military action against Taiwan. Fifth, although both civilian and military elites support the general idea of ballistic missile defense, considerable differences exist between military and civilian elites, and among military leaders, over the desired purpose and architecture of a future BMD system.

Societal Views

Democratization, institutional development, generational change, and economic progress have also brought about major changes in the specific political views expressed and level of influence upon the political system exerted by the Taiwan public. During most of the Chiang Kai-shek and Chiang Ching-kuo eras, views expressed by the general public and interest groups on issues relating to national identity and national security were heavily influenced, if not entirely controlled, by the ROC government. Taiwan's mass media, including its polling organs, were under the complete direction of the KMT party apparatus, and the public expression of unorthodox views on critical issues such as state identity and authority, cross-Strait relations, and foreign and defense policies was strongly discouraged and in some instances explicitly illegal. For example, under the existing emergency war regulations in place at the time (e.g., the Provisional Amendments for the Period of Mobilization of the Suppression of Communist Rebellion), citizens could not express support for the notion that Taiwan should become an independent, sovereign country separate from the Mainland and the

ROC, and few native Taiwan citizens would dare state that they consider themselves to be Taiwanese first and foremost, not Chinese. In addition, the KMT party-state apparatus also supervised or controlled the activities and views of specific interest groups organized by workers, farmers, businessmen, and students, thus ensuring that such groups served as pillars of the government.

Hence, it is no surprise that so-called “public opinion” or the views of key segments of society during this period supported fundamental KMT policies, e.g., that the ROC government was the sole legitimate government of a single China encompassing both Taiwan and the Mainland; that the ROC government should exclusively represent the Chinese nation in the international community; that the communist PRC government was an illegitimate challenger to this claim; that the ROC government should strive to eventually reoccupy the Mainland and displace the communist rebel authorities; and that all Taiwan residents were first and foremost culturally, ethnically, and historically Chinese.

However, in response to the forces of political liberalization and economic development, societal views on a wide range of policy-related issues have become more openly expressed and more accurately reflective of Taiwan’s increasingly diverse, politically active, and affluent society. In particular, the views of young and old Chinese nationalists of various stripes now contend with supporters of Taiwan independence, pragmatic individuals most concerned with ensuring continued stability and growth for Taiwan, and representatives of a new middle class and a strong, increasingly influential business community that argues for greater international respect for Taiwan, more expansive contacts with the international economy, and stable cross-Strait relations. Moreover, as national and local leadership posts in the executive and legislative realms became subject to increasingly open, democratic, and competitive electoral processes, public opinion has become more important in domestic politics and the policy proposals of the opposition have been given greater legitimacy.⁶⁰ To an increasing degree, political elites and government policy in Taiwan both shape and reflect public and group views, including views relating to important foreign and defense policies.

Since the late eighties, a variety of public and group views have emerged on several basic issues indirectly relevant to Taiwan’s foreign and defense policies, e.g., support for independence versus reunification versus maintenance of an ill-defined status quo; an individual’s personal identity with Taiwan versus China; support for greater or fewer social, economic, and political contacts with the

⁶⁰Cal Clark, p. 12.

Mainland; and whether or not China is hostile toward Taiwan. Moreover, public and interest group views are also increasingly expressed on specific issues directly related to foreign and defense policies and cross-Strait relations, e.g., whether the ROC government should undertake a direct and formal dialogue with Beijing and sign a peace agreement with the Mainland; acceptance or rejection of Beijing's entreaties to Taiwan or its "one country, two systems" formula for long-term association; the level of support for the Three Links between Taiwan and the Mainland, for Taiwan's efforts to enter the United Nations, for revision of the National Unification Guidelines, and for the basic foreign policy of pragmatic diplomacy; the level of public confidence in the ability and willingness of the ROC armed forces to defend Taiwan from a Mainland attack and to support a more independence-oriented government; and public support for the adoption of a more offensive-oriented military strategy, for the development of offensive weapons such as surface-to-surface ballistic missiles.

Efforts to accurately measure and assess public and group views and interests on these and other issues are fraught with problems, however, such as political bias and the use of unscientific methodologies. A significant number of opinion polls are conducted each year by Taiwan's political parties, newspapers, and various politically-oriented private groups or foundations on a wide range of subjects. Many such polls arguably produce inaccurate results, either as a result of sampling errors, biased questions, or a subject's awareness of the highly partisan nature of the polling agency. Yet a comparison of both primary and secondary sources on ROC public and group opinion suggest the existence of certain identifiable trends and features of public and interest group opinion in Taiwan on specific issues relating to foreign and defense policy. These include major shifts in basic public views and perceptions, certain stable areas of continuity over time, and specific, strongly held interest-group views.

Since the late eighties, a major shift has occurred in the views of Taiwan's public on two critical issues relating to foreign policy and cross-Strait relations: independence and national identity. On the former issue, polls conducted largely since the advent of the Lee Teng-hui era (and the lifting of martial law in 1987) suggest a gradual but steady shift in public sentiment regarding the question of whether Taiwan should eventually become an independent state or be unified with the Chinese Mainland. A majority of those polled in the late eighties and early nineties appeared to favor unification, either immediately or at some future date, while only a small percentage backed independence. By the late nineties, however, public sentiment had almost reversed on this issue. Well over 40

percent of the populace favored independence at some point in time whereas only 30 percent or so favored unification.⁶¹

On the latter issue, polls have also suggested that a similar reversal has occurred over the same period concerning the self-identity of the ROC citizenry. While a clear majority of those polled in the late eighties regarded themselves as exclusively or primarily Chinese and less than 20 percent regarded themselves as Taiwanese, by the early- to mid-nineties, a significant proportion of the populace saw themselves as both Chinese and Taiwanese, and an increasing proportion saw themselves as exclusively Taiwanese. By the late nineties, those citizens who considered themselves to be exclusively Chinese had dropped dramatically, while those who thought of themselves as exclusively Taiwanese had risen sharply, constituting around 35–40 percent of the total adult populace; the percentage of citizens who considered themselves both Chinese and Taiwanese by that time had remained fairly steady for several years at between 45–50 percent. This basic reversal among a significant proportion of the populace, from having a Chinese identity to having a Taiwan identity, has occurred largely regardless of ethnic background, age, educational level, gender, and partisan identity.⁶² It suggests a view that the sovereignty of the Taiwan state resides primarily with the population of Taiwan and thus requires a new form of social cohesion distinct from the past divisive ethnic criteria characteristic of Chinese nationalism. This has been described by one observer as a “post-nationalist identity.”⁶³

Together, these two sets of trends suggest that over time the Taiwan public has become increasingly supportive of government policies designed to advance Taiwan’s status and influence in the international community as a sovereign, independent country entirely separate from any existing Mainland Chinese

⁶¹See Mainland Affairs Council (MAC) public opinion surveys, presented by the Information Division, Taipei Economic and Cultural Office in New York, on <http://ciccl.taipei.org/Mainland/8804el.htm>; Sofia Wu, “Nearly 40% of Local People Support Taiwan Independence: Poll,” Central News Agency (Taiwan), August 26, 1998; Sofia Wu, “Poll Finds Mounting Pro-Independence Sentiments Here,” Central News Agency (Taiwan), September 21, 1998; “Poll Finds Most People Support ‘Special State-to-State’ Theory,” Central News Agency (Taiwan), August 12, 1999; “Opinion Poll Shows Taiwanese Support Independence Over Unification,” Deutsche Presse-Agentur, July 3, 1997; “Highest Percentage Ever Consider Themselves Taiwanese,” Central News Agency (Taiwan), September 3, 1999.

