A Case Study of PRC Policymaking on Taiwan during the 1995-96 Taiwan Crisis

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ABSTRACT

Critiquing various theories put forward to explain China’s decision over the 1995-96 Taiwan Strait crisis, this chapter proposes an informal politics theory and argues that the PRC’s decision and behaviour leading to and during the crisis was not primarily the effect of formal institutional process and procedures, but rather driven by the dynamics of informal politics. The institutional outcome theory emphasises the constraints and inputs of formal decision making organizations and institutions, and sees the PRC’s decisions as based on strategic and diplomatic calculations shaped by those formal institutions and processes. The chapter demonstrates that the formal organisations and institutions did not function properly and non-institutional elements often bypassed the constraints of formal institutions. The P.R.C. leadership concerned more over domestic politics than strategic and diplomatic interests. Inputs and influence on the Taiwan decisions came mostly through abnormal procedures and informal channels or even personal relations. It is evident that informal political factors played a larger role in the shaping of Beijing’s decisions during the 1995-96 crisis.
1. Introduction

This Chapter proposes that the theory relates to Chinese informal politics helps to explain the policy-making and behavior of the PRC toward Taiwan. By adopting informal political theory and focusing on the Taiwan crisis of 1995-96, the Chapter can examine in depth the relationships between informal politics and Taiwan policy conditions. Lowell Dittmer and Tang Tsou give a definition of Chinese informal politics which is underlain by the leaders’ interpersonal relationships. Dittmer suggests that “the central term in our conceptualization of informal politics is relationships”. Tsou defines informal politics as “politics in which personal relationships with others or a set of such relationships constitute an end in itself”. There are different points of view on the theory of informal politics. According to Dittmer, formal politics and informal politics are interrelated and interact on each other. (Dittmer 1995: 9-15; Tsou 1995: 95-102) Joseph Fewsmith appears to agree with the basic category of informal politics by Dittmer. (Fewsmith 1996: 232-233) However, others go to two extremes. Lucian W. Pye, for example, believes that “the ‘informal’ is very nearly the sum total of Chinese politics”. (Pye 1995: 39) Meanwhile, Andrew J. Nathan and Kellee S. Tsai reject the classification of informal politics and formal politics, insisting on a factionalism model. (Nathan and Tsai 1995: 164-167) The arguments of these two extreme viewpoints suggest that, in practice, it is difficult to distinguish informal politics from formal politics.1 In addition, Frederick C. Teiwes states that “abnormal politics” prevailed in the Maoist period, but “the post-Maoist period had been seen an evolution toward ‘normal politics’”. (Teiwes 1995: 55-94; 2001: 69-82) The Chapter accepts Dittmer’s viewpoint suggesting that informal politics is part of PRC politics.

Using a case study of the Taiwan Strait crisis of 1995-96, this Chapter will examine the systems and mechanisms for the making of PRC policy toward Taiwan by analyzing their structure and process. In applying relevant the theory of Chinese informal politics the Chapter will investigate the Taiwan crisis and the PRC leadership succession crisis in order

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1 Frederick C. Teiwes supports Lucian W. Pye’s general argument considering that in some periods “it was virtually impossible to separate the formal from the informal”. This notwithstanding, while implicating the informal nature of the political process in the PRC, he does not explicitly agree with Pye or Andrew J. Nathan and Kellee S. Tsai. See Teiwes, Frederick C. 1995, “The Paradoxical Post-Mao Transition: From Obeying the Leader to ‘Normal Politics,” The China Journal (34), 58-59.
to examine the interrelationships between Taiwan policy-making, succession politics, foreign policy-making and informal politics. It is important to establish to what extent inconsistent policies and changing behavior can be explained by way of these interrelationships.

Shortly after the 1995-96 Taiwan Strait crisis, members of the academic community began researching all the complex factors leading to the armed antagonism in the Taiwan Strait. There were six possible domestic factors acting on the making of PRC policy towards Taiwan in the mid-1990s. These were: national security interests, ideology, nationalism, economic issues, national political stability and the leadership succession. In terms of the leadership succession issue, opinion is divided into two opposite schools: succession struggle consequence and institutional outcome. The former proposes that the Taiwan crisis was caused by a succession crisis in the PRC leadership, but the latter argues that the military exercises were Beijing’s systematic responses. The central issue is one of personality or organization. Which role is determinant? Was Beijing’s military coercion of Taiwan shaped by noninstitutional or institutional elements? Did the leadership succession or the leadership system play a more important role in making decisions on events in the Straits?

The school of succession struggle, headed by John F Copper, strongly believes that succession politics in Beijing was transformed into the leadership crisis which, in turn led to the Taiwan crisis. (Copper, Routledge, 1999: 41-74) The Taiwan crisis came at a time when the Beijing leadership was undergoing another power transition. As Deng Xiaoping’s health visibly deteriorated, a final fight over his succession became increasingly tense. Taiwan issues, in particular, the problem of Lee’s US visit, set off a fiercer struggle over the leadership succession. The paramount leaders, in particular, Deng’s heir apparent, Jiang Zemin, found it extremely difficult to withstand being accused of a soft stance on national reunification and PRC-US relations. As a result, Beijing adopted belligerence toward Taiwan, risking a military conflict with the US.

Dennis Van Vranken Hickey also considers that “the thorny succession issue” caused “China’s leadership crisis” contributing to a tough policy toward Taiwan and leading to the cross-strait tensions. (Hickey, Lynne Rienner Publishers, 1997: 190) In addition, Ellis Joffe, Rex Li and Willy Wo-Lap Lam hold the view that contention over the leadership succession was a primary element in Beijing’s war-games while laying emphasis on the roles of military-driven and factional politics in the succession struggle. (Joffe, Routledge, 1997: 53-70; Li 1996: 451; Lam 1996: 116-118) However, few scholars of the school of succession struggle justify their assumption in detail.
A contrary view is put by Andrew J. Nathan. (Nathan 1996: 87) John W. Garver also
considers that succession politics affected but was not a deciding factor in compelling
Beijing to make decisions to intimidate Taiwan. (Garver, University of Washington Press,
1997; Noble1999: 228) Sheng Lijun acknowledges that “personal political consideration
also played a role” because the leadership succession “had not been completed”, but argues
that the divergence of the Taiwan issue, mainly Lee’s US visit, in Chinese elite politics
should not be exaggerated. (Sheng, Institute of Southeast Asian Studies, 2001: 156-159)

The school of institutional outcome is represented by You Ji. (You, Australian National
University, 1997: 29-55; You, Routledge, 1999: 77-97) Although he does not dispute the
utility of searching for internal political sources of the conflict across the Straits, he
considers that power struggles in the hierarchy are overemphasised and the divergence over
Taiwan policy between leaders is exaggerated. He places Beijing’s decision-making during
the Taiwan crisis in the context of strategic calculations. He insists that the leadership
system performed an important function in shaping the PRC military exercises in the
Straits because of grave concern over territorial sovereignty and national security. There
was an apparent unanimity of view in Beijing on the strategy regarding Taiwan, reaching a
consensus to shift from promoting mainly peaceful reunion to increasing military pressure
to force Taipei to move to reunification rather than independence. Thus Beijing decided to
conduct military exercises to warn Taipei.

The school of institutional outcome places emphasis on Beijing’s strategic and
diplomatic considerations. But it overlooks the political reality surrounding Taiwan policy
decision-making in the PRC during 1995-96. For example, Nathan, Garver and Sheng
came to their conclusions without an examination of the interplay between succession
politics and Taiwan policy.

Because You Ji is representative of the school of institutional outcome, this study
focuses on analysing his arguments. His discourses are instructive in reviewing Beijing’s
motivations for the attempted coercion of Taipei. However, some interpretations within
the institutional context are questionable. The crux of the argument is that “China’s
domestic politics of succession” “has theoretically been settled”, (You, Routledge, 1999:
77-97) suggesting that a major change in Taiwan policy was made under a stable,
authoritative and systematic leadership. Thus the PRC’s actions in the Taiwan Strait
resulted from strategic considerations in the formulation of policy and decision-making.
(You, Routledge, 1999: 77-97) This argument leaves the question open in five respects.

