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Source: *Asian Survey*, Vol. 14, No. 8 (Aug., 1974), pp. 679-699

Published by: University of California Press

Stable URL: <http://www.jstor.org/stable/2642721>

Accessed: 16/06/2010 14:53

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WOULD CHIANG FIND MAO AN UNACCEPTABLY STRANGE BEDFELLOW?

/ William H. Overholt*

Future international relations in Eastern Asia, and future American policy in this region, will depend significantly on relations between the People's Republic of China (PRC) and Taiwan (GRC). Among the conceivable forms which the relationship between the mainland and Taiwan could take are: one dominated by military conflict; a stable one imposed by other powers; an unpredictable or oscillating one based either on a destabilized international situation or on domestic fluctuations in either country; a hostile but predictable one based on the present military stalemate and attainment of a political stalemate; one based on formal agreements between Taiwan and the mainland; or various combinations of these. This paper focuses primarily on the possibility of formal agreements between the PRC and either the Taiwan government or individuals or groups on Taiwan. Within this possibility, the paper focuses on PRC ability to make convincing commitments to the GRC or to groups or individuals on Taiwan.

The belief by B that A keeps his word depends upon A's objective record and upon B's perception of that record. If B's information is faulty, or if B's way of interpreting the information differs from C's way, then B and C will differ regarding the credibility of A. For this reason we shall look first at the "objective" record of the PRC in honoring agreements and then at the perception of that record by various individuals, groups and countries.

"OBJECTIVE" CREDIBILITY¹

International Agreements: In East Asia the PRC has apparently avoided breaking explicit agreements with the North Koreans despite frequent shifts in relationships with that country, and has honored almost all agreements

*The original version of this article was written in November 1971 for a Hudson Institute contract with the Advanced Research Projects Agency. It has subsequently been updated and revised following two trips to Taiwan. Opinions expressed here do not represent the views of either Hudson or ARPA.

¹An informal survey of senior academic and diplomatic specialists was used to compile a list of situations in which PRC credibility had been tested. The findings reported here are illustrative rather than comprehensive. For this paper "subjective credibility" is more important and thus the informal survey is more useful than more formal methods. For a more formal survey, see Luke T. Lee, *China and International Agreements* (Durham, N.C.: Rule of Law Press, 1969). Lee's excellent study was unavailable when this paper was written, because of the publisher's inability to provide a copy, but his conclusions substantiate this paper's. This paper does not compete with such works, but uses their conclusions to illuminate important policy choices.

with Japan despite ideological conflict and nationalistic fear. The PRC's usually scrupulous fulfillment of contracts with Japan was marred in the late 1950s when it repeatedly failed to meet agreed standards for exported iron ore for non-political reasons, and when it unilaterally cancelled all contracts in 1958 for political reasons. These incidents have not been repeated, but the Chinese have generally bargained very hard on prices and even obtained fertilizer at prices below the manufacturer's cost when Japanese companies became dependent on Chinese markets.

In Southeast Asia, the PRC terminated agreements in Cambodia and Indonesia after coups in those governments, but this termination apparently had at least the tacit consent of recipient governments fearful of Chinese influence. PRC troops are rumored to have crossed their mutually-agreed-upon border with Burma, but evidence on the charges is scanty, the Burmese have not protested (perhaps from fear), and the border is straddled by tribes, families, and smuggling routes. PRC troops' crossing of this border can occur when chasing Kuomintang soldiers or when instigated by local (communist or non-communist) feuding parties.

In Laos, Chinese road-building activities violated the Geneva Conventions, but the Chinese reply that American and Thai violations nullified those conventions, and that Chinese military protection of the construction teams was a justifiable response to the presence of U.S. aircraft. A clearer lapse of compliance was the Chinese failure to pay their share of the expenses of the ICC, even before the Chinese denunciation of U.S. activities in Laos. So far as is known, China has kept all agreements, including annual and supplementary aid agreements, with North Vietnam, although—importantly—Cultural Revolution chaos did delay and divert some shipments from Russia.

In South Asia the record is more complex. China fulfilled commodity agreements with Pakistan and continued to provide diplomatic support against India in 1971 even after it became clear that Pakistan would lose. The Chinese stalled on an agreement to build a conference hall in Ceylon when a moderate government came to power, but built it when Mrs. Bandaranaike became head of state. During the 1962 conflict with India, Chinese troops did cross boundaries which had been acknowledged *very informally* by a *previous Chinese regime* under circumstances which demonstrated that the Chinese were avoiding any firm commitment until their position was stronger. Chinese troops built a road in territory which China claimed (despite the informally acknowledged boundaries) in order to secure lines of communication from Tibet to Sinkiang. During subsequent military conflict for which India was at least as responsible as China, China attacked here and in the Northeast Frontier Area (NEFA), but withdrew voluntarily in NEFA after securing its road in Ladakh.²

²These brief remarks are based on Neville Maxwell, *India's China War* (New York: Pantheon, 1971).

The PRC has not always met its obligations to foreign diplomats. During the brief interlude in the summer of 1967 when Red Guard supporters took over the Foreign Ministry, a British official was beaten. A Laotian consul in Yunnan was attacked by local people who envied his standard of living in a period when there was insufficient food for the local Chinese. Also, Chinese diplomats have sometimes behaved quite undiplomatically. Cultural Revolution incidents occurred in Brussels, Moscow, Rangoon, and London. Such incidents are usually beyond Peking's control; in the British case above, Chou En-lai apologized, and the Foreign Ministry head at the time of the beating was later executed for his various lapses of responsibility.

In commercial dealings not specifically mentioned above, the PRC has acquired an apparently justified reputation for hard bargaining, for honoring its obligations in general but frequently not meeting deadlines, and for reasonable arbitration of disputes.

This brief and incomplete survey of some situations which have tested the PRC's willingness to honor international agreements indicates the basic principles of, and limitations upon, the PRC's credibility in international contracts. The PRC makes few detailed international commitments. Where the PRC has explicitly accepted obligations, it is ordinarily scrupulous in honoring them despite occasional, usually minor, lapses resulting from domestic political or economic turbulence. On the other hand, the PRC has followed the Soviet Union's precedent in insisting that, as a revolutionary government, it is not bound by all of the agreements of its predecessors;³ thus the PRC has repudiated the 1946 accord on diplomatic and consular property and certain boundary agreements negotiated by previous regimes. Similarly, China's revolutionary perspective leads to rejection of the view that aid to a foreign insurgency is illegal. Finally, the PRC, like the U.S., usually suspends aid agreements when the recipient state's leadership shifts to unfriendly hands. Despite these qualifications, the PRC's record of keeping international agreements is outstanding among developing nations.

