Policy Succession and the Next Cross-Strait Crisis

Bruce Gilley

BRUCE GILLEY is Associate Professor of Political Science and Director of the PhD Program in Public Affairs and Policy in the Mark O. Hatfield School of Government at Portland State University. He specializes in the comparative politics and international relations of China and Asia and is the co-editor of Seeing Beyond Hegemony: Middle Powers and the Rise of China (forthcoming) and the author of The Nature of Asian Politics (forthcoming). He can be reached at <gilleyb@pdx.edu>.

NOTE ~ Earlier versions of this article were presented at a conference on “Cross-Strait Relations under New Management,” hosted by the University of Nottingham’s China Policy Institute on June 1–2, 2012, and as part of a speaker series organized by the Taiwan Studies Program at Stanford University’s Center on Democracy, Development, and the Rule of Law on January 14, 2013.

KEYWORDS: TAIWAN; CHINA; CROSS-STRAIT RELATIONS; POLICY CHANGE; POLICY SUCCESSION

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This article argues that China’s policy on Taiwan is likely to evolve toward political engagement as a result of the multiple actions of policy actors rather than politicians on both sides.

**MAIN ARGUMENT**

This article draws on policy-science theory concerning public-policy change to identify the possible trajectories of and likely actors in China’s future policy toward Taiwan. It identifies three scenarios—policy transformation, policy stasis, and policy evolution—and evaluates the possibility and implications of each. The article argues that policy evolution, probably in the form of a policy succession toward political and military issues led by programmatic and other policy actors, is the most likely outcome. This conclusion diverges significantly from the mainstream belief by analysts in Taiwan and the U.S. that policy stasis held in place by the new leadership of Xi Jinping is the most likely scenario.

**POLICY IMPLICATIONS**

- China’s policy toward Taiwan is more likely to evolve toward noneconomic issues in the Xi period, possibly under the influence of programmatic and other policy actors.

- Taiwan needs to have a forward-looking and proactive strategy for meeting this expected evolution in cross-strait policy.

- The U.S. will continue to play a role in creating supportive external conditions for the reconciliation, as well as appealing to both sides to work toward a practical solution to their formal conflict.
There is a common belief among analysts in Taiwan and the West that the new leadership chosen in China in 2012 will continue to pursue the successful reconciliation with Taiwan that was begun by the two sides in 2005. This belief may be dangerous, however, because it presupposes a certain view of how policies evolve in light of prior commitments. By assuming that policy continuity in the Taiwan Strait means no policy change, analysts may have forgotten that policies evolve over time. In particular, Beijing may intend to continue its cross-strait policy by successively expanding it into political and military spheres. If this model of “policy succession” more accurately renders what Beijing means by policy continuity than a model of “policy stasis,” then future cross-strait relations are at risk. There seems to be a slow-moving crisis emerging in which Taipei clings to a belief in a status quo relationship while the relationship shifts into new areas. Understanding the dynamics of policy change in Beijing is key if both Taipei and Washington are to successfully manage the cross-strait relationship in coming years.

This article is organized as follows:

~ The first section (pp. 141–43) briefly introduces a theory of policy change in order to frame the discussion of cross-strait policy.

~ The second section (pp. 143–58) considers three alternative scenarios for Beijing’s future cross-strait policy: policy stasis, policy transformation, and policy evolution, and contends that one form of policy evolution, known as policy succession, is the most likely scenario.

~ The third section (pp. 158–59) concludes the article with a consideration of how Taipei and Washington might creatively respond.

HOW POLICIES CHANGE

Public policy theory includes the study of how policies change over time. In effect, there are three broad directions in which such change can occur.¹ Public policies can remain largely fixed in terms of both overall goals (sometimes called long-term impacts) and immediate objectives (sometimes called short-term outcomes), changing only in terms of the context of implementation (sometimes called stasis or stability); they can change dramatically in terms of both goals and objectives (radical, transformative, root, major, or innovative policy change); or they can remain fixed in terms of

goals but evolve in terms of objectives (incremental, first order, evolutionary, branch, or momentum policy change).

Within the evolutionary or incremental category of policy change, a range of subtypes can be identified. Perhaps the most noteworthy is what Brian Hogwood and B. Guy Peters call “policy succession,” which involves a significant refurbishment of policy objectives, program characteristics, and organizational forms, while still operating under the same overall goals.\(^2\) Where change builds upon the same policy image (the assumptions of the context of the policy), it is “linear” policy succession; and where it involves a shifting policy image, it is “nonlinear.”

In general, policy scientists emphasize the importance of seeing policies as dynamic ideas whose significance changes over time with implementation and revision. Legislative acts or authoritative pronouncements from political leaders are not the only factors shaping the content of policies. The endogenous role of policy actors (including networks, entrepreneurs, and programmatic actors) that shape policies on a daily basis may be equally significant. In particular, programmatic actors generate the ideas for how policies should change, making use of their resources, ideas, and existing authority. William Genieys and Marc Smyrl define these actors as small, closely integrated groups of policy managers motivated mainly by the desire to gain more authority over a given issue area.\(^3\) Moreover, policies as implemented are also shaped by a range of exogenous factors—economic, technical, social, political, and administrative.

