

Reproduced from *China and Taiwan: Cross Strait Ties under Chen Shui Bian* by Sheng Lijun
(Singapore: Institute of Southeast Asian Studies, 2002). This version was obtained electronically direct from the
publisher on condition that copyright is not infringed. No part of this publication may be reproduced without the prior
permission of the Institute of Southeast Asian Studies. Individual articles are available at
< <http://bookshop.iseas.edu.sg> >

CHINA and TAIWAN

The **Institute of Southeast Asian Studies (ISEAS)** was established as an autonomous organization in 1968. It is a regional research centre for scholars and other specialists concerned with modern Southeast Asia, particularly the many-faceted issues and challenges of stability and security, economic development, and political and social change.

The Institute's research programmes are the Regional Economic Studies (RES, including ASEAN and APEC), Regional Strategic and Political Studies (RSPS), and Regional Social and Cultural Studies (RSCS).

The Institute is governed by a twenty-two-member Board of Trustees comprising nominees from the Singapore Government, the National University of Singapore, the various Chambers of Commerce, and professional and civic organizations. An Executive Committee oversees day-to-day operations; it is chaired by the Director, the Institute's chief academic and administrative officer.

CHINA and TAIWAN

**Cross-Strait Relations
Under Chen Shui-bian**

Sheng Lijun

ZED BOOKS, London & New York
INSTITUTE OF SOUTHEAST ASIAN STUDIES, Singapore

Cover photograph: President Chen Shui-bian delivering his inaugural speech, “Taiwan Stands Up: Advancing to an Uplifting Era” (*Courtesy of the Department of Information and Cultural Affairs, Ministry of Foreign Affairs, Taiwan.*)

First published in Singapore in 2002 by
Institute of Southeast Asian Studies
30 Heng Mui Keng Terrace, Pasir Panjang, Singapore 119614

E-mail: publish@iseas.edu.sg
Website: <http://www.iseas.edu.sg/pub.html>

First published in North America and Europe in 2002 as a copublication by
Zed Books Ltd
7 Cynthia Street, London N1 9JF, UK, and
Room 400, 175 Fifth Avenue, New York, NY 10010, USA.

Distributed in the USA exclusively by Palgrave, a division of St Martin’s Press, LLC,
175 Fifth Avenue, New York, 10010, USA.

Zed ISBN 1 84277 318 6 (cased)
Zed ISBN 1 84277 319 4 (limp)

A catalogue record for this book is available from the British Library.
Library of Congress Cataloging-in-Publication Data has been applied for.

© 2002 Institute of Southeast Asian Studies, Singapore.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the Institute of Southeast Asian Studies.

ISEAS Library Cataloguing-in-Publication Data

Sheng, Lijun.

China and Taiwan: Cross-strait relations under Chen Shui-bian.

1. Taiwan—Foreign relations—China.
2. China—Foreign relations—Taiwan.
3. Chinese reunification question, 1949–
4. Chen, Shui-bian, 1951–
5. Taiwan—Politics and government—1988–
 - I. Title.

DS799.63 C5S54

2002

sls2002010878

ISBN 981-230-110-0 (soft cover)

ISBN 981-230-097-X (hard cover)

Typeset by International Typesetters Pte. Ltd.
Printed in Singapore by Seng Lee Press Pte. Ltd.

Contents

1. Introduction	1
2. Background	6
3. Lee Teng-hui and the “Two-States” Theory	11
The “Two-States” Theory	11
Changes in Taiwan’s Unification Position	16
To Kill Two Birds with One Stone	18
Changes in China’s Perception of Taiwan	20
A Deteriorating Political Environment for Reunification	32
An Eroding Social Basis for Reunification	33
4. Taiwan Under President Chen Shui-bian	40
Taiwan’s 2000 Presidential Election	40
China’s Concerns	43
China’s White Paper on Taiwan	44
Washington’s Concern	46
Chen Shui-bian’s Election	48
How Did China Read the DPP?	50
Understanding Chen Shui-bian	51
Trends in Cross-Strait Relations	58
How Does China Read Chen Shui-bian?	59
Taiwan’s Weaknesses	61

5. China Responds	70
Political Pressure	70
Economic Engagement	75
Military Deterrence	88
Diplomatic Pressure	93
Taiwan's Development of Longer Range Weapons, and for Mass Destruction	100
6. Conclusion	117
7. Postscript	120
<i>Appendix 1: The April 2001 U.S. Arms Sales to Taiwan</i>	126
<i>Appendix 2: The One-China Principle and the Taiwan Issue</i>	127
<i>Appendix 3: Chen Shui-bian's Victory Speech after the 10th Republic of China Presidential and Vice-Presidential Election</i>	144
<i>Appendix 4: Taiwan Stands Up: Advancing to an Uplifting Era</i>	147
<i>Glossary</i>	155
<i>Index</i>	157
<i>About the Author</i>	165