First, it calls into question whether Jiang Zemin’s status as Deng’s heir had been
consolidated. The perspectives on the vulnerability and instability of Jiang’s position as
successor in the first half of the 1990s had already become prevalent. In evaluating “Jiang’s prospects and his leadership problems” a year and half after coming into office, You made a critical assessment of him by reason of “the lack of a regularized process within the leadership” and “grave uncertainties” in the succession to Deng. (You, Australian National University 1990) However, four years later, You had a higher regard for Jiang’s staying power than those scholars in the Western countries and Taiwan on grounds of “the institutional dynamics of succession politics”. Unfortunately, You’s work has less to teach us about how and why this transformation from the noninstitutional to the institutional occurred. On the contrary, it emphasizes that the timing and environment were key factors in realizing Jiang’s right of succession whilst the application of factional politics also played an important role.

A second key issue is Jiang’s relationship with the military and the military’s role in the Taiwan policy and decision-making. The consolidation of Jiang’s successor position involves an assessment of his degree of military support. You concludes that “the PLA has never challenged Jiang’s position as the commander-in-chief”. However, he acknowledges that “the post-Deng power transfer has increased the influence of the PLA in the country’s

2 For example, Ellis Joffe, an advocate of the succession struggle approach, believes that Jiang “is both vulnerable and movable”. See Joffe, Ellis, “How Much Does the PLA Make Foreign Policy?” in David S.G. Goodman and Gerald Segal (eds), China Rising. London and New York: Routledge, 1997, p.56.


4 According to You Ji, the key to Jiang’s final and real hold on power is that he carefully calculated the timing to take over the reins of power from the party elders. With a cautious approach to the consolidation of his successor position, his strategic calculations of accommodating the party elders were successfully brought about over several years. Only when the revolutionary veterans such as Chen Yun passed away and Deng Xiaoping’s health was in serious decline in 1995, did Jiang really succeed to the supreme power of Deng. “This highlights that the factor of timing that [it is] determines the outcome of a succession process.” “The year 1995 proved the importance of the environment in which a successor can develop his power base.” The demise of most party elders and Deng’s failing health gave Jiang golden opportunities to fully gain the reins of power. See Ji, You, “Jiang Zemin: In Quest of Post-Deng Supremacy,” in Maurice Brosseau, Suzanne Pepper and Tsang Shu-ki (eds), China Review 1996. Hong Kong: The Chinese University Press, 1996, p.3; Ji, You 2001, “Jiang Zemin’s Command of the Military,” The China Journal (45) 137. In addition, in fact, You Ji acknowledges that “while factional dynamics persisted at the apex of the political pyramid,” Jiang applied the factional means in fostering his successor position, combining “formal positions” and an “informal network of personal associates”. See Ji, You, “Jiang Zemin: In Quest of Post-Deng Supremacy,” in Maurice Brosseau, Suzanne Pepper and Tsang Shu-ki (eds), China Review 1996. Hong Kong: The Chinese University Press, 1996, pp.2, 7.
politics”. The military gained “an enlarged say over vital leadership decisions” because of its major role in the leadership succession. In exchange for their support, Jiang had to satisfy the military through making “efforts to safeguard military interests”, “enlarging military spending” and supporting “the PLA’s new grand defense strategy”. Meanwhile, “the PLA has probably acquired crucial power in directing the course of the PRC’s Taiwan policy” and “the PLA has always taken a hard approach to Taiwan”. This gives rise to the question: how could Jiang bring the military under his authority and curb the military’s aggressive demands on Taiwan? There are more questions that need to be further addressed, such as the military’s stance toward Jiang’s new Taiwan policy (the eight-point proposal), lobbying on Taiwan policy and influence on the decision-making during the Taiwan crisis. (You, Australian National University, 1997: 43-48.)

Third, the institutional outcome approach does not adequately explain why Beijing changed its responses to Lee’s US visit from moderation to belligerence. Beijing’s early restraint reflected the fact that it did not necessarily have to make military responses. You Ji recognises that “immediately after Lee’s US visit the Chinese leadership make a U-turn in its Taiwan policy”. He offers plausible explanations for this, considering that there was a consensus on a strategic shift “from peaceful inducement to threats of force” in Beijing’s “reunification policy”. (You, Routledge, 1999: 77-83.) However, the question needs to be asked: was such a response, adopting a mild stance at first and reacting strongly later, strategically calculated? Did the leadership system or the internal political processes play the larger role in making decisions to suddenly escalate from diplomatic means to military force? It is necessary to address these unanswered questions in order to discover the real cause for this major change in Beijing’s stance toward Lee’s US visit from restraint to violation.

Fourth, the view of institutional outcome alone can not adequately explain the structure and process of Taiwan policy-making. As such, several important questions need to be

5 When Lee planned his US trip and the Clinton administration decided to issue a visa to him, Jiang’s administration exercised restraint. Beijing made representations toward Washington but did not adopt a tough diplomatic stance or suspend negotiations with Taipei. Whilst Lee visited the US from June 7-12, Beijing still responded politically, only publishing articles in the official media criticising Lee. Shortly after Lee’s US visit, the PRC Taiwan Affairs Office on June 12 stated that although the visit had caused tensions between Beijing and Taipei, the agreements and exchanges between the two sides should be maintained and should not be affected. On June 14, ARATS Vice Chairman Tang Shubei declared that the Second Koo-Wang Talks would be held in July in Beijing as scheduled. On June 16, Beijing withdrew its ambassador from Washington and suspended the scheduled Second Koo-Wang Talks. Although Jiang’s administration toned up its responses, these reactions were still within reasonable bounds. Beijing did not announce its intention to conduct military manoeuvres until July 18. See Ming, Chu-cheng, “Political Interactions Across the Taiwan Strait,” in Maurice Brosseau, Suzanne Pepper and Tsang Shu-ki (eds), China Review 1996. Hong Kong: The Chinese University Press, 1996, pp.190-192.
further discussed: Did the official organs of Taiwan policy-making function properly? Did retired officials outside formal organizations have an influence? In the case of Jiang Zemin’s new Taiwan policy-making, did he have self-interested intentions for power, and did his protégés outside the official Taiwan policy organs play a role? Were there informal political factors contributing to the interlinked Taiwan and US policies? Most important, did the leadership succession or the leadership system play a large role in making decisions on events in the Straits?

Fifth, institutional outcomes should result from the institutionalisation of policy decision-making. However, this presupposition of institutionalisation is open to question. Was there a well-institutionalised mechanism of Taiwan policy-making? Were there conflicts between the institutional and noninstitutional elements in the course of Taiwan policy-making? Because the leadership succession in the Communist regime is recognised as a major problem, the most contestable issue in the argument of institutional outcome is whether politics and policy decision-making under the Communist regime can be institutionalised. A number of Chinese politics scholars hold the view that PRC politics was not institutionalised in the mid-1990s. As You Ji acknowledges: “orderly succession is an unsolved problem for China. The only way out is to institutionalize it under the rule of law a long and painful path”. (You, The Chinese University Press, 1996: 24.) This study will argue that the key issue of non-institutionalised politics is that problems in the leadership succession system had not been resolved.

In searching for the underlying cause for Beijing’s decisions to conduct military exercises in the Straits and the origins of the Taiwan crisis, these five sets of complex and controversial questions remain to be addressed. Therefore, the main hypothesis of this Chapter is that in the case of the 1995-96 Taiwan crisis, internal political considerations in

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6 For example, Michel Oksenberg believes that “Leninist systems have no institutionalized and orderly procedures for selecting the successor to their paramount leader”. “This is the Achilles heel of the system.” See Michel, Oksenberg 2001, “China’s Political System: Challenges of the Twenty-First Century,” The China Journal (45): 29.


the PRC outweighed strategic and diplomatic consideration in the formulation of policy and decision-making. A subsidiary hypothesis is that in the internal political processes surrounding decision-making in the case of the 1995-96 Taiwan crisis, informal politics, mainly issues of succession, were more important than institutional politics. It will be argued that these internal political factors played a larger role in shaping Beijing’s Taiwan policy and decision-making on events in the Taiwan Strait during 1995 and 1996.

