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**Sovereignty, Wealth, Culture, and Technology:
Mainland China and Taiwan Grapple with the
Parameters of “Nation State” in the 21st Century**

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Research of the Program in Arms Control,
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INTRODUCTION

There has been a notable shift in the debate across the straits concerning Taiwan's relationship to the larger political entity known as People's Republic of China over the last five years. The debate over Taiwan's future (or the Republic of China's future) pits concerns of Taiwanese with the right to local self-determination and insulation from potential authoritarian interference by the mainland against the overarching goal of cultural and territorial integrity free from the shadow of colonialism held up by mainlanders. Recently, the debate over the future of Taiwan is carried out in newspapers, in postings of on-line discussions, and in other media on multiple continents most of which are accessible to all parties involved. Moreover, both sides of the argument are admitted into the discussion. Although the debate is heated at times, it unfolds across the globe with a transparency unimaginable even ten years ago. In addition, Taiwanese newspapers recognize that the question of Taiwan's relationship with the mainland is inseparable from the rapidly unfolding process of globalization and integration throughout the world—the final consequences of which remain opaque. The future of Taiwan can no longer be reduced to an either/or, unification/independence, equation.

Although Taiwanese newspapers continue to display a distinctly Taiwanese perspective, even to the point of unfairly characterizing the intentions of mainland policies regarding exchanges with Taiwan, the term *zhuaxing* or “structural transformation” is employed again and again in descriptions of contemporary affairs. “Structural transformation” implies that Taiwan is playing a new and complex game of maintaining its economic base and political autonomy through overlapping patterns of engagement with the People's Republic of China, the other nations of East Asia, the United States and the rest of the world. Self-preservation is no longer a matter of simply standing up to the threatening Communist presence. Rather it is a matter of systematic negotiation within a panoply of international organizations—everything from the Boy Scouts to the World Trade Organization—on the one hand, and internal transformations aimed at increasing the value added to Taiwan's industrial, cultural, and educational capital on the other. The political and military back and forth between the Nationalist Republic of China and the Communist People's Republic of China has been a deliberate chess game spanning the last seventy years. Each side played on the other's weaknesses and appealed to the international community for legitimacy while trying to corner, and destroy from within, the other. But today the very definition of “China” and “nation” is challenged by dizzying economic and technological transformation. The chessboard on which that battle was waged has started to come apart. That is not to say that the battle has ended, just that its rules have become murky.

This paper introduces the historical background of the present confrontations and negotiations between Taiwan and the mainland both in terms of Formosa's (“the beautiful island” in Portuguese) convoluted relations with the European powers, the Qing dynasty (1644-1911), Japan, and the United States, and in terms of the relationship of the Nationalist Republic of China to the Communist People's Republic of China. It then turns to a consideration of the debate on sovereignty between these two political entities and how that debate relates to the past events, the present legitimacy of both entities, and the new challenges of globalization. What are the economic, cultural, and technological ties that continue to bind Taiwan and the mainland despite serious differences? Finally, what possibilities are there for a long-term peaceful solution?

PART ONE

A Short History of Taiwan's Special Status

A basic outline of Taiwan's cultural and political history and the sources therein of its disputed status is essential to understanding the uncertainties of its future. The original inhabitants of Taiwan, who certainly did not use that name—or the Portuguese “Formosa” (beautiful island)—to describe this lush island, were Malayo-Polynesian aborigines with no cultural affiliation with China whatsoever. Today those native Taiwanese, known in Chinese as *shandiren*, make up approximately 2 percent of Taiwan's population and are virtually absent from urban centers.

There were sporadic visits to the island of Taiwan by the Chinese and the Portuguese in the sixteenth century. The Portuguese produced records of those landings from the 1590s but attempted no permanent settlements. It was rather Holland and Spain that established colonial settlements in Taiwan (in 1624 and 1626 respectively) as part of their larger competition in trade throughout Southeast Asia. Neither country made any serious investment in the infrastructure of these tiny outposts in Taiwan, however, seeing them as but stops on larger trade routes.