⁶²Liu I-chou and Ho Szu-yin, “The Taiwanese/Chinese Identity of the Taiwan People,” *Issues and Studies*, Vol. 35, No. 3 (May/June 1999), p. 33; “MAC Poll Finds Beijing’s ‘White Paper’ Backfires,” Central News Agency (Taiwan), March 3, 2000; “Highest Percentage Ever Consider Themselves Taiwanese,” Central News Agency (Taiwan), September 3, 1999. To a considerable extent, this development is reflected in efforts to alter ROC textbooks in ways that tend to loosen the identification of Taiwan as a part of China. See Christopher Hughes and Robert Stone, “Research Note: Nation-Building and Curriculum Reform in Hong Kong and Taiwan,” *The China Quarterly*, Number 160, 1999, pp. 977–991.

⁶³Hughes, p. 155.

regime. In fact, in recent years, polls have indicated strong public support for a variety of policy initiatives or concepts associated with such an effort, including support for Taiwan's entry into the UN as an independent state; for efforts to expand Taiwan's overall level of diplomatic representation and political presence among nation-states, regardless of the presence or absence of Mainland representation in such states; for revision of the 1991 National Unification Guidelines (which envision eventual reunification with the Mainland); for the basic assertion that Taiwan is a separate sovereign state; and for overall efforts to develop Taiwan's foreign ties, even if this were to occur at the expense of some greater tension with the PRC.⁶⁴ One poll even suggests that a majority of the Taiwan public reject the notion of trading eventual independence and permanent separation from the Mainland for a PRC commitment never to employ force against the island.⁶⁵ And very high percentages of the Taiwan public consistently reject Beijing's "one country, two systems" formula for reunification.⁶⁶

However, the above views should not lead one to assume that the Taiwan public has become supportive of immediate or near-term efforts by the ROC government to alter radically the cross-Strait situation in the direction of independence and to obtain full acceptance by the international community of Taiwan as a non-Chinese political entity. To the contrary, despite the emergence among Taiwan's citizens of a more distinct and separate identity from the Mainland and a long-term trend toward greater public sympathy for eventual independence, the bulk of the ROC public remain highly pragmatic, flexible, and hence cautious when assessing how Taiwan should relate to China and to the international community. The majority of the public—and in particular the business community and the middle class—strongly support policies designed to ensure continued economic growth and social and political stability. They therefore realize that Taiwan has a strong stake in avoiding conflict with the Mainland, both directly, via actions toward Beijing, and indirectly, via its

⁶⁴MAC public opinion surveys; "KMT Poll Finds 76% Support Review of Unification Guidelines," Central News Agency (Taiwan), July 9, 2000; "Poll Finds Widespread Support for 'State-to-State' Theory," Central News Agency (Taiwan), August 1, 1999; Sofia Wu, "Nearly 40% of Local People Support Taiwan Independence: Poll," Central News Agency (Taiwan), August 25, 1998; "MAC Polls Find Majority of Taiwan People Want to Maintain Status Quo," Central News Agency (Taiwan), April 26, 1999; Also see Sofia Wu, "Poll Finds Low Approval Rating for Foreign Ministry Performance," Central News Agency, August 1, 2000. This poll found that nearly half of those polled think the government should work even harder to promote Taiwan's UN bid.

⁶⁵Central News Agency (Taiwan), August 25, 1998.

⁶⁶"Majority Favor Cross-Strait Talks: Poll," China News, May 16, 1998; "MAC Poll Finds Beijing's 'White Paper' Backfires," Central News Agency (Taiwan), March 3, 2000; Elizabeth Hsu, "60 Percent in Poll Disagree With Soong's Mainland Policy," World News Connection, December 5, 1999; "MAC Polls Find Majority of Taiwan People Want to Maintain Status Quo," Central News Agency (Taiwan), April 26, 1999; Sofia Wu, "Nearly 40% of Local People Support Taiwan Independence: Poll," Central News Agency (Taiwan), August 25, 1998; Deborah Kuo, "Most Taiwan Residents Support Dialogue With Beijing: Poll," Central News Agency (Taiwan), April 27, 1998.

behavior in the international arena.⁶⁷ In fact, in recent months, declining growth rates and a related increase in Taiwan's dependence on economic links with the Mainland have combined to produce a modest but significant increase in popular support for unification, thus reflecting the flexibility and pragmatism of Taiwan's citizens. Moreover, in general, a significant portion of the Taiwan public continue to identify Taiwan and the ROC with a geographic, historical, and cultural notion of "China," despite the above trends.

These sentiments are reflected in the fact that since at least the early nineties, a significant portion of the Taiwan public has supported the maintenance of the status quo in cross-Strait relations. Although the specific meaning of the status quo is usually left undefined,⁶⁸ this viewpoint suggests a strong desire to avoid any sudden or radical movement toward either formal, *de jure* independence or reunification.⁶⁹ Moreover, at various times, high percentages of the Taiwan public have supported the signing of a peace treaty with the PRC and an official dialogue between the two sides, albeit one conducted on the basis of equality and, according to some polls, the prior existence of a democratic Mainland regime.⁷⁰ In addition, as suggested above, significant numbers of the populace continue to identify Taiwan with various versions of "China." For example, in 1998, nearly 50 percent of those polled agreed with the notion that there is currently "One China, two governments" on the two sides of the Taiwan Strait; 46 percent said that both the ROC and the PRC are "China," and 53 percent disagreed with the statement, "Only the PRC on the Mainland is China, we are Taiwan."⁷¹ Taken together, these views suggest the emergence of a moderate center among the Taiwan populace, thus serving to temper the potentially more destabilizing trends regarding independence and national identity noted above.

⁶⁷Hence, rapid economic progress and social prosperity have both stimulated the public's desire for increased international recognition of Taiwan's successes and provided a strong incentive to avoid actions that threaten continued development. See Christopher Hughes, *Taiwan and Chinese Nationalism*, Routledge, London, 1997, pp. 78–79.