Policy change in foreign relations is a relatively new field because traditionally foreign policy has been seen as the tightly managed realm of political leaders. But the number of policy actors in this sphere has proliferated with globalization and the complex interdependence it produces, making conventional models of policy change more relevant.\(^4\) Any foreign policy agenda (such as cross-strait reconciliation) that operates across several domains (such as finance, transport, trade, investment, health, travel, maritime safety, policing, arbitration, and international representation) will be managed by many different groups of policy actors. This will give programmatic actors a strong incentive to change policies in order to gain authority and autonomy.


There is a scattered literature on why bilateral peace or reconciliation policies survive and change. There is little doubt that the key factor is whether broad political coalitions on both sides want peace.\textsuperscript{5} A second factor concerns the substantive provisions of any reconciliation—provisions like joint commissions; confidence-building, arms-control, and troop-reduction measures; and the resolution of key political issues. Since peace agreements often cover many complex areas, they usually open up significant space for policy actors on both sides to initiate policy change. In other words, if such agreements survive, they usually also evolve.

Policy evolution rather than stasis has been the norm, for example, in China’s treatment of Hong Kong since agreeing on the terms of its decolonization with Britain in 1984.\textsuperscript{6} While Beijing’s overall policy images and goals have not changed, there have been significant renovations of policy objectives and means. In particular, Beijing has shifted from a relatively hands-off approach of benign neglect with a focus on economic integration to a more engaged approach with a focus on political and social integration. In some cases, political leaders in China have initiated the changes, as happened with the proposals for a national education curriculum in Hong Kong public schools that was announced in 2010 and then delayed in 2012 after popular protest.\textsuperscript{7} In other cases, however, programmatic actors have been at the fore, as with the various interpretations of Hong Kong’s right to democratic development made by the legal bureaucrats of the National People’s Congress between 2004 and 2007. China’s policy on Hong Kong, as Zheng Yongnian and Tok Sow Keat show, has been a constant struggle between “bureaucratic control” and “political control.”\textsuperscript{8}

**CHINA-TAIWAN DÉTENTE**

The reconciliation of China and Taiwan has been driven by both national and global factors. After the ending of major hostilities in 1958, cross-strait


relations entered a period of relative neglect characterized by mutually recriminatory propaganda. A first attempt at reconciliation initiated by Beijing in 1979 ended with the Tiananmen Square massacre in 1989. The simultaneous rise of irredentist hard-line nationalism in China after Tiananmen and the democratization of Taiwan sent relations into a downward spiral that lasted until the re-election of Taiwanese nationalist Chen Shui-bian as president of Taiwan in 2004. The following year in Beijing, the Chinese Communist Party (CCP) and Taiwan's Kuomintang (KMT) issued a joint statement on peaceful development. This statement became the basis of official policies once the KMT regained the presidency in Taiwan in 2008. Among other provisions, it included plans to resume cross-strait negotiation on the basis of the “1992 consensus,” in which the two sides agreed to disagree about their definition of “one China,” as well as plans to cease hostilities, conclude a peace agreement, launch military confidence-building measures, expand economic engagement, negotiate Taiwan's participation in international organizations, and set up a party-to-party mechanism for consultations.9

In the period since 2008, the two sides have engaged in a rapid and previously unthinkable series of breakthroughs, mainly in the economic field. This includes the 2010 Economic Cooperation Framework Agreement (ECFA) to lower tariffs or relax access in China for products and services from Taiwan, the commencement of regularly scheduled direct air and sea travel, the opening of Taiwan to Chinese tourism, the creation of tourism-promotion agencies in each other's territory, and plans to open trade- and cultural-promotion offices.

Taipei has described the reconciliation in terms of “economics first, politics second” (xian jingji, hou zhengzhi),10 as seen in the annual reports of the Mainland Affairs Council (MAC), stressing economic areas as the primary goal.11 The deferred “politics,” in this case, includes security issues; military measures, such as codes of conduct and notification of drills and deployment reductions; national identity; sovereignty; international recognition; Taiwan's ties to the United States, including arms procurement; and cross-strait

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governance institutions, including the question that one Beijing official called “cross-strait democracy.”

While it is true that conciliation has mostly involved economic issues, there have been some clear ventures into political territory. Since 2009, Beijing has allowed Taipei to join the annual meetings of the World Health Assembly, which is the executive body of the World Health Organization (WHO), and has agreed to consider its application to join the International Civil Aviation Organization in a similar capacity. In addition, China and Taiwan conducted two sets of joint maritime search-and-rescue drills in 2010 and 2012 and agreed to hold the exercises every other year. Beijing has also called an unofficial truce to the poaching of Taiwan’s remaining diplomatic allies, and Taiwan in turn has dropped its bid to join the United Nations. Taiwan has also passed regulations authorizing local government officials to visit China on exchanges.