When the Ming dynasty collapsed under the relentless attacks of the Manchu armies in 1644, the political order in East Asia was shaken to its foundations and the future of China clouded. The Ming dynasty had been the cultural and military power in East Asia and its overthrow by northern barbarians from the periphery disturbed the international order for centuries. The remnants of the Ming army gathered in southern China to resist, but lacked the conviction and organization necessary. No small number of Chinese attempted to cross to Taiwan fearing the wrath of the Manchu lords. It was the Dutch, however, who seized the moment and took over the island in 1646. They were soon displaced, however, by the Chinese General Zheng Chenggong in 1661, a Ming dynasty loyalist. Zheng Chenggong was a product of the protean, fluid new economic order that emerged along the coasts of China and maintained close ties with it. Piracy (or perhaps we should say resistance to Qing rule) became a serious issue in the second half of the seventeenth century and the new Manchu (Qing) dynasty took the extreme step of shutting down major ports in an attempt to stifle it, and Ming loyalists on Taiwan. Taiwan ceased to be a major trading center as a result. The Ming loyalists on Taiwan remained a serious irritant to the Qing dynasty and the cause for the first attempt to isolate the island.

The Qing dynasty was eventually successful through a variety of political and military venues in annexing Taiwan in 1683 after Zheng's death and making it a part of Fujian province. Chinese immigration from Fujian began in earnest from the eighteenth century and Taiwan became an indisputable part of the Qing dynasty. Before we say Taiwan was part of China, however, we must consider carefully the nature of Manchu rule. Ethnic Chinese were not the ruling class of the Qing dynasty—although they eventually dominated the bureaucracy—and the Qing dynasty included regions such as Manchuria and Tibet whose residents thought of themselves as part of a larger Manchu order, but not part of China. In fact the Chinese term for this realm, *hua* (as in *Zhonghua*, the formal term for “China” today), denoted a cultural and economic sphere transcending ethnicity.

The Qing dynasty was an extremely efficient agricultural empire. So successful was its peaceful rule that a massive increase in rural population occurred with serious implications for China today. Population pressure drove immigration to Taiwan in the eighteenth century from the adjacent provinces of Fujian and Guangdong. The Hakka minority people of Southern China and the Hokkien people of Southern Fujian made up a significant portion of those immigrants. In 1886 a more densely populated Taiwan became an independent province of China with a governor assigned from Beijing.

By the mid-nineteenth century, however, the threat of foreign powers returned after two hundred years of insularity. Following the defeat of China by Britain and France in the Second Opium War (1856–60), a new series of agreements was negotiated, opening China to the West. The humiliation of the Qing dynasty at the hands of England and France during the Second Opium War resulted in the Treaty of Tientsin (1858), which forced the opening of a treaty port in Taiwan. Taiwan thus became again a focal point for the economic impact of foreign powers. In addition, the Christianity-inspired Taiping Rebellion (1850-1864) of the mid-nineteenth

century nearly toppled the Qing dynasty and loosened further its control of peripheral regions. The country limped on, but its central administration was considerably demoralized and its legitimacy uncertain. The potential for commercial and colonial exploitation of a weakened China was immensely tempting for Western powers. More importantly, neighboring Japan felt an acute need to create an imperial sphere of influence. All of the important powers in Europe already had one and Japan was anxious to catch up.

The Qing dynasty suffered a total defeat in the Sino-Japanese War and was forced to accept the infamous Treaty of Shimonoseki (1895), by which the Qing dynasty ceded Taiwan to Japan. Taiwan was to become the cornerstone of Japan's empire in Asia, later known as the "Co-prosperity Sphere." Because Taiwan served as a model colony, Japan invested considerable funds in its industrialization and modernization. Although the harshness of Japanese colonial rule is indisputable, so also is the fact that Taiwan developed in a considerably different direction than it might have as a peripheral province of the Qing dynasty. Japanese was made the national language of Taiwan and many Japanese settled in this colony as part of the plan of cultural and economic integration. Citizenship in the Japanese empire was offered to all Taiwanese, although that citizenship was abruptly withdrawn at the end of the Second World War. Taiwan was critical to the Japanese effort in the Pacific War because of its industrial and logistical capacity. As early as the Cairo Conference, however, the Allies decided that Taiwan should revert to China after the war was won.