⁶⁸However, in one poll, a clear majority of those questioned indicated that the status quo was equivalent to the maintenance of Taiwan's *de facto* independence. Sofia Wu, "Poll Finds Mounting Pro-Independence Sentiments Here," Central News Agency (Taiwan), September 21, 1998.

⁶⁹MAC public opinion surveys; "KMT Poll Finds 76% Support Review of Unification Guidelines," Central News Agency (Taiwan), July 9, 2000; "MAC Polls Find Majority of Taiwan People Want to Maintain Status Quo," Central News Agency (Taiwan), April 26, 1998; Julian Baum, "Talking Heads," *Far Eastern Economic Review*, Hong Kong, October 15, 1998, p. 28; Cal Clark, "The Republic of China's Bid for UN Membership," *American Asian Review*, Vol. 13, No. 2, Summer 1995, p. 14.

⁷⁰"Most Taiwanese back signing cross-Strait peace pact," BBC Monitoring International Reports, February 19, 2000; "MAC Poll Finds Beijing's 'White Paper' Backfires," Central News Agency (Taiwan), March 3, 2000; "Highest Percentage Ever Consider Themselves Taiwanese," Central News Agency (Taiwan), September 3, 1999; Deborah Kuo, "Most Taiwan Residents Support Dialogue With Beijing: Poll," Central News Agency (Taiwan), April 27, 1998; Julian Baum, FEER, October 15, 1998.

⁷¹Sofia Wu, "Poll Finds Mounting Pro-Independence Sentiments Here," Central News Agency (Taiwan), September 21, 1998.

A less clear pattern of public views exists with respect to defense issues. Far fewer opinion polls are taken in this area, and the questions asked are often highly specific and vary considerably over time, thus making it difficult to ascertain trends. Also, as in other countries, few members of the Taiwan public possess an awareness or understanding of defense issues. Hence, a significant portion of citizens express either “no opinion” or “don’t know” on defense-related polls. Nonetheless, a few tentative conclusions about public attitudes on defense issues can be discerned by examining general polling results.

First, at the most general level, although a large majority of the Taiwan public appears to hold a positive view toward servicemen, fewer members of the public express confidence in the military’s ability to defend Taiwan’s national security.⁷² Moreover, the public does not evince strong faith in the political neutrality of the military or in its ability to keep its activities open and transparent to society.⁷³ This is hardly surprising, given the fact that the senior officer corps is composed largely of Mainlanders and that the ROC military as an institution was structured and operated for decades largely in a secretive manner and as an organ of authoritarian KMT rule. In addition, the Taiwan public apparently does not believe that tensions with China will necessarily lead to a military confrontation in the future.⁷⁴ Both the public’s apparent distrust of the neutrality and openness of the ROC military and its low public expectation of a cross-Strait military confrontation suggest that there is little public support for major increases in Taiwan defense spending.

Second, on a more specific level, the public has at times expressed a high level of support for closer defense relations with the United States, and in particular for the acquisition of military systems that would presumably serve this purpose. For example, the Taiwan public overwhelmingly supports ROC participation in a U.S.-led ballistic missile defense system.⁷⁵ At the same time, the ignorance level is high regarding the technical details of such a system. Some members of the public believe incorrectly that it will provide a leak-proof shield against Chinese ballistic missiles. Yet many do not want missile defense batteries or equipment deployed near their homes, believing the sites will attract Chinese missiles.

⁷²“Military Gets High Rating in Disaster Relief: Poll,” Central News Agency (Taiwan), July 11, 1999.

⁷³Ibid.

⁷⁴Sofia Wu, “Taiwan People Willing to Fight for Homeland: Poll,” Central News Agency (Taiwan).

⁷⁵“80.5 per cent Taiwanese support Taipei’s joining TMD,” Deutsche Presse-Agentur, March 14, 1999.

Similarly, the experience of the Israeli population during the Gulf War has sensitized the Taiwan public about possible damage from missile debris.⁷⁶

On other sensitive military issues, the Taiwan public expresses decidedly mixed opinions. For example, although over 40 percent of respondents apparently favor the development of long-range offensive missiles in the face of a growing PRC military threat, 26.2 percent oppose such an action, and nearly 40 percent indicate that they are worried that such missile development might stimulate an arms race.⁷⁷ As an example of the variation and distortions in polling, a survey conducted by the Public Opinion Association of the Republic of China earlier in the same month displayed a completely different view, with 82 percent of those interviewed saying that they supported offensive missiles versus 9.8 percent against.⁷⁸

Finally, the views of one specific interest group—the business community—at times exerts significant influence upon the foreign and defense policy perceptions and actions of Taiwan’s political elites. Rapid economic growth and prosperity have resulted in a stronger and more politically active business community in Taiwan.⁷⁹ The rapid expansion of cross-Strait economic ties—and especially Taiwan’s booming trade and investment in the Mainland—have created strong business interests favoring cross-Strait stability and deeper, more extensive links between the two sides. Hence, the business community generally favors ROC policies such as the Three Links,⁸⁰ resists efforts to limit Taiwan economic involvement in the Mainland, and generally urges mutual restraint and an avoidance of any potentially “provocative” actions by the ROC government in the foreign policy or defense realms.⁸¹

The above summary of societal views and interests indicates that a long-term pattern of growing support for independence and a deepening identity with Taiwan coexist in the public’s mind with a continued acknowledgment of Taiwan’s “Chineseness” and a strongly pragmatic approach to external relations.

⁷⁶Interviews, Taiwan, 1999.

⁷⁷“Survey Gives 40% Approval Rating to Lien’s Long-Range Missile Plan,” *China News*, December 20, 1999.

⁷⁸Lilian Wu, “82 Percent Favor Developing Long-Range Missiles,” *CAN*, 12 December 1999.

⁷⁹Hughes, pp. 109, 111. Also see Yu-Shan Wu, “Taiwan in 1994,” *Asian Survey*, Vol. 35, January 1995.

⁸⁰In the past, the ROC government, supported by a security lobby led by the ROC military, managed to resist pressure from the business community on issues such as the Three Links. See Jean-Pierre Cabestan, “Taiwan’s Mainland Policy: Normalization, Yes; Reunification, Later,” *The China Quarterly*, No. 148, December 1996 p. 1277. However, the Chen Shui-bian government now strongly supports the establishment of such connections to the Mainland.

⁸¹See Hughes, pp. 114–116. See Chapter 4 for a further discussion of cross-Strait economic ties.

In this context, foreign and defense policies are viewed as important means to attain certain valued social ends, such as continued economic expansion and prosperity, U.S. (and international) support, and national stability and security. However, they are apparently not viewed by most citizens as mechanisms for attaining full independence or reunification under existing external conditions. Nonetheless, significant elements of the Taiwan public seem willing to support relatively energetic efforts to greatly increase Taiwan's basic profile, reputation, and influence in the international community as a nation-state.