Beijing has avoided the “economics first, politics later” formulation of relations in favor of comprehensive descriptions, perhaps being more realistic about the political significance of economic cooperation and more willing to highlight political and military items. While often repeating the Taiwan formulation of “economics first, politics second,” Chinese officials have generally added statements about the inherently political nature of all agreements. As early as 1997, Beijing was saying that any cross-strait reconciliation should be “politics first, economics later.” The formulation now preferred in China is to “make great strides with small steps” (xiaobu, kuaipao), which suggests it believes that even incidental political moves in the context of economic cooperation will have profound effects. (Beijing’s preference for this formulation is ironic given that it was regularly used by mainland media to attack former Taiwan president Chen Shui-bian’s efforts to nudge Taiwan in the direction of independence). Qiang Xin of Fudan University states that “the mainland expects that the ‘spillover effect’ of economic cooperation...

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could help bridge the current political and ideological gulf between the
two sides...so as to lay down a stable foundation...for the establishment of
political, diplomatic, and military cooperation mechanisms.”

From the standpoint of previous historical cases of reconciliation, the
absence of an agreement on the key political issue of Taiwan's status remains
a serious vulnerability. In addition, the failure to make arms control, troop
reductions, or other military confidence-building measures a first step also
weakens the foundations of reconciliation. More fundamentally, the policy
images that guide both sides differ significantly. Taipei has characterized the
reconciliation, perhaps not very strategically, as similar to what took place
between West Germany and East Germany from 1969 until 1989. Beijing, on
the other hand, has characterized it as the reward for an end to independence
efforts—perhaps analogous to Russia's policy toward Chechnya since 2000,
following the collapse of their initial reconciliation from 1996 to 1999—and
as an implicit recognition that sovereignty rests in Beijing.

The question, then, is how are the political coalitions and policy actors
in China likely to manage cross-strait policy in coming years? The following
sections consider three possible scenarios: policy transformation, policy
stasis, and policy succession.

Scenario 1: Policy Transformation

Policy transformation by Beijing could come in one of two forms: an
abandonment of reconciliation and a return to the more disengaged and
hectoring policy it followed during 1958–79; or an abrupt shift toward a more
urgent and militarized insistence on a timetable for political unification,
more redolent of the period from 1989 to 2005. A third possibility, wherein
China follows its own version of the “Sinatra doctrine” and allows Taiwan to
determine its own future on the basis of sovereign equality, is highly unlikely.

Given the significance of cross-strait reconciliation for China's broader
foreign-policy agenda, any policy transformation would almost certainly have
to result from either top-level political actions in Beijing or unanticipated
exogenous shocks. Policy and programmatic actors have neither the resources
nor the authority (much less the intentional ideas) to transform the policy.

In terms of political leadership, David Welch argues that transformative
changes in foreign policy result when political leaders seek to avoid a looming

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16 Xin, “Beyond Power Politics,” 539.
loss (“loss aversion”) rather than to achieve a gain. On this theory, the Xi Jinping leadership in China would act to abandon reconciliation in favor of a harder line if it felt the policy was in danger of moving Taiwan decisively toward independence. This would threaten the core of the Taiwan policy articulated by China’s Anti-Secession Law of 2005, the overarching aim of which is the elimination of Taiwan independence forces. Yet probably only a sharp change in direction by Taiwan would create a perception of potential losses among Chinese leaders. In particular, a less conciliatory posture under a re-elected Democratic Progressive Party (DPP) president in 2016 might force Beijing to alter course. Xi warned in 2011 that Taipei’s rejection of the 1992 consensus (which would be perceived as an insistence on Taiwan’s independence) would mean that “negotiations across the strait cannot continue and all the agreements made in the past cannot be fulfilled. Cross-strait relations will return to the volatile situation of the past.”

Xi himself certainly shows a bias for action, which is one reason he was chosen as party general secretary over the cautious premier Li Keqiang. Xi once said, “Sometimes it is necessary to pound the table, otherwise you will not frighten anyone and not get anyone’s attention.” Remarks Xi made to embassy staff in Mexico in 2009 also suggest that he fits the ideological profile of a Leninist nationalist in contemporary Chinese elite politics. Thus, nationalist assertion is more likely under Xi than it was under Hu. As one DPP adviser put it, “I’d expect even his conciliatory moves to be lined with steel.”

Yet Xi, who is expected to rule from 2012 to 2022, inherits a policy from Hu Jintao that is widely seen as successfully reducing the possibility of Taiwan independence. Moreover, People’s Liberation Army (PLA) voices have been noticeably quiet since the KMT’s election in 2008, despite continued U.S. arms sales to Taiwan. More broadly, the structural factors that make the reconciliation logical from Beijing’s perspective—the economic integration of Taiwan, reputation-building in the Asia-Pacific, and relations with the United States—will all remain stable. The DPP, meanwhile, has been toning down its

anti-China policies and rhetoric, meaning that even if it returned to power in 2016, it would not likely abandon the reconciliation effort.