But mainland China had been torn apart by civil war before, during, and after the Second World War and it was not so clear who should have control of this island when it reverted. The Nationalists (*Guomindang*¹) and the Communists (*Gongchandang*) had fought a multi-front conflict for military and political domination of China since the late 1920s. Because the Japanese invasion pushed the Nationalists to Chungqing on the economic periphery, they found themselves at a strategic disadvantage when the Japanese unexpectedly and unconditionally surrendered in 1945. The Nationalists, cut off from their base of support and torn from within, suffered a series of defeats in the late 1940s and ended up as a government in exile in Taiwan facing impending invasion in 1950.

The outbreak of the Korean War and the new policy of containment for Communism adopted by the United States changed Taiwan's situation significantly. The United States felt increasing pressure to support all opposition to Communism on an international scale. Considerable disillusionment with the actions of the Communist Party after it had taken power also increased sympathy with the administration led by General Chiang Kaishek in Taiwan. Taiwan was integrated into the United States Pacific Defense System and in 1954 the United States and the Republic of China signed an iron-clad Mutual Defense Treaty. The Republic of China also continued to occupy the China seat on the Security Council of the United Nations with American backing.

The economic and strategic importance of the People's Republic of China continued to grow, however, to the point that it could no longer be ignored by the United States. President Richard Nixon visited Beijing in 1972, paving the way for normalization of relations with the People's Republic of China and the end of formal diplomatic ties with the Republic of China in Taiwan. Such a shift resulted from the growing realization in the United States after the Vietnam War that there was no alternative to engagement with the People's Republic of China and that the People's Republic of China and the Soviet Union did not form a contiguous political bloc. As a result of the normalization process, Taiwan no longer enjoyed formal recognition as a sovereign state by any major industrial nation. The People's Republic of China soon after assumed the China seat on the Security Council and spoke thereafter as the official representative of the Chinese mainland. Ambiguity remained as to whether the United States had recognized the People's Republic's sovereignty over Taiwan. The United States supported the idea of "one China" and recognized the People's Republic as the legitimate government of China. It might follow logically that if Taiwan were part of that one China, the United States supported the control of Taiwan by the People's Republic of China. US support of Taiwan thereafter, however, suggested that such a conclusion was mistaken.

Taiwan did not wither away. The Taiwanese economy continued to grow and it became a major player in high technology fields such as memory chips. Taiwan has remained within the top three countries in terms of foreign reserves and continues to play a vital role in a variety of international organizations. Moreover, the Republic of China on Taiwan revoked martial law in 1990 and allowed freedom of expression and political organization unprecedented anywhere in mainland China and probably in Chinese history. The legislature had previously been dominated by exiles from the mainland and their descendents and offered few opportunities

either for opposition parties, or natives of Taiwan, to participate in the political process. Critical reforms in the 1990s changed this state of affairs and have made Taiwan one of the most vibrant democracies in Asia. With the return of Hong Kong to the People's Republic of China in 1997, and the return of Macao in 1999, the question of Taiwan's future has become increasingly critical. In 1984 Deng Xiao Ping spoke of "one country, two systems," implying greater flexibility concerning the path to reunification.

President Lee Tenghui, the first native of Taiwan to be elected president of the Republic of China, initiated a program for a slow, methodical "Special State-to-State Relationship" with the mainland from 1999. The approach was interpreted as a move towards greater independence and led to a series of provocative military exercises by the People's Republic of China aimed at discouraging the Taiwanese from interpreting such rhetoric as a first step towards complete autonomy. The results of the mainland's response were mixed, and led to the election of Chen Shui-Pien of the Democratic Progressive Party in 2000 who had previously advocated a more complete form of independence than had Lee Tenghui. Chen's statements in August of 2002 concerning China and Taiwan as "One Country on Each Side of the Straits" brought forth considerable protest from Beijing, but not on the scale that might have been expected. The combination of increasing overt tension between the Republic of China and the People's Republic of China with increased cultural and economic ties is not easily explained. Taiwan often appears to be heading in two different directions at the same time.