The Decision-Making System

The specific features of Taiwan's leadership decision-making structures and processes also exert a significant influence on the content and direction of its foreign and defense policies, often in decisive ways. During the Chiang Kai-shek and Chiang Ching-kuo eras, the decision-making process in the foreign policy and defense policy realms was dominated by the supreme leader and directed largely through the KMT party apparatus. The ROC president was also head of the KMT and the general-secretary of the KMT led the party organization, in a position similar to that of the premier on the state side (although the KMT general-secretary was a less important player in the decision-making process than the premier and the top state executive leaders).⁸² Chiang Kai-shek and Chiang Ching-kuo initiated and oversaw most major policy actions, usually after consulting official and unofficial advisors. The regime's decisions were formally approved or ratified by the KMT's Central Standing Committee, whose membership normally consisted of top officials in the party, army, and state.⁸³ The details of policy were then apparently formulated and implemented by state and military organs. Some KMT cadres moved back and forth from party to state posts.⁸⁴ In general, Chiang Kai-shek ruled on the basis of his enormous personal prestige and by balancing KMT factions and institutions, whereas Chiang Ching-kuo's personal power was probably greater than that of any institution, including the KMT.⁸⁵ The president's strong personal authority during this period was further augmented by the effect of temporary provisions and various emergency decrees that, together with his chairmanship of the KMT, endowed the president with virtually unlimited authority. Under the president, the

⁸²Moody, p. 105.

⁸³The CSC would meet once per week, name persons to major party office, nominate persons to major state offices, and formulate and approve policy recommendations that are then sent to the Executive Council or LY for action. Peter R. Moody, Jr., *Political Change on Taiwan*, Praeger, New York, 1992, p. 105.

⁸⁴Moody, p. 105.

⁸⁵Moody, pp. 25–26.

premier and his cabinet officials could be stripped of their real policymaking powers and relegated to the status of the president's administrative subordinates.⁸⁶

Under this personalistic, KMT-led system, the Legislative Yuan (LY) exerted little independent influence over national security, foreign affairs, and defense policy. Those legislative committees responsible for policies in these areas were completely under the control of the KMT and supported the needs and interests of the KMT-led military and the KMT-led civilian government. For example, the LY National Defense Committee was controlled by a small clique of pro-military KMT members (*junxi li wei*), who resisted revealing any information about national security or defense matters to the LY.

KMT influence over the decision-making process in national security, foreign policy, and defense policy declined gradually during the Lee Teng-hui era as Lee relied less and less on KMT channels to develop proposals, conduct deliberations, and formulate policy. At the same time, other agencies and institutions became more active and to some degree more influential, especially the Legislative Yuan. A more activist LY has in turn provided an avenue for the exertion of influence over the policy process by the various political parties. In addition, the military became more subject to civilian authority and less politicized overall. And the entire policy process has become more open and transparent. Although the personal authority of the president remained strong on key foreign and defense policy issues during the Lee Teng-hui era, the system became more complex, less coordinated, and often subject to internal wrangling. The latter features have become especially evident since the election of Chen Shui-bian to the presidency in March 2000. As discussed above, Chen's election resulted in a fundamental rift between a DPP-led executive branch and an opposition-dominated LY and revealed the severe limits upon the institutional—as opposed to the personal—authority of the ROC president. This situation has arguably weakened the decision-making capacity of the central government.

At present, Taiwan's national security, foreign policy, and defense policy apparatus centers on ten key institutions and their leaders:

1. Offices of the President and Vice President
2. Office of the Premier of the Executive Yuan (EY)
3. National Security Council (NSC)

⁸⁶Hung-mao Tien, *The Great Transition: Political and Social Change in the Republic of China*, Hoover Institution Press, Stanford, California, 1989, p. 136.

4. Ministry of Foreign Affairs (MoFA)
5. Economic and Technology Agencies
6. Ministry of National Defense (MND)
7. General Staff Headquarters (GSH)
8. Armed Services General Headquarters (GHQ)
9. National Security Bureau (NSB)
10. Legislative Yuan (LY).

The functions and responsibilities of each of these policy actors are described, followed by an overall assessment of the decision-making systems in the foreign policy and defense policy arenas.⁸⁷

Offices of the President and Vice President. The president of the Republic of China exercises supreme authority over national security policy at the level of grand strategy, as well as over the broad contours of foreign and defense policy. As Taiwan's sole nationally elected head of state and as commander-in-chief of the ROC armed forces, the president has the final word on such basic national security issues as the formulation of national strategic objectives, the basic principles and concepts guiding foreign and defense policies, the general diplomatic and political strategy toward the People's Republic of China, and the direction of Taiwan's military in time of war.⁸⁸

Operationally, the president exercises control over senior, subordinate actors of the national security policy apparatus through his direct line authority over the premier (who is appointed by the president without the confirmation of the legislative branch and who possesses formal line authority over the operations of government national security organs such as the Ministry of Foreign Affairs and the Ministry of National Defense⁸⁹), and through his direct administrative supervision over two critical national security organs within the Office of the President: the National Security Council (NSC) and its subordinate National Security Bureau (NSB).⁹⁰

⁸⁷This discussion is largely drawn from Michael D. Swaine, *Taiwan's National Security, Defense Policy, and Weapons Procurement Process*, RAND, Santa Monica, MR-1128-OSD, 1999.

⁸⁸Yun-han Chu, "The Challenges of Democratic Consolidation," in Steve Tsang and Hung-mao Tien, eds., *Democratization in Taiwan: Implications for China*, St. Martin's Press, Inc., New York, 1999, p. 151.

⁸⁹The president's influence over these bodies is further reinforced by the fact that he appoints all state ministers, on the recommendation of the premier.

⁹⁰Two other organs within the Office of the President with potential influence over national security policy issues are the National Unification Council (NUC) and the National Unification Research Council (NURC). Founded in 1990, the NUC consists of 30+ leaders in various fields, from both government and private sectors, organized into task groups. According to *The Republic of China*

As part of his broad responsibilities as commander-in-chief of the armed forces and supreme authority regarding national security policy, the president of the Republic of China has the final word on defense policy and force structure issues and possesses the formal authority to oversee and intervene in budgetary and procurement decisions concerning major weapons systems.⁹¹ Theoretically, the ROC president is particularly well placed to play a decisive role in these areas because of a direct “command authority” link regarding operational matters that exists between himself and the chief of the general staff (CGS). Until very recently, this link prevented close scrutiny of the activities of the military by the Executive Yuan and, indirectly, the Legislative Yuan. However, a proposed reform of the ROC National Defense Organization Law currently under consideration by the Legislative Yuan is designed to place the CGS entirely under the Ministry of National Defense and ultimately the premier and hence remove an important channel of presidential control over the uniformed military (while also making the military directly subject to LY supervision).