2. Informal Politics and Succession Politics in the PRC

It has been stated in the Introduction that this Chapter will adopt informal politics theory because it is applicable to the object of this Chapter and helps explain the policy-making and behaviour of the PRC toward Taiwan. Some definitions, explanations and suggestions are given. First, this Chapter accepts Dittmer’s viewpoint suggesting that informal politics is part of the P.R.C. politics, not meaning its politics is completely informal. (Dittmer, 1995.) This Chapter views P.R.C. politics as a body of contradictions in which there are both informal politics and formal politics. Secondly, it is proposed that Chinese informal politics basically consists of succession politics, elder politics and factional politics. Thirdly, the development of informal politics theory in generalising knowledge in this Chapter is based on observations on the P.R.C. politics in the mid-1990s. It proposes that succession politics was the main characteristics of informal politics in the case of the 1995-96 Taiwan crisis.

In observing decisions on the Taiwan crisis by the P.R.C. leadership, two specific relationships have been found between the Taiwan crisis and succession politics, and Taiwan policy and informal politics. These two relationships suggest two others: the relationships between decision-making on the Taiwan crisis and the general making of Taiwan policy, succession politics and informal politics. While looking at these relations at both the micro and macro levels, their close connections show clearly that they have inner links and interactions. Their causalities are such that succession politics leads to the Taiwan crisis, and informal politics makes Taiwan policymaking partially irregular and inconsistent. These internal relations represent the linkage between foreign policy and domestic politics in the PRC. The application and development of informal politics theory brings about a number of findings which enhance our understanding of the situation.

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9 It is declared that there is definition of a certain period in this proposition. This Chapter proposes that succession politics shapes informal politics in the PRC, only reaches the case of the 1995-96 Taiwan crisis.
Through defining a place and role of succession politics in informal politics, this Chapter distinguishes the relationship between succession politics and informal politics in a certain period. As we have seen, the question of the leadership succession had not been settled in the mid-1990s. Thereby in the case of the 1995-96 Taiwan crisis the problematic shift of power showed that it was the most important factor in shaping the political situation and succession politics dominated informal politics. Although other forms of informal politics existed, they basically derived from succession politics. Also, most informal political problems were born of succession politics.

A number of Chinese politics scholars hold the view that the P.R.C. politics was not institutionalised in the mid-1990s. Even You Ji considers that “orderly succession is an unsolved problem for China. The only way out is to institutionalize it under the rule of law ...... a long and painful path”. (You, The Chinese University Press, 1996: 4) This Chapter proposes that the key issue to non-institutionalised politics is that the systemic problems in the leadership succession have never been fundamentally solved. Succession politics were always a matter of first importance. Because of the lack of any institutionalised system of leadership succession, the selection of the candidates for succession and the replacement and consolidation of successors had been disorderly. It is quite evident that in the mid-1990s the biggest issue for P.R.C. politics was still to assure a procedural and peaceful transition of power. The lack of a regularised succession system made the process complicated, uncertain and changeable with problematic stability and doubts about the authority of the successor. This gives rise to a series of problems and defects in the polity. Therefore succession politics conspicuously epitomises informal politics in the PRC.

A review of the past processes of leadership succession can trace the predominance of succession politics in informal politics and find out its historical roots to help understand the reason why it inevitably continued in the mid-1990s. At least five cases and processes,


11 Michel Oksenberg views the lack of “institutionalized and orderly procedures” for the leadership succession as the most basic problem of the P.R.C. political system. See Michel, Oksenberg 2001, “China’s Political System: Challenges of the Twenty-First Century,” The China Journal (45): 29-30.

both the general public and elites debated the question of who should succeed to power and worried about the future of the succession which was also of concern to people outside the country. In the early days of the PRC, Mao Zedong began arranging matters for the succession to himself. In the 1950s, he first selected Liu Shaoqi and deposed Liu in 1966 at the beginning of the Cultural Revolution. Then he set up Lin Biao’s successor status. However, this succession arrangement even through constitutionally designated came to an end with an alleged abortive military *coup d’état* in the early 1970s in which Lin died and Mao was nearly assassinated. After Lin, Mao, for a time, considered Wang Hongwen as another heir but gave up because of Wang’s extremely poor political quality. (Yang, M.E. Sharpe, 1998: 178-185; Leung, Greenwood Press, 1992: 452-454.) Eight months before dying, he chose Hua Guofeng to succeed. Nevertheless, Deng Xiaoping sabotaged Mao’s succession plan. He defeated Hua and seized supreme power. In the 1980s, he earmarked two men to be his successors, Hu Yaobang and Zhao Ziyang. However, his succession strategy collapsed, respectively deposing Hu and Zhao and leading to the 1989 Tiananmen Square massacre. None of these leadership successions were procedural and peaceful, which had an important negative impact on the party and country, causing ruthless power struggles and culminating in political upheaval. When Chinese politicians looked through the prism of the succession contests, they always employed informal political devices, even military force, to decide the issue of the leadership succession struggle. These traumatic transitions including the transfer of authority with violence, showed the most primary forms of informal politics. The historical records reveal that succession politics pervaded most stages of political developments in the PRC from the 1950s to 1980s. This made the political state of affairs mostly abnormal and caused the PRC to suffer continuous heavy losses.12 In particular, the momentum of inertia produced from the intense, sharp and disruptive leadership successions for three rounds on end throughout the 1980s had an important impact upon the political pattern in the first half of the next decade hence.

Thus it can be seen that because up to the mid-1990s the question of the leadership succession had not yet settled, succession politics was the main characteristic of PRC informal politics. The greatest problem facing the PRC in 1995-1996 was the leadership succession. These two years were critical for the leadership succession as Deng Xiaoping’s health visibly deteriorated. The problem of Jiang Zemin’s succession to Deng became

12 According to Lowell Dittmer’s review, there are “two succession theories”. “One is that succession incapacitates the system (the ‘succession crisis’ school), and the second is that succession renews and invigorates the system.” Dittmer believes that “the more typical Chinese pattern is what we call a ‘premortem succession crisis’”. See Dittmer, Lowell 2001 “The Changing Shape of Elite Power Politics,” The China Journal (45): 62-64.
predominant over other political issues. Under the circumstances, in all the manifestations of informal politics, succession politics was the most important.

The phenomenon of the “old men politics” is an important part of succession politics. A group of octogenarian party stalwarts, predecessors of the paramount leaders and elder statesmen, become the main body in elder politics. The party elders are the arbiters of succession politics, playing a leading role in selecting, backing or deposing a leadership successor. With a monopoly of authorisation of the right of leadership succession, they have leverage over successors and politics. The party elders always hold ultimate power unless they die. Despite having retired from their official posts, they are still powerful in the formal organisations of party and government even directly taking part in leadership and policy decision-making, underlining informal political factors in the polity and the policymaking structure and process. They dominate the most important personnel appointments and replacements while having the ultimate say in policy decision-making. Most important, the party elders are the final arbiters of the political conflict especially the power struggle between successor and contenders for the leadership succession.

13 For succession politics and elder politics, see Nathan, Andrew J. and Link, Perry, eds 2001 (compiled by Zhang Liang), The Tiananmen Chapters: The Chinese Leadership’s Decision to Use Force Against Their Own People. New York: Public Affairs, pp.xvi-xxiii.

14 A number of pre-eminent leaders often attend the meetings of the Politburo and its Standing Committee, the State Council and the Central Military Commission. In addition, they are given the right by the incumbent younger leaders to participate in the party’s central leadership and decision-making on occasion. See Li, Zijing 1996, “New hierarchic list of the ‘Elder Comrades’ of the Party, Government and Military,” Cheng Ming Monthly (222): 35.