PART TWO

The Question of Sovereignty for Taiwan

Taiwan's history is inseparable from the lingering shadow of the conflict between colonialism and self-determination that has haunted the world since the Treaty of Versailles. The US policy of recognizing the People's Republic of China as the proper representative of China and supporting the concept of one China should logically have given the People's Republic sovereignty over Taiwan. In most cases "international law assumes that sovereignty to be undivided and complete."² China, Korea, and Germany proved exceptions. US support of the policy of "one China," however, sets the Taiwan-mainland case apart from the other two. So also the degree to which both Taiwan and the People's Republic of China have been integrated into the international community and engage international institutions simultaneously is distinct. The two entities even cooperate in certain disputes. And now that Taiwanese firms have invested millions of dollars in mainland China and Taiwanese citizens have gone as far as to purchase property there, the question of what sovereignty signifies, and whether independence for Taiwan is possible in any scenario, comes to the forefront.

Taiwan has many features of sovereign state as we currently define it. Taiwan has its own laws, its own legislature, its own bureaucracy, including a foreign minister, its own military forces, and its own distinct cultural traditions. And certainly an argument can be made that it is entirely possible for an independent nation off the coast of the People's Republic of China to exist that maintains close economic ties to China and a Chinese culture. The relationship of Canada with the United States would be a perfect example.

Taiwanese citizens express justified concern for the curtailment of rights that would result from increased mainland influence. Yet there has not been a significant exodus from Hong Kong in the last few years despite increasing control from Beijing. Perhaps it is more accurate to say that the rally for accountable government throughout East Asia, whether in Beijing, Seoul, or Taipei, has quieted down significantly. There has been a notable shift towards a concern with immediate economic circumstances and less interest in direct political engagement on the part of many citizens throughout Asia.

Nor is the pro-independence movement in Taiwan clearly opposed to the possibility of a larger Chinese federation. The argument made by the pro-independence scholar Hong Zhesheng for Taiwanese autonomy does not rule out possible future reunification, nor does it dispute the cultural continuity that makes up China.³ Rather, Hong stresses the ambiguities in the term "nation state" and the uncertainties aroused by the original transfer of sovereignty from the Qing (which was a dynasty not coequal with "China") to Japan and then to the nationalist Republic of China. Hong's point is that any conception of "China" that implies an imperative for reunification is simplistic.⁴ Mainstream Taiwan newspapers also carry elaborate discussions of the abstractions of race, culture, and economics in recent days that suggest an unprecedented openness in the debate concerning Taiwan's identity and future.

The difficulty for the outsider lies in distinguishing between the overt rhetoric of condemnation or indignation towards mainland proposals on the part of the government and the general attitude of most Taiwanese, whether students, shop keepers, or businessmen with interests on the mainland. The ease with which mainlanders and Taiwanese interact with each other in the United States and elsewhere, as well as the broad range of topics on which they agree is striking. Moreover, mainland Chinese are so attracted to Taiwanese popular culture and economic opportunities, and happy to interact with Taiwanese, that it would be hard to say that either side considers the other an enemy. Rather, mainlanders and Taiwanese simply agree not to discuss certain sensitive topics.

Perhaps it would be accurate to say that Taiwanese and mainlanders engage simultaneously in two separate discourses. At one level they embrace a common culture, a common sense of interdependence, and a common hope for the future. At the same time, both sides perceive the actions of the other as dangerous and destructive actions often attributed to the respective governments. Both political units move ineluctably towards integration, as represented by the recent establishment of direct commercial flights between Taiwan and the mainland. Yet the military of the People's Republic of China publishes elaborate descriptions of how a military campaign against Taiwan would be waged.

PART THREE

Economic Aspects of the Taiwan Question

The Taiwanese media openly admits the growing importance of mainland China for the Taiwanese economy and in most cases does not articulate fears of the loss of sovereignty that might result from economic integration. Recent articles acknowledge that the mainland market will become only more important as the economic slowdown reduces US demand. The greatest worry articulated in the Taiwanese media is that Taiwan is no longer competitive with the mainland because of higher costs and less flexibility and therefore mainland concerns may be more attractive to skilled workers from Taiwan.⁵

Meanwhile, the Taiwanese electronics industry has aggressively pursued integration with Singapore, Hong Kong, Shenzhen, and Shanghai as part of a global competitive strategy. Such links are considered to be both reliable and potentially permanent. Many discussions in the media concern the jockeying for economic advantage throughout East Asia; the issue is constructing a favorable network of industrial allies. No binary division between Taiwan and the mainland is mentioned in these discussions.