An important caveat to this conclusion results from the absence of situations where such compliance might impose high costs on the PRC. In a sense the absence of such "test situations" attests to PRC good faith; like a cautious bank, the PRC is careful not to make agreements which it will not be able to honor. But no country can forever avoid severe tests of "credibility" against other values such as national welfare and national security. Lacking more test situations, one cannot evaluate the limits on PRC willingness to incur costs in order to maintain credibility. The dispute over the Aksai Chin could have provided an important test. There, Chinese security against the U.S.S.R. seemed to require rapid access to Sinkiang from Tibet. Had there been a prior boundary agreement with India that precluded such a road, or precluded military use of such a road, then a formidable test would have arisen.

³In the *Common Program*.

For Taiwan, this international record means that, to the extent that the PRC would accept explicit international obligations with regard to the status of Taiwan, the letter of those obligations would probably be honored. Vagueness in such agreements would of course be fully exploited. More important, the PRC would hesitate to accept international obligations in connection with Taiwan. The PRC has repeatedly acknowledged that unsettled international issues exist regarding Taiwan (e.g., the issue of U.S. troops in Taiwan). But, like the GRC, the PRC has maintained that Taiwan is a *domestic* Chinese issue. The credibility of domestic promises thus affects the credibility of agreements with Taiwan more than the credibility of international promises.

DOMESTIC AGREEMENTS WITH POLITICAL GROUPS

The Chinese Communist Party (CCP) has made agreements with regional groups, with non-Communist parties, and within the CCP itself, which provide some basis for judging whether similar deals with Taiwan would be kept.

Regional/Cultural Groups: Peking has dealt with several groups which are culturally distinct, geographically concentrated, and remote from central control, by initially promising autonomy and later seeking to absorb them as fully as possible. Tibet provides a paradigm for this process.

In 1950 Chinese armies entered Tibet, and in 1951 the Chinese and Tibetan governments signed an agreement providing for, among other things, "national regional autonomy under the unified leadership of the Central People's Government," assurance that "The Central Authorities will not alter the existing political system in Tibet," commitment that "Officials of various ranks will hold office as usual," and

In matters relating to various reforms in Tibet, there will be no compulsion on the part of the Central Authorities. The Local Government of Tibet should carry out reforms of its own accord, and when the people raise demands for reform, they must be settled through consultation with the leading personnel of Tibet.

These guarantees sound impressive, but the balance between "regional autonomy" and "unified leadership" is not specified, and the guarantee of non-compulsion is juxtaposed with insistence upon unspecified reforms. This ambiguity is characteristic of such CCP accords. As its power increased, the CCP increasingly emphasized central leadership and stimulation of "popular" demands for "reforms." The Tibetans became restive under such policies, particularly after forced dismissal of several of the Dalai Lama's more anti-Chinese ministers in 1952, after experimentation with agrarian reform in 1954, and the arrival of a political Preparatory Committee in 1956. Resistance flared into full revolt in 1959; the revolt was brutally crushed and followed by thorough transformation of the political, religious, economic, and social systems of Tibet.

The CCP apparently acted in accord with the most extremely pro-Chinese interpretation of its ambiguous agreements and later could justify actions apparently inconsistent with them by maintaining that dismissal of anti-Chinese ministers was necessary to honor Article 1 of the agreement and that, later, Tibetan revolts nullified the agreements. Although both sides probably understood the ambiguities of the 1951 agreements, subsequent CCP behavior clearly ignored the clauses considered vital by Tibetan officials.

Various aspects of the Tibetan case recur in the other autonomous regions. Agreements are sufficiently vague to be reinterpreted in accord with "changed conditions" (as perceived by the CCP). Full advantage is taken of ambiguities. The eventual goal of full socio-cultural assimilation and total central control is never abandoned. The PRC places an overwhelming priority on establishing the legitimacy and legality of treating the region as an integral part of the nation. Although the CCP generally keeps the letter of agreements, intense pressure for social and political change often stimulates local resistance, giving the CCP a pretext for abrogation of the agreement. This does not mean that the CCP deliberately provokes revolt in order to abrogate its agreements, for the CCP's intense self-criticism frequently demonstrates the opposite. But the CCP's social and political goals are ambitious and, despite a justified Chinese reputation for a long-term, historical perspective, it is impatient for results. The pressure for change therefore often becomes unbearable for local elites. The CCP would be quite happy if these elites peacefully implemented "reforms" at the demanded rate, but they naturally balk at systematically undermining their own power. Moreover, Peking often finds itself embarrassed by local representatives who become more Catholic than the Pope in exercising centralized control.

Not all of the Tibetan experience can be so readily generalized. For instance, both Tibet and Mongolia declared independence early in the century, but largely as a result of varying international conditions, Tibet was eventually subdued, whereas Mongolia retained its independence from the PRC.

If the PRC and Taiwan reached agreement for Taiwan to be an autonomous region under Chinese sovereignty, the pressures for ambiguity in written agreements, the CCP's goal of thorough assimilation, and its later insistence on the importance of changed conditions, would probably mirror the Tibetan case. But Taiwan's political and military situation is different from Tibet's. The Taiwanese are no more immune to eventual military subjugation than was Koxinga,⁴ but for the moment Taiwan's military strength and PRC air and naval weakness make subjugation more difficult than in Tibet or Sinkiang. The relatively modern political structure of the GRC makes autonomy easier to defend than was true with the traditional tribalism

⁴Koxinga maintained Taiwan as a Ming stronghold after the accession of the Ching Dynasty on the mainland. Following a temporary fragmentation of the new mainland regime, Koxinga intervened and thereby provoked assemblage of a vast Ching fleet which successfully attacked Taiwan in 1683.

of Sinkiang or the theocracy of Tibet. Extraordinary economic growth increases Taiwan's capabilities rapidly. Japanese, U.S., or possibly even U.S.S.R. support⁵ could keep Taiwan's position strong.

The Han background of the Nationalists creates greater empathy between the CCP and the Kuomintang (KMT) than between, say, the CCP and the Dalai Lama, but the KMT position as pretender to the rule of all China makes subjugation of the KMT more vital. But with the passing of Chiang Kai-shek and his son, and the increasing international acknowledgment of Peking as the government of China, fear of Taiwan as an alternative source of power and legitimacy will diminish—unless revived by major international support of Taiwan or by Taiwan's acquisition of nuclear weapons. The passing of the current PRC leadership will bring to power men who have never committed themselves to retaking Taiwan and who may find it inexpedient to do so. Increasing native Taiwanese influence in the Taiwan government, or increasing blurring of the distinctions between Nationalists and Taiwanese, or both, could reduce the cultural identification between Peking and Taipei—although never to the extent of the cultural impasse between Peking and Lhasa. On the other hand, it is not inconceivable that some or all of the Taiwanese could eventually assert themselves as the true bearers of traditional Chinese culture and thus revive some CCP fears of an alternative source of legitimacy.