15 Mainly through two bodies, the party elders continuously control personnel keeping their powerful political influence. One is the Central Advisory Commission, which was an instrument of legitimating the retired senior officials to interfere in the party and government affairs. It was established in the party’s 12th National Congress of 1982 but was dissolved in the 14th National Congress of 1992. See Lam, Willy Wo-Lap 1995, China after Deng Xiaoping: The Power Structure in Beijing since Tiananmen. Singapore: John Wiley & Sons, pp.248-252. Another is the Party-State Personnel Small Group, which is in charge of reshuffling of the party-state six big leading groups at intervals of five years. The claim of existence of such a group by Chen Yizi is valid, but his indication of Chen Yun as the group leader is not correct. Frederick C. Teiwes’s denial of the existence of the group in light of a C.P.C. high-ranking official’s version is an invalid argument. See Teiwes, Frederick C. 1995, “The Paradoxical Post-Mao Transition: From Obeying the Leader to ‘Normal Politics,’” The China Journal (34): 81. In fact, Bo Yibo had headed the Party-State Personnel Small Group for four terms from 1982 to 1997 across the party’s 12th-15th National Congress and correspondingly the four National People’s Congresses. This group has major power to reshuffle leaders but has no legal basis. Although Bo was relieved as head of the group in 1998, the party elders remained playing a larger role in the group while some of them were additionally engaged as personnel advisers. See Yu, Meiren 1997, “The Power Struggle before the 15th National Congress,” Cheng Ming Monthly, (238): 13; Zhu, Ailun 2001, “An Unjust Verdict in Liaoning Province,” Open Magazine, (176).
Because of the lack of an institutional leadership succession process, successors have to stand up to a large ordeal for their real hold on power, to which obtaining the party elders’ final stamps is a key. After Jiang Zemin came to office, the party elders remained frequently intervening in politics. Although Deng Xiaoping was advanced in age, he was unwilling to let real power fall into the hands of younger leaders. Jiang was unable to make decisions independently, he had to ask for instructions from Deng on most major issues. According to You Ji, only when the revolutionary veterans such as Chen Yun, who was behind only Deng in the power centre, passed away and Deng’s health was in serious decline in 1995, could Jiang fully gain the reins of power. (You, Chinese University Press, 1996: p.3; You, 2001: 137) The intervention by the party elders in politics exemplifies informality in politics while intensifying and aggravating the scramble for the leadership succession. Their abnormal influence upon policy decision-making helps develop the noninstitutional elements, as a result, irregularity and uncertainty in policy decision-making increases. The party elders become the biggest obstacles to an institutional policy structure, process and political formalisation. Elder politics underlines the predominance of succession politics in informal politics.

In terms of the relationship between factional politics and succession politics, this Chapter proposes that factional politics is a part of informal politics, but basically serves succession politics. The purpose of all political activities is to get and use power. Although under given conditions factional politics may exist independently, the ultimate purpose of factional rivalry is the pursuit of power interests. In the case of the PRC in the mid-1990s, all political activities at the highest levels including factionalism were, primarily for the seizure, preservation and maximisation of power. In particular and most importantly, in political transitions, the political purpose of factionalism is the scramble for the leadership succession. Succession politics is predominant over factional politics while factional politics is the groundwork. Usually, a successor or a contender for the leadership is the nucleus of a faction. Factional contentions become a foundation of the contenders for the leadership succession, playing a particular role in contesting the heirship of supreme power. Thus the factional rivalry can take place amongst the noninstitutional elements in the political structure on which leaders have to depend, thereby intensifying the struggle for the leadership succession. In this sense, it is noteworthy that factional politics fuels succession politics.

This Chapter proposes that the leadership succession struggle is an important cause of factional rivalry and gives an impulse to the development of factionalism.16 When the

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16. For the basic reasons that Communists including Chinese Communists favour factionalism and the root cause for factional strife in Chinese informal politics, see Pye, Lucian W. 1995 “Factions and the Politics of Guanxi: Paradoxes in Chinese Administrative and Political Behaviour,” The China
political jockeying is conducted, all candidates for the succession are trying to lace the new line-up with their own protégés. This impels them to use factionalism with the extensive networks of informal relationships as a political lever. In addition, most people move in the line of succession not through regular procedures. After they become successors, their governance of the party-state and decision-making are not wholly institutionalised or conducted completely in light of organisational norms. They believe that the use of informal channels is more efficient to ensure their stability of status while professional officials within the formal organisational system are not fully trusted. They have to establish an informal relationship network based on personal loyalties. In particular, in the crucial moment of the leadership succession struggle when the vulnerable successors have to secure their power bases, it is obvious that formal institutions are not enough to provide successors with legitimacy and authority. Meanwhile, opponents also have to seek out supporters outside the formal institutions to form their own factions to seize the right of succession. To sum up, it is because the personal political purposes of both successors and contenders cannot be accomplished within the confines of official organisation that factions are widely and intensively employed in order to win an uncertain successor struggle.

The more unstable and vulnerable successors are the more they depend on factionalism. Jiang Zemin is such a typical character, who has played more factional games than previous leaders in consolidating his right of succession. In contrast with Mao Zedong’s and Deng Xiaoping’s domination of different party factions and manipulation of factional rivalry as political strongmen, Jiang, a weak leader, established and employed his Shanghai faction, heightening factionalism. In the Jiang Zemin regentship, because of the needs for his power consolidation amid the leadership succession struggle, factionalism became larger and more intense.

3. Two Centres of Taiwan Policy-Making

During the early and mid-1990s, there were a variety of actors and unwritten rules in the PRC Taiwan policymaking structure and process. The key problem was that there were two centres making Taiwan policy. One was in Beijing and the other in Shanghai. The Beijing centre was led by Qian Qishen. Because of his dual capacity as Politburo Member Journal (34): 43-46.

and the CTWLG (Central Taiwan Work Leading Group) deputy-head, as well as being Vice-Premier and Foreign Minister, he was in charge of the Party and government’s Taiwan policy-making system while supervising foreign policy. According to bureaucratic norms, the Beijing centre held the formal power and included all the Taiwan-related official organs. It was considered the government’s highest authority on Taiwan policy-making. The Shanghai centre was headed by Wang Daohan. Wang occupied a place with the decisionmakers at the core making Taiwan policy while taking charge of the direct negotiations with Taiwan as the supreme negotiator on the mainland side. Wang’s specific responsibility was to participate in the Taiwan policy decision-making after retirement from the Shanghai mayoralty. Wang had his think tank for Taiwan policy and his own team for negotiations on Taiwan affairs.

The Shanghai centre was in a delicate position. As such, it is necessary to analyse Wang’s subtle capacity. On one hand, he was a former senior official, who had been retired for a long time. Strictly speaking, he was not within the bureaucratic system because he was a non-permanent bureaucrat. The Shanghai centre headed by Wang was extraofficial and not included in the formal organisational framework concerning Taiwan affairs. Nevertheless, Wang was assigned to engage in making Taiwan policy because of his close personal relations with Jiang Zemin. (Gilley, University of California Press, 1998: 248)

Born in 1915 he had been relieved of his post of Shanghai mayor in 1985. Wang gave guidance and support to Jiang and helped him rise through the ranks of Communist leadership. When Wang stepped down as mayor, he highly recommended Jiang, who craved for the position, as an excellent successor. With Deng Xiaoping’s approval, both Wang and Jiang obtained what they wished. Jiang had worked under Wang’s leadership for a long time. Wang had held the deputy ministers’ position of the First Ministry of Machine-Building Industry and the Ministry of Foreign Economic Relations, as well as the post of first deputy-director of the State Import and Export Administration and the State Foreign Investment Administration, from 1949 to 1980. In the earlier stages, Jiang served on Wang’s subordinate staff and became his assistant in later days. Wang was Jiang’s chief political benefactor throughout his career. He fostered Jiang’s rise to the inner circle of power, of which the Shanghai mayoralty was one key step. Wang and Jiang had a deep personal bond and a close friendship.18

Wang held official positions despite the fact that he was no longer a public servant. The PRC was slowly moving to an open and modern state under huge pressures from both

inside and outside the country, but it remained a state ruled by man rather than by law. A retirement system had been established since the early 1980s. However, this system had proved imperfect and its rules had not been strictly complied with. For example, Deng Xiaoping retired in the late 1980s, but he remained in possession of the actual supreme power until his death in 1997. According to the regulations, leaders at the level of ministry, major city or key province must retire after the age of sixty-five. Wang had been retired for a long time because of his advanced age. Nevertheless, Jiang broke the regulations and appointed Wang as a member of the central Taiwan work leading group and the president of the Association for Relations Across the Taiwan Straits (ARATS), despite it appearing to be in the nature of a part-time job. Wang's assignment to be in charge of Taiwan policy was a political deal rather than one based upon professional considerations. It was both indicative of Jiang's political repayment to Wang and his confidence in him. Wang had no previous experience or expertise on Taiwan. When Wang's appointments as president of the ARATS in 1991 and as a member of CTWLG in 1993 were published, the unexpected news caused surprise on both sides of the Taiwan Strait. Wang had lived in Shanghai all year round but Jiang gave him a greater authority in making policy and handling affairs on Taiwan. Jiang told many visitors that he had a good opinion of Wang and counted on him in the fields of PRC policies toward Taiwan and the United States. (Taiwan Today News Network, October 18, 1998.) Wang was viewed as Jiang’s mouthpiece on Taiwan policy, while also having a great influence on Jiang in Taiwan affairs. (The Trend Magazine, No.148, 1997, p.11; Lam, Prentice Hall, 1999: 14-15, 172) Wang’s statements about Taiwan affairs had thus drawn much attention.