Judging from the Taiwan media's presentation, the major issue for Taiwan in its battle for survival and prosperity is the maintenance of high "added value" in manufacturing. The fear expressed in most Taiwanese articles treating the economy is that Taiwan may become a "second Japan" locked in a dated economic system and unable to make fundamental structural changes. Japan had previously served as a model for Taiwanese industrial and economic development. Although not explicitly stated, recent doubts about Japan's economic significance imply that the relative status of the mainland as an economic partner has been enhanced. Such articles do not state that the People's Republic of China could be an economic model for Taiwan. Yet the relative uncertainty about Taiwan's economic ties to Japan and the United States expressed does suggest that the mainland is now one of several critical economic engines that Taiwan must balance.⁶ Taiwan continues to run a trade surplus with the mainland and the amount of cross-straight trade grows every year.⁷

The demands for reform imposed on the People's Republic of China as part of its admission to the World Trade Organization have given leaders such as Luo Gan and Zhu Rongji the bureaucratic justification required to implement far-reaching streamlining of the Chinese government. The result so far has been that as the central government ministries have been reduced from forty to twenty-nine, and sprawling bureaucracies are pruned, the People's Republic of China will have an administrative system that looks increasingly similar to that of the Republic of China in Taiwan.⁸ Moreover, the increasing autonomy of some sectors of the Chinese body politic may approach Hong Kong, or even Taiwan, eventually in their relative autonomy from Beijing.⁹ Coastal centers of trade and manufacturing such as Qingdao or Shenzhen feature an economic and political system built on complex ties with the outside world and other regions of China. Such entities make up their own game plan for development with little interference from Beijing at the administrative level—although they are not permitted to establish formal ties with Taiwan. The anticipated standard of living difference between Taiwan and the major urban centers of China is no longer significant and Taiwanese businessmen feel entirely at home moving between the two, although the undeveloped parts of China remain mired in poverty.

The imbricated economic links between the two shores are not a mere product of the entrepreneurs leading a vanguard, but run to the very political and economic centers of power. For example, Jiang Jinheng, the son of the (now retired) President of the People's Republic of China Jiang Zemin, has teamed up in business with Wang Wenyang, the son of Wang Yongqing, President of Taiwan's massive conglomerate Formosa Plastics Group. These two scions of privilege representing the elite culture of Taiwan and the mainland are starting a joint venture in silicon wafer fabrication in Shanghai. The project has been approved. If there were a massive conflict brewing at a high level in these two governments, one would expect these two men to know about it. I do not mean to dismiss the possibility of actual military conflict should the People's Republic of China feel such a move was unavoidable because some aspect of the Taiwan issue threatened the very legitimacy of that entity,¹⁰ but the general trends at the very top of both governments do not indicate that they are bracing for conflict. As long as certain fundamental ideological tenets are not violated, considerable flexibility exists.

The internet has become a critical part of the economy and the basic social structure in both Taiwan and the mainland. The People's Republic of China also has shown a deep commitment at all levels to the international development of the web even at the risk of greater access to information for its citizens. Jiang Zemin addressed the World Computer Congress in August 2000 with these words, "Virtual reality is profoundly changing the way people produce, learn and live," creating a "a borderless information space around the world."¹¹ Such a vision of China's future does not imply complete freedom, but there is considerable evidence of greater transparency within the government and in society as a whole on the mainland. There have been startling changes in the administration of government agencies in China using on-line systems, many accessible from around the world.¹² Such internal shifts open up more areas for cooperation and analogy with Taiwan. Both sides are transforming and both are doing so with an intense awareness of the other.

PART FOUR

Cultural Ties between Taiwan and the Mainland

The term “China” is more of a cultural than a political or geographical designation. One might say that if one speaks Chinese and follows Chinese precedents for human relations, one is in “China” regardless of one’s physical location—all the more so with the advent of the internet. Until modern concepts of the nation-state were introduced to East Asia in the late nineteenth century, Chineseness was a product of cultural habits and language rather than race or religion. The political unit that included Taiwan formally was known as the Qing dynasty. That dynasty was commanded by the Manchus who were not ethnic Chinese and included Tibet, Xinjiang, and Mongolia. The authority of the Qing was based on the acceptance of cultural norms, and not on the defining characteristics of the nation-state. The very term for China in Chinese, *Zhongguo* or “middle country,” implies a center for a larger cultural and economic unit that is equivalent to all of East Asia. China received tribute from the nations of that cultural space before the nineteenth century, but also granted them considerable autonomy. There was a clear difference between the provinces and the independent states with a tributary status like Korea. Yet any individual who embraced the Chinese cultural tradition, whether the teachings of Confucius or the style of classical Chinese writing, became a part of the Chinese cultural continuum.