Another theory of transformative policy change is the idea of “diversionary war” in which policy change results from domestic instability rather than fears of loss aversion. Comparative evidence suggests that the possibility of a “diversionary war” is higher when the state and regime of the aggressor nation enjoy robust legitimacy (necessary for popular mobilization) while the individual leader is in a weak position within the political elite. This gives the leader an incentive to try to gain an upper hand on political rivals through the populist support that might result from an act of aggression. The diversionary war, however, must be a feasible option, and the leader must have a prior disposition for it.

Although some Taiwan analysts have warned that a “fragmentation of power” would lead Xi to “take an assertive stance on Taiwan to show he is not a weak leader,” all signs suggest that his assumption of power was largely uncontroversial and enjoyed broad support. Xi also assumed chairmanship of the Central Military Commission at the same time that he became party general secretary in 2012, which indicates a strong consensus about his military control. His rapid rollout of a range of new initiatives on anti-corruption and economic reform suggests that his position is not weak within the leadership and also provides him with a repertoire of effective options to deal with domestic unrest. Moreover, as the next section discusses, there is no evidence that Xi is predisposed to a diversionary attack on Taiwan given his affinities with its people.

Scenario 2: Policy Stasis

The second scenario of policy stasis is the most widely assumed future of Beijing’s cross-strait policy under Xi Jinping. This is because policy stasis is often assumed to constitute the only alternative to policy transformation. In this scenario, Beijing continues to allow Taiwan to largely define the content of the reconciliation and alters its policies only in terms of the context and

requirements of implementation. Under policy stasis, reconciliation would continue to focus almost exclusively on economic, social, and cultural issues. Given Taiwan’s reluctance to pursue political or military reconciliation, Beijing would be content to leave such issues out of discussions.

Hu appeared to indicate to Taiwan leaders shortly before he passed over the reins to Xi that this is what he meant by policy continuity. And to be sure, Taiwan has made clear its desire for policy stasis. President Ma Ying-jeou has said he will not seek a peace agreement during his second term, which ends in 2016, while Taiwan premier Sean Chen said shortly after Xi’s ascension that the “upgrading of cross-strait economic dialogue should still be the priority over political issues between the two sides.” In early 2013, Ma was more explicit in his prediction that “there is no reason [for Xi] not to continue” the previous policy given that moving into political issues would require facing “the very difficult question of sovereignty.” Conscious of the trepidations expressed by Taiwan’s people, the KMT has argued that Xi will maintain a “low profile” on the issue as long as the KMT is re-elected in 2016.

There are good reasons to believe that Beijing might accept this status quo. Much of the reasoning for the scenario of policy stasis is personalistic. Xi Jinping is known as a zhitaipai, or “Taiwan expert,” as a result of his long experiences in southern China, which brought him into close contact with Taiwanese. Xi, for instance, is close to Jason Hsuan, the chairman of Taiwan’s TPV Technology, calling him a long-time friend. In 2010 in Boao, a conciliatory Xi said that “as long as the two sides consider themselves as one family, it will be easy to discuss anything and any problem could be eventually resolved.” Moreover, Xi’s wife’s family split in 1949, with part of them going to Taiwan, where his brother-in-law and others now live. His wife Peng Liyuan has said that she has many relatives in Taiwan, and she herself visited the island in 1997 on a cultural exchange and is well-known there. There are also rumors that Xi’s father, CCP revolutionary hero Xi Zhongxun, maintained personal ties to KMT elders after 1949. Ma was the first KMT leader to ever congratulate a CCP leader’s selection when he wired Xi in November 2012.

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28 “Liangan hudong jinru panzhengqi” [Cross-strait Interactions in the Consolidation Period], Dalu Qingdili Shuangzhoubao, April 1, 2013, 15.
29 “Xi May Turn to Private Firms to Jump-Start China Economy,” Nikkei Report, November 15, 2012.
Ma also made a point of addressing “Mr. Xi Jinping” rather than the usual “Beijing authorities” during his New Year’s speech in 2013.31

Indeed, Xi is in part responsible for Beijing’s “hearts and minds” policy of reconciliation with Taiwan. His efforts to woo Taiwanese investors while serving in Fujian and Zhejiang provinces between 1985 and 2007 were part of his dossier for promotion.32 The Pingtan Island development zone being built off the coast of Fujian just 126 km from Taiwan, meanwhile, is widely seen as Xi’s brainchild, since TPV is its anchor investor.33 KMT vice chairman John Chiang said of Xi in 2012, “Given his experiences in dealing with Taiwanese investors, businessmen and also on cross-strait relations, I see no reason he will have a different policy toward Taiwan.”34 Tsai Der-sheng, director-general of the Taiwan National Security Bureau, likewise said that Xi “has the best understanding of Taiwan among China’s top echelons.”35

Furthermore, Xi himself has sometimes talked in terms of policy stasis. In 2012, he said that the current need on Taiwan is to “implement the ECFA agreement and other agreements.”36 If the only alternative to policy transformation is some form of policy stasis, then without a doubt policy stasis is more likely. It is clear that Beijing shares with Taipei the view that a cautious policy is to be preferred to the “volatile situation of the past.”