The fundamental reason why there were two centres for the making of Taiwan policy is that Jiang had political difficulties in dominating Taiwan policy-making in the transitional period succeeding Deng. It is a tradition that the paramount leaders leave the power centre in Beijing for Shanghai, establishing a new strategic base to launch a counterattack on their political opponents when their absolute authority is challenged. Between 1965 and 1966, Mao found it very difficult to start the Great Proletarian Cultural Revolution in Beijing so he went to Shanghai, mobilising the movement and relying on his trusted followers in the CPC Shanghai Municipal Committee. Between 1991-1992, Deng was unable to carry out his new policies, shifting the focal point from the conservative line of anti-peaceful evolution (anti-West) and deflation to the radical approach of re-opening the door to foreign countries and starting a new upsurge of economic development. As such, he also

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went to Shanghai and the south preparing public opinion for his new political campaign. (Zhao 1993: 739-756.)

The existence of two Taiwan policy-making centres indicates that Jiang followed Mao and Deng’s behaviour in defending power and breaking through the barriers of making and implementing policies. In Jiang’s case, he did not have the established authority of Mao and Deng. In the early period of his rule, Jiang did not have secure hold on Beijing’s bureaucratic organisations because he was viewed as a political lightweight and a transitional figure. Thus, Jiang strove to cultivate political support within the party, government and military to strengthen his political influence over the central authorities. He used his tenure as mayor of Shanghai, building an extensive connection network, called the “Shanghai faction”. He exploited his position and power by promoting and moving members of the “Shanghai faction” into departments under the CPC Central Committee and the State Council. While relying on this “Shanghai faction” in consolidating his leading position in the central apparatus, he still had to seek support from his power base of Shanghai. There were a lot of his trusted followers there and he believed it was its stronghold. In particular, Wang was his one-time patron, who had helped him to consolidate power and advised him on statecraft. The national strategy toward Taiwan was very sensitive and took an important place in the power struggle for leadership succession. For Jiang, such a major matter needed to be entrusted to his henchmen rather than relying on the professional officials inside formal institutions. Thus, it was Wang who became an advisor to Jiang on Taiwan affairs and Shanghai played a major role in making Taiwan policy by entering into a rivalry with the Beijing centre headed by Qian Qishen.

The Beijing centre dominated the Taiwan policy establishment in the central government. It played an essential, but not decisive, role in the formulation of Taiwan policy. In light of norms and regulations, it was responsible for providing the basis for the party’s central leadership on the PRC strategy toward Taiwan. Usually, it supervised drafting and readjusting Taiwan policy and submitted results and options to the CTWLG and the Politburo and its Standing Committee to discuss and determine. It also oversaw Taiwan affairs and policy implementation nation-wide, while coordinating cross-strait relations management among all the departments concerned. Theoretically, it was the government’s highest authority on Taiwan policy-making because it represented the central authorities while the Shanghai centre was the second tier of authority. Because of this legitimacy, it was in a much better position than Shanghai. The Shanghai centre although closely tied with Jiang, was far removed from Beijing. However, despite being an informal organisation, it sought to play a major role in Taiwan policy. Its working range was very wide, stretching from the collection of information, research on the Taiwan issue, brains-trust of the PRC-US disputes over Taiwan and major Taiwan policy, even to the handling
of cross-strait relations and spokesman for the central authorities on some occasions. Backed and directly instructed by Jiang, it occupied an important place in the PRC policy-making system on Taiwan. Without being authorised by the party and state, the existence and activities of the Shanghai centre demonstrated the noninstitutional elements of Taiwan policy-making based on informal politics, in conflict with the formal organisational system’s functions.

Competition and conflict between the two centres making Taiwan policy lay in the fact that both points of departure were fundamentally different. Qian Qishen clung to establish guiding principles and wanted to make and implement an orthodox policy on Taiwan. He had no close personal ties with Jiang despite short-term historical affiliations. (Gilley, 1998:133; Lam, 1999: 28-29) It seemed that the cautious bureaucrat did not bind himself together with Jiang in succession politics despite being involuntarily involved. Probably the bitter lessons of past succession struggles led to Qian wishing to stay aloof from the contention between Jiang and his rivals. Generally speaking, having few intentions to serve Jiang’s personal political considerations and make innovations, he was believed to be inclined to a conservative policy on Taiwan and gradual development of cross-strait ties leading to eventual reunification.

In contrast to sticking to the conventions of the Beijing centre led by Qian, the politically dynamic Shanghai centre headed by Wang sought to break through Beijing’s stereotyped routine. Obviously, the Shanghai centre aimed at establishing Jiang’s legitimacy and prestige as supreme leader through great achievements in Taiwan policy and affairs. Jiang was highly dissatisfied that no major breakthrough had been achieved over Taiwan despite several years of on-off talks. In attempting to satisfy Jiang, the Shanghai centre was enterprising and strove for an early solution of the Taiwan problem by trying to bring forth original ideas. It showed goodwill toward Taipei, adopting a more moderate stance than the Beijing centre. Trial balloons were launched from Shanghai to test reactions from Taiwan and international opinion in order to create favourable and effective Taiwan policy options for Jiang. Wang led his team in continuously proposing new tactics on Taiwan, many of which suggestions were adopted by Jiang. It sought to make greater contributions to the consolidation and promotion of Jiang’s status by associating him with enlightened and future-oriented policies on Taiwan.

With such a background, Jiang took the political offensive and announced a new Taiwan policy in early 1995, called Jiang’s eight propositions on Taiwan. Jiang declared that the PRC would not militarily threaten Taiwan, appealing to Chinese on both sides of the Taiwan Strait not to fight with each other and to strive for a peaceful reunification of China. (Jiang, 1998: 231-235) The Shanghai centre played a larger role than the Beijing centre in mapping out Jiang’s moderate eight point policy toward Taiwan. (Lam, 1999: 172;
In Jiang’s handling of the 1995-96 Taiwan Strait crisis, Wang and his team were trusted more than Qian and his Party or the rest of the government’s Taiwan policy-making system in providing information and advice. For example, at an early stage of Lee Teng-hui’s US visit, Jiang’s decisions basically echoed Wang’s advice and assessment of the political situation. (Ruan, 1996: 96) The Beijing centre was overshadowed, but strove to preserve its own legitimacy and position of primacy. As such, it adopted an unfavourable attitude to the Taiwan policy proposals put forward by the Shanghai centre in its eagerness to initiate a new phase in cross-strait relations and move toward immediate reunification.

On the Taiwan policy issues, Wang and Qian took differing stances. By and large, Qian’s Taiwan policy statements were more reflective of the PRC government’s position than his personal opinion. In particular, when the top leaders were in the process of internal policy debate and political disputes, he had to maintain the established official stance. In contrast to Qian, Wang spoke for Jiang on Taiwan affairs. When Jiang had some new ideas involving delicate and sensitive issues not ripe for publication, he had no way to personally promote them, but Wang could raise them in his ARATS capacity. However, Wang also promoted policy approaches of his own conception. After recommending ideas to Jiang and gaining approval, Wang published them to ‘fly a kite’ domestically, while collecting responses from Taipei and the major powers, particularly the US. In doing so, he wished for prompt discussion and consensus-building among the party’s central leaders to reshape Taiwan policy in some respects. However, while Wang had become the focus of news reports in Taiwan, Hong Kong and the international media, his remarks were not viewed as representing an official Chinese statement. Instead, Qian was regarded as the official spokesman on Beijing’s Taiwan policy. This complicated the PRC position on cross-strait relations bringing about troublesome problems and sending some mixed signals to Taipei.

