

Neoclassical Realism and the Third Taiwan Strait Crisis Revisited

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Declaration of Committee

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Abstract

The Third Taiwan Strait Crisis remains one of the most war-like confrontations between Beijing and Washington since the 1960s. Existing studies of the crisis, which have predominantly relied on domestic instability, strategic deterrence, and nationalism, are problematic, because they all assume a linear escalatory behavior of Beijing. China started with a rather accommodative posture, which later became more hostile toward Washington. How can we explain this two-step crisis behavior? Within the “Type I” neoclassical realist framework, the present paper borrows insights from the policy paradigm change model to elucidate this behavioral change. It argues that while Jiang’s previous policy experiences resulted in a similar accommodative response in the leadup to the crisis, when two necessary conditions became fulfilled by mid-July, Beijing’s posture changed: the lengthening of decision time and a relatively equal power relationship between the military and Jiang, that is, the erosion of Jiang’s earlier supremacy over the military.

Keywords: Third Taiwan Strait Crisis; Sino-American relations; Cross-Strait relations; neoclassical realism; leaders’ image

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^a Ronaldo Au-Yeung and Alsu Tagirova, “Beyond General Elections: How could Foreign Actors Influence the Prime Ministership? *International Journal*, Vol. 79, No.1 (2024).

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^b Anil Hira and Ronaldo Au-Yeung, "Global Climate Change Governance: Three Models into One?" in *The Future of Multilateralism and Globalization in the Age of the US-China Rivalry*, eds. Norbert Gaillard, Fumihito Gotoh, and Rick Michalek (London and New York: Routledge, 2023), pp. 219-238; Anil Hira and Ronaldo Au-Yeung, "Circular Economy Aspirations: Three Strategies in Search of a Direction," *Green Circular Economy: A New Paradigm for Emerging Economies*, in eds. Pardeep Singh, Anamika Yadav, Indranil Chowdhury, and Ravindra Singh (Dordrech: Springer Nature), pp. 1-22.

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List of Acronyms

APEC	Asia-Pacific Economic Cooperation
CCP	Communist Party of China
CMC	Central Military Commission
GATT	General Agreement on Tariffs and Trade
PLA	People's Liberation Army

“Under the premise of one China, any issue can be discussed. This includes recognizing Taiwan as an equal entity, renouncing the use of force, and giving Taiwan lebensraum on the international arena.”

—*People’s Daily*¹

Chapter 1.

Introduction: The Puzzle to be Resolved

On June 9, 1995, then Taiwanese President Lee Teng-hui paid a “personal” visit to his alma mater in the United States, Cornell University, where he delivered a separatist message of Taiwan independence, claiming “the Republic of China on Taiwan.”² Deeply provoked by and furious about Lee’s speech, the People’s Republic of China (China hereafter) began a series of military maneuvers and missile tests from July 21, 1995, which had continued until the following March when Washington sent two aircraft carrier battle groups to the Strait and when the first Taiwanese democratic election yielded no *de facto* independence.

Revisiting this Taiwan Strait Crisis of 1995-96, how can we explain the standoff that remains one of the most war-like confrontations between Beijing and Washington since the 1960s? (See the chronology of the event, attached to this paper.) Existing studies of the crisis have predominantly relied on nationalism,³ strategic deterrence,⁴

¹ *People’s Daily*, “Wancheng Lishi Fuyu De Shensheng Shiming” (“Fulfill the Sacred Mission Entrusted by History”), February 17, 1995, translated by this author.

² USC US-China Institute, “Pres. Lee Teng-Hui, Cornell University Commencement Address,” June 9, 1995, at: <https://china.usc.edu/pres-lee-teng-hui-cornell-university-commencement-address-june-9-1995>.

³ E.g., James J. Lee, “Will China’s Rise Be Peaceful? A Social Psychological Perspective,” *Asian Security*, Vol. 12, No. 1 (February 2016), pp. 29-52; Edward Friedman, “The Prospects of a Larger War: Chinese Nationalism and the Taiwan Strait Conflict,” in *Across the Taiwan Strait: Mainland China, Taiwan, and the 1995-1996 Crisis*, ed. Suisheng Zhao (New York: Routledge, 1999), pp. 243-275.

