

5th Europe-Northeast Asia Forum  
The Taiwan Strait and Northeast Asian Security  
Berlin, 15-17 December 2005

*A conference jointly organised by Stiftung Wissenschaft und Politik (SWP), Berlin, the Korean Institute for International Studies (KIIS), Seoul, and the Federal Ministry of Defence, Berlin*

Discussion Paper  
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## Taiwan and the Hongkong Experience

by

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I shall argue that the key question is how Beijing seeks to apply to Taiwan aspects of its experience of handling Hong Kong rather than how Taiwan itself has been influenced by the experience of Hong Kong. Further I shall suggest that it is Beijing's view of the experience of democracy in Taiwan which has contributed to stiffening its stance against the extension of democracy in Hong Kong.

It is difficult to think of anything in Hong Kong's experience of relations with Beijing that would appeal to people in Taiwan. Neither the conduct of the Sino-British negotiations, which showed scant regard for the wishes of the people of Hong Kong, nor the way in which Beijing has sought to control political developments there after the handover, will have found favour in Taiwan. Opinion polls in Taiwan have consistently shown very little support for the model of "one country two systems" (OCTS) that Beijing first devised for Taiwan and then applied to Hong Kong.<sup>1</sup>

Beijing and its chosen leaders in Hong Kong have continuously claimed that the OCTS model has been a success. Indeed in many respects Hong Kong's way of life appears to have continued uninterruptedly in the sense that Beijing has refrained from applying its system to the territory. Nevertheless Beijing's insistence on controlling the selection of the Chief Executive through an election committee of 800 (or even 1600, as currently proposed) coupled with its proclaimed right to determine which proposals for electoral reform can be put forward will have widened rather than narrowed the gap between Hong Kong and Taiwan.

Beijing itself appears to have changed tack on the question of the applicability of the so-called Hong Kong model to Taiwan. Perhaps the change may be related to the switch in Beijing's approach to Taiwan from stressing the need for unification to putting the emphasis more simply on preventing formal

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<sup>1</sup> Successive issues of the *Republic of China Yearbook* show that support for OCTS in public opinion polls has hovered around the 10% mark, as opposed to support for continuing the *status quo*, which is favoured by 60-70% of those polled.

independence. Under the new leadership of Hu Jintao China no longer seems so insistent on applying the OCTS to Taiwan.<sup>2</sup> The formula occupied a prominent position in the government's White Paper of February 21, 2000, when it was also stated that Beijing could not wait indefinitely (literally, *sine die*) for unification. But The Anti Secession Law (note not the 'Unification Law') that was passed by the National People's Congress on March 14 2005 did not explicitly mention the OCTS, let alone express impatience at the pace of developments. Additionally, Chinese propaganda has recently stopped using the example of Hong Kong in its appeals to its Taiwanese "compatriots".

At the time of the handover it was widely thought that concern about its possible impact in Taiwan was the one factor that would prevent China from interfering in Hong Kong's "way of life".<sup>3</sup> Now that no longer seems to be the case. Such forbearance as Beijing displays in Hong Kong must be understood as determined by a calculation of the usefulness of Hong Kong's law-based commercial and financial systems to China in addition to concern at the possible damage to China's prestige and standing as a responsible international player that would accrue if it were to erode Hong Kong's distinctiveness.

However, it can be argued that Beijing has reached the point where it is more worried about the possible influence of Taiwan on Hong Kong rather than expecting Hong Kong to influence Taiwan. Beijing became increasingly disenchanted with the democratization of Taiwan, especially after Chen Shui-bian's electoral victory in 2000 and his re-election in 2004. That may have contributed to Beijing's reluctance to allow Hong Kong to proceed towards greater democratization.<sup>4</sup>

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<sup>2</sup> At the time of the succession from Jiang Zemin to Hu Jintao it was thought the two differed on their approach to Taiwan and Hong Kong, whether for factional reasons or out of conviction was not clear. See, *The Washington Post*, May 30, 2004.

<sup>3</sup> Michael Yahuda, *Hong Kong: China's Challenge* (London: Routledge, 1996)

<sup>4</sup> A former director of Kwang Hua Information Culture, the unofficial representative of Taiwan in HK, argued in this vein in an address to the local Asia society on June 25, 2004. See <http://hkdf.org/newsarticles.asp?show=newsarticles&newsarticles=150>, accessed December 7 2005.

Interestingly, Ma Ying-jeou, who had been born in Hong Kong and was then the Mayor of Taipei, was very warmly greeted by the HK government and by many ordinary people when he visited the territory in 2001, but was refused a visa four years later in January 2005.<sup>5</sup> It would be curious to see how Beijing would react if Ma were to propose to visit HK again. Hu Jintao congratulated him effusively on his election as leader of the KMT and he is doubtless delighted with Ma's victory in the December 2, 2005 local elections and would even more pleased if he were to go on to win the presidential elections in due course. Beijing could still object to his coming on the grounds that any such visit would just stimulate the demands for democracy in Hong Kong. In any event Beijing would be sure to be guided by its calculation of its interests in both places rather than by some abstract legal principle.