Within the Office of the President, an array of special advisors and deputy advisors to the president provides expert advice on both foreign and defense policies. However, the actual influence of these individuals depends greatly upon their individual stature and connections within the government and, most importantly, on their personal relationship with the president.

The vice president of the Republic of China does not exercise much power within the ROC political system. Most notably, the vice president does not possess any formal, direct authority over key national security organs. Hence, the position’s influence within the national security policy arena is largely informal or *ex officio*, deriving primarily from the vice president’s potential role as a key personal advisor to the president.

Office of the Premier of the Executive Yuan. The premier of the ROC is appointed by the president (without the formal consent of the Legislative Yuan), and is thus highly dependent upon the latter’s support and good will. However, the premier exercises a significant level of formal and informal authority over national policy, including national security policy. The latter derives primarily from his potential role as a key advisor to the president. The former, more significant, authority

Yearbook, 1997 (p. 77), the NUC recommends national unification policies to the president, helps the government to devise a national unification framework, and builds consensus within society and among Taiwan’s political parties concerning the issue of national unification. In reality, however, the NUC has little real policy influence. It rarely meets, and functions primarily to support the president’s position on national unification issues. The NURC is an ad hoc organization established by Lee Teng-hui as an informal advisory body on Mainland issues. It provides some genuine, albeit secondary, policy input in areas relating to national security strategy.

⁹¹On occasion, the president has been known to push particular issues, including procurement issues, largely because of their political or diplomatic importance, according to interviewees.

derives from the premier's position as the highest official of the Executive branch: the premier is president of the Executive Yuan, the supreme executive body in charge of administering all the major organs of government. In the national security arena, the premier's formal power exists largely as a function of (1) his line authority over the Ministry of Foreign Affairs, the Ministry of Defense, and the Mainland Affairs Council (the latter formally established in 1991 to handle the growing contacts with the Chinese Mainland);⁹² (2) his direction, under the ultimate authority of the president, of a national government policy deliberation and formulation process centered on the Executive Yuan;⁹³ and (3) his position as one of two vice-chairmen of the National Security Council within the Office of the President (the ROC vice-president is the other vice-chairman).⁹⁴

Although the premier arguably exerts significant levels of influence within all three areas, his input is by all accounts not absolutely decisive to the formulation of core national security, foreign, or defense policies. Moreover, his authority over line ministries is limited largely to supervisory duties and does not entail substantive policymaking functions, although the premier can certainly influence the specifics of ministerial policy at times. The concrete, operational strategies and concepts guiding Taiwan's foreign and defense policies are developed primarily by the respective ministries and through a wider variety of higher-level interactions between the president and the other senior civilian and military leaders discussed in this section.

On balance, as with many other senior national leaders, the premier's level of individual importance to the national security policy process is largely a function of his overall political clout in the ROC government and his particular personal relationship with the president.

⁹²The Mainland Affairs Council is directly subordinate to the Executive Yuan and is responsible for overall research, planning, review, and coordination of Mainland policy and affairs, as well as the implementation of specific interministerial programs relating to cross-Strait relations. Although not formally involved in foreign or defense policymaking or policy implementation, the MAC plays an important role in shaping policy toward Mainland China, as well as toward the United States and other nations. It is also a major consumer and interpreter of information and intelligence within the foreign and defense policy arenas. We are indebted to Shelley Rigger for this point. For more details on the MAC, see <http://www.mac.gov.tw/english/orafunc/ora02.htm>.

⁹³This process is largely ad hoc in nature and designed to bring a variety of senior officials and experts together to deliberate over a particular policy issue and to generate policy analyses and recommendations for the president. It is normally most concerned with domestic or particular foreign policy issues, and hence does not play a decisive role in the larger national security or defense policy process. The premier serves primarily as the organizer, supervisor, and facilitator of this Executive Yuan process, on behalf of the president.

⁹⁴However, the premier's membership on the NSC is of no great consequence to national security and defense matters largely because the NSC as a body is not a critical player in these arenas, as discussed in greater detail below.

National Security Council. Originally established in 1967 and subsequently restructured through an amendment of the ROC constitution in April 1991, the NSC (*guojia anquan huiyi*) is an advisory body to the president formally charged with determining the ROC's national security policies and assisting in planning the ROC's security strategy.⁹⁵ Within this broad mandate, the NSC plays a policy role in a wide variety of areas, including foreign affairs, relations with the Mainland, military defense, foreign intelligence collection and analysis, and domestic security and counterintelligence.⁹⁶ Of these functions, the most important for external national security policy are cross-Strait relations, foreign policy, and national defense policy. Although small in size (with an internal staff of less than 60), the NSC exercises formal supervisory authority over much larger national security-related organizations, including the National Security Bureau (NSB), discussed below.

The NSC consists of a senior membership and is supported by a secretariat. The senior NSC membership includes the president, as NSC chairman, and the vice-president and premier, who serve as NSC vice-chairmen. Other senior members of the NSC include the Ministers of Foreign Affairs, National Defense, and Economic Affairs; the NSC secretary-general; the director of the Mainland Affairs Council; the director of the National Security Bureau; and the general secretary of the Office of the President. The NSC secretariat serves as a “. . . staff office to coordinate inter-agency implementation of NSC policy directives, channel intelligence from the intelligence community to the NSC and prepare the agenda for NSC meetings.”⁹⁷

Although impressive on paper, the NSC as a body is not a major actor in the national security policy process and in particular has very little influence over defense-related matters. Under the NSC Organization Law promulgated after the 1991 constitutional amendments, the NSC was designated merely as a consultative agency for the president with no decision-making or inter-agency coordination powers. Given the NSC's relatively weak authority, its senior members rarely meet as a body.⁹⁸

By far the most influential figure within the NSC is the secretary-general. As the most senior national security official within the Office of the President, the NSC secretary-general functions as the president's primary national security advisor,

⁹⁵*The Republic of China Yearbook 1997*, p. 77.

⁹⁶David Shambaugh, "Taiwan's Security: Maintaining Deterrence Amid Political Accountability," *The China Quarterly*, Number 148, December 1996, London, p. 1289.

⁹⁷*Ibid.*

⁹⁸Under the law, the president can convene select subgroups of the senior NSC membership.

although the extent of his influence depends very much on the type and level of his policy expertise and his personal relationship with the president.

Ministry of Foreign Affairs. The Ministry of Foreign Affairs is the supreme national government organ responsible for the foreign relations of the ROC. Its activities are primarily limited to the formulation and implementation of civilian policies associated with diplomatic and political relations with foreign states and international organizations. The MoFA's leading official, the Foreign Minister, has some influence over the setting of national security strategy and defense-related policies through various formal and informal interactions with the president and the premier, including private consultations with the president, his involvement in the Executive Yuan-centered policy process and in the policy deliberations of the KMT Central Committee (discussed below), and through his membership on the NSC. Although usually a critical advisor to the premier and president on foreign policy—and especially regarding policy toward key states such as the United States—the Foreign Minister is not a pivotal actor in the formulation of Taiwan's overall national security strategy and has virtually no influence over defense policies.