The focal point of contention between Wang and Qian was whether to revise the traditional concept of ‘One China’ or to seek a more moderate Taiwan policy for the promotion of earlier reunification. In November 1992, a consensus on the ‘One China’ issue was reached between the SEF (Straits Exchange Foundation) and ARATS. Both agreed to adhere to the ‘One-China’ principle despite differing over the political definition. According to Taipei, the ARATS declared that it had made a concession by respecting and accepting the SEF’s suggestion in reaching the consensus. (http://www.mac.gov.tw/english/chronology/scemap.htm) This demonstrated that Wang preferred to adopt a more flexible stance to try to bring the two sides together, in order to woo Taipei into softening its stance against immediate reunification. However, Qian adopted an equivocal attitude toward the consensus. He continued to interpret ‘One
China’ as meaning the PRC. His Party and the government’s Taiwan policy-making system reiterated its past stand on the substance of ‘One China’. In August 1993, a white Chapter was published reasserting Beijing’s long-standing claim that there is only ‘One China’, Taiwan is part of it and that the PRC is the only legal government of all China. (Taiwan Affairs Office & Information Office, PRC, 1998: 256) This was viewed by Taipei as violating the 1992 consensus, and was not expected to be conducive to the development of cross-strait relations.  (http://www.mac.gov.tw/english/chronology/scemap.htm) Before mid-1995, Qian shunned the consensus but did not publicly deny it. Soon after Lee visited the US in June 1995, Qian did deny the original consensus that both sides upheld the ‘One-China’ principle but each had a different understanding of the meaning of ‘One China’. On June 22, Qian published a seven-point statement to govern Taiwan-Hong Kong relations, which indicated that he regarded Beijing as the central government and degraded Taipei as a local government, equivalent to Hong Kong. He pointed out emphatically the PRC government’s official position on the ‘One China’ principle and asked “the Taiwan authorities to make a clear analysis of (the) current situation”.20 By intending to treat Taiwan the way Beijing had treated Hong Kong and demanding Taipei accept a subordinate position, he, in fact, denied the 1992 consensus, imposing on Taipei Beijing’s own version of ‘One China’. The remarks about the ‘One China’ principle and Taiwan-Hong Kong relations became a keynote of Qian in his harsh criticism of Taipei during late 1995 and early 1996.  (The Free China Journal, November 10, 1995.) Under such circumstances, Xinhua News Agency, Beijing’s official medium declared that Beijing insisted on Taipei’s acceptance of the PRC version of the ‘One-China’ principle as a precondition to the resumption of bilateral talks. However, Taipei rejected this, stating that it was unacceptable.

By comparison, Wang adhered to the 1992 consensus, seeking to express the principle of ‘One China’ in a new form. (The Trend Magazine, No.148, December 1997, pp.10-11) On several informal occasions, even as the Taiwan crisis reached its height in January 1996, he tried to revise the orthodox policy, in particular the traditional political definition of ‘One China’, in an attempt to ease cross-strait tension to reduce the heavy pressure on Jiang

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from his political rivals and the military. He sought to redefine the ‘One China’ principle with a neutral term, not subject to any one-sided interpretation, in order to shelve debates on the meaning of ‘One China’ and create favourable conditions for reunification. He considered that ‘One China’ referred neither to the PRC nor to the ROC, but to a reunified China that would be commonly created by compatriots on both sides of the Taiwan Strait. He described the political situation between Taiwan and mainland China as more “China’s division” than “a divided China”. The description of “China’s division” was close to Taiwan’s idea of “a divided China”, reflecting a new approach by Wang toward Taiwan. Wang’s opinion indicated that he believed that Taiwan’s political status could be negotiated under the ‘One China’ principle and Beijing might accept a new form of government if Taipei agreed to reunification talks. This demonstrated his unremitting efforts for a more flexible treatment of Taipei’s status and a more pragmatic solution for reunification in order to preserve and promote Jiang’s leadership. Qian, however, unlikely to agree with Wang’s approach, could only maintain the orthodox policy on Taiwan. He had been hurt by the outburst of the anti-“Taiwanese separatists” and anti-“American hegemonists” among senior military officers following Lee’s US visit. In the struggle for power in the Zhongnanhai that was under way, the leaders had become more aggressive in their Taiwan policy. In order to win the confidence of the military and preserve his own position for foreign and Taiwan affairs, he had to maintain the old form of ‘One China’, indicative of a more conservative Taiwan policy.21

The divergences between Wang and Qian over Taiwan policy had some undesirable consequences for cross-strait ties. In particular, their conflicting remarks on the 1992 consensus confused the PRC position on Taiwan affairs, affecting Taipei’s confidence in Beijing. In Taipei’s eyes, Beijing unilaterally breached the 1992 consensus by forcibly placing Taiwan within the framework of PRC sovereignty.22 Taipei accused Beijing of a

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lack of sincerity and goodwill in its observation of the inconsistency. In terms of the definition of ‘One China’, Taipei argued that the original oral agreement permitted the two sides to have their own explanations of the ‘One China’ concept. According to SEF Chairman Koo Chen-fu, Taipei had “never deviated from the “One-China” principle”, refuting Beijing’s accusation that Taipei was creating ‘two Chinas’ in the world community. Although Taipei believed that Beijing broke its promise and violated the consensus, it continued to pursue unification in light of its own understanding of ‘One China’. Taipei had maintained that the ‘One China’ concept referred to the future rather than the present. The two sides were not yet unified, but were equals, separately ruled. If Taipei accepted Beijing’s view, then it would downgrade itself to the level of a local level government body within the PRC. Thus Taipei rejected the principle of ‘One-China’ on Beijing’s terms. Also, after Beijing suspended regular cross-strait talks in retaliation for Lee’s US visit, Taipei refused to accept Beijing’s precondition that bilateral dialogue could only resume if Taipei accepted Beijing’s version of the ‘One-China’ principle. In particular, when Beijing intimidated Taiwan by force, Taipei was determined not to concede political ground in the face of military threats. Beijing’s inconsistency on the consensus, and misinterpretation of it, resulted from informal domestic political factors. This was resisted by Taipei, producing adverse effects on the relations between the mainland and the island, which caused new disputes and led a standoff. More unfavorably, it deepened Taipei’s doubt about Beijing’s sincerity in developing cross-strait relations and real intentions regarding reunification.

The divisiveness between Wang and Qian highlighted the wide divergence of views which prevailed among the PRC Taiwan policy-makers that they were incapable of coordinating because of mechanism problems and issues of informal politics. Thus, it can be seen that each policy-making centre tried to make its own Taiwan policy. This inevitably led to competition and conflicts between the two centres as each sought a bigger say in formulating PRC policy toward Taiwan. This made the policy process abnormal and policy principles and goals changeable. For instance, Jiang’s eight propositions on Taiwan appeared to offer reasonable grounds for a compromise but, under the circumstances of succession politics, only half a year later a 180-degree turn was made. Under the pressure of his rivals and the military, Jiang was forced to adopt a tough stance on Taiwan. On the grounds of Lee’s US visit, the PRC unilaterally suspended all cross-strait negotiations and launched a military intimidation of Taiwan. Therefore, the two centres hindered the procedural and rational establishment of a Taiwan policy. The irregular process of Taiwan policy-making contributed to its low effectiveness, and hindered the accomplishment of its

goals. It also led to less consistency and credibility in the PRC decision-making on Taiwan's affairs, which was harmful to its long-term policy objectives. Such inconsistent and unstable policy behaviour exposed the contradictory elements, institutional and noninstitutional, within the PRC Taiwan policymaking structure and process. Finally, it suggests that there were strong links and interactions between succession politics and Taiwan policy, affecting the course of Taiwan policy formulation. Therefore, it is necessary to explore the relationship between the leadership succession problem and the Taiwan policy process.

4. Informal Politics And The Noninstitutional Elements In The P.R.C. Taiwan Policymaking

Kenneth Lieberthal, Michel Oksenberg and David M. Lampton all shape a fragmented authoritarian model for the P.R.C. polity and policy decision-making. In addition, a disjunctive policy structure with divergent departments and factionalism is charted, and a diffuse and cumbersome policy process is examined. We see a variety of informal relationships and functional disorder as well as the confused position of policy-making bodies. The policy process is disjointed and protracted even on occasion blocked. (Lieberthal Lampton, 1992; Lieberthal and Oksenberg, 1988; Lampton, 1987) In themselves these fragmentations in the political system and the policy structure and process have a little to teach us about why there are so many problems; the defectiveness to which they give rise, and why in policymaking there are no reasonable structures and institutional regulations or any effectively operative mechanisms. In short, why and how these fragmentations arise? Failure to answer this question, they do not address the real nature of the P.R.C. policy and policy decision-making. Thus, the fragmented authoritarian model is not adequate to explain the essence of the P.R.C. political system and policy decision-making although it nearly reaches a critical break-through point.23 For example, some chapters of Lampton deal with the personal ties of guanxi or informal relationships. (Lampton, 1987: 16-17, 401-405) Unfortunately, without employing informal politics theory to describe these abnormal connections or forming a more accurate concept,

23 Regarding the explanatory weakness of the fragmented authoritarian model, see Hamrin, Carol Lee and Zhao, Suisheng 1995, eds., Decision-Making in Deng's China: Perspectives from Insiders. Armonk, New York: M.E. Sharpe, p.xxvii. Michel Oksenberg realises this weakness and revises his viewpoint, replacing with “an eclectic set of three types of institutions” because “such previous depictions as” “fragmented authoritarianism” “miss the complexity of China’s state structure today”. See Oksenberg, Michel 2001 “China’s Political System: Challenges of the Twenty-First Century,” (45): 21-35.
Lieberthal, Oksenberg and Lampton fail to further develop their models which need to be supplemented.