Non-Communist Political Parties: A number of non-Communist and non-Kuomintang political parties existed prior to the defeat of the KMT by the CCP on the mainland. The CCP gained the support of most of these groups by giving them larger and more reliable support than did the Kuomintang. By supporting the principle of freedom of organization (opportunistically, to facilitate organization of additional anti-KMT parties and to allow the CCP greater freedom), by giving financial support to these parties, by maintaining personal contacts and joint memberships, and by being less doctrinaire than the KMT in some short-run policies, the CCP gradually gained support from these "bourgeois democratic parties" (BDP) and made agreements with them to form a broad, united anti-KMT front under acknowledged CCP leadership.

After 1949 the CCP gave the BDP a role in the new state and relied upon them as bridges to key elites. Subordination to the CCP, which the BDP had vaguely accepted prior to 1949, was thorough. They were consolidated and assigned sections of the non-Communist population as target groups—for surveillance, mobilization, and communication. Van Slyke, the most careful student of the united front, is convinced that the CCP did not deliberately deceive the BDP regarding their role in a state run by the CCP.⁶ Initially,

⁵On the possibility of a Taiwan-Moscow alignment, see G. F. Hudson, "Taiwan's Radical Alternative," *The New Leader*, September 20, 1971, pp. 11-13. The possibility appears rather remote.

⁶Lyman P. van Slyke, *Enemies and Friends: The United Front in Chinese Communist History* (Stanford: Stanford University Press, 1967), p. 218.

the CCP intended a large role for the BDP, while retaining its own full central authority, but conflicts between the official positions of high non-Communist officials and the influence of lower-ranking but more "trustworthy" CCP members have reduced the BDP role.

Mao's desire to prevent ossification of the CCP, and CCP realization of dependence on the skills of BDP members and BDP target groups, have generated attempts to give the BDP larger roles. In 1956 the BDP were expanded in membership and asked to criticize CCP performance; simultaneously, CCP members were accused from within the party of deviations such as "commandism" and not making adequate use of the BDP. The BDP were slow to begin criticizing, but once they became convinced of Mao's sincerity they vigorously attacked both the CCP's policies and its political role. Such criticism went beyond what Mao had anticipated, and was subsequently crushed in an anti-rightist movement. Some have taken this crushing as evidence that the CCP sought to entrap the BDP, but such a view ignores the intensity of self-criticism within the CCP, the rapid rehabilitation of BDP members denounced as rightists,⁷ the subsequent limited revival of the Hundred Flowers campaign,⁸ and the repeated evidence (e.g., the Cultural Revolution) of Mao's sincere fear of CCP ossification.

The status of the BDP after the Cultural Revolution is unclear, but previously the CCP has driven very hard bargains while honoring the letter of most agreements. The Hundred Flowers period revealed intense BDP frustration, and most members probably had not expected such thorough isolation from political power; but no straightforward breaking of agreements comes to light.

More generally, united front policies have often confused other political groups. Van Slyke noted with regard to the coalitions of the Japanese war:

To the KMT, Bolshevik cynicism has always been foremost: the united front was simply a trick to deceive people. To many others, at that time, the Menshevism of agrarian reform, coalition government, and broad democracy were most obvious. Because both aspects were parts of a single policy, both analyses were wrong.⁹

Individual Non-Communists: When the CCP was gaining power, it often made deals with individual opponents, even after the collapse of those opponents was inevitable. These figures have fared extraordinarily well. A survey of non-Communist ministers and vice-ministers during and after the Cultural Revolution found that only two out of 38 were criticized during the Cultural Revolution and one of these was rapidly rehabilitated.¹⁰ Usually

⁷*Ibid.*, pp. 245-246.

⁸Merle Goldman, "The Unique 'Blooming and Contending' of 1961-62," *China Quarterly*, 37 (1969), pp. 53-83.

⁹van Slyke, *Enemies and Friends*, p. 113.

¹⁰Donald Klein, "The State Council and the Cultural Revolution," *China Quarterly* 35 (1968), p. 87.

such men were offered both amnesty and high-ranking positions in the government in return for acceptance of CCP guidance. In the early days attempts were made to give them power, but their positions are now generally sinecures without authority. Nonetheless, the survival of these men in high positions indicates once again the CCP's intent to honor at least the letter of its promises.

An important case is Li Tsung-jen, who was Vice President of China under Chiang Kai-shek and then became President when Chiang Kai-shek retired briefly in 1949. Second only to Chiang Kai-shek on the CCP's official list of "war criminals,"¹¹ he subsequently came to the United States and attempted to create a third force. But he became disillusioned, and he wanted to die in his homeland, so he returned on July 20, 1965 to a hero's welcome in Peking. He made anti-American speeches and issued appeals to former KMT members to return to Peking; in return the PRC honored its promises of safety and status.

Within the Communist Party: The CCP has experienced volcanic upheavals which cast doubt upon its ability to sustain commitments. An outstanding arrangement upset by upheaval was the division of labor between Mao Tse-tung and Liu Shao-chi worked out in the late 1950s. Following his demotion Mao systematically gathered his forces until, beginning in November of 1965, he felt strong enough to launch a "cultural revolution" striking at the roots of the CCP itself. The split with Lin Piao parallels this one.

One must note such upheavals, but also remember that the CCP has been one of the most cohesive revolutionary parties in history. By comparison with Stalin's Russia or Robespierre's France, the CCP is a block of stone beside piles of sand. Struggles and policy disagreements did occur, but between 1949 and the Cultural Revolution important disgraced or defeated members were quickly rehabilitated with only the two major exceptions of Kao Kang and Jao Shu-shih. The Cultural Revolution severely marred this record,¹² but once again the scope of rehabilitation has been extraordinary. More important for our purposes, intra-party deals affect the credibility of party agreements with outsiders only when denunciation of the former leads to non-compliance with the latter. The Cultural Revolution did affect some agreements marginally (cf. above), and indirectly affected some domestic agreements, but has not led to wholesale abrogation of explicit agreements.

DOMESTIC AGREEMENTS WITH SOCIAL GROUPS

The CCP has also made explicit agreements with certain domestic social groups, including businessmen, anti-Communist military officers, and intel-

¹¹Robert Bedeski, "Li Tsung-jen and the Demise of China's 'Third Force,'" *Asian Survey* V:12 (December 1965). The point is not that the PRC was generous; on the contrary, the *quid pro quo* was appropriate. The point is that the PRC honored its promises—unlike, say, Stalin's Russia and certain African states.