Economic and Technology Agencies. A wide variety of government organizations play a role in the economic and technological aspects of Taiwan's foreign policy process. The most important of these agencies include the Ministry of Economic Affairs, the Ministry of Finance, the Central Bank of China, and the Council for Economic Planning and Development. The Ministry of Economic Affairs (MEF) and the Ministry of Finance (MoF) are responsible for developing and implementing Taiwan's economic and technology policies, including its foreign trade and investment activities and related efforts to expand the scope and degree of Taiwan's participation in international economic organizations. Taiwan has no separate ministry for foreign trade. Overall policy in that area is largely administered by a single bureau within the MEF. The MEF also contains the International Economic Cooperation and Development Fund (IECDF), which directs the bulk of Taiwan's aid diplomacy efforts.⁹⁹ However, the MEF's activities are supported by a separate China External Trade Development Council (CETDC), which coordinates and promotes Taiwan's global economic activities through a significant number of offices throughout the world. The Council for Economic Planning and Development (CEPD) and its predecessors are mainly responsible for formulating economic plans and supervising public

⁹⁹A number of humanitarian, loan grant, and technical assistance programs are also administered by the MoFA, the Ministry of Finance, the Council of Agriculture, the Committee of International Technical Cooperation, and the Export-Import Bank of the ROC. See Tuan Y. Cheng, "Foreign Aid in ROC Diplomacy," in Bih-jaw Lin and James T. Myers, eds., *Contemporary China and the Changing International Community*, University of South Carolina Press, Columbia, 1994, p. 176.

enterprises. Although highly influential in the sixties and seventies, the CEPD has reportedly become less active in economic policy formulation in recent years, although it still conducts economic research and oversees major construction projects.¹⁰⁰ Of the above agencies, the Ministry of Economic Affairs arguably exerts the most influence over basic economic policy decisions in the foreign affairs arena, at least on a formal level. The head of this ministry is the only economic policy official on the NSC.

Ministry of National Defense. The Ministry of National Defense (MND) is the supreme national government organ responsible for the defense of the ROC. The power and influence of the MND over broad national security strategy is greatly dependent on the authority of the minister of national defense. This individual exerts significant potential influence over the setting of both national security strategy and defense policy through his interactions with the president (as commander-in-chief and head of state) and the premier (as head of the executive branch). These include private consultations with the president, his direct involvement in the Executive Yuan-centered policy process, and—to a lesser degree—through his membership on the NSC. The primary institutional role of the MND is limited to exercising administrative oversight of the military and to facilitating and coordinating military interactions with the civilian side of government on critical matters such as the defense budget.

In performing its duties, the MND serves, on the one hand, as the major link between the uniformed military and the executive and legislative branches of the government and, on the other hand, as the primary administrative policy channel between the military and the president regarding defense matters. Despite its significant oversight and bureaucratic coordination responsibilities, however, the MND as an institution does not in fact play the lead role in formulating and revising basic defense policy or in determining Taiwan's force structure. The major elements of Taiwan's defense strategy/doctrine and related force structure are developed by the professional military, and specifically the GSH, as described below. The same is true regarding military budget and procurement decisions.¹⁰¹

¹⁰⁰Hung-mao Tien, 1989, pp. 126–127, 129, 137.

¹⁰¹The overall limited role of the MND in the defense policy process derives in part from the historically dominant influence over the details of defense strategy, force structure, budget, and procurement decisions enjoyed by the armed services, especially the ROC Army. It also reflects the general historical importance of military leaders within the ROC political system. The MND's capacity to play a leading role in determining core aspects of defense policy is also constrained by the highly limited level of expertise residing within the offices of the MND. Most defense-related policy and operational expertise remains firmly within the GSH and the individual armed services.

The MND's formal authority over the military and its involvement in military planning and operational matters could increase, however, depending on the outcome of current legislative efforts under way to eliminate the current direct link that exists, regarding operational matters, between the CGS and the president. This change would thus place the military and specifically the CGS *entirely* under the institutional authority of the MND and might thereby increase the ability of the MND to direct important aspects of defense policy.¹⁰² Other proposed changes would reportedly place the service headquarters directly under the command of the MND and also greatly increase the number and functional expertise of MND offices. If enacted into law, these changes, combined with the convergence of military authority systems under the MND, could significantly shift control over basic military decisions from the GSH to the MND.

General Staff Headquarters. The GSH is the highest level agency in the ROC government responsible for military affairs. It oversees the armed services and all other components of the professional military. Equally important, the GSH serves as the coordinating body and operational locus for the defense strategy/force structure and budgetary/procurement processes within Taiwan's defense policy arena.

As with the MND, the influence of the GSH is primarily exerted through its head, in this case the chief of the general staff (CGS). As the senior ROC official responsible for military doctrine and readiness, and with a direct channel to the president regarding operational military matters, the CGS has the *potential* to exert significant influence over defense-related national security issues and policies. However, the CGS does not normally participate in those broader national policy fora open to more senior leaders (i.e., the Executive Yuan-centered policy process and the deliberations of the NSC), and his formal responsibilities are limited to the military defense arena. The overall influence of the CGS on broader national security policy issues is thus highly dependent upon the specific nature of his relationship with the president and, to a lesser extent, with the minister of national defense.

The CGS exerts significant influence over defense policy, however. As indicated above, under the current dual military authority system, the CGS acts, in the military command system, as chief of staff to the president for operational matters; in the administrative system, he serves as chief of staff to the minister of

¹⁰²The CGS would serve as both the military staff for the defense minister and commander of military operations under the defense minister's supervision. Hence, this revision in the National Defense Law would also expose the CGS to greater legislative oversight, as a leading official of the executive branch solely under the direct authority of the premier.

national defense.¹⁰³ The character, personal relations, and service orientation¹⁰⁴ of the CGS exert a significant, sometimes decisive, influence over the operations and outlook of the GSH. Each CGS is generally able to shape the general contours of Taiwan's defense policy and force structure in ways that potentially benefit the interests of his particular service. This is especially the case when an Army officer serves as CGS, given the historically privileged position enjoyed by the Army within the ROC armed forces and the continued high concentration of active and retired senior Army officers within the upper ranks of the GSH and the MND. However, because it does not contain the most senior leaders of each armed service, the GSH cannot effectively and authoritatively coordinate the activities of the individual services. The existence of the GSH as a leading bureaucratic entity separate from the armed services thus presents a potential obstacle to the establishment of true jointness among the three services.¹⁰⁵

Armed Services General Headquarters. The General Headquarters for the ROC Army, Navy, and Air Force are directly subordinate to the GSH.¹⁰⁶ These offices are in charge of “. . . planning, force buildup, combat readiness, training, and logistics” for their respective service.¹⁰⁷ Each service headquarters is under the command of a commander-in-chief (CinC). Each service CinC exercises clearly dominant authority over his service headquarters in a manner similar to the dominant role exercised by the CGS within the GSH. Each service headquarters is in charge of developing and overseeing the formulation and implementation of that service's defense plans, force structure, and related budgetary and procurement proposals, within the larger national framework set by Taiwan's overall defense strategy and defense budget, under the supervision of the service CinC, and utilizing the information and analysis provided by the service staff offices. As expected, each service headquarters thus acts as a strong advocate of its service's interests within the larger defense budget and procurement decision-making processes supervised by the GSH.