Scenario 3: Policy Succession

As noted, however, there is a third possibility, a policy succession in which policy evolves to embrace new objectives while maintaining the same goals and images. While peaceful reunification has always been Beijing’s macro goal, the relative weight attached to specific objectives with stronger political overtones, such as military confidence-building measures or the signing of a peace treaty, has shifted since 2005.

From Beijing’s perspective, cross-strait policy has always been premised on some notion of policy succession. Even Taiwan’s “economics first, politics later” formulation has encouraged this view. Moreover, the return to office

31 Minnie Chan, “Ma Ying-jeou Appeals to Xi Jinping to Strengthen Cross-strait Ties,” South China Morning Post, January 2, 2013.
34 “Taiwan Official Expects Smooth Times with China,” Agence-France Presse, February 1, 2012.
36 Ibid.
of the KMT in 2012 has made Beijing think that there is backing in Taiwan for policy succession. Jacques deLisle observes that “such perceptions and the impetus they create for heightened mainland pressure on Taiwan to engage on the more difficult political issues are only likely to increase during Ma’s second term.” Indeed, it is unclear whether it is possible to continue with reconciliation without discussing political issues. Structurally, comparative evidence suggests that there is a need for the two sides to address the noneconomic issues (in particular the political status of Taiwan and military measures) if the reconciliation is to survive. The reason is that without addressing these issues, the trust and shared image needed to facilitate cooperation are missing. Thus, functionally speaking, political and policy actors on both sides have incentives to seek to move cross-strait policy toward addressing noneconomic issues in order to consolidate the reconciliation.

There are also more practical questions. As cross-strait disputes arise, the need for mechanisms of decision-making, problem-solving, and mediation will increase. Indeed, Taiwan’s long-standing policy that it would not be willing to discuss unification until China became democratic was premised on just this assumption. Taiwan, in other words, has always put politics first, and rightly so. This is because without an institutionalized political relationship in which actors on both sides can pursue and resolve policy issues, the relationship will lack predictability and stability.

Policy succession could be initiated by either political or programmatic actors. Thus far, most attention has been paid to the former, in particular those in China. Hu Jintao made several references to the idea of policy succession during his time in office. “We cannot wait for political negotiations forever,” he said in his 2009 New Year’s speech. Likewise, in his last speech before leaving office, Hu said, “We hope that the two sides will jointly explore cross-strait political relations and make reasonable arrangements for them.” The result of this is that the precise meaning of the common Chinese idiomatic expression applied to the Taiwan issue, “Hu sets the standard and Xi mimics it” (Hu gui Xi sui), becomes more one of “Hu begins and Xi follows up.” Xi’s responsibility, in this view, will be to take reconciliation to the next stage because this is what

is implied by Beijing’s goals. To freeze the policy at economic cooperation would be to suspend the policy rather than continue it—perhaps “Hu begins and Xi destroys” (Hu gui Xi cui).

The view in Beijing is that it is Xi’s job to “harvest the fruit” of Hu’s reconciliation, which has proceeded on terms highly favorable to Taiwan (extending unilateral economic benefits, halting diplomatic poaching, allowing WHO participation) on the premise that this approach will lead to broader cooperation. In retrospect, a more strategic Taiwan might have rejected this one-sided reconciliation because it reinforced the image of Taiwan as just another greedy provincial government scrambling for goodies from the “center.” Mustering popular support in Taiwan for concessions to China, however, would have been difficult. Calling in the favors from Beijing’s perspective means moving to the quid pro quo of political and military issues, as well as reducing independence activities in Taiwan. There is a strong parallel here to Russia’s post-2000 policy in Chechnya, which offered unilateral economic and other concessions in return for political fealty. The policy succession view on domestic issues was articulated by Xi in an interview in 2000: “You always want to do something new in the first year. But it must be on the foundations of your predecessor. It is a relay race. You have to receive the baton properly, then run well with it yourself.” When he took power, Xi called for consolidation of “the political, economic, cultural, and social foundation for the peaceful development of cross-Strait ties.”