Today as well, particularly with the advent of advanced technology for instantaneous communication and the growth of a significant Chinese diaspora throughout the world, the limits of what is meant by “China” are not clear. Chinese businesses and immigrant communities maintain close ties with the mainland. Complete assimilation is not regarded as the highest goal. Most importantly, the government of the People’s Republic of China has openly encouraged the development of an international Chinese network, even when such a network decreases Beijing’s direct authority. For example, Chinese universities have for the first time started to organize alumni throughout the world as part of this grander scheme of an international China.

Language lies at the core of the Chinese identity despite the fact that China has so many mutually unintelligible dialects. Although the standard Chinese language employed in television broadcasts and formal interactions in Taiwan and the mainland is essentially the same (let us call it Mandarin here), there are several important respects in which Chinese language on Taiwan is distinct. First, many of the Chinese characters employed in Taiwan are written differently than on the mainland. The People’s Republic of China adopted a simplified form for the Chinese characters and promulgated it throughout the mainland in the 1950s. Taiwan under Nationalist administration has retained the more complex forms of the Chinese characters down to the present day.¹³ That said, most educated Taiwanese and mainlanders have computer programs that allow them to read texts in either form of the characters and most readers in both places find both forms comprehensible. Many web pages in Chinese throughout the world are functional in either system.

The second issue in the Chinese language is the romanization of Chinese pronunciation. The People’s Republic of China has adopted a system of romanization called Pinyin that is consistent and now accepted throughout the world in the media and academia. The value of a standard form of romanization granted the relative chaos that has resulted from previous haphazard attempts is not to be underestimated. Nevertheless, the pinyin system features the initial consonants Q, Z, Zh, C, and X, which are unpronounceable to anyone not trained in Chinese. Taiwan, however, has clung to a modified version of the Wade-Giles romanization system originally developed in England. Although the Wade-Giles system has its advantages, it is not a perfect system either, and it is rarely used outside of Taiwan. Taiwanese use of Wade-Giles makes standard mainland terms seem alien and confuses many. Many articles have appeared in the Taiwanese media recently concerning the issue of romanization in Taiwan. These articles indicate a new openness on the part of Taiwan to discuss the relative merits of the Pinyin system of romanization employed on the mainland.

It may not seem immediately relevant, but a glance at Yahoo’s web site gives some sense of the shifts in the boundaries of “China” engendered by technological and cultural change. Yahoo is not a political entity, and it never comes up as a player at meetings of the Association of Southeast Asian Nations (ASEAN) or the International Monetary Fund (IMF). Nevertheless it has profound influence on the manner in which international relations are perceived around the globe. There is a section of the Yahoo web page list that

includes the following web pages: “Asia,” “China,” “Hong Kong,” “Singapore,” and “Taiwan.” Each has its own distinctive layout and the five are linked closely with each other. There are not many barriers between these five cyber worlds, and if anything observers are encouraged to wander through all five. No trace of confrontation or competition is visible on the surface of the pages whatsoever. For example, the link to the “China” page is directly accessible from the “Taiwan” page. Moreover, there is also a “United States in Chinese” web page dedicated to domestic matters but presented entirely in the Chinese language. The United States itself is to some degree integrated within this imagined Chinese world. Spanish is the only other foreign language in which a page for the United States appears. Yahoo’s format is indicative of the formation of a fine web of cultural, technological, and institutional links between institutions and information sources using the Chinese language throughout the world. Such links do not mean that states are merging, but we still do not know what the limits are to the impact of such connections. If ties between corporations, individuals, associations, and even public entities increase as part of the technologically driven process of globalization, can we be at all sure what the point would be at which political “independence” steps in to put a break on such integration? The variety of web pages available in Chinese stands in marked contrast to the complete lack of such Yahoo links to many countries throughout the world. In any case, even if Yahoo has no political significance whatsoever, the children of Taiwanese and mainland politicians employ Yahoo daily. The architecture of international Chinese culture that they imbibe from their surfing will determine the manner in which they conceive of the political landscape. In turn, the discussion around the dining room table concerning politics will be subtly influenced by those contours. Such a process will make it increasingly difficult to make extreme or confrontational arguments—not because such arguments do not make sense, but because they do not conform to this gelling cultural configuration.