⁴ Robert S. Ross, “The 1995-96 Taiwan Strait Confrontation: Coercion, Credibility, and the Use of Force,” *International Security*, Vol. 25, No. 2 (Fall 2000), pp. 87-123. See also, Robert S. Ross, “Navigating the Taiwan Strait: Deterrence, Escalation Dominance, and U.S.-China Relations,” *International Security*, Vol. 27, No. 2 (Fall 2002), pp. 48-85; Xiaoting Li, “Applying Offensive Realism to the Rise of China: Structural Incentives and Chinese Diplomacy toward

and domestic instability,⁵ to explain Beijing's behavior. While informative, these analyses have collectively left an important puzzle unsolved: China's behavioral change in the leadup and during course of the crisis, from accommodation to hostility, when they all assume a linear escalatory behavior on the part of Beijing.

The existing studies miss the fact that Beijing started with, and continued, a more accommodative posture. The White House approved Lee's "personal" visa on May 22, 1995, but it was not until July 18 that Beijing had announced that it would conduct military exercises in the Taiwan Strait beginning three days later. In fact, even after Lee delivered the independence message at Cornell University and triumphantly returned to Taiwan in early June, the Chinese leadership continued a low-key posture until more than a month later. In the leadup to the crisis, Beijing not only put compelling efforts into diplomatic exchanges with the United States,⁶ but Jiang Zemin continued to champion a policy of "peaceful means as the norm" in addressing the newly arisen Taiwan tension.⁷

On the surface of it, one would assume that this delay happened because the massive show of force by Beijing necessitated extensive logistical preparation and resource allocation. But, as two Taiwanese historiographies unanimously suggest, Lee's trip was acquiesced by the China's Central Leading Group for Taiwan Affairs in the first place. As far back as late March, Zeng Qinghong, who participated in the Leading Group as then Head of the General Office of the Chinese Communist Party (CCP), told Su Zhi-cheng, Lee's secret envoy, in Macau that "you have your position, we have ours, so *criticism* is still necessary when the time comes," upon being informed about Lee's

the Neighboring States," *International Relations of the Asia Pacific*, Vol. 16, No. 2 (May 2016), pp. 241-271.

⁵ For the prospect theory variant of the argument, see Kai He and Huiyun Feng, "Leadership, Regime Security, and China's Policy toward Taiwan: Prospect Theory and Taiwan Crises," *The Pacific Review*, Vol. 22, No. 4 (September 2009), pp. 501-521; Kai He, *China's Crisis Behavior: Political Survival and Foreign Policy after the Cold War* (Cambridge: Cambridge University Press, 2016), chapter 3. For the hawkish military variant, see Jianhai Bi, "The Role of the Military in the PRC Taiwan Policymaking: A Case Study of the Taiwan Strait Crisis of 1995-1996," *Journal of Contemporary China*, Vol. 11, No. 32 (2002), pp. 539-572; Andrew Scobell, "Show of Force: Chinese Soldiers, Statesmen, and the 1995-1996 Taiwan Strait Crisis," *Political Science Quarterly*, Vol. 115, No. 2 (Summer 2000), pp. 227-246; Ji You, "Making Sense of War Games in the Taiwan Strait," *Journal of Contemporary China*, Vol. 6, No. 15 (1997), pp. 287-305.

⁶ Ross, "The 1995-96 Taiwan Strait Confrontation," pp. 93-94.

⁷ Bruce Gilley, *Tiger on the Brink: Jiang Zemin and China's New Elite* (Berkley, CA: University of California Press, 1998), p. 252. See also, Willy Wo-Lap Lam, *The Era of Jiang Zemin* (Singapore: Prentice Hall, 1999), p. 173.

intention to visit his alma mater.⁸ In other words, diplomatic aspersion was a formality Beijing must go through, but a military confrontation was originally unintended.