Moreover, it is possible that being a zhitaipai might lead him to be more rather than less forceful in the push for policy evolution if he believed this was part of being “one big family.” New premier Li Keqiang, meanwhile, said at his first news conference that “the new government will carry out promises made by the previous government, and we will work hard to identify new pillars of cooperation.” The latter view has also been articulated by Su Chi, former secretary general of the National Security Council, who warned that the reconciliation begun in 2005 will be a decade old by 2015 and that Xi will want to escape from Hu’s shadow and make his own contribution: “Xi’s

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42 “Hu, Xi Call for Efforts to Promote Peaceful Development of Cross-Strait Ties,” Xinhua, November 15, 2012.
administration will take control of the initiative now."\textsuperscript{44} Earlier, Su had said that Xi “might adopt a more proactive approach to engaging with Taiwan than Hu, and not be satisfied with maintaining the cross-strait status quo.”\textsuperscript{45}

Still, from the perspective of loss aversion, there are doubts about whether Xi (or Li) will feel sufficiently compelled to initiate a policy succession. This view, however, ignores another possible source of policy succession: programmatic actors in China and Taiwan moving to enhance their authority by shifting the relationship into deeper issues. The reasons for this are that, as with Hong Kong after 1997, Taiwan policy is operating under increasingly institutionalized forms on both sides—forms that give significant autonomy to programmatic actors. The KMT may be right that Xi will not initiate a policy change. But a policy change may occur—indeed is already occurring—nonetheless.

One of the most overlooked aspects of the cross-strait peace agreement is the extent to which it has given rise to extensive policy networks, policy entrepreneurs, and programmatic actors on both sides. A report by the Congressional Research Service observes that “a range of government officials and their counterparts developed routine contacts across the strait, including through direct phone calls,” at the administrative level.\textsuperscript{46} These interactions bring together policy actors, including programmatic actors, from both sides. Importantly for the Chinese case, participants include provincial-level bureaucrats, policy entrepreneurs, and political leaders eager to grasp Taiwan policy for their local interests. There is also a proliferation of area-specific meetings that are helping further institutionalize the relationship in the hands of policy actors rather than political ones. For instance, a forum on “cross-strait cultural and creative industry cooperation” was held in China in 2012 and attended on the Beijing side by leaders from the Taiwan Affairs Office (TAO) and on the Taiwan side by the semi-official National Culture and Arts Foundation, headed by former Acer chairman Stanley Shih. The two sides agreed to establish a council on cross-strait cultural and creative industry cooperation, headed

\textsuperscript{44} Scarlett Chai and Jamie Wang, “Xi Jinping to Change Course on Taiwan Policy: Former Minister,” Central News Agency, November 15, 2012.

\textsuperscript{45} Lawrence Chung, “‘Too Soon’ for Talks with Taiwan Beijing to Get Own House in Order before Political Dialogue, Analyst Says,” South China Morning Post, November 11, 2012.

Simply because of the range of issues that cross-strait reconciliation covers, it has created a much broader policy community on the China side than has ever been involved in Taiwan affairs. For instance, the NDRC has begun to engage directly with Taiwan on direct and portfolio investment from China. Management of the ECFA is handled in China by the Ministry of Commerce, while the Ministry of Transportation manages cross-strait shipping and flights. The securities regulators and central banks of both sides are in constant contact as they prepare rules governing financial transactions between China and Taiwan. The health ministries on both sides are likewise in charge of a pact on health and medical cooperation. If these programmatic actors seek to increase their authority through policy evolution, it could lay the groundwork for a succession into political areas. Even if Xi and other political actors may not intend to push for this degree of policy evolution, the policy and programmatic actors in China and, to a lesser extent, Taiwan have the incentives to do so.

To offer a concrete example, in 2009 a judicial cooperation agreement was signed under which the two sides pledged to cooperate in serving judicial documents, investigating and collecting criminal evidence, upholding each other’s civil judgments and arbitration awards, and repatriating criminals and suspects. In 2010 and 2011, a series of landmark visits took place between top-ranking police, prosecutors, and court officials from both sides. As a result, an explosion of cooperation occurred: over 500 joint investigations took place, more than 26,000 court documents were served, 379 criminals or suspects were repatriated, and 216 “business meetings” were held between June 2009 and March 2013. The development of such thick policy networks prompted Taiwan’s Ministry of Justice to elaborate the basis of the relationship by implementing regulations that framed judicial cooperation in terms of


49 In 2010, the director-general of Taiwan’s National Police Agency, Wang Cho-chiun, visited China for a week with a sixteen-member delegation and later that year China’s Vice Minister of Public Security Chen Zhimin returned the visit. In 2011, Taiwan’s state public prosecutor-general, Huang Shih-ming, visited China for a week with twelve senior staff.

“principles of humanitarianism and mutual benefit” (*rendao huhui yuanze*).\(^{51}\) For instance, requests for repatriation would be denied if the alleged crime involved political, military, or religious crimes, thus upholding Taiwan’s human rights claims while accepting China legal claims in other areas.\(^{52}\) By concretely defining how to deal with human rights differences, programmatic actors moved forward in a way that politicians could not.

Another example involves the investment protection agreement for resolving disputes between Taiwan investors and Chinese government organs, which was signed in 2012 after more than two years of negotiations by programmatic actors on both sides. The pact rules out international arbitration (rejecting the sovereign status of Taiwan) but also specifies that arbitration can be conducted under Taiwan’s laws outside China. It thus creates a precedent of judicial parity between the two systems by in effect allowing them to exercise joint sovereignty over investment disputes.\(^{53}\) By working out a *modus vivendi* with implicit political implications for defining the image that guides the reconciliation, policy actors have achieved more than politicians.