The results of such shifts are already visible. A visit to one of the many web site chat rooms open for discussion in Chinese concerning Taiwan-mainland relations reveals many interactions between Taiwanese and mainlanders. Yet many of those discussions are rather subdued, and many concern cultural issues presented in a neutral tone. I was unable to find anything like the ugly confrontations between Israelis and Palestinians that unfold elsewhere in cyberspace. Taiwanese television features extended specials on the mainland introducing the food and habits of various regions. Such programs consist often of animated conversations between Taiwanese and mainlanders that do not suggest the slightest disagreement. The emphasis falls rather on the Taiwanese rediscovery of the mainland.

CONCLUSION

The debate among scholars of political science in recent years has unfolded between those who see the impact of globalization and rapidly developing world-wide interconnectedness as heralding a profound change in the nature of human relations on the one hand, and those who assert that the nation state and its institutions are stable and growing in authority. Some hold that the globalization of markets and internet linkage makes us increasingly part of a global village, while others argue that regionalism and nationalism are more prevalent today than they were twenty years ago. The question we must ask ourselves is whether these two trends are mutually exclusive. Could it be, whether we are talking about Taiwan's relationship to the mainland or Turkey's relationship to Europe, that local cultural identity is becoming increasingly critical at precisely the moment that a large part of the political and economic machinery across the globe becomes increasingly integrated into larger systems and sets of systems? Could it be that both sides of the argument will ultimately be true? Perhaps we will find ourselves in a world with greater autonomy at the regional level but less autonomy for specific sectors of the body politic because of their integration into international systems. And might it even be true that the growing nationalism that we see across the globe is a natural response to globalization that at certain moments may impede the growth of connective tissue, but as a whole gives vent to inevitable frustrations and thereby plays its own role in the process?

Oddly enough the decline of Communism as a unifying ideology on the mainland has only increased the emotional content for many mainlanders of Taiwan's status. The essentially capitalist economy of the mainland has left the Communist Party scrambling to find new ways of justifying its existence. The Communist Party's support of "nationalism" (*minzuzhuyi*) has become a major theme in public releases. Some articles have literally rewritten the history of Communism so as to appear entirely a nationalist struggle. Thus the confrontation with Taiwan is unnecessarily exacerbated by the search for a nationalist justification for the current system of government.

What can be done to insure a fair and permanent solution to Taiwan's status? It is clear that Taiwan cannot be completely independent economically or culturally from the mainland and that there will be no choice but engagement for the immediate future. The question is how Taiwan's engagement with China differs from that of Korea or Japan. There are several concrete approaches for working towards a peaceful and lasting solution to the Taiwan question that take into account the complex historical background of this conflict. The first step is to encourage reform in government of the People's Republic of China. Such a step is so obvious and naïve that it barely seems worth mentioning, but recent reforms undertaken in China required by membership in the World Trade Organization have given at least the hope that real change is possible on the mainland. Perhaps the importance of China's international image at the time of the 2008 Beijing Olympics will be a far greater impetus than any particular policy foreign governments take to encourage reform. The second step is for the nations of the world to do their utmost to integrate the People's Republic of China into international bodies such as the World Trade Organization, the United Nations, and other non-governmental organizations (NGOs). The more multilateral roles China must play, and the greater its share of international responsibility, the higher its sensitivity to international standards will be. The third step is for the international community to do its best to promote the rule of law, accountability, and democracy in its many aspects to representatives of the People's Republic of China as they grapple for solutions to the problems of the twenty-first century. The better the model exhibited by nations like the United States, the more appealing the implementation of such reforms will appear.