National Security Bureau. The NSB is the supreme national government organ responsible for collecting and processing both civilian and military intelligence. Under ROC law, the NSB primarily oversees intelligence relevant to external

¹⁰³*The Republic of China Yearbook 1997*, pp. 123–124.

¹⁰⁴The post of CGS rotates among the three services, usually on a two-year basis.

¹⁰⁵The Zhong Yuan Program of military reform (discussed below) would have greatly strengthened the operational link between the GSH and the combat units of the armed services. However, this element of the program has apparently been eliminated.

¹⁰⁶Four other service general headquarters are also directly under the GSH, but are not discussed because they do not play a significant role in the defense policy process. For further details, see *The Republic of China Yearbook 1997*, pp. 124–125 and the *1996 National Defense Report, Republic of China*, pp. 159–166.

¹⁰⁷*1998 National Defense Report, Republic of China*, p. 165.

national security issues, including intelligence collection and analysis concerning the PRC.¹⁰⁸ Given its primary function, the NSB as an institution exerts little direct influence over the formulation or implementation of national security, foreign, or defense policies. However, the NSB's interpretation of raw intelligence can shape the policymaking process in important ways. Moreover, the Director of the NSB has the potential to significantly influence such policy arenas, as a result of his direct involvement in senior policy organs, his military background, and his relationship with the president. The NSB director is normally a three star general, equivalent in rank to a vice chief of staff and a service commander-in-chief. He is also a member of the NSC. Most significantly, however, the NSB director is also able to report directly to the president, despite the fact that the NSB is administratively supervised by the NSC.

Legislative Yuan. The LY is the most important legislative organ of the ROC government. Its powers include general oversight and approval of the national budget, interpellation of the premier and any cabinet members on policy matters and government administration, and deliberative/compliance authority over a broad range of government policies and bills. Any law, statute, special act, or general principle has to be adopted by the Legislative Yuan and promulgated by the ROC president before it can be implemented. Several LY committees examine government policies and behavior and recommend legislative action in several specific functional areas. For the national security, foreign, and defense policy areas, the most important committees include those responsible for national defense, foreign and overseas affairs, the budget, and economic affairs.

As indicated above, prior to the early eighties, the LY's activities were largely controlled by the dominant KMT and hence served to support the policies of the ROC executive branch. During the Lee Teng-hui era, the Legislative Yuan became a more important, independent actor in the national security arena, largely as a consequence of the increasing strength of non-KMT political parties within the government and the concomitant emergence of popular sentiment critical of the tight hold the KMT had exerted over foreign and defense matters in the past. As a result of these developments, stronger attempts have been made to gain greater legislative oversight over foreign affairs, the military, and defense matters in general. This development has been most clearly reflected in increased levels of LY scrutiny of the defense budget and equipment acquisitions by the LY National Defense and Budget Committees, and more frequent interpellations of

¹⁰⁸The National Security Act of 1993 placed the previous domestic security and counter-intelligence functions of the NSB primarily within the Investigation Bureau of the Ministry of Justice and placed the NSB under the administrative direction of the NSC. See Shambaugh, 1996, p. 1290.

foreign affairs, defense, and military officials before the LY National Defense and Foreign and Overseas Affairs Committees.

At present, no clear, dominant viewpoint on foreign affairs and defense issues has emerged within the LY to replace the conservative, pro-military viewpoints of many KMT legislators. This is partly because the expertise of opposition LY members on both foreign and defense-related issues remains extremely weak and a cadre of professional staffers has not yet appeared in the system. It is also because the membership of the committees normally reflects a variety of views on national security and defense matters. The division between KMT and DPP members is especially notable, with significant levels of mutual distrust in evidence.¹⁰⁹

While increasing significantly during the mid-nineties, the level of LY influence over defense matters had reportedly declined somewhat by the end of the decade, however.¹¹⁰ This has resulted primarily from (a) the continued failure of DPP and other opposition political parties to develop significant defense-related expertise, (b) the lowering of concerns among some opposition leaders about the political influence exerted over the military by conservative KMT members, and (c) the gradual convergence of views on defense matters between mainstream KMT and mainstream DPP politicians. Nonetheless, many opposition (and some KMT) LY politicians remain frustrated by what they view as the lack of accountability of the armed forces.¹¹¹ As indicated above, the ability of the LY to oversee military affairs, including defense and national security strategies, could increase significantly in the future once a proposed streamlining of Taiwan's military authority system goes into effect.

As the above analysis suggests, the formulation and implementation of ROC national strategic objectives and the major principles guiding both foreign and defense policies are highly concentrated in the hands of a few senior civilian and military leaders, and are strongly influenced at times by the views and personality of the president. However, this process is poorly coordinated, both within the top levels of the senior leadership and between the civilian and military elite. In particular, no formal, institutionalized, and regularized

¹⁰⁹For example, according to observers in Taipei, the DPP still views the LY National Defense Committee as the last bastion of KMT conservatism in the political system.

¹¹⁰The LY exerts even less influence over specific acquisition decisions than it does over planning and budget issues. No institutionalized or regularized process of legislative examination or supervision of the procurement process currently exists. In general, scrutiny of procurement proposals by the Legislative Yuan is sporadic and largely non-technical in nature, given its limited expertise on defense matters and its lack of access to the early stages of the procurement decision-making process.

¹¹¹As Yun-han Chu states, both the military and security apparatus continue to evade direct supervision by the LY in the name of presidential prerogative. Yun-han Chu, p. 151.

interagency process or mechanism for national security strategy formulation and implementation exists that spans all the key senior civilian and military agencies and policymakers. Moreover, at lower levels of the policy process, no formal institutions exist to provide ongoing policy coordination and implementation of national-level grand strategies among civilian and defense policy sectors. Most notably, there is no formal, institutionalized structure of policy interaction between MoFA and MND leaders and offices.

This lack of regularized policy interaction between senior civilian and military officials and organizations means that national security strategy is developed either on a fragmentary basis within individual responsible agencies, or by the president alone through largely separate—and often private—interactions with senior civilian and military officials and advisors. In general, the ROC president employs both ad hoc, informal meetings with senior officials and advisors or limited bureaucratic policy mechanisms—such as the NSC and the Executive Yuan policy deliberation and formulation process—to receive analysis and advice, convey directives and instructions, and facilitate policy consultations, deliberations, and coordination in the national security policy arena.