Finally, in the field of education, Taiwan’s Ministry of Education, along with the University Entrance Committee for Mainland Chinese Students run by Taiwan universities, has coordinated with counterparts in China to plan for an expected surge of students from China since Taiwan began to open to these students in 2011. Under arrangements worked out in 2013, Taiwan regulators used Beijing’s own short list of top universities to select the 111 mainland universities whose students could apply to study in Taiwan.\(^{54}\) The two sides have also created what may be the first joint semi-official website in their efforts to attract each other’s students.\(^{55}\)

Policy and programmatic actors in China partly depend on willing cooperation from their counterparts in Taiwan. Many constituencies in Taiwan are urging Taipei to continue moving the relationship forward and are


\(^{55}\) The website is available at http://hxla.gatzs.com.cn/.
thus working to create a willing policy network for actors in China to do just that.\textsuperscript{56} In particular, the business community, which includes Japanese, South Korean, and other foreign companies with operations in Taiwan, supports this policy. The MAC has approved several visits to Taiwan by TAO officials, which Su Chi noted “will contribute to the forging of cross-strait political dialogue.”\textsuperscript{57} Moreover, Ma himself has encouraged the growth of policy networks on both sides in the belief that they will constrain the Chinese side. For example, he stated in his 2013 New Year’s speech that “the further institutionalization of cross-strait ties will foster deeper understanding between our people and consolidate cross-strait peace.”\textsuperscript{58}

At the party level, the CCP and KMT held eight rounds of an “economic, trade, and cultural forum” (\textit{lianggan jingmao wenhua luntan}) in China between 2006 and 2012, which were attended by about 250 delegates from party, industry, and research communities on each side. More importantly, various aides, advisers, and unofficial representatives of the two main parties in Taiwan now shuttle regularly between Taipei and Beijing and have a first-name familiarity with their relevant counterparts in China. Even the DPP has been sending senior members to China, including former chairman and premier Frank Hsieh in 2012. It also re-established its China Affairs Office and a related policymaking committee in 2012, after having folded the office into the International Affairs Office in 2007.

At the cabinet level, the Cross-Strait Economic Cooperation Committee (CSECC) (\textit{lianggan jingji hezuowei yuanhui}) was formed under the ECFA and meets every six months to manage the economic relationship. The CSECC also increasingly manages noneconomic issues such as the registration of representative offices and NGOs by one side in the other’s territory. There are now even discussions about opening offices of the political contact groups, the Straits Exchange Foundation and the Association for Relations Across the Taiwan Straits, in each country.

Of course, there are also policy actors in Taiwan that seek to slow down or reverse the reconciliation. The National Security Bureau, for example, has called for the creation of a security system to manage the relationship to ensure that it does not go too far.\textsuperscript{59} Ma, meanwhile, accused the Council of Agriculture of foot-dragging after China requested it open up Taiwan markets

\textsuperscript{56} James Lee, “Taiwan Urged to Speed Up Follow-up Trade Talks with China,” Central News Agency, November 2, 2012.

\textsuperscript{57} “Former NSC Official Champions Political Dialogue with China,” \textit{Taipei Times}, December 17, 2012.


to seventeen Chinese agricultural products in November 2012.\textsuperscript{60} But by and large, the policy actors on the Taiwan side have worked more proactively with their Chinese counterparts to push the relationship to evolve or succeed to the level of political talks.

This is not to say that political talks between the two sides could occur naturally or that peaceful unification could happen by stealth. Ultimately, political actors on both sides remain dominant. However, the context in which political actors behave is being significantly changed by these programmatic initiatives. Such functional or bureaucratic spillover effects from economic cooperation have been widely cited in explanations of European political integration. On the Taiwan side, while formal political talks remain a nonstarter, de facto political talks are taking place every day between political actors on both sides. On the China side, even if Xi wanted to execute a policy pause, it would be far from easy to do so without great cost. While it is true that the absence of crisis would seem to reduce the pressures from Beijing to advance the policy, policy succession has a momentum of its own, built into documents and institutions and overseen by programmatic actors with an incentive to keep moving forward. Qiang Xin of Fudan University is most explicit in arguing that Beijing has moved toward an institutionalized rather than political (“power politics”) management of the relationship with Taiwan because of a belief that this approach will make it easier to move the relationship into political and governance issues.\textsuperscript{61}