#### Beijing's Use of United Front Tactics

The more intriguing question about the relationship between Hong Kong and Taiwan is how Beijing seeks to apply its experience of regaining Hong Kong in its approaches to Taiwan. To be sure not all of its policies towards Taiwan can be seen as derived from Hong Kong. After all Beijing's policies towards such a complex issue as Taiwan are derived from many sources both domestic and external and the Taiwan issue looms large in the lexicon of Chinese nationalism as well as being a major factor in Sino-American relations and increasingly in China's relations with Japan.

There are important differences in the leverage that Beijing has been able to exercise over Hong Kong and Taiwan. When Beijing began to woo Taiwan from 1979 onwards Taiwan enjoyed all the characteristics of statehood, except for general international recognition. It was self governing, with its own independent armed forces and with its own economic system. Moreover Taiwan has since developed a lively democratic system in which the government has

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<sup>5</sup> *Washington Post*, January 11, 2005.

changed hands peacefully through an electoral process. Taiwan was not a colony like Hong Kong, whose leader was appointed by the colonial power, and which had no responsibility for its own defence and foreign affairs. Moreover Hong Kong could not be defended against the Chinese mainland. Its return to the mainland was subject entirely to negotiations between Beijing and the colonial power, which was resigned to handing the territory back to China and the only issue was the terms of the retrocession.

Furthermore Beijing had a presence in Hong Kong through its News Agency, which represented the Beijing government and was the HQ of the communist party branch in HK. Beijing could also call on the loyalty of several trade unions and a network of schools and social service organizations. The Bank of China was a major financial presence on the island and Beijing had a huge commercial presence both official and unofficial there. Beijing had its own newspapers and publishing firms in Hong Kong. There is no equivalent to any of this in Taiwan

Nevertheless it is possible to identify parallels in the way Beijing has utilized united front tactics in approaching the business communities, in its attempt to use economic leverage and in the way it has used the threat of force.

Once the Joint Declaration was signed in 1984 it was clear that many of Hong Kong's leading business people would gravitate away from Britain and towards China.<sup>6</sup> To this day some of Hong Kong's tycoons cultivate Beijing in pursuit of their own interests and make no bones about their opposition to the extension of the suffrage. Beijing used their influence to isolate the British and to thwart their attempts to establish more democratic structures. Their position has been described as "patriotic" in contrast to most of the pro-democrats.<sup>7</sup>

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<sup>6</sup> This repeated a patterned during the Japanese occupation in the early 1940s when many leaned towards Japan and then abandoned the Japanese when their defeat became inevitable. See Philip Snow, *The Fall of Hong Kong* (Yale University Press, 2003) chapters 3 and 5.

<sup>7</sup> Stephen Vines, *Hong Kong, China's New Colony* (London: Arum Press, 1998) chapters 7 and 13.

Similarly, Beijing has sought to cultivate business people from Taiwan, many of whom have become residents in Shanghai and in a few other coastal cities. They now number in the hundreds of thousands. Beijing has also put pressure on those businessmen who have supported the DPP and Chen Shui-bian by threatening to deny them business opportunities.

After seeking to bludgeon the people of Taiwan with dire threats in 1996 and 2000 into rejecting politicians and political parties Beijing regarded as untrustworthy and as pro-independence, Beijing has softened its tactics. But just as in Hong Kong Beijing has sought to isolate the democrats as unpatriotic and pro-western, so Beijing has sought to isolate and bring pressure to bear on those it regards as pro-independence.

Under the new leadership of Hu Jintao and Wen Jiabao, Beijing has drawn a line between those it sees as favouring a 'one China', however defined, and those it sees as favouring a separate Taiwanese identity as part of their drive towards independence. On this basis the leaders of the three pan-blue parties were received in China in April and May 2005. They declared themselves against independence and returned to Taiwan with various commercial and other concessions from Beijing.

Meanwhile Beijing has maintained a growing military build-up across the Strait that in the opinion of most military observers has already or soon will shift the military balance across the Strait in its favour. Beijing has also let it be known that it is actively building a military capability to deter any possible American intervention.

Given Taiwan's growing economic dependence on Mainland China and the deepening social and educational exchanges across the Strait, China seeks to strengthen the united front tactics it followed in Hong Kong with a pressure of *force majeure*.