Then, a question remains: Why did Beijing change its earlier accommodative posture to a more hostile one by mid-July? How can we contemplate this significant policy change when the long-term expectation of balance of power politics suggests that China, positioned as a lesser state in the early post-Cold War period, would not challenge the US hegemony? Within the “Type I” neoclassical realist framework, the present paper borrows insights from the policy paradigm change model in the field of public policy to elucidate this short-term anomaly in China’s foreign policy. It argues that while Jiang’s previous policy experiences resulted in a similar accommodative response in the leadup to the crisis, when two necessary conditions became fulfilled by mid-July, Beijing’s posture changed and became more aggressive toward Washington: the lengthening of decision time and a relatively equal power relationship between the military and Jiang, that is, the erosion of Jiang’s earlier supremacy over the military.

The present paper proceeds as follows. The next Chapter presents its core theoretical argument and details the relationship between policy image, authority, and decision time. Chapter 3 discusses the long-term baseline of Chinese foreign policy and Jiang’s pre-crisis policy experiences. It illustrates how these experiences induced a similar non-confrontational response in the leadup to the 1995-96 standoff. Chapter 4 considers the causes of China’s behavioral change. The paper concludes with Chapter 5.

⁸ Hao Wang, *Yiwai De Guofu: Jiang Jieshi, Jiang Jinguo, Li Denghui He Xiandai Taiwan* (Unexpected Founding Fathers: Chiang Kai-shek, Chiang Ching-kuo, Lee Teng-hui and Contemporary Taiwan) (New Taipei City: Baqi Wenhua, 2017), pp. 282, 284, emphasis added and translated by this author; Jingwen Zou, *Li Denghui Zhizheng Gaobai Shilu* (Lee Teng-hui’s Confessions of Governance Chronicle) (Taipei: Yinke, 2001), p. 203, emphasis added and translated by this author.

Chapter 2.

The Argument: Image, Authority and Decision Time

For neoclassical realism, states dwell in an anarchic world of self-help, responding in the long run to the systemic effects derived from anarchy and polarity. Yet, there is no perfect transmission belts to connect structural stimulus to state behavior. Units may behave in accordance with the balance of power in the long run, but foreign policy decisions are ultimately crafted by executive leaders and policy elites, and thus shaped by unit-level intervening variables in the short run, beyond mere considerations of structural effects. For these reasons, leaders at times conduct irrational policies, inconsistent with the systemic imperatives. Like units, the ultimate goal of a given leader is his (domestic) survival.⁹

2.1. The long-term baseline for China against the United States in the early post-Cold War period

While balance of power¹⁰ and power preponderance theorists¹¹ have long debated the durability and stability of the unipolar world, they nevertheless reconcile on the point that non-pole units will choose to fold strategically in order to benefit from the unparalleled political and economic opportunities offered by (following) the unipolar world order.¹² Christopher Layne, one of the most prominent proponents of the unipolar moment argument, thus, observes that “[n]o doubt, the strategy of preponderance could

⁹ Gideon Rose, “Neoclassical Realism and Theories of Foreign Policy,” *World Politics*, Vol. 51, No. 1 (October 1998), pp. 144-172; Norrin M. Ripsman, Jeffrey W. Taliaferro, and Steven E. Lobell, *Neoclassical Realist Theory of International Politics* (Oxford: Oxford University Press, 2016).

¹⁰ See e.g., Christopher Layne, “The Unipolar Illusion: Why New Great Powers Will Rise,” *International Security*, Vol. 17, No. 4 (Spring 1993), pp. 5-51; Kenneth N. Waltz, “Structural Realism after the Cold War,” *International Security*, Vol. 25, No.1 (Summer 2000), pp.5-41.

¹¹ See e.g., William Wohlforth, “The Stability of a Unipolar World,” *International Security*, Vol. 24, No. 1 (1999), pp. 5–41; Robert Gilpin, *War and Change in World Politics* (Cambridge: Cambridge University Press, 1981).