¹²See Charles Neuhauser, "The Impact of the Cultural Revolution on the Chinese Communist Party Machine," *Asian Survey* VII:6 (June 1968), pp. 465-488.

lectuals.

Businessmen: The CCP early realized the influence of businessmen on the outcome of their pre-1949 political struggle and the importance of business skills on the success of any regime. An early statement assured that "the CCP will neither confiscate other capitalist private property nor forbid the development of capitalist production that 'cannot manipulate the people's livelihood'."¹³ After taking over politically, the CCP gradually clamped down on businessmen by controlling currency, wages and supplies. After briefly encouraging business in order to run the economy during the Korean War, the CCP initiated the Three Anti and Five Anti Campaigns. The first sought to reduce political corruption by destroying the political influence of businessmen and others. The second demanded businessmen's confessions of economic exploitation—with exploitation defined primarily as making a profit. The taxes and fines levied through this campaign shunted most of the liquid capital of China's businessmen to the government. Businessmen were often left in nominal control of their businesses, but they operated on capital confiscated and then loaned back by the government, under supervision of their own laborers and often of party members also, and with the government as the primary customer and source of supplies. Often the government became a dominant partner.

Despite all these forms of government control and confiscation, many businessmen retained rights in their businesses and were entitled to a percentage of the income of those businesses. Among the beneficiaries of such rights were a small number of extraordinarily wealthy Shanghai merchants who at least until the Cultural Revolution were regularly displayed, with limousines, to foreign visitors. These few men of wealth are hardly typical, but behind them stood large numbers of other businessmen or former businessmen who received government subsidies at least into the mid-1960s. How large these subsidies were, and whether they fully met the original terms, we do not know. The current fate of these men is unknown. One should not assume from Chinese press and radio silence on this that the businessmen have been eliminated, although that is a possibility. Possibly also the status of these men is such a touchy issue after the Cultural Revolution that press comment would create undesired political struggle. In any event, this social group has undoubtedly diminished greatly because many who retained their businesses were elderly when the deals were made two decades ago.

The businessmen are subject, like all others, to changes in party line. The CCP and other Chinese groups would feel that the legalisms which dominate American thought about changes in government-business agreements would be both un-Chinese and un-revolutionary. Businessmen have suffered from some changes of line, particularly when changes in educational policy led to exclusion of bourgeois sons previously promised good educations. In ad-

¹³van Slyke, *Enemies and Friends*, pp. 227-228.

dition, businessmen and other capitalists have had to absorb a share of the reduced rations which accompany economic crisis in China—regardless of prior agreements. But the continued government subsidy of businessmen, at least until the Cultural Revolution, testifies to an intent to honor commitments that uninformed Western eyes do not customarily associate with relations between the Chinese Communist Party and the bourgeoisie.

Intellectuals: Intellectuals have suffered more than any other social group from changes in Party line. The CCP needs intellectuals to interpret ideology and to make and implement policies, but also feels threatened by the relative independence of intellectual activity. Inconsistencies in policy have resulted not so much from deliberate non-compliance with agreements as from vacillating efforts to solve an insoluble problem. The Hundred Flowers period, previously described, had its main impact on the intellectuals. Retraction of the promised freedoms occurred out of feelings that the intellectuals had gone beyond their mandate and out of real fear that the legitimacy and control of the CCP would crumble under such severe criticism. And the anti-Rightist campaign which followed was accompanied by warnings from Chou En-lai to party workers that they must not interfere excessively with the work of intellectuals.¹⁴

Following the anti-Rightist period and the demotion of Mao, a thaw occurred in which some independent intellectual work was allowed. Many intellectuals took full advantage of available freedom, and criticism of Mao in the official press reached extraordinary heights. The criticism was disguised, to be sure, but not disguised much by Chinese standards—for instance in the column, “Evening Chats at Yenshan.” Other intellectuals began reviving suggestive old stories, such as the one in which a virtuous official systematically disobeyed orders from his wicked superior. By Western standards, such material is rather mild, but in the context of Mao’s China it is spectacular. Not surprisingly, Mao counterattacked with devastating effect.

The Western intellectual’s sympathy naturally goes out to his Chinese counterpart, but the appropriate context for judging whether the CCP has kept faith with intellectuals is of course the Chinese Communist context. Within that context the record shows an initial crackdown harsher than was expected by many of the CCP’s intellectual supporters, and contrary to certain previous temporary policies, but not in contradiction with any specific, long-term promises. Then it shows pragmatic experimentation with alternative ways of utilizing intellectuals’ talents while minimizing risks to the regime’s legitimacy. Just as in the case of delayed deliveries of foreign aid, the CCP seems to intend to carry out its promises scrupulously, but domestic political surprises sometimes lead to drastic policy changes.

Military Officers: Data on former non-Communist military officers are scarce, but a few hesitant generalizations seem possible. A number of gen-

¹⁴Chou En-lai, “Report on the Work of the Government,” in Robert R. Bowie and John K. Fairbank (eds.), *Communist China, 1955-59* (Cambridge: Harvard University Press, 1962).

erals were offered ministerial posts in the new regime. One obvious example is General Fu Tso-yi, who surrendered Peking. Completely surrounded, his eventual defeat was assured, but the CCP offered him a high post in return for surrendering the city without a battle in order to save the historic capital from devastation. He accepted and was given his ministerial position. However, as is typical in such cases, the position turned out not to carry great power. Some former KMT officers who surrendered after being promised freedom from harassment if they confessed, discovered "confessions" as conceived by the CCP to be extremely thorough and humiliating. Here, as in the case of "autonomy" promised to provinces, the CCP did not specifically break promises, but did give many words highly distinctive meanings; the agreements thus turned out to mean something very different from what the other party expected. (Such words are not defined capriciously, however; their meanings are often stable over decades, and thus are accessible to the observer who sedulously studies them. Lack of time, wishful thinking, and lack of alternatives seem to be the primary reasons for acceptance of such agreements.)

Summary: In both international and domestic matters, the CCP makes few explicit agreements. When it does make agreements, it keeps its own concessions as vague as possible. It emphasizes legitimation of PRC and CCP authority over social groups and regions where that authority is potentially in doubt. The CCP's revolutionary perspective leads to unconventional and vague¹⁵ but internally consistent use of crucial words, to rejection of much conventional law and legal perspective, and to promulgation of temporary "lines" rather than permanent laws. The absence of a strong legal tradition in China, the absence of lawyers among the senior CCP leaders and among the general population, and the pragmatic, informal, experimental, revolutionary traditions ("Politics in Command") of the CCP reinforce these tendencies. Legalistic, idealistic, or status quo-oriented people are frequently confused or deceived by such a system. Nonetheless, when the CCP makes explicit, detailed agreements, it usually obeys the letter of the agreements. Agreements for safety and security have usually worked out in roughly the way anticipated by the non-Communists, whereas agreements seeming to give political power to non-Communists usually have not.