## The Problem with Beijing's United Front

Lacking an effective 'presence' on the island and given the American commitment in effect to defend the island against any unprovoked attack or coercive attempts to impose unity, Beijing must rely on persuasion without the underlying menace and sense of inevitability that underlay its united front tactics in Hong Kong.

At present there is a tacit understanding between Taipei, Beijing and Washington. Washington will not allow any unilateral moves towards a formal claim to independence based on self-determination. At the same time Washington is also against any attempt by Beijing to alter the *status quo* by force. To these ends Washington has convinced Beijing that it can rein in the Taiwan administration from making moves towards independence.<sup>8</sup> At the same time Washington is already responding to what the Pentagon perceives as an attempt by China to alter the regional military balance of power. Alert to the new power projection capabilities being developed by the Chinese forces, the Pentagon has embarked on a course of upgrading American forces. In addition to that as part of their revamped military alliance Japan joined the US in February 2005 in declaring that a peaceable settlement of the Taiwan was part of their common strategic objectives.

Accordingly, unlike Hong Kong, which was due to return to PRC rule by a set timetable, Taiwan is not subject to the pressure of having to make an inevitable accommodation. The overwhelming majority of people in Taiwan favour a continuation of the *status quo* and unless the fundamental situation as underpinned by Washington should change there is no reason for the people in Taiwan to sense that they must bend in China's direction.

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<sup>8</sup> In December 2003 President Bush in the presence of Premier Wen Jiabao publicly warned Taiwan's leader against unilaterally changing the *status quo*. As a result President Chen Shui-bian changed the terms of his proposed referendum. Driving the point home, Colin Powell in a few months later in 2004 denied that Taiwan was a sovereign independent state. Chen Shui bian's inaugural address in May that year clearly relected American concerns.

Beijing may favour the pan-blue parties and regard them as part of its untied front. But they are not dependent upon Beijing's support. Should Ma Ying-jeou win the presidency in due course, there is no guarantee that he will favour a kind of 'one China' that is acceptable to Beijing. Indeed he has already indicated that he will set the bar very high for any accommodation with Beijing by calling on China's leaders to reverse their verdict on Tiananmen.

Given the scale of the economic interdependence between China and Taiwan it would be surprising if there not a growing constituency in Taiwan that wanted to avoid confrontations with Beijing. But that would not necessarily translate into actually supporting Beijing's one China policy. There is no evidence that the Taiwanese residents on the Mainland, thought to number about 1 million, returned in large numbers in 2004 to vote in line with Beijing's wishes. Moreover interdependence works both ways and there may equally be constituencies in Mainland China that are opposed to Beijing confronting Taiwan. Interviews that I carried out with academics in Shanghai and Beijing in the summer of 2004 indicated that the local leaders of Shanghai, Jiangsu, Zhejiang and Fujian Provinces had expressed their opposition to settling the Taiwan issue by force. The cost to the Chinese economy of a military conflict over Taiwan could indeed be immense. Deng Xiaoping once threatened in 1983 that if necessary he was prepared to see Hong Kong revert once again to being a barren rock. Today no such sentiment could be credibly voiced by a Chinese leader with regard to Taiwan. Whatever the outcome, the effects of military conflict could be highly damaging to the Chinese economy and the terms of its engagement with the US and the wider world. Relations with the US and Japan would be adversely affected. The potential economic disruption in China could be so severe as to threaten one of the core pillars on which communist party rule is based - i.e., the provision of economic prosperity and social stability. Perhaps that is why Beijing has gone out of its way to shore up the credibility of its threats to use force if Taiwan were to try and break away permanently. But its threats share little of the resonance that those of Deng Xiaoping once carried with regard to Hong Kong.

## Conclusion

This paper has argued that the only relevance of the Hong Kong experience to Taiwan is in Beijing's attempt to use its own experience of using united front tactics of subjugating Hong Kong in trying to win over Taiwan. It has further argued that because the situation of the two places is so different Beijing's opportunity to apply that experience will be limited.

It is of course entirely possible that in the fullness of time Taiwan and China may find a way to live together formally under one roof. But if and when that should come about it would owe little to the experience of Hong Kong. I can think of only one scenario in which Hong Kong's experience were to be sufficiently influential as to make a difference and that would be if Beijing were to allow the HK SAR to move towards genuine universal suffrage for choosing both the legislature and the Chief Executive. But that prospect seems unlikely to come about any time soon.

Another dimension of the issue would be to explore the impact of Taiwan's experience upon Hong Kong. Beijing and its Hong Kong supporters have discouraged pro-democrat politicians from cultivating ties with politicians in Taiwan. Ostensibly this is over the question of Taiwanese independence. But at a deeper level there can be little doubt that the democrats and perhaps the population at large who seek to speed up the process towards universal suffrage have gained strength from the Taiwan democratic example. But consideration of that would be to go beyond the brief the organizers have given me.