¹² Although unipolarity is nearly unachievable in the offensive realist framework, Mearsheimer makes a similar observation when he argues that “a state has to know its limitations to survive in the international system” and choose “when to rise and when to fold.” Mearsheimer, *The Tragedy of Great Power Politics* (New York: W. W. Norton, 2014), p. 37. See also, Li, “Applying Offensive Realism to the Rise of China,” p. 245.

prolong unipolarity somewhat, as long as eligible states calculate that the benefits of free riding outweigh the constraints imposed on them by American hegemony.”¹³

Neoclassical realists agree, while adding that a second-tier major power facing a “constrained hegemon” will fold strategically when two conditions are fulfilled simultaneously: when its leader perceives that the predominant power is non-threatening to their sovereignty through military means and that the unipole provides irreplaceable economic and security benefits.¹⁴ In the Taiwan crisis case under study, the long-term baseline is that China, positioned as a second-tier power, would not challenge the US hegemony.

2.2. A short-term anomaly caused by domestic politics in China

Yet, the transmission belt connecting the long-term international-systemic stimulus and actual policy outcome is not always smooth; an “irregular” outcome may appear, inconsistent with the systemic stimulus. Foremost among potential causes of such irregularity is a leader’s “psychological make-up, worldview, and attitudes toward international affairs and other states. . . .”¹⁵

Although neoclassical realists have yet to systemically specify how a leader’s image is influenced by domestic politics, insights from the policy paradigm model in the field of public policy suggest that it depends on a “process of social learning” where leaders respond to “past experience and new information.”¹⁶ Peter Hall outlines two main ways in which the social learning process influences a leader’s image. Firstly, today’s policy outcome is dependent on social experiences of the past. In his words, one of the principal variables responsible for a “policy at time-1 is policy [legacies] at time-0.”¹⁷ If past experiences were successful, leaders are likely to believe that the

¹³ Layne, “The Unipolar Illusion,” p. 34.

¹⁴ Ripsman, et al., *Neoclassical Realist Theory of International Politics*, p. 151; T. V. Paul, “Soft Balancing in the Age of U.S. Primacy,” *International Security*, Vol. 30, No. 1 (Summer 2005), p. 59.

¹⁵ Ripsman, et al., *Neoclassical Realist Theory of International Politics*, p. 91, also see *ibid.*, 61-66.

¹⁶ Peter A. Hall, “Policy Paradigms, Social Learning, and the State: The Case of Economic Policymaking in Britain,” *Comparative Politics*, Vol. 25, No.3 (April 1993), pp. 277-278.

¹⁷ *Ibid.*, 277.

existing approach is efficacious, and thus be inclined to preserve the status quo and continue with the established course of action. Conversely, in the event of previous failures, it is likely that they will draw lessons from those experiences and implement changes as a response.

Secondly, while states are autonomous actors from general societal pressures (e.g., public opinion), according to Hall's framework, policy elites can induce a change to the leader's image by introducing new or changing views about the existing policy that may trigger a reexamination of the ongoing paradigm.

Thus, a policy choice depends on a leader's cultivated image, which in turn is contingent on the leaders' previous policy experiences. This image however may be overshadowed by policy elites when they gain positional advantage vis-à-vis the top leader. As Ripsman, Taliaferro, and Lobell explain, "[t]he actual choices states make under these circumstances may have far more to do with... domestic political constraints on their [leaders'] ability to enact and implement various policy alternatives."¹⁸ Hall reconciles this neoclassical realist view, arguing that an overturn of a leader's image begins "with a shift in the locus of authority..." and completes "when supporters of a new paradigm secure positions of authority over policymaking and are able to rearrange the organization and standard operating procedures of the policy process so as to institutionalize the new paradigm."¹⁹ Put simply, policy elites will only be able to overshadow the chief decisionmaker's image when the domestic balance of power shifts in their favor. Applying this model to the Taiwan Strait crisis case, Jiang Zemin, the General Secretary, was the leader, and the People's Liberation Army (PLA) was policy elites.