Perhaps it would not be too irreverent to suggest that American political campaign promises and their Chinese counterparts often reflect similar processes. But Chinese campaign promises have been more consequential because the whole structure of Chinese society has been in question, whereas American campaign promises ordinarily confine themselves to incremental adjustments. The Chinese avoid credibility crises like Skybolt by making fewer international commitments. Like the Americans in Vietnam, the Chinese occasionally find international commitments outrunning domestic

¹⁵David Finkelstein, "The Language of Communist China's Criminal Law," *Journal of Asian Studies* XXVII (May 1967), pp. 502-521.

capabilities, but the paucity of their commitments and their resources limits the magnitude of such debacles.

SUBJECTIVE CREDIBILITY

How is this allegedly objective record perceived by third parties and especially by Taiwan? With qualms one can suggest some hypotheses at a level of simplicity dictated by both lack of information and the process of simplification involved in third parties' formation of an *image* of Chinese behavior.

The Chinese have made a favorable impression for credibility on some who have been dedicated ideological opponents: American officials. American diplomatic and military personnel who have had responsibilities requiring detailed knowledge of China give the CCP extraordinarily high marks in this regard.¹⁶ "The Chinese are obsessed with the idea of Good Faith," was one characteristic comment. Distinguished academic China-watchers think the PRC's record excellent, but not perfect; some think the international record better than the domestic one. The highly informed mostly agree that a promise from Peking is worth far more than one from Taipei. Chou En-lai has an excellent personal reputation for credibility.¹⁷ Those who are firmly committed to support of Nationalist Taiwan would demur, and the average American citizen would probably express skepticism at the suggestion that the PRC could be trusted. Most Southern Asians would agree with the view of this "average American citizen."

When Americans take at face value PRC assertions that its bargaining positions are non-negotiable and supported by ideological fervor, they concede to China credibility and leverage that a more balanced assessment would deny it. John K. Fairbank once predicted in this regard that most Americans could not deal with Chinese without losing their shirts.¹⁸

Japanese opinion of Chinese credibility probably varies as much with educational attainment, level of direct experience, and political persuasion as does American opinion. Most Japanese agreements with China have been economic, and among Japanese businessmen the Chinese seem to have recovered from any lack of credibility generated by the disputes of the late 1950s. But, while Japanese businessmen believe China will obey the letter of agreements, they also believe it dangerous to become economically dependent upon China.

Peking's credibility on Taiwan is difficult to assess because of lack of evidence. The present writer hesitates to speculate and does so only with the caveat that the following represents primarily speculation.

¹⁶No systematic survey was undertaken in support of this statement, but in preparing this paper, the writer discussed the issue with key U.S. officials and scholars in late 1971. It is important to note that these discussions occurred prior to the euphoria attending President Nixon's trip to Peking.

¹⁷Allen Whiting, "The Word of Chou En-lai," *The New York Times*, October 11, 1972, p. 35.

¹⁸See the transcript of "Meet the Press," April 25, 1971.

In print the Kuomintang insists that the CCP is entirely untrustworthy. Chiang Kai-shek's book, *Soviet Russia in China*, consists of a historical polemic on this point. Moreover, there is some historical basis for such a feeling. Both the CCP and the KMT spent the years of the Japanese war seeking to circumvent the mutual commitment to fight the Japanese—because they wished to conserve strength for fighting one another. Virtually all CCP agreements with the autonomous regions would be interpreted by Taipei as instances of CCP bad faith, although the KMT would concur with the goal of fully integrating such areas into a coherent, unified society and polity.

But there is a Chinese tradition, with which senior KMT officials are familiar, of reintegrating surrendered rebels into society. This tradition has persisted into contemporary times, as evidenced by the release of Chiang Kai-shek with CCP concurrence after he had been kidnapped in the Sian Incident, the CCP treatment of various groups after their defeat, the continued belief of both Mao and Chiang in the efficacy of appeals to those who have been their most dedicated enemies, and Mao's slogan of "treating the illness to save the patient."

Just as important as the tradition of reintegration is the Maoist presumption against the use of unnecessary force.¹⁹ The Chinese Civil War and the land reform of the early 1950s caused casualties which are impressive because of the huge population within which these conflicts occurred. But compared with other social revolutions the CCP achieved large social changes at a disproportionately small cost in lives.²⁰ Just as the French Terror caused less loss of life but higher political impact of bloodshed than other periods of the French Revolution, so Mao's land reform and other reforms combined high political impact with smaller proportionate loss of life than Stalin's "reforms." Similarly the People's Liberation Army (PLA) has repeatedly shown impressive restraint and talent for handling domestic conflicts by persuasion rather than force. Time after time in the Cultural Revolution, PLA units stopped armed conflicts using megaphones rather than rifles. None of this means that Mao or the CCP hesitate to use force when it appears necessary—as in the land reforms, Tibet, and Korea. Once again senior KMT officials, but not necessarily young or low-ranking officials, are probably aware of this aspect of the CCP operating code.

Likewise, Chinese leaders, including both Mao and Chiang, emphasize the appearance of superior virtue in a political victory nearly as much as

¹⁹Franklin W. Houn, "The Principles and Operational Code of Communist China's International Conduct," *Journal of Asian Studies* XXVII:1 (1967), pp. 27-29, undertakes to correct misunderstandings that have arisen in this regard because of the fame of Mao's statement that all power grows out of the barrel of a gun.

²⁰The reference here is to casualties after 1949, as a proportion of population. In addition to comparing with Stalin, it is useful to compare these casualties with the far larger ones resulting from starvation under the previous social structure. But also it may be worth noting the extraordinary land reform and income equalization which occurred in Taiwan with almost no loss of life—but with much foreign assistance.

the victory itself. Both follow a tradition of rule through superior virtue, of political victory achieved not merely by force but by possession of a moral mandate. For precisely these reasons, Mao and the CCP would greatly prefer a bloodless "deal" which prolonged KMT power somewhat in return for KMT confession of error and provision of inroads which would give the CCP power eventually, over a costly and bloody slaughter of Nationalist officials. In other words, KMT officials could quite reasonably believe that the KMT could make a deal with the CCP, even a deal which would eventually give elements of the PLA access to Taiwan, and count on their own personal safety as long as they accepted the CCP's hegemony in principle and were able to prevent an uprising like the one in Tibet. They would also know, however, that an uprising would lead to devastation, and that the CCP would exert relentless pressure for political hegemony and social revolution regardless of vague promises of cultural and political autonomy. Moreover, they might well realize their own impotence to prevent an uprising once their participation in a deal became known to the Taiwanese.