The nations of the world should also do their best to promote the autonomy of individual provinces in China relative to Beijing. The greatest hope for China at the present moment has been the ability of local government to institute reforms and even implement democratic institutions without the interference of the central government. The more relative autonomy the individual provinces have on the mainland, the less offensive integration into a larger Chinese federation will be to Taiwan. And the more power is distributed throughout the provinces, the less threatened Taiwan, Korea, and Japan will be by the concentration of economic and technological resources in the hands of a few men in Beijing.

The Chinese scholar Yang Xiaokai has made elaborate arguments that the economic and cultural strength of Europe was born out of its fragmentation and diversity, which Yang argues allowed heterodox thinking to find refuge. Yang argues that competition between England and France from the sixteenth to nineteenth centuries encouraged economic and cultural development and such internal division within China can have a similarly salutary influence.¹⁴ If China could in fact become something closer to the “United States of China,” it would be far easier to establish a lasting security configuration in East Asia that accounts for the new role of China but does not present the asymmetrical configuration of a Chinese colossus on the one side and Japan, Korea, and other nations on the other.

Notes

¹ Or Kuomintang in the Wade-Giles romanization. Kuomintang is commonly abbreviated as KMT.

² Greg Austin, *China's Ocean Frontier: International Law, Military Force, and National Development* (St. Leonards, NSW, Australia: Allen & Unwin in association with the Dept. of International Relations and the Northeast Asia Program, Research School of Pacific and Asian Studies, Australian National University, 1998), 5.

³ Ibid.

⁴ See Hong Zhesheng's article, “Hewei Zhongguo; weihe yibian yiguo?” (“What exactly is China? What is meant by “One side, one country?”), *Minzhuluntan* (1 December 1997), <<http://www.asiademo.org/gb/>>. This version is in simplified characters.

⁵ See the article “The Mainland Rises Up. How Much Economic Power Does Taiwan Still Have?” (in Chinese) in *Lianhebao* newspaper, 2 July 2002.

⁶ The headline of an article in the *Lianhebao* newspaper of Taiwan states explicitly “The Mainland Is Poised to Replace the United States as the Engine Driving the Asian Economy,” (in Chinese), 6 June 2002.

⁷ See chart of Taiwan-mainland trade in Lee-in Chen Chiu's chapter “Taiwan's Economic Influence: Implications for Resolving Political Tensions,” in *Taiwan Strait Dilemmas: China-Taiwan-U.S. Policies in the New Century*, ed. Gerrit W. Gong (Washington, D.C.: Center for Strategic and International Studies, 2000), 129-30.

⁸ Dali Yang details the post-1998 restructuring of the government in his article “Can the Chinese State Meet its WTO Obligations? Government Reforms, Regulatory Capacity, and WTO Membership,” *The American Asian Review* (summer 2002): 191-221.

⁹ The jury is still out concerning the relative fragmentation and integration within the People's Republic of China. For two contrasting views of China's future see David Sheff's *China Dawn: The Story of a Technology and Business Revolution* (New York: Harper Business, 2002), and Gordon G. Chang's *The Coming Collapse of China* (New York: Random House, 2001). Both give concrete examples in a highly anecdotal manner of the centripetal and centrifugal forces rippling through China.

¹⁰ See Andrew J. Nathan and Robert S. Ross, *The Great Wall and the Empty Fortress: China's Search for Security* (New York: W. W. Norton, 1997), 222-235.

¹¹ Dali Yang, “The Great Net of China: Information and Governance in China,” *Harvard International Review* (winter 2001): 65.

¹² Ibid., 66. On-line systems have been set up by the People's Bank of China, the Customs Administration, State Administration of Industry and Commerce, and the State Tourism Bureau.

¹³ Korea stopped using Chinese characters in most cases from the 1970s, but when Koreans do employ Chinese characters, they write them in the traditional, complex form. Japan employs traditional Chinese characters in most texts, but has adopted a certain number of simplifications. Those simplifications are neither as radical, nor as numerous, as those found on the mainland. Vietnam has entirely eliminated the Chinese characters since the beginning of the French occupation.

¹⁴ See Yang Xiaokai's article, “Zhongguo tongyi zhi libi” (The benefits and costs of China's reunification), (17 December 2001): 3. The article is available at his personal website, <<http://www.hjclub.com>>.