There is also some evidence of programmatic actors explicitly pushing for policy succession throughout 2012 and 2013. In early 2012, for instance, Beijing’s TAO issued a statement calling for a “new phase” of “consolidating political mutual trust,” including efforts by both sides to agree on a shared “national identity.”\textsuperscript{62} This request was repeated that year by a TAO spokesperson, who noted, “We cannot avoid political and military problems and disagreements. Eventually we will have to face them.”\textsuperscript{63} Or, as another TAO spokesperson observed, the situation cannot be one “of simply peace forever. Rather it should develop in the direction of peaceful reunification.”\textsuperscript{64}

\begin{footnotes}
\item[61] Xin, “Beyond Power Politics.”
\item[62] Kan and Morrison, “U.S.-Taiwan Relationship.”
\item[63] “Guotaiban xinwen fabuhui jilu” [Taiwan Affairs Office, Press Conference Transcript], Taiwan Affairs Office, February 15, 2012. \texttt{\url{http://www.gwytb.gov.cn/xwfbh/201202/t20120215_2294256.htm}}.
\end{footnotes}
Likewise, TAO spokesman Yang Yi said in 2012 that “political issues in cross-strait relations are always there. We will have to deal with them sooner or later…. The two sides should work together to build a common understanding and pave the way for solving difficult political issues in the future.”\(^65\) The TAO spokesman further stated that Taiwan’s concerns about China’s military buildup across the strait would be best addressed through “timely meetings” and the creation of a “mutual trust security mechanism,”\(^66\) making it clear that Beijing sees its military buildup as a leverage stick to bring cross-strait policy to the next stage.

This latter statement confirmed concerns expressed after the 18th Party Congress by MAC minister Wang Yu-chi that Beijing would exert more pressure on Taiwan to begin political talks. In March 2013, new TAO director Zhang Zhijun was even more explicit in outlining a strategy of “comprehensive” relations. Political issues, he said, “should never be artificially categorised as a restricted area.”\(^67\)

As with Hong Kong, the political leadership in Beijing would need to tacitly consent, something quite natural given the in-built assumptions of policy succession on the China side. It is more likely that, as with Hong Kong, the leadership would intervene to prevent policy succession rather than encourage it. This is not to suggest that policy succession will occur under cover of darkness, without the approval of political elites. Rather it is to suggest that it will be driven by policy and programmatic actors and endorsed by a political leadership that is committed to Beijing’s overarching policy goals and image and does not want to be seen as soft on the Taiwan issue.

**Policy Implications**

The purpose of this article has been to introduce a policy-science perspective on cross-strait reconciliation. As the relations between China and Taiwan deepen, policy management is increasingly institutionalized under a variety of programmatic and regulatory frameworks. As such, policy science may shed new light on the future of the relationship and offer a perspective overlooked by traditional approaches to international relations or area studies. In particular, it draws attention to the possibilities of a significant form of policy evolution known as policy succession and the role played by

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\(^{67}\) Lawrence Chung, “Taiwan Affairs Head Outlines Agenda,” *South China Morning Post*, March 23, 2013.
programmatic actors and policy entrepreneurs that are part of the broader policy networks on both sides.

For Taiwan, the possibility of a “slow-moving crisis” emerging from a policy succession on the Chinese side means that Taipei needs to rethink its current complacency about keeping the relationship limited to economic and other easy issues. At present, Taiwan is clinging to the reeds of policy stasis rather than shooting the rapids of policy succession, which means its reconciliation policy is always in danger of being scuttled. Even if Taiwan were able to prevent policy succession, it is far from clear that this would be in its interests. Beijing’s avoidance of a shift to a more confrontational transformation of cross-strait policy is in part premised on the idea of policy evolution. Moreover, the stability of cross-strait reconciliation probably depends on shifting to political, institutional, administrative, and military issues as well as the deeper policy images behind them. As Ma has argued, the constraints on China’s use of military force will grow as the relationship becomes broader, deeper, and more institutionalized. If Taiwan wants to establish a durable peace agreement with China on favorable terms, it needs to be at the forefront of the policy succession. This will require much greater coordination and consensus on cross-strait policy among Taiwan’s national security, foreign affairs, and defense agencies than currently exists.

This analysis has focused wholly on the dynamics endogenous to China and Taiwan and has left out exogenous factors, the most important of which is U.S. policy toward China, Taiwan, and the Asia-Pacific region. Thus far, the United States has aptly maintained a low profile on cross-strait reconciliation. However, this low profile also requires significant remonstration with both Beijing and Taipei to find a solution acceptable to both sides. While it is easy to dismiss hard-line voices in the United States wanting Taiwan to seal itself off from the realities of political negotiations with China, it is equally important to reject soft-line voices in the United States wanting Taiwan to embrace increased cooperation and integration with the mainland without a clear political strategy. By supporting a conducive external environment, Washington may help programmatic actors in both China and Taiwan find a way to end the 70-year old state of war between the two sides.
ISSUES & STUDIES (ISSN 1013-2511), published quarterly by the Institute of International Relations, National Chengchi University, Taipei, Taiwan, is an internationally peer-reviewed journal dedicated to publishing quality social science research on issues—mainly of a political nature—related to the domestic and international affairs of contemporary China, Taiwan, and East Asia, as well as other closely related topics. The editors particularly welcome manuscripts related to China and Taiwan. Authors may submit via e-mail an original manuscript copy, a half-page summary, and five keywords in Word format to <issues@nccu.edu.tw>. In order to ensure the anonymity of the review process, we ask that all correspondence regarding submissions be direct to this e-mail account.

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