Taiwan's foreign policy process, including relations with the United States, is centered on interactions between the ROC president, his key advisors, the minister of foreign affairs and, when required, the minister of economic affairs. Ideally, concrete policy recommendations and basic policy decisions evolve through a process of regular drafting, deliberation, and consultation, usually led by MoFA experts and officials. However, during the Lee Teng-hui era, the major features of foreign policy were often developed by Lee himself, sometimes with input from trusted advisors in the Office of the President. This in part reflected Lee's growing suspicion of the professional foreign policy bureaucracy, which he thought was excessively wedded to the conservative views of the old KMT leadership. Chen Shui-bian has apparently adopted a more consultative process among the senior executive leadership. However, the broader foreign (and defense) policy processes have been severely disrupted by his ongoing confrontation with the KMT-dominated LY.

Taiwan's defense strategy and force structure are primarily determined by the GSH, within the broad parameters provided by Taiwan's overall national security policy, and with critical inputs provided by the service headquarters. Although civilian agencies such as the MND and the president perform general oversight and coordination functions, neither is terribly substantive.¹¹²

¹¹²However, the level of influence over defense policy and procurement decisions exerted by individual senior civilian officials can vary significantly, depending upon the personal influence and

Moreover, this military-centered defense policy decision-making process is not well integrated into the civilian side of the national security policy process. In response to this deficiency, a proposal exists to establish a National Military Council (*guofang junshi huiyi*) (NMC) as an authoritative, high-level defense decision-making organization composed of both civilian and military leaders.¹¹³ This body would reportedly act as an ad hoc organization (i.e., with no permanent or fixed offices), and be convened by the president as part of his powers as commander-in-chief largely to make major decisions in the defense realm.¹¹⁴ However, despite its presumably greater authority, the effectiveness of the NMC would depend almost entirely upon the president's willingness to utilize the forum, and the information and analysis provided by subordinate defense organs. Absent a highly proactive president in the defense arena, the uniformed military would thus likely retain its existing initiative and control over the defense policy process.¹¹⁵

Taiwan's defense strategy is based on a relatively narrow set of service missions and force structure requirements keyed primarily to the separate interests and outlooks of the three services and an assumption of U.S. intervention in a future major military crisis with the Mainland. Few organizational, financial, or conceptual incentives exist to promote more comprehensive and integrated approaches to defense planning that systematically and consistently link perceived threats to doctrine, force structure, training, and maintenance needs. Moreover, evidence suggests that advanced weapons systems are sometimes desired and/or acquired from foreign sources without a full consideration of the appropriate operational and maintenance requirements of such systems. Indeed, procurement decisions are at times subject to significant influence by a host of factors other than pure warfighting needs, including the political objectives of the president. This results in considerable confusion over the motives behind Taiwan's individual weapons procurement decisions and resulting foreign purchase requests, and a lack of confidence among many outside observers in the ability of the ROC military to gain the maximum benefit from the more advanced weapons systems it acquires from the United States and elsewhere.

political calculations of the individual holding the office. At present, it seems that Chen Shui-bian is not eager to take on the military at this stage of his presidency, particularly given his already significant list of domestic difficulties.

¹¹³Much of the following discussion of the NMC is based upon Ding and Huang.

¹¹⁴Less important or less urgent decisions would presumably be made by the president in private consultations with leading defense officials or possibly in the context of the above-mentioned military discussion meeting (*junshi huitan*), as is currently the case.

¹¹⁵Almost all interested legislators reportedly oppose the idea of establishing a NMC. Some argue that the NSC already performs the proposed functions of a NMC, but simply needs to be made more authoritative and more subject to LY oversight.

It is too early to tell whether the above decision-making features will continue under the Chen Shui-bian government. Thus far, the foreign and defense policy processes have been severely disrupted by the Chen administration's ongoing confrontation with the KMT-dominated LY. These difficulties, along with Chen's overall need to pursue a moderate policy stance, might eventually lead to a greater reliance on more regular, consultative interactions with the MoFA and the MND. On the other hand, if Chen is able to consolidate his political base within the government, some of his backers in the DPP might pressure the government to place a greater emphasis on less orthodox elements of the DPP's foreign and defense policy platform (e.g., involvement in NGO and human rights activities), thereby generating resistance from the MoFA bureaucracy and the military.

Conclusions

Taiwan's highly dynamic domestic political and social environments exert a significant influence on the ROC government's foreign and defense policies. At the broadest level, the emergence of a highly competitive multiparty system marked by a rather weak commitment to many of the norms of the democratic process has generated a potential for greater policy volatility and uncertainty than existed under the autocratic KMT regime. Moreover, the victory of Chen Shui-bian has resulted in a sharply divided, sometimes chaotic and undisciplined government that arguably has the effect of undermining rational policy deliberation and innovation, and hence the crafting of effective responses to the enormous political and security challenges posed by Mainland China. Specifically, these developments have slowed the defense reform process and perhaps undermined Taiwan's ability to fashion a more unified and integrated set of foreign and defense policies.

Closely related to such trends, Taiwan's political and economic elites have become highly responsive to the demands of open political competition, regional and global economic forces, and the interests of the domestic public and key social groups. On the one hand, this development has resulted in the emergence of a moderate, pragmatic policy perspective among the majority of the Taiwan leadership, reflecting in large part the pragmatism of the Taiwan public. As a result, a strong consensus has emerged across the bulk of the elite regarding certain basic principles guiding Taiwan's foreign and defense policies. On the other hand, the emergence of a more differentiated and complex leadership has created some intense mutual suspicions and significant variations in approach toward specific policy issues. In particular, personal rifts between the professional military and the DPP leadership and between non-KMT political

leaders and the professional foreign policy establishment are especially notable—as are, for example, differences over defense priorities, the ultimate purpose of the military modernization process, and the emphasis placed on various aspects of Taiwan’s diplomatic policy.

The emergence of a pro-status quo, pragmatic center among the Taiwan populace serves to inhibit any tendencies among the elite to undertake sudden or radical policy departures. However, indications of growing public support for permanent political separation from the Mainland, combined with occasional expressions of support for more assertive efforts to raise Taiwan’s international profile and to acquire specific military systems such as offensive ballistic missiles and missile defense systems, provide a potential public foundation for more assertive policies. Taken together, the existence of these potentially conflicting social views, along with Taiwan’s volatile political process, serve to pressure political leaders while also providing them with significant room for maneuver in shaping public sentiment.

Finally, the lack of coordination and integration between Taiwan’s foreign and defense policy decision-making structures adds to the above difficulties presented by the domestic political and social environments.