However, the positional advantage of elite groups may be temporarily constrained by decision time that concentrates power in the hands of the executive. When faced with a crisis-like situation, a leader's established policy image becomes deterministic as bureaucracies are often excluded in the decision process where a quick choice is required, because the exigencies distribute disproportionate authority in the hands of the leader to determine a response, even if policy elite groups ordinarily exert

¹⁸ Ripsman, et al., *Neoclassical Realist Theory of International Politics*, p. 30

¹⁹ Hall, "Policy Paradigms, Social Learning, and the State," pp. 280, 287.

significant influences over the decision-making process within the wider organization set up of domestic institutions. Thus, in the short-term policy legacies at time-0 will exclusively shape and determine the policy direction at time-1.

As the crisis continues, however, the situation may change. The persistence of the old policy paradigm at time-1 might exacerbate the dissatisfaction of elite groups who are already discontent due to the lack of change. In response, they may endeavor to bolster their influence and authority. As decision time increases, therefore, they may reverse the domestic balance of power by re-entering the decision process and utilizing the additional power gained during policy stability. If they are sufficiently powerful vis-à-vis the top decisionmaker, policy elites can induce policy shifts by “[re]defining problems and devising policy solutions” – even if a leader’s established policy image suggests otherwise. The luxury of time therefore allows powerful policy elite groups to influence policies that go against their preferences.²⁰ In other words, an increased decision time and authority of the policy elites are both necessary conditions; they become sufficient to overshadow a leader’s image when fulfilled simultaneously. Applied to our case under study, then, the lengthening of decision time allowed the PLA to challenge Jiang Zemin’s accommodative posture, resulting in the initiation of missile campaigns against Taiwan.

In sum, at the beginning of a crisis, a policy outcome is dependent on the leader’s “psychological make-up, worldview, and attitudes...” that stem from his previous experiences and systemic constraints; a policy change will emerge – even if a previously similar policy is successful and the long-term international-systemic stimulus suggests otherwise – when two the necessary conditions for policy change are fulfilled at the same time, that is, an increased decision time and the heightened authority of policy elites.

Applied to the Third Taiwan Strait Crisis, this general hypothesis can be broken down to three concrete hypotheses:

H1: If Jiang perceived the United States as non-threatening to China’s sovereignty through military means and that Washington provided irreplaceable

²⁰ Ripsman, et al., *Neoclassical Realist Theory of International Politics*, pp. 91-92.

economic and security benefits to Beijing, he would play a pragmatic, accommodative style of foreign policy toward the United States and Taiwan;

H2: If Jiang Zemin's past soft-line approach, shaped by systemic stimuli, proved successful (phase I), then he would continue to adopt a similar low-key posture in response to Lee Teng-hui's Cornell speech in 1995; and

H3: When the PLA was unsatisfied with the status quo, it would push for a policy change in its favor, and against Jiang. If an increased decision time allowed it to gain a relatively strong authority vis-à-vis Jiang, it would be able to redefine the Taiwan problem and introduce a policy change (phase II).

Chapter 3.

Jiang's Image: Systemic Effects and Domestic Experiences

We have now grasped a good understanding of the relationship between image, authority, and decision time. According to the above argument, a leader's image is determined by his perception of systemic stimuli and the resulting policy experiences. We therefore expect that China, as a second-tier state, not to challenge the US hegemony, if its leader perceives the unipole as non-threatening and as an irreplaceable its economy and security. Furthermore, should this accommodative paradigm prove successful, then Jiang's China is expected to behave consistently with systemic stimuli in the long term. More specifically, if his previous low-key posture was successful, then he will continue to self-restrain from military actions against Taipei in 1995. Otherwise, an alternative, confrontational response is expected to be taken. Thus, at the heart of explicating the China's initial self-restraint towards Lee's independence message in Ithaca is to pinpoint Jiang's perception of the early post-Cold War world order and the outcome of his pre-crisis policy experiences.

Under Jiang's leadership, Beijing continued its developmental style of diplomacy, known as *tao guang yang hui* ("keeping a low profile") that has been adopted since the late Deng Xiaoping administration. Included in this guiding principle were "being moderate and cautious, undertaking no leadership, raising no banner, searching for no expansion, not running after hegemony, and being consistent with the idea of peaceful development."²¹ Within this context, Jiang viewed the post-Cold War world order as unipolar, with the United States as the sole superpower,²² while envisioning Washington at best as a latent threat. As he remarked in 1993:

²¹ Xuetong Yan, "From Keeping a Low Profile to Striving for Achievement," *The Chinese Journal of International Politics*, Vol. 7, No. 2 (2014), p. 156.

²² Although Jiang does not explicitly use the term unipolarity, he argues that the process of *duojihua* (multiploidization) is "a long and complex process." See Beijing Review, "Full Text of Jiang Zemin's Report at 14th Party Congress," October 12, 1992, at: http://www.bjreview.com.cn/document/txt/2011-03/29/content_363504_10.htm. See also, Ronaldo L. C. Au-Yeung and Alsu Tagirova, "True Self-Help: Internal Balancing and China's

Currently, the international situation is in favor of our country.... No country is capable of devouring or crushing another. Under this circumstance, factors beneficial to my country will continue to accumulate. Regarding the issue of war and peace, a new world war is unlikely to break out for an extended period, and distant regional conflicts are unlikely to entrap us.²³

In line with this vision, Jiang regarded “the consolidation and development of a peaceful international environment that benefits China” as “the fundamental goal of China’s diplomatic work,”²⁴ with the United States as an irreplaceable provider of economic and security benefits. For him, Washington was on the one hand a “vital source of export, technology, and managerial know-how” for the People’s Republic. On the other hand, Beijing’s neighboring environment and its relations with American allies were contingent on Sino-American ties.²⁵ Further emphasizing these points, Jiang remarked that maintaining a good Sino-American relations was not only “mutually beneficially...” but of “strategic importance to our country.”²⁶ In operationalization, this meant that “in respect to the problems that are difficult to settle at the present, we [China] should, under the precondition of stabilizing the status quo, actively create conditions for gradual, step-by-step settlement, as opposed to seeking to accomplishments in a single stroke.”²⁷ As David Lampton vividly puts it, Beijing and Washington were sleeping in the “same bed.”²⁸

Despite this goodwill, China and United States had “different dreams.”²⁹ Between 1989 when he assumed office and 1995, the third-generation Chinese leader encountered a number of foreign policy challenges from Bush’s sale of 150 F-16 to

Non-Alliance Strategy since the 1990s,” paper presented at APSA Annual Conference, Los Angeles, CA, September 1, 2023.

²³ Zemin Jiang, *Jiang Zemin Wenxuan Diyijuan (Selected Works of Jiang Zemin Vol 1)* (Beijing: People’s Publishing House, 2006), p. 311, this author’s translation.

²⁴ *Ibid.*, 314.

²⁵ *Ibid.*, 313.

²⁶ *Ibid.*, 84, 312.

²⁷ *Ibid.*, 289.

²⁸ David M. Lampton, *Same Bed, Different Dreams: Managing U.S.-China Relations, 1989-2000* (Berkeley, CA: University of California Press, 2001).

²⁹ *Ibid.*

Taiwan to the 1993 *Yinhe* incident and to the 1994 Taiwan Policy Review. Let us now consider Jiang's policy experiences prior to the 1995-96 standoff.

3.1. The 1992 Bush F-16 sales to Taipei

For the three years after Jiang took the general secretaryship, the United States kept a steadfast relationship with China. Despite Tiananmen, George H. W. Bush, privately reassured the Chinese leadership his commitment to "...manag[ing] short-term events in a way that will best assure a healthy relationship overtime."³⁰ At the same time, when other Western countries were isolating China, Bush took a different approach by secretly dispatching his National Security Advisor and deputy Secretary of State to Beijing. Furthermore, when the Congress passed a legislation stipulating conditionalities for the renewal of China's most favored nation status in 1991, "China's old friend" exercised his veto power to reject the bill. And like his predecessors, Bush consistently turned down Taiwan's requests for F-16 fighters.

This status quo was broken at the General Dynamics factory in Fort Worth Texas on September 2, 1992, however. In his six billion announcement, Bush bluntly stