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The Uneasy Status Quo in the U.S.-China-Taiwan Relations

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The U.S.-China-Taiwan triangular relations have been relatively stable, albeit somewhat uneasy from time to time, in the past three decades. On the one hand, China has stressed peaceful reunification of the mainland and Taiwan, and yet, it has also insisted that it will use force against Taiwan if the latter declares independence. On the other hand, Taiwan has refrained from declaring formal independence, but occasionally attempted to test the red line. As a balancer of some sort, the United States has reassured China that it adheres to a one-China policy, and has prevented Taiwan from provoking China, but has also warned China not to use force against Taiwan, and continued to provide military assistance for Taiwan to fend off a possible military attack from China. Despite ups and downs, a relatively stable situation, be it called the status quo, has prevailed. How can such a situation be maintained? What are the forces that push for change? How likely will it be changed? These are the questions that will be dealt with in this article.

The Maintenance of the Status Quo

Here, the term, status quo, refers to the situation in which Taiwan enjoys de facto independence and maintains a certain degree of Chineseness in its polity (e.g., its official name, national flag, national anthem, a constitution passed and adopted on the mainland,

etc.), and China does not resort to military force to resolve the Taiwan issue despite verbal threats now and then. It roughly reflects the situation in the past three decades.

Such a situation has been underpinned by several pillars. First, it is the extended deterrence provided by the United States for Taiwan to defend it against China that ensures the de facto independence of Taiwan. Indeed, even after the U.S. derecognized Taiwan on January 1, 1979, it has continued to provide arms for Taiwan by means of the Taiwan Relations Act (TRA), a law passed by the U.S. Congress in April 1979, to facilitate the contacts between the people of the United States and the people on Taiwan. The TRA states that

> It is the policy of the United States … to consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States.[1]

And given such a concern, the United States will "provide Taiwan with arms of a defensive character."[2] Undoubtedly, without strong U.S. commitment, it would be difficult for Taiwan to sustain itself.

Second, in addition to providing Taiwan with arms, the United States also adopts a one-China policy to pacify China and to discourage it from taking drastic actions against the island. Such a policy can be traced back to the Shanghai Communiqué issued during President Richard Nixon's historic visit to China in February 1972, which states that

> The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain that there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves.[3]

[1] See <http://usinfo.state.gov/eap/Archive_Index/Taiwan_Relations_Act.html>.
[2] *Ibid.*
[3] See <http://usinfo.state.gov/eap/Archive_Index/joint_communique_1972.html>.

Again, in the Joint Communiqué on the Establishment of Diplomatic Relations between the U.S. and the PRC of January 1, 1979 and the U.S.-PRC Joint Communiqué of August 17, 1982, the U.S. government states that it "acknowledges the Chinese position that there is but one China and Taiwan is part of China."[4] This policy has been reiterated by the U.S. government time and time again. To a certain extent, it alleviates the Chinese anxiety that the U.S. may lend support to Taiwan independence, thus not only paving the way for further improvement of relations between the U.S. and the PRC, but also reassuring the latter that there is no need to take drastic actions against Taiwan.

Third, although unification has been high on China's agenda, economic reform has taken precedence over unification for many of China's reform-minded leaders. As Deng Xiaoping said at the beginning of the 1980s, "Modernization is at the core of all these three major tasks [opposing hegemonism, Taiwan's return to the motherland, and four modernizations], because it is the essential condition for solving both our domestic and our external problems."[5] He also made it clear that "for the interest of our own country the goal of our foreign policy is a peaceful environment for achieving four modernizations."[6] Thus, for Deng and his followers, economic reform is the key to solving many thorny issues facing China, including the reunification of the mainland and Taiwan. And a peaceful international environment in which the United States plays a significant role is a precondition for the success of economic reform.

Indeed, if China decides to launch a war on Taiwan, it is very likely that the

[4] See <http://usinfo.state.gov/eap/Archive_Index/joint_communique_1979.html> and <http://usinfo.state.gov/eap/Archive_Index/joint_communique_1982.html>.
[5] Deng Xiaoping, "The Present Situation and the Tasks before Us" (January 16, 1980), in *Selected Works of Deng Xiaoping (1975-1982)* (Beijing: Foreign Language Press, 1984), p. 225.
[6] *Ibid.*, p. 226.

United States will be dragged into the conflict. Given the U.S. military prowess, China will suffer a great deal, and its economic reform will surely be set back for years. Thus, unless China really feels desperate, it will be very careful about taking military actions against Taiwan. That is to say, the extended deterrence provided by the U.S. for Taiwan works—at least to a large extent.

Finally, Taiwan has thus far refrained from seeking de jure independence. This does not mean that there is no call for such a move in Taiwan, but that given the internal and external constraints, it is very difficult for Taiwan to actually move in that direction in a significant way. On the one hand, Taiwan independence is not yet supported by a majority of the population; it is thus difficult for any Taiwanese government to seek outright independence even if it holds such an idea dearly. On the other hand, the likelihood of war and damage to Taiwan's economy, and the lack of strong support for independence from the U.S. all deter Taiwan from formally declaring independence.[7]

These pillars, the extended deterrence provided by the U.S. for Taiwan, U.S.'s one-China policy, the restraint by China on the use of military force, and the restraint by Taiwan not seeking de jure independence, serve to underpin the status quo up to now. Now, will the status quo be changed? What are the forces that may push for such a change?

To be sure, the unification of the mainland and Taiwan by peaceful means represents change as well. However, though this type of change may very well bring about conflicts within the Taiwan society itself and may be frowned upon by some people in Washington and Tokyo, it may not lead to serious international confrontation. In the

[7] John Fuh-sheng Hsieh, "How Far Can Taiwan Go?" *Cambridge Review of International Affairs*, Vol. 15, No. 1 (April 2002), pp. 105-13.

following discussion, I will thus focus on the other types of change, namely, the movement toward Taiwan independence and the likely military action taken by China against Taiwan.

Moves to Change the Status Quo

Indeed, the changes in any of the above-mentioned pillars may alter the status quo. Thus far, there is no sign that the United States will change its policies toward the cross-Strait relations. On the one hand, the United States still maintains close ties with Taiwan even if the two do not have formal diplomatic arrangement. The United States continues to have important trade relations with Taiwan. In 2012, Taiwan ranks eleventh among the U.S. trading partners.[8] In addition, Taiwan is a full-fledged democracy now, sharing important values with the United States. Thus, the U.S. may feel obligated to provide security for Taiwan, not to mention the thinking among some people in Washington that Taiwan may be used to check the potential threat posed by a rising China in the not-too-distant future.

On the other hand, the United States needs to deal with China. China is already the U.S.'s second largest trading partner.[9] On the front of the North Korean crisis and, to certain extent, war on terror, the United States also needs China's help. In the case of the Taiwan Strait, the United States has to prevent a war between China and Taiwan. Indeed, if, for any reason, China decides to attack Taiwan, the United States will very likely be dragged into the conflict one way or another. If a war between China on one side and

[8] See <http://www.census.gov/foreign-trade/statistics/highlights/top/top1212yr.html>.
[9] *Ibid.*

Taiwan and the U.S. on the other breaks out, it will definitely be a devastating event, affecting not only East Asia but also the whole globe. This is a nightmare for any U.S. administration. Therefore, as long as the one-China policy can reduce the risks of serious conflicts between China and Taiwan, it is hard to imagine that the U.S. would change it.

For China, it is also unthinkable that the current leaders in Beijing, most of whom are technocrats, are interested in launching a war on Taiwan unless Taiwan is clearly drifting away. As mentioned earlier, since Deng Xiaoping's time, economic reform has been on top of the agenda for China, and a peaceful international environment is imperative. Particularly, as the importance of ideology fades, economic performance becomes a major source of legitimacy for the Communist regime. As a consequence, they may not want to risk the loss of legitimacy by unnecessarily engaging in war-like behavior. Of course, if they sense that they are going to lose Taiwan, then as dictated by nationalistic sentiments in the society, another important source of legitimacy, they cannot afford to stand by and do nothing.

Besides, China has been doing extremely well economically, and as a result, it has "changed from being a country of the future to being a country that really matters today."[10] Its economy is already the second largest in the world. It also quickly builds up its military capabilities. It is for this reason that Chinese leaders may feel that time is on their side so that they can afford to tolerate minor deviations from the status quo. But, again, given rising nationalism in China, their room for maneuvering is not that large.

After excluding several possible sources for change, the only one left is Taiwan. As argued below, this is indeed the case. It is mainly due to the fact that there is a sizeable group of Taiwanese who advocate Taiwan independence, and if, for some reason,

[10] Barry Naughton, "China: Economic Giant Emerges," *Great Decisions 2005*, p. 48.

they occupy pivotal positions in the policy-making process, they may push for change. In the remaining part of this article, I will focus on this factor, assessing the likelihood of change.

How Likely Will Taiwan Push for Change?

For anyone who knows something about Taiwan politics, he or she cannot fail to notice the division of the society along the lines of national identity: unification with the mainland, independence from China, or the status quo which stands somewhere in between. A lot of surveys have been conducted on this issue. In the following discussion, I will rely mainly on the 2012 Taiwan Election and Democratization Study (TEDS) survey to examine the public attitudes toward the issue.[11]

In the 2012 TEDS survey, respondents were asked to choose a score between 0 and 10 with 0 standing for independence and 10 for unification. Figure 1 shows the distribution of voters' positions on this issue. It exhibits a multimodal picture but with a big mode at the center.

[Figure 1 about here]

However, Figure 1 is somewhat misleading. The positions voters may take include not only their true or sincere beliefs but also their strategic calculations. For

[11] The TEDS surveys are conducted by a consortium of political scientists from various academic institutions in Taiwan and sponsored by Taiwan's National Science Council. Chi Huang has been the coordinator of these surveys since 2000. And the principal investigator of the 2012 survey was Yun-han Chu.

example, a lot of people may support the status quo not because they truly believe it but because they sense that their most preferred position (unification, independence, or whatever) may not be feasible, so they end up choosing something less preferable. Thus, the distribution of voters' sincere positions on this issue is not readily known by looking solely at this figure.[12]

In order to dig into voters' true intentions, the two questions addressing voters' conditional preferences in the 2012 survey are examined. For these two questions, respondents were asked about their support (1) for independence if peace can be maintained between China and Taiwan after Taiwan declares independence and (2) for unification if Taiwan and the mainland are similar in economic, social and political conditions. Obviously, these two preconditions are seen by most people to be unrealistic. Under the current circumstances, a war is likely if Taiwan declares independence, and of course, the economic, social and political conditions between the two differ markedly. Thus, for those who are willing to select independence or unification even under the current unfavorable conditions (i.e., attack by China if Taiwan declares independence and dissimilarities in economic, social and political conditions between the two sides) in response to the 11-point scale question discussed earlier, I assume they are, to a certain degree, sincere in their responses. Consequently, I will focus on those who pick a score 5 (roughly the status quo), and check whether they may shift to either independence or unification if the conditions are favorable. (To simplify the matter, in the following discussion, I will reclassify those who choose 5 as status quo supporters, and those who pick 0 to 4 or 6 to 10 as independence or unification supporters, respectively.)

[12] For a detailed discussion of this problem in surveys, see John Fuh-sheng Hsieh and Emerson M.S. Niou, "Measuring Taiwanese Public Opinion on the Taiwan Independence Issue: A Methodological Note," *China Quarterly*, No. 181 (March 2005), pp. 158-68.

But before turning to the status quo supporters, let us take a look the distribution of all the respondents in the 2012 survey on the two questions with preconditions. As Table 1 shows, 55.7 percent of all the respondents respond positively to the question about declaring independence if peace can be maintained, and 35.3 percent agree that Taiwan and the mainland should be unified if the conditions are right. Together, 21.2 percent of the respondents show flexibility by saying yes to both questions while 31.1 percent of the respondents would support independence but not unification even if the two sides are similar in economic, social and political conditions, and 12.9 percent would accept unification but not independence even if peace can be maintained. Some respondents (18.5 percent) would favor neither independence nor unification even under favorable conditions.

[Table 1 about here]

Then, how about those who support the status quo on the original 11-point scale question? How many of them truly favor the status quo and how many choose it due to strategic considerations? To answer these questions, I first reclassify the status quo supporters on the basis of the following criteria: (1) if they favor independence if peace can be maintained, but do not support unification even if both sides are similar in economic, social and political conditions, they will be reclassified as independence supporters; (2) if they favor independence if the condition is right, but do not respond to the question about unification, they will also be reclassified as independence supporters; (3) if they support unification if both sides are similar in economic, social and political

conditions, but do not favor independence even if peace can be maintained, they will be reclassified as unification supporters; (4) if they support unification if the condition is right, but do not respond to the question about independence, they will also be reclassified as unification supporters; (5) if they say yes or no to both conditional questions, they are regarded as status quo supporters; (6) if they do not respond to both questions, or they say no to one but do not respond to the other, they will not be reclassified; (7) for those who do not respond to the original 11-point scale question, they are reclassified in accordance with their responses to the conditional questions in a similar fashion. Table 2 shows the results.

[Table 2 about here]

As can be seen from the table, the distribution of voters on the national identity issue is flatter, that is, more people are now at either end of the spectrum. This is, of course, a no-brainer since this is exactly what we have been trying to do. However, it does tell us that there are indeed a lot of people who support the status quo for strategic reasons. If the conditions are favorable, they may shift their positions.

An important point here is that national identity happens to be the dominant cleavage underpinning the party configuration in Taiwan. Professor Emerson Niou and I designed four 11-point scale questions tapping the four potential cleavages in Taiwan: welfare vs. economic growth, environmental protection vs. economic development, independence vs. unification, and reform vs. stability, in 1992, which have been used in various surveys, and the results are clear: National identity is the dominant cleavage in

Taiwan politics.[13] Unfortunately, some of the cleavage questions are, for some unknown reasons, removed from the 2012 TEDS sruvey. Thus, I have to resort to the 2008P ("P" standing for presidential election) TEDS survey[14] in order to find some clues, and then to run a truncated version of the model with the 2012 data.

The middle columns of Table 3 show the regression results from the 2008P TEDS survey. The dependent variable is voters' support for the Pan-KMT or Pan-Blue camp, referring to the Kuomintang (Nationalist Party, KMT) and its allies, as against the Pan-DPP or Pan-Green camp, including the Democratic Progressive Party (DPP) and other political forces closely allied with it. As for the independent variables, four potential cleavages mentioned above are included; so are the clean government issue,[15] ethnicity, interaction terms between ethnicity and national identity, and such demographic variables as gender, age, and education. As can be seen from the table, among the four potential cleavages, all except the welfare issue are significant. Generally, those who are more pro-unification, less pro-environment, and more concerned about stability are more likely to support the Pan-KMT camp. Since all these variables are measured on the 11-point scale, their coefficients can be compared. Obviously, national identity overwhelms all other issues. And this is indeed the dominant cleavage shaping Taiwan's partisan politics.

[Table 3 about here]

[13]John Fuh-sheng Hsieh and Emerson M. S. Niou, "Issue Voting in the Republic of China on Taiwan's 1992 Legislative Yuan Election," International Political Science Review 17, no. 1 (1996): 13-27, and "Salient Issues in Taiwan's Electoral Politics," Electoral Studies 15, no. 2 (1996): 219-235. Cf. Tse-min Lin, Yun-han Chu, and Melvin J. Hinich, "Conflict Displacement and Regime Transition in Taiwan: A Spatial Analysis," World Politics 48, no. 4 (1996): 453-481.

[14] The principal investigator of the 2008P TEDS survey was Ching-hsin Yu.

[15] This is based upon the questions asking the respondents to pick the most and the second most important issues in the election. A dummy variable is constructed, pitting those who choose clean government as either the most or the second most important issue against all others who do not.

In addition, clean government is also significant. Those who believe that corruption is an important issue lean toward the Pan-KMT camp. However, the sign is different from some earlier surveys, reflecting the scandals involving President Chen Shui-bian, a leader of the Pan-DPP camp, and his associates during his term in office. Interestingly, the ethnicity variables are not significant, a fact signifying that national identity may, in some way, diminish the salience of ethnicity as a factor affecting Taiwanese voters' partisan attachments. To be female and to be better educated are also positively associated with the support for the Pan-KMT camp.

I rerun the logistic regression with the 2012 TEDS data, but with a truncated model since the environment vs. economic development and reform vs. stability issues are not included in the new survey. Also, the clean government issue has to be deleted since respondents were asked only about the most important issue in the elections—instead of two most important issues as in the previous surveys—and very few people chose corruption or other related issues this time. The results of the regression analysis are displayed in the last columns of Table 3.

As can be seen from the table, the regression results for 2012 are somewhat different from 2008, but national identity remained significant, and the welfare issue continues to be non-significant. Interestingly, at least one ethnicity variable, Mainlanders, is now significant. Generally speaking, mainlanders are more likely than others to turn to the Pan-KMT camp. This result is not surprising. Furthermore, to be female is no longer significant, but those with better education continue to be more likely to support the Pan-KMT camp.

Thus, among the potential cleavages, national identity is undoubtedly the dominant issue in shaping Taiwan's party politics. Environmentalism may matter, but plays at best a secondary role. Ethnicity, with one exception, is generally not significant after controlling for other variables. And clean government issue may be important, but it reflects a judgment call, which may change as a consequence of voters' assessment of corruption associated with various political forces, very much like voters' evaluation of, say, economic performance under the government of a particular party. It is, therefore, not truly a long lasting cleavage that affects voters' relatively durable partisan attachments.

Nonetheless, even though it makes sense to look at the national identity issue as a continuum—from very pro-independence to very pro-unification—as we do in the above regression model, there are some nuances when it comes to voters' partisan support. Indeed, as Table 4 indicates, the distribution of voters with regard to the association between national identity and partisan attachment is, to a certain extent, dichotomous: Those who favor Taiwan independence tend to support the Pan-DPP camp; those who prefer unification lean toward the Pan-KMT camp; and those who would like to maintain the status quo are also inclined to support the Pan-KMT camp. That is, it is independence pitted against anything else. And this is true no matter whether we are looking at voters' summary positions (including both sincere and strategic calculations), or only their adjusted sincere attitudes.

[Tables 4 about here]

To summarize, national identity is indeed the dominant cleavage underpinning Taiwan's party structure, and the distribution of voters on the issue will very much determine the political fortunes of various political groupings, particularly between the two major camps. If the Pan-DPP camp is able to win elections and control the government, it may formulate different policies toward China as against the situation under which the Pan-KMT camp wins the elections.

Then, the question is: Which office is more important in formulating policies? This leads us to an examination of the constitutional structure of Taiwan. Basically, Taiwan's constitutional form of government is parliamentary, and the president's power is very limited. But since the president is now directly popularly elected and can appoint the premier without an investiture vote in the Legislative Yuan (parliament), I have no objection if the Taiwanese system is categorized as semi-presidential.[16] However, no matter how it is interpreted, the key to understanding the functioning of such a system is the control of the Legislative Yuan. If the president's party or camp controls a majority of parliamentary seats, and he or she is able to command his or her own party or camp, the president may indeed exert a great deal of power through the party channel, but if the presidential party or camp does not control a parliamentary majority, yet he or she insists on forming a cabinet composed of his or her own men against the will of the parliamentary majority, serious stalemate may ensue. The latter situation is what happened in 2000-08 in Taiwan.

This means that, for Taiwan's mainland China policy or for any other major policies for that matter, the consent of the parliamentary majority is paramount under the

[16] See John Fuh-sheng Hsieh, "The Logic of Semi-Presidentialism: Loopholes, History, and Political Conflicts," *Issues & Studies*, Vol. 47, No. 1 (March 2011), pp. 57-78.

current institutional arrangement. Which political party or camp is able to command such a majority is interesting to watch.

Since the late 1980s, political fortunes of the two major political camps have been very much stabilized. If we take a look at the Legislative Yuan elections, for instance, the Pan-KMT camp has always been able to receive more votes than the Pan-DPP camp (see Table 5). The reason for such stability lies very much in the relative stability of the underlying cleavage underpinning Taiwan's party structure, i.e., national identity. The Pan-DPP camp is able to attract most of the independence supporters, and the Pan-KMT camp most of the unification or status quo supporters (see Table 4). Since this is a highly emotional issue, and will not change frequently for an individual, we should expect a certain degree of stability on the distribution of voters on this issue. Indeed, if we take a look at the distribution of voters' attitudes toward the national identity issue over the years, it can be seen that there is indeed a high degree of stability particularly since the mid-1990s (see Table 6).

[Tables 5 and 6 about here]

Since there are many seats in parliamentary elections, statistically, the results of such elections may better reflect the political fortunes of various political camps than, say, the presidential election where only one seat is available and other factors may loom very large under certain circumstances. That is to say, normally, it is very difficult for the Pan-DPP camp to win a majority of seats in the Legislative Yuan, but, occasionally, it may do well in a presidential election.

So, when the Pan-KMT camp is able to control both the presidency and the Legislative Yuan, its policy preferences may easily get through. Then, when the Pan-DPP camp is able to win the presidency, if the new president respects the parliamentary majority by appointing a premier from the Pan-KMT camp, the policy is still very much controlled by the Pan-KMT camp; but if the president decides to go his or her own way by forming a DPP or a Pan-DPP cabinet, stalemate can be expected.

This does not mean that the Pan-DPP camp has no chance to control both the executive and legislative branches of government, but that it will be very difficult for them to achieve that. If, for whatever reason, they are able to do it, will they be able to declare independence?

What If Taiwan Intends to Declare Independence?

Of course, declaration of independence by Taiwan will almost surely lead to military confrontation with China. No matter whether Taiwan will survive, lives may be lost, and many more may suffer from the trauma of military confrontation for a long time to come. Indeed, even a small-scale confrontation may hurt Taiwan's economy badly. The sea lanes of communication may be cut. Goods cannot be moved in and out easily. It may deal devastating blows to Taiwan's trade-dependent economy, not to mention the fact that Taiwan has already relied heavily upon the Chinese market with 40 percent of Taiwan's exports going to China and Hong Kong. Thus, even if the leaders of Taiwan intend to seek de jure independence, they have to be very careful.

For some independence supporters, these are necessary sacrifices for a much bigger cause. Then, the question is: Even if they are willing to make sacrifices, will they be able to achieve their ultimate goal? The answer hinges on the U.S. support in case of a war. Only if the United States will come to Taiwan's rescue even in a war brought about by Taiwan's declaration of independence, it is worth a try.

This can be thought of as a game involving three players: Taiwan, China, and the United States. Figure 2 presents a simple game played by the three players. The first move is made by Taiwan which has two options: to declare (D) or not to declare (~D) independence. If Taiwan chooses not to declare independence, the game ends, and the status quo prevails. But if Taiwan decides to declare independence, then it is China's turn either to attack (A) or not to attack (~A) Taiwan. And if China is determined to attack, it is up to the U.S. to decide whether to respond (R) or not to respond (~R) by military means against China.[17]

[Figure 2 about here]

This is a simple extensive form game which can be solved easily by backward induction. Let u_t, u_c, and u_a be the utilities Taiwan, China, and the United States, respectively, attach to the outcomes, Status Quo, Let Go, Big War, and Small War. The first step to solve the game is to decide whether the United States prefers R or ~R. There are two possibilities:

[17] Military actions may range from, say, firing missiles to sending troops to the battlefield. They are quite different. However, for simplicity, no attempt is made here to distinguish among different types of military actions. Indeed, as far as Taiwan is concerned, any type of military action launched by China will be a serious concern anyway.

1. u_a (Big War) $\geq u_a$ (Small War);

2. u_a (Small War) $\geq u_a$ (Big War).

Let us call the first one a Hawk, and the second one a Dove.

Let us further assume that, for China, Status Quo is better than an attack on Taiwan. And if China launches an attack, no military response from the U.S. (Small War) is certainly preferred to a U.S. military response (Big War). The worst scenario will be that Taiwan declares independence while China does nothing about it (Let Go).[18] That is,

u_c (Status Quo) $\geq u_c$ (Small War) $\geq u_c$ (Big War) $\geq u_c$ (Let Go).

For Taiwan, suppose that the leader does intend to seek independence. Then, to declare independence without incurring Chinese military attack (Let Go) is clearly the best possible result. The second best will be a Chinese attack counteracted by the U.S. military response (Big War). Between the other two outcomes, Status Quo seems better than the scenario under which Taiwan has to defend itself alone (Small War). So the preference ordering for Taiwan should be

u_t (Let Go) $\geq u_t$ (Big War) $\geq u_t$ (Status Quo) $\geq u_t$ (Small War).

With these preference orderings, by backward induction, we can easily see that if the U.S. is a Hawk, Taiwan will declare independence, China will launch an attack against Taiwan, and the U.S. will get involved militarily. However, if the U.S. is a Dove, Taiwan will not declare independence, and the game ends.

Thus, the type of the U.S., a Hawk or a Dove, is important. But there is some uncertainty here. Will the U.S. come to Taiwan's rescue even if the trouble is caused by Taiwan's own move? Although the U.S. has, from time to time, discouraged Taiwan

[18] It is intriguing whether China would let Taiwan go without taking any military actions (e.g., firing missiles, and so on) if the latter declares independence. Given the rising nationalism in China, it is hard to imagine that this will occur.

from provoking China (i.e., moving toward independence), it is not clear what the U.S. would actually do if Taiwan indeed declares independence and China responds by military actions. To capture such uncertainty, we need to reformulate the game.

Figure 3 is a game with incomplete information. It starts with Nature which chooses the type of the U.S. With probability p, the U.S is a Hawk, and with probability 1-p, the U.S. is a Dove. Then, it is Taiwan's turn to choose between D and ~D without knowing exactly whether the U.S. is a Hawk or a Dove. If Taiwan selects ~D, the game ends; otherwise, it is China's turn to choose A or ~A similarly without knowing the type of the U.S. The game ends if ~A is selected; or else the U.S. has to decide whether to choose R or ~R. Since the U.S. knows its own type, the choice is clear for the U.S. in either the top or bottom portion of the game. As for China, since the results from ~A are the worst of all, A is the only choice for China. Thus, the solution of the whole game depends upon Taiwan's belief with regard to the type of the U.S. If Taiwan believes that the United States is very likely a Hawk, it will declare independence; otherwise, it will not. It is Taiwan's belief of the type of the U.S. that will determine the result of the game.

[Figure 3 about here]

Conclusion

To conclude, the status quo in the cross-Strait relations has been underpinned by the extended deterrence provided by the United States for Taiwan to defend it against China, the one-China policy maintained by the U.S. to encourage China to refrain from

taking drastic actions against the island, the restraint exercised by China on the use of force against Taiwan, and the restraint by Taiwan not seeking de jure independence. Changes in any of these may lead to the disruption of the status quo. Thus far, the uneasiness of the status quo comes mainly from the support of de jure independence among some Taiwanese. Through elections, they may be able to hold pivotal positions in government so as to push for their agenda. However, whether they will actually do it or not depends very much upon their cost-benefit calculations. Most importantly, whether the U.S. will—or more precisely, whether the U.S. is *perceived* by Taiwanese leaders that it will—come to Taiwan's rescue if Taiwan declares independence and China launches an attack on Taiwan is critical.

Table 1: Approval of Independence or Unification under Favorable Conditions

		Unification If Both Sides Differ Little			
		Yes	No	No Response	Total
Independence If Peace Can Be Maintained	Yes	388 (21.2%)	568 (31.1%)	61 (3.3%)	1017 (55.7%)
	No	236 (12.9%)	338 (18.5%)	33 (1.8%)	607 (33.2%)
	No Response	20 (1.1%)	25 (1.4%)	157 (8.6%)	202 (11.1%)
	Total	644 (35.3%)	931 (51.0%)	251 (13.7%)	1826 (100.0%)

Source: 2012 TEDS Survey

Note: Those who respond that they "agree" or "agree strongly" are categorized as Yes, and those who "disagree" or "disagree strongly" are categorized as No. Cell entries are numbers of respondents, with total percentages in parentheses.

Table 2: Respondents' Attitudes toward the National Identity Issue

	Independence	Status Quo	Reunification	No Response	Total
Original	452 (24.8%)	874 (47.9%)	300 (16.4%)	200 (11.0%)	1826 (100.1%)
Adjusted	769 (42.1%)	524 (28.7%)	425 (23.3%)	108 (5.9%)	1826 (100.0%)

Source: 2012 TEDS Survey

Note: The adjusted figures include those who are in the "No Response" category in accordance with their original responses to the 11-point scale question, but are now reclassified according to the questions about conditional preferences. Cell entries are numbers of respondents, with row percentages in parentheses. Row percentages may not sum to 100 due to rounding.

Table 3: Logistic Regression for Leaning toward the Pan-KMT Camp

Variable	2008		2012	
	B	S.E.	B	S.E.
Intercept	-4.045**	.740	-2.249**	.604
Less Welfare	-.029	.025	.015	.022
Less Environment	.088**	.031		
Unification	.499**	.100	.501**	.104
Stability	.088**	.028		
Clean Government	1.283**	.391		
Minnan Taiwanese	-.745	.549	-.585	.532
Mainlanders	1.373	.921	2.086**	.968
Minnan x Unification	.068	.111	-.065	.111
Mainlanders x Unification	.198	.207	-.099	.203
Female	.472**	.156	.226	.139
Older	.089	.070	.066	.064
Better Educated	.228**	.073	.149**	.064
Number of Cases	1,126		1,187	
Nagelkerke R^2	.492		.358	

Source: 2008P and 2012 TEDS Surveys.

The reference category is the Pan-DPP camp.
* indicates $p < .10$.
** indicates $p < .05$.

Table 4: Respondents' Attitudes toward the National Identity Issue and Their Party Identification

(a) Original

	Pan-KMT Camp			Pan-DPP Camp		
	KMT	NP	PFP	DPP	TSU	Total
Independence	72 (21.0%)	1 (0.3%)	0 (0.0%)	**261 (76.1%)**	9 (2.6%)	343 (100.0%)
Status Quo	**405 (64.4%)**	8 (1.3%)	17 (2.7%)	197 (30.8%)	5 (0.8%)	629 (100.0%)
Unification	**83.9 (83.9%)**	2 (0.8%)	1 (0.4%)	34 (14.0%)	2 (0.8%)	242 (99.9%)

(b) Adjusted

	Pan-KMT Camp			Pan-DPP Camp		
	KMT	NP	PFP	DPP	TSU	Total
Independence	182 (33.0%)	1 (0.2%)	5 (0.9%)	**351 (63.7%)**	12 (2.2%)	551 (100.0%)
Status Quo	**244 (65.2%)**	9 (2.4%)	10 (2.7%)	110 (29.4%)	1 (0.3%)	374 (100.0%)
Unification	**277 (82.0%)**	3 (0.9%)	4 (1.2%)	51 (15.1%)	3 (0.9%)	338 (100.1%)

Source: 2012 TEDS Survey.

Note: Cell entries are numbers of respondents, with row percentages in parentheses. Row percentages may not sum to 100 due to rounding.

Table 5: Vote Shares of Major Political Parties in Legislative Yuan Elections, 1969-2012 (%)

	KMT	DPP	NP	PFP	TSU	NPSU*
1969	76.0					
1972	73.9					
1975	79.4					
1980	73.7					
1983	73.1					
1986	69.2	22.2				
1989	60.2	28.2				
1992	53.0	31.0				
1995	46.1	33.2	13.0			
1998	46.4	29.6	7.1			
2001	28.6	33.4	2.6	18.6	7.8	
2004	32.8	35.7	0.1	13.9	7.8	3.6
2008 (Dist.)	53.5	38.7		0.0	1.0	2.3
(PR)	51.2	36.9	4.0		3.5	0.7
2012 (Dist.)	48.2	43.8	0.1	1.3		1.3
(PR)	44.5	34.6	1.5	5.5	9.0	