KMT officials could reasonably feel that all of the above arguments apply with even greater strength to individuals than to the KMT as a whole. Those who are knowledgeable (and this may be a crucial limitation) regarding the fate of officials who have gone over to the CCP could reasonably feel that they have excellent chances of living comfortably as powerless but high-ranking officials of the PRC.

One plausible riposte to such reasoning would hold that the KMT and its officials differ decisively from other political and social groups insofar as (1) the KMT has been a significant threat to the CCP whereas other groups have not; and (2) the CCP has had to honor its previous agreements in order to retain its credibility but a solution to the conflict with the KMT would complete the CCP's domestic conquests and thus leave the CCP free to engage in a "final solution." But in the case of agreements with individuals, the KMT "threat" would remain. In the case of a more general agreement with the KMT any ideological threat and any KMT status as an alternative source of legitimacy would vanish automatically with KMT willingness to accept an overall settlement. Also, the riposte would rest upon erroneous assumptions about the CCP and contemporary Chinese society. Chinese society is not monolithic and totally under control. In order to retain its own discipline the CCP has to remain small and control society by manipulating other groups. And it desperately needs to be able to manipulate key intellectual and technical groups, and to work with social and cultural groups whose compliance it cannot completely control. Moreover, the CCP's need for at least a moderately responsive relationship with non-Party socio-cultural elites and with cultural minorities has increased substantially in the aftermath of the Cultural Revolution. These demands of expediency are reinforced by the CCP's (and especially Mao's) image of itself as the progressive leader of a unified Chinese society. Harsh political and social repression of KMT policies and organizational structure and Taiwanese social structure

would not contradict either the demands of expediency or the morale of the Party. But systematic slaughter of many officials without convincing provocation in the aftermath of an agreement would sharply reduce Party morale and non-Party elite compliance, and might induce a "fight-to-the-end" mentality among other social and cultural minorities. Blatantly ignoring other crucial aspects of such an important agreement would have proportionate counterproductive consequences.

Finally, KMT officials would be quite aware that the CCP would not abandon the eventual goal of complete political and social transformation of Taiwan, but they might also be confident that, if they could maintain internal unity and prevent penetration of Taiwan by the CCP and PLA, they might be able to survive an arrangement which acknowledged Taiwan as an autonomous region within Chinese sovereignty and provided for very limited intercourse between Taiwan and the mainland. Taiwan's fate would then be different from the fate of Mongolia because Taiwan would not have to allow permanent foreign occupation as the price of autonomy from China, and different from the fate of Tibet and Sinkiang because of the weakness of the PRC navy, the internal cohesion of Taiwan, the strength of the GRC army, and the Han background of KMT officials.

THE EFFECTS OF VARYING TAIWAN FUTURES

So far the possibility of agreements between Taiwan and Peking has been treated solely as a function of the CCP's record and of KMT officials' perception of that record. But the internal situation on Taiwan, the international situation, and PRC intentions and capabilities relative to Taiwan, also influence credibility. The credibility of various deals hinges so completely on the internal situation in Taiwan that a cursory survey of a few of the obvious alternatives seems necessary.

An Integrated Taiwan: Contemporary Taiwan is divided between a ruling minority of Nationalist Chinese bureaucrats and a ruled majority of native Taiwanese entrepreneurs and peasants. The Taiwanese are Chinese by descent but centuries of isolation, a half century of Japanese rule, and a history of opposition to the mainland as pirates and as supporters of the remnants of Ming and Nationalist power, have created a distinctive culture. In addition to cultural differences, the Nationalists consist of vaguely socialist bureaucrats whose lifestyle is generally austere, whereas the Taiwanese have enthusiastically reaped the economic rewards of a booming capitalist economy. The Nationalists share with the CCP an identification with the glory of the Chinese past and the supremacy of Han culture (despite Mao's denunciations of "Great Han Chauvinism"), which the Taiwanese do not share. The Nationalists exclude the Taiwanese from most politically sensitive positions, and maintain bureaucracies and an army suitable for the rule of the mainland but ungainly on a small island. The army mirrors the society in the sense that all the key officers are Nationalists, but virtually all the men in the lower ranks are Taiwanese. But there has been significant recent movement toward

greater use of Taiwanese in high positions. Taiwan's 1971-72 diplomatic setbacks stimulated a heightened sense of unity in Taiwan. Similarly, young Taiwanese and young Mainlanders possess remarkable similarities in political and social attitudes.²¹

Economic trends have reinforced political and social trends that are auspicious for improved integration. Taiwan's economy has boomed for a decade, and the benefits have been distributed far more equitably than in most countries. The Taiwanese seem to have benefited disproportionately from the economic boom. The conspicuous consumption characteristic of most of Taiwan's neighbors (especially Tokyo and Manila) is not evident in Taipei. Thus long-term economic trends seem conducive to stability.

If these trends continue, then one can imagine the mainlanders and the Taiwanese *slowly* dissolving into an integrated culture. Such a future would eventually require constitutional changes to end the treatment of Taiwan as just one province of a larger China, and would also require integration of mainland bureaucrats into an entrepreneurial economy, partial transformations of the identity of both groups, and substantial intermarriage.

Such a Taiwan would possess the internal cohesion to resist subversion. It could muster conventional defense forces so massive as to deter PRC military actions except under extraordinary circumstances. (For instance, very conservative projections of Taiwan's economy indicate that by 1980 Taiwan will be able to sustain a billion dollar defense budget.) Nuclear threats by the PRC would not be credible, except by the most extreme radical regime, because of inhibitions against the use of such weapons against an allegedly domestic population, and because nuclear attacks would expose the PRC—immediately and over the long term—to attack by such weapons. Taiwan's internal trade would be so important to Japan and other countries that PRC attempts to cut Taiwan off economically could not succeed. Rising disparities between Taiwan's and the mainland's per capita incomes would augment the already great Taiwanese resistance to the possible leveling effects of economic integration with the mainland, and would pose terrible political problems for a PRC seeking such integration.

In such a situation, what would be the incentives to Taiwan to negotiate any substantial concessions to the PRC? Taiwan's bargaining position would be weak. The Taiwanese population might react violently to such negotiations. The military, composed mostly of Taiwanese, might revolt. Thus the likely outcome of direct negotiations which envisioned any kind of legal, economic or political incorporation of Taiwan into the mainland would likely be domestic unrest and international weakness. Against such a situation the yearning of patriotic Nationalist officials for reunion with the mainland would not prevail. There would be effective deterrence not only against any broad political deal but also against any open negotiations in which Taiwan's status was called into doubt.

²¹Sheldon Appleton, "Taiwanese and Mainlanders on Taiwan: A Survey of Student Attitudes," *China Quarterly* 44 (1970), pp. 38-66.

A Business As Usual Taiwan: Continuation of present trends would not lead to such thorough integration as the "Integrated Taiwan" scenario, but would have substantially the same implications for potential negotiations with the PRC. Straightforward projection of present trends would yield a politically apathetic Taiwanese population enjoying great prosperity, continued strong political leadership, a relatively honest and effective and less impoverished bureaucracy, Nationalist political domination with slightly more influential Taiwanese participation, a diplomatically isolated but economically thriving relationship with the rest of the world, and a large army with high morale and modern equipment. Such a Taiwan would have important political, social, and diplomatic problems, but would be able to manage those problems and defend itself. The disadvantages of negotiating directly with the PRC would be the same as in the "integrated Taiwan" scenario but magnified somewhat by domestic problems.

A Disintegration Scenario: If one adds together the things that could go wrong for Taiwan, one can write a scenario for political disintegration and more successful PRC assertion of hegemony. This scenario is substantially less probable than the business-as-usual scenario because it requires the coincidence of a number of misfortunes.

Suppose that Chiang Kai-shek and Chiang Ching-kuo were to die in quick succession, and that no other political leader was able to assert firm leadership. Suppose that, around this time, the U.S. decided to cancel its alliance with the GRC, and that Japan adopted a decidedly less sympathetic stance. (This latter could occur because of PRC offers of extraordinary investment and trade opportunities, because of a decisive reversal of Taiwan's economic fortunes at a time when the PRC was growing fast, or because of changes in the Japanese leadership.) Suppose in addition, that, as a result of a prolonged energy crisis, or of Japanese political decisions, or of collapse of world trade, Taiwan suffered serious economic reverses. Then GRC political leaders might become demoralized, the bureaucracy might become fearful and ineffective, and the population might become restless. The constitution based on representation of all of China might come to be perceived as an unacceptable fiction. Taiwanese assertion of a distinct national identity might become more widespread and more open. The army might become internally divided. Under such circumstances Taiwan could become susceptible to military threats and internal subversion.

In such a situation a number of kinds of possible deals between GRC officials and the PRC could become possible. First, discontented individual officials might make purely personal rapprochements with the PRC, on the model of the deals made by Fu Tso-yi and Li Tsung-jen. Second, one can imagine the PRC being sufficiently strong to force formal GRC acceptance of status as an autonomous region under PRC jurisdiction, and of greatly reduced foreign policy independence, but without CCP or PLA penetration of Taiwan. Third, a Taiwan *in extremis* could conceivably be forced to allow the CCP or PLA a foothold on Taiwan in return for guarantees of personal

safety for government and military officials. The latter could only occur in the most extreme situations, because it would likely provoke an internal uprising on Taiwan, and the PRC would likely retaliate by holding GRC officials responsible for the uprising; thus guarantees of personal safety would amount to very little even if both parties had negotiated sincerely.

Conceivable outcomes of this kind could be precipitated by scenarios less serious, and thus more probable, than the disastrous one outlined here. But one or two crises, even fairly serious ones, would not immediately cast doubt on the GRC's future. If that government, or the society which it heads, were inflexible and unable to cope with adversity, or if the government were too unpopular among the population, then the diplomatic crises of 1971-72 and the economic/energy crisis of 1973-74 should have opened gaping wounds in the polity. But the reaction to the diplomatic crisis was greater national unity and greater emphasis on economic growth, and the reaction to the economic/energy crisis has been skillful maneuvering unhampered by domestic political difficulties.

In addition to the above detailed scenarios, which take into account mainly domestic issues on Taiwan, it may be useful to note some low-probability international events which could greatly affect Taiwan's willingness to negotiate agreements directly with the mainland and which are so momentous that they are important despite their low probability: PRC invasion; Sino-Soviet war; a repeat of the Koxinga story; various mutual conflicts with Japan or the U.S.S.R.; possible extreme U.S. policies; and dramatic shifts in Japanese or U.S.S.R. policies.

SOME CONSIDERATIONS AFFECTING THE FORM AND FORMULATION OF POSSIBLE AGREEMENTS

The following discussion of the credibility of possible agreements suggests some broader hypotheses regarding the specific content of agreements and the modalities by which they could be reached.

The Need for Secrecy, Incrementalism and Proxies: Just as important for diplomatic purposes as the content of agreements is the way in which they are made. Channels of communication between Peking and Taipei do exist. Travelers frequently visit both countries. A grapevine exists through Hong Kong, and Taipei's man in Spain can get in touch with Peking's man in Paris. The personal position of Chiang Kai-shek, the institutionalized hostility between the two governments, the ephemeral nature of agreements to share power, and the intense propaganda directed toward individuals,²² make individual agreements likely to be more frequent than governmental agreements. When and if governmental agreements do occur, the slippery nature of such agreements, together with fear of international repercussions and

²²Taiwan's policy is a mirror image of Peking's in this regard. See the parallel united front-type appeals in Chiang's 1969 National Day Message and the April 9, 1969 Declaration of the Tenth National Congress. I am indebted to Angus Fraser for pointing out these parallel appeals.

Taiwanese uprising, will exert pressure for those agreements to be arrived at incrementally, rather than as a package, and secretly rather than openly.

Although there is strong pressure to keep any negotiations secret, there are also reasons for Taiwan to involve key foreign powers in any negotiations of consequence. Since Taiwan is inevitably weak compared with the PRC, both because of smaller size and because revelation of negotiations could cause domestic violence, it is most likely that, if Taipei wished to conclude relatively explicit agreements with Peking, it would do so by proxy. In the current environment, the U.S. is the only proxy with appropriate strength, ability to maintain confidentiality (somewhat attenuated), and political relationship to conduct proxy negotiations. In the future the U.S.S.R. or Japan might fill this role.

Possible PRC Strategies to Obtain Taiwan's Agreement to Major Changes: The form potential agreements would take, and the mode in which they were negotiated, would of course depend heavily on Peking's strategy. Peking's strategies have varied between extremes of frowning and smiling. The most extreme frowning strategy occurred in 1958, when massive shelling of Quemoy was employed in an attempt to force Nationalist abandonment of this island. Since March of 1973 the PRC has moved to a smiling policy.

The frowning posture was abandoned, at least temporarily, for a number of reasons. Given U.S. commitments to Taiwan, military threats were ineffective. In the late 1950s and early 1960s Peking lacked the diplomatic leverage to undermine Taiwan, and by the late 1960s Peking's rising diplomatic leverage availed little because of Taiwan's economic and domestic political security. After the rapprochement with the U.S., and the accompanying partial U.S. military withdrawal, Taiwan ceased to appear as a serious threat to the PRC, and a threatening posture toward Taiwan would have endangered rapprochement.

Had Peking been able to achieve rapprochement with the U.S. and immediately mount a strong campaign against Taiwan, including a major economic opening to Japan in return for a Japanese cutoff of trade and investment in Taiwan, it is conceivable that Taiwan's position could have been shaken to the point where it would have agreed to a stronger statement of its relationship with the mainland. Japan was susceptible to decisions that would have been disastrous for Taiwan, because most Japanese believed, from early 1972 until the summer of 1973, that Taiwan's future must inevitably be one of attachment to the PRC as a province or as an autonomous region and that the U.S. would push Taiwan into such a status.²³ But a hostile PRC stance

²³This statement is based on interviews this writer conducted in Japan in February, June and November of 1973, and on reports of conversations conducted by others during 1972. One respected newspaper reporter went so far as to assert the existence of a Tokyo-Peking deal providing Tokyo with commercial access to Taiwan in return for Japanese acknowledgement of Peking's political hegemony over Taiwan. See Selig S. Harrison, "Japan, China Agree on Taiwan Dealings," *The Washington Post*, February 26, 1973. His evidence of an explicit deal is inadequate, but he accurately reflects the mood in Tokyo at the time. The April 1974 Japan-PRC airline agreement may represent the limit to which any LDP government can now go in denouncing the GRC's political status, and in trading economic loss for political advantage.

toward Taiwan would have endangered the rapprochement with the U.S., and the U.S. had no intention of pushing Taiwan into the arms of the PRC. In the meantime, Japanese opinion swung into a more balanced view of U.S. policy, and of Japanese trade interests in Taiwan, and may never again return to the willingness expressed in 1972 to abandon Taiwan completely.

Beginning in March of 1973 the PRC adopted a smiling posture toward Taiwan.²⁴ Rapprochement had reduced the threat, and had made hostility untenable for the moment, and conciliation offered possible advantages. Conciliation would help to ease the U.S. further out of its position in Taiwan. Conciliation was necessary to convince Taiwan's political leaders that they could trust Peking, and equally necessary to quiet Taiwanese fears that a closer relationship with the PRC would mean drastic economic leveling. Whatever the PRC hoped to gain could only be obtained by conciliation. Some students went beyond this to speculate that, with the U.S. presence and threat removed, Peking's leadership would not feel that Taiwan was so important; some went even further and noted that soon a generation would come to power in Peking which had never committed itself to taking Taiwan and which might not wish to make such a commitment. Whether or not such speculations are correct, the smiling approach has continued into 1974 and has included relaxation of PRC demands that Japan stop dealing with Taiwan and radio broadcasts promising Taiwan officials that they will retain their status if they accept PRC hegemony.

The smiling approach, by itself, offers little hope of leading toward agreements to change the status of Taiwan, because PRC officials lack motivation to make such agreements. Here a comparison with Korea is useful. North Korea has also pursued a smiling posture and, by tapping a deep South Korean desire for unification, has driven at least a small wedge between government and people. But in Taiwan only the governing KMT officials feel a strong pan-Chinese nationalism, and such feelings will hardly overcome fears of persecution and loss of power.

Moreover, most of the obvious potential PRC strategies to create motivation sufficient to overcome such fears seem inadequate. One such possible strategy would be a private agreement with the U.S. for the U.S. to force Taiwan into such a change; however, the U.S. probably would not want to be a party to such an agreement and probably lacks the leverage over Taiwan to implement it except through economic or military sanctions that would be unacceptable to the American public. A second such strategy might have been to induce panic, through the PRC rapprochement with the U.S. and Japan, and then to gain agreement to a change in status through a generous and conciliatory approach that seemed to offer the only alternative to disaster. Had world events been just slightly different such a strategy might have worked: had the energy crisis been more severe and had it coincided with the nadir

²⁴On the initiation of this approach, see *The Washington Post*, March 2, 1973; *The New York Times*, March 4, 1973.

of Japanese opinion regarding Taiwan's future, then Taiwan might have experienced simultaneous diplomatic and economic disaster and might have panicked. Instead, Taiwan experienced a 12.5% growth in GNP during 1973 and an astounding 50.2% growth in trade²⁵—a performance that went a long way toward healing diplomatic wounds. Third, the PRC could be employing the smiling posture to facilitate U.S. disengagement from Taiwan, to reduce Taiwan fears, and possibly to facilitate certain political movements on Taiwan, with the hope of exploiting some future crisis on Taiwan. One cannot rule out some success for such a strategy, because one cannot rule out the possibility of serious future crises, but with only moderate luck Taiwan's future crises need prove no worse than the ones just past.²⁶

The Likelihood of Tacit Agreements: This paper has largely confined itself to possible explicit and formal agreements. Such agreements continue to be possible and credible for discontented individuals on Taiwan. Larger agreements are increasingly possible through secret or tacit use of proxies; but for most important issues, motivation to make agreements is absent and the domestic risks of negotiation are too high. Therefore the most important agreements may be tacit and informal.

Such tacit agreements have already begun to appear. Antagonism over Quemoy has become ritualized; plane flights from Taipei to Quemoy are not disrupted. Tacit understandings exist regarding use of the Taiwan Straits. Such tacit "agreements" still have much of the character of the "agreements" which keep limited war limited, rather than of firmly established consensus, but one can easily imagine evolution toward the latter status. And one can imagine extensions of such agreements to include drilling rights on the continental shelf and other important issues. One can even imagine the evolution of a tacit agreement on the most important issues of all, namely Taiwan's security: it is quite possible that an unspoken agreement might develop whereby Taiwan's most basic security and economic interests go unthreatened so long as Taiwan does not declare its formal independence.

²⁵William Glenn, "Taiwan's New Status," *Far Eastern Economic Review*, February 11, 1974, p. 40.

²⁶It is probably worth noting that the "smiling approach" can change the response to domestic PRC political changes (e.g., the renewed Cultural Revolution) or to incidents like the fuss over the Japan-PRC air agreement, as well as in response to rational strategic calculations. The air agreement dispute does not, by itself, constitute abandonment of the smiling approach.