In searching for such a conception, this Chapter seeks an explanation in informal politics theory. The Chapter proposes that the fragmented political system, basically, is constituted by two parts, formal politics and informal politics. The P.R.C. politics is a body of contradictions comprising both informal and formal politics. It is the contrast between informal and formal politics that leads to conflict within the political system and the resulting fragmentations. The system is fractionated into a formal institutional structure and informal networks. Under this framework, there are both institutional and noninstitutional elements in policy decision-making. The disjunctive policy structure and the diffuse and cumbersome policy process can be interpreted by the nature of informal politics. On the basis of the results of Lieberthal, Oksenberg and Lampton, this Chapter goes a step further bringing forward a concept that the fragmented political system consists of contrary parts with formal politics and informal politics. This more complete explanation helps clarify the substance of fractures under the fragmental authoritarian model.

The fragmental political system and the partially informally politicised policy decision-making are interactive. The informal political part provides fertile ground for extensive networks of relationships and noninstitutional elements. Under the fragmental authoritarian model, policy decision-making is not institutionalised, and this results in conflicts between informal and formal factors impeding the rational and quality policy formulation.

In examining the main bodies and primary process of Taiwan policy-making, the imperfect structure and partially irregular process reveal the systemic problems in Taiwan policy-making demonstrating the variety of abnormality. Interpersonal relationships at the top level have a great influence. Factional contentions occupy an important place in the Taiwan policy structure and process.

Informal politics permeates the noninstitutional elements disturbing the political spectrum. Succession politics utilises these noninstitutional elements and enhances them aggravating the political ecology. Weakness pervades the political system leading to defectiveness in the policy structure and process. The communication of ideas and the flow of information are impeded. The use of cumbersome procedures delays major decisions. Many major policy solutions to problems have to go through the protracted arguments among factions that obstructs the policy traffic. It makes the policy process move diffuse and difficult. Frequently diverse policies are made by respective sectors or trans-departments on the same areas or affairs. As a result, this defectiveness seriously
constrains the adoption of satisfactory policies and may even produce some unintended or unanticipated policy outcomes. There are some means such as consensus building that may temporarily remove the policy logjam. However, these cannot fundamentally resolve the systemic problems of policy decision-making. The underlying cause lies in the informal politics, in particular in the case of succession politics.

An imperfect structure and irregular processes issue from the predominance of informal politics. In Taiwan policy-making, while the formal organisational system works, there are other noninstitutional elements. The architecture of Taiwan policy and its setting are a body of contradictions. The noninstitutional elements structurally impact upon the Taiwan policy system causing internal conflicts. On occasion the noninstitutional elements prevail against the institutional elements producing adverse effects.

The noninstitutional elements mainly take the form of interpersonal relationships. The top Taiwan policy-makers have attached importance to traditional Chinese inter-personal relations. Inside the official organs, the top leaders in charge of Taiwan policy and affairs put their trusted followers in important positions. Also, in the establishment of Taiwan policy, they ignored the formal organisational system and its professional officials and assigned their protégés to the task personally bypassing the official bodies.

The noninstitutional elements have been a longstanding phenomenon in the P.R.C. political system and decision-making structure. In particular, in the mid-1990s, there was no set of rules to administer political activities and guide policy-making. The PRC adhered to the rule of personality rather than the rule of law, personnel often took precedence over policy. Under such circumstances, the noninstitutional elements played an important role in the working of formal institutions. In particular, in those key sectors or major policy areas in which they had no expertise they were vulnerable to assaults by rivals. Thus they had to seek for informal ties and rely on their trusted followers despite some of them being outside formal institutions. Appointing retired Wang Daohan to important formal positions while assigning him major tasks to deal with Taiwan affairs and policy by Jiang were a typical example. The noninstitutional elements showed that informal political factors occupied an important place in policy decision-making.

The examination of this Chapter demonstrates that the noninstitutional elements play an important part in Taiwan policy-making bypassing the official organs and undermining the procedures and formulisation of formal institutions. There are conflicts between the

institutional and noninstitutional elements in the course of Taiwan policymaking. These conflicts in combination with factional rivalry disturb the Taiwan policy process. In particular, during the struggle for the leadership succession, the course of development in the policy formulation on Taiwan was one of vacillation.

While the Taiwan policy institutions do not function properly, the different policy opinions and the influence of various sectors and circles on the top Taiwan policy-makers are expressed more through abnormal procedures and the informal channels and even inter-personal relations. These informal political factors are combined with the leadership succession struggle, muddling the Taiwan policy process. The leaders’ self-interested intentions to scramble for power and the motivation of leaders’ protégés outside the official Taiwan policy organs to preserve leadership and influence play a larger role than the institutional factors. Thereby the policy process is thrown into confusion and results in the decision-making logjam, seriously affecting Taiwan policy outcomes. Because the Taiwan policy process does not function completely according to the organisational norms, it makes sudden changes in policy direction possible. In particular, in order to defend a leader’s position or realise the dream of becoming an authoritative successor to the supreme ruler, it is easy to overreact to external events under the pressure of opposition factions. For example, Jiang Zemin initiated his new peaceful reunification strategy in early 1995 but then suddenly turned to military intimidation for a forcible integration with Taiwan from mid-1995 to early 1996 under the powerful pressure of the anti-Jiang coalition between the military and contenders for the leadership succession.

The partially irregular Taiwan policy process under succession politics is not untypical of the P.R.C. foreign policy process. It can help to explain unusual and unreasonable behaviour in Beijing’s external relations. The decision process of P.R.C. foreign policy is not completely normalised, it is not programmatic and procedural. Personal political calculations are critical in policy decision-making on major issues. This reflects the fact that personality is more influential than institutional considerations in the foreign policy outcomes. Being affected by informal political factors, sometimes the P.R.C. foreign policy behaviour is changeable and unstable.

Both institutional and noninstitutional elements that simultaneously act on the policymaking process affect the functions of policy machinery, making a well-institutionalised mechanism hard to generate. To be sure, the formal communication channels are at work, involving documentation and meetings for the exchange ideas, information flows and the discussion policy options. Meanwhile, the informal mechanisms, involve personal connections with private consultations and coordinating actions. As for another mechanism, ideology, its role as a factor in making policy is declining. (Lieberthal, and Dickson, M.E. Sharpe, 1989: xi-li; Lieberthal and Oksenberg: 1988, pp.151-157)
mixture of mechanisms makes stable policy formulation very difficult. Worse still, informal mechanisms become particularly important in policy decision-making under succession politics because the leadership succession struggle relies more on informal relationships.

5. Problems in the formal Structure and Process and Their Impact upon PRC Policy toward Taiwan

Because the P.R.C. politics and policy-making were not institutionalised, the systemic defects in the architectural design of Taiwan policy-making were congenital and deep-rooted. Thus it can be seen that the mechanism of Beijing’s policy toward Taiwan partially operated under informal politics, leading to indefinite policy goals and capricious policy behaviour.

The Taiwan policy-making system was mainly constituted by the Taiwan Affairs Office (TAO), the Association for Relations Across the Taiwan Strait (ARATS) and the Central Taiwan Work Leading Group (CTWLG). Indirect departments were involved but played a relatively smaller role in making Taiwan policy. The TAO’s main duty was to implement rather than to make Taiwan policy, and the ARATS worked under the TAO. However, ARATS president, Wang Daohan, played an important role in making Taiwan policy because of his unique political relations with Jiang Zemin and his membership of the CTWLG.

The CTWLG was the virtual command centre, charged with deliberating policy principles and guidelines on cross-strait relations while overseeing the operations of the Taiwan affairs establishment. Although the CTWLG was responsible to the Politburo Standing Committee, Jiang chaired this apparatus of supreme power. Most important, Jiang held the CTWLG headship. Thereby he was able to exploit his position and power for personal political benefit despite possibly being frustrated. As the top Taiwan policy-maker, he made the final decision to launch the war games in the Taiwan Strait.

An imperfect structure of Taiwan policy-making obstructed any thoughtful, farsighted and effective cross-strait strategy. Investigations and studies have shown that the changing policies toward Taiwan basically resulted from an unstable internal system. The characteristics of the P.R.C. political system were fragmented authoritarian. These features were also reflected in the structure of Taiwan policy-making. The various departments, mainly the Taiwan affairs offices and the military, security and foreign policy units, were quite inconsonant and scrambled for power. They failed to work together to formulate a co-coordinated strategy concerning Taiwan. The highly complex inter-personal relations
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widened the rift between the various departments vying with each other and made the Taiwan policy-making mechanism even more imperfect. Succession politics aggravated these structural problems. As a result, the perplexed and encumbered structure of Taiwan policy-making made confusing policy outcomes become unavoidable.

The making of P.R.C. policy toward Taiwan was not completely institutionalised because there were both institutional and noninstitutional elements. (Tsai, Issues & Studies, 33-9, September 1997, p.1. )The formal organisations and institutions did not function properly. On occasion the noninstitutional elements even bypassed the institutional organs. The expression of different opinions toward, and the influence of internal political forces on, the top Taiwan policy-makers were partly through the abnormal procedures and informal channels or even personal relations. Some major Taiwan policy initiatives even, were taken outside the institutional framework. The functions of official institutions were weakened and could not operate normally and well.

The abnormal architecture and defective mechanism of Taiwan policy provided occasions and opportunities for informal politics. In Taiwan policy-making, interpersonal relationships at the top level had an important influence and leaders’ personal factors played a larger role than the institutional factors. This could facilitate an individual leader exploiting Taiwan policy to serve a useful political purpose. Also, factional contentions occupied an important place in Taiwan policy-making. Elite factionalism fuelled the succession struggle producing a negative effect and compelling Beijing to move to a tougher stance in its standoff with Taipei and Washington in order to smooth internal strife.

Noninstitutionalism was incarnated in the two Taiwan policy-making centres. The underlying cause for such an abnormal political state lay in Jiang’s vulnerable successor position and his personal political dynamics. He had to seek support from his power base of Shanghai and set up the “Shanghai faction” in consolidating his leading position. He relied upon his trusted followers outside the official organs more than the official Taiwan policy-making bodies. In order to convince elites and peoples that he would be a legitimate and suitable supreme leader by the establishment of great achievements in national reunification, he was eager to make progress in Taiwan affairs. However, such an idea could only be entrusted to his henchmen to carry out rather than left to officials inside formal institutions. Based on such political considerations, the two Taiwan policy-making centres were formed. One was in Beijing headed by Vice-Premier Qian Qishen who was officially charged with Taiwan affairs and the other in Shanghai. Retired Wang Dohan, who has been frequently mentioned as a research focus in this study, was Jiang’s principal protege and became a chief of the Shanghai centre. Wang had a bigger influence on Jiang than Qian and was viewed as Jiang’s mouthpiece on Taiwan policy.
The two Taiwan policy-making centres were the origin of Jiang’s changeful Taiwan policies. Retired Wang played a larger role than Qian in mapping out Jiang’s eight point policy toward Taiwan. (Lam, 1999: 174-172.) This threw the structure into confusion and disrupted the policy procedure. The two centres competed to have a larger say. The unofficial Shanghai centre, with the instigation and support of the paramount leader, challenged the official Beijing centre. The Beijing centre was overshadowed but strove to preserve its own legitimacy and leading position. Thus each policy-making centre made its own Taiwan policy. Wang and Qian often delivered different speeches on Taiwan policy, which showed that on Taiwan policy the widest divergence of view prevailed among the Taiwan policy-makers and they were unable to coordinate because of the structural problems. As the two centres tussled over the Taiwan issue, divisions and debate spilled over into outright dispute.

The two Taiwan policy-making centres further intensified the succession struggle and had structural impacts on the architecture of Taiwan policy. Its aftermath had been seen in the 1995-1996 Taiwan crisis because of the confusion in the Taiwan policy structure and the divorce of the policy goals from reality. Jiang was tempted to remake Taiwan policy without having a proper strategy devised by the formal organisational system and its professional officials.

The imperfect structure and partially irregular process of Taiwan policy-making provided the basis for changeful policies even showing a U-turn and a sudden escalation from diplomatic means to over-use of military force. Instability in the Taiwan policy-making framework and course was liable to transformation into an adventurist policy.

The problematic structure and process of Taiwan policy-making under informal politics means that the top Taiwan policy-makers were not able to effectively address the Taiwan policy questions or handle events appropriately in the Strait.

The systemic problems in managing the crisis together with the contention for the leadership succession added a factor to cause and escalate the Taiwan crisis. Beijing never developed a crisis-management mechanism despite declaring that the Taiwan issue involved serious matters of national security.25 The capricious countermeasures dealing with Lee Teng-hui’s U.S. visit revealed that the decision-making systems concerning Taiwan and foreign affairs made no institutional responses to events in the Strait. They failed to take appropriate moves to handle the cross-strait problems which arose from the visit.

25 The institutions for managing crisis were not established up to the end of the last century. “In December 2000 a new National Security Leading Group was established, also chaired by Jiang, to formulate and coordinate responses related to international and regional military and strategic crises.” See Shambaugh, David 2001“The Dynamics of Elite Politics during the Jiang Era,” (No.45): 104.
disordered process of decision-making and inconsistent policy behaviour showed Beijing as incapable of coming up with crisis-management measures at that time. The Taiwan issue was a flash-point and many incidents in the relations across the Strait needed to be handled promptly. Yet the mechanism of the PRC Taiwan policy decision-making and implementation could not acclimatise itself to such a circumstance. Its system of information and feedback was very slow and ineffective, incapable both of coordinating inside, and rapidly responding outside. This meant Taiwan policy could not readjust in light of the change of situation without delay. Political considerations made the systemic problems in crisis management protrusive. In adopting appropriate measures in response to Lee Teng-hui’s U.S. visit, Jiang Zemin trusted intelligence and the advice of his own henchmen more than the government’s information-gathering system and decision-making apparatus. Failure to hammer out a mechanism for crisis-management in line with the potentially explosive nature of the Taiwan Strait problem enhanced informal political factors, entailing large consequences.

Because of the lack of institutionalism in politics and policy-making, institutional and noninstitutional elements were simultaneously at work in the P.R.C. policy toward Taiwan and the US during 1995-96. Under the circumstances, the viewpoint that the Beijing leadership reached a decision on a strategic shift in the Taiwan issue within the context of institutionalism, is not explainable as the root cause of the PRC sudden and violent actions in the Taiwan Strait. To assume an interpretation based upon an institutional outcome as reasonable, this outcome should have resulted from political institutionalisation. Yet, institutional politics had not been completely established in the mid-1990s mainly because the question of the leadership succession remained unresolved.

6. Conclusion

The making of P.R.C. policy toward Taiwan was not completely institutionalized because there were both institutional and non-institutional elements. The formal organizations and institutions did not function properly. On occasion the non-institutional elements even bypassed the institutional organs. The expression of different opinions toward, and the influence of internal political forces on, the top Taiwan policy-makers were partly through the abnormal procedures and informal channels or even personal relations. Some major Taiwan policy initiatives even, were taken outside the institutional framework. The functions of official institutions were weakened and could not operate normally and well.

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To sum up, the examination of the relationship between domestic politics and Taiwan policy conditions and findings in this Chapter shed light on the underlying causes of the 1995-96 Taiwan Strait crisis. The P.R.C. leadership’s consideration in making decisions to deal with problems in the cross-strait and PRC-US relations is more internal political than strategic and diplomatic. It is quite evident that informal political factors played a large role in shaping Beijing’s Taiwan policy and decision-making on events in the Taiwan Strait during 1995 and 1996. The P.R.C. military exercises against Taiwan were more the consequence of the succession struggle than an institutional outcome.
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