*NPSU: Non-Partisan Solidarity Union

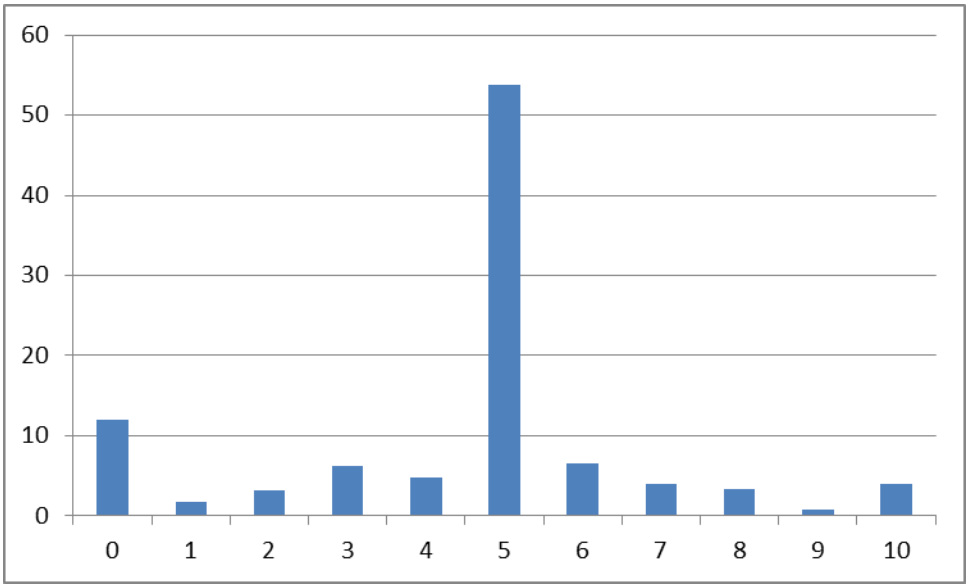
Table 6: Respondents' Attitudes toward the National Identity Issue

	Independence	Status Quo	Reunification	Total
1992	12.4%	30.6%	56.9%	99.9%
1995	15.3%	51.1%	33.6%	100.0%
1996	21.4%	53.5%	25.1%	100.0%
1999	27.7%	43.5%	28.8%	100.0%
2000	21.5%	46.1%	32.4%	100.0%
2002	24.0%	48.3%	27.7%	100.0%
2005	29.2%	48.7%	22.1%	100.0%
2008	30.3%	49.1%	20.5%	99.9%
2012	27.8%	53.8%	18.5%	100.1%

Source: Based on surveys conducted by Opinion Research Taiwan in 1992, the Election Study Center of National Chenchi University in 1995-2000, and the TEDS surveys in 2002-2012.

Note: Cell entries are row percentages, and may not sum to 100 due to rounding.

Figure 1: The Distribution of Voters on the National Identity Issue



Source: 2012 TEDS Survey.

Note: 0 refers to independence and 10 unification.

Figure 2: The Independence Game

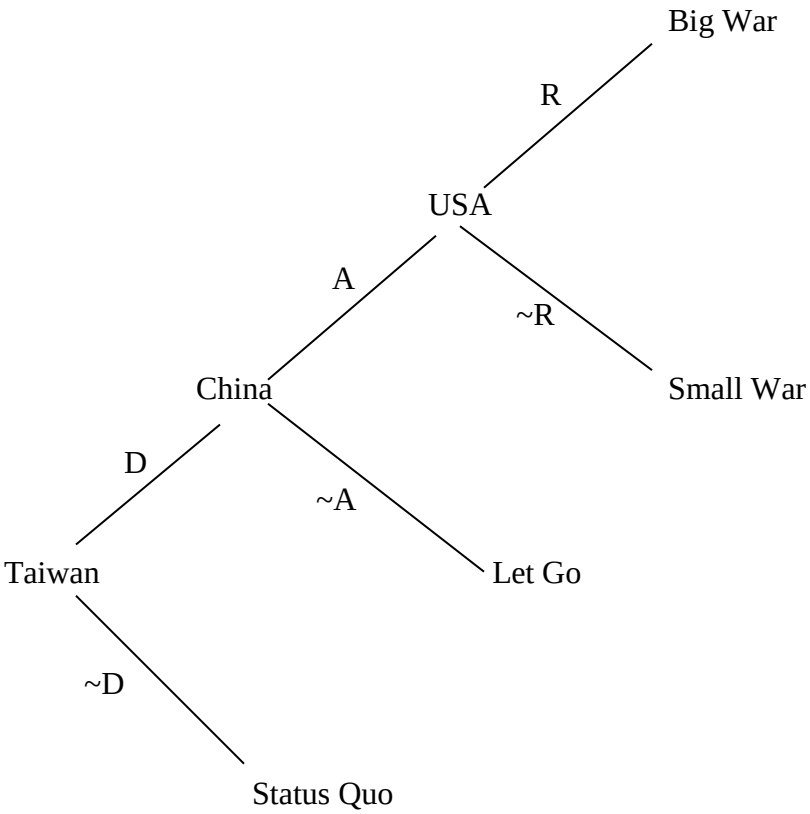


Figure 3: The Independence Game with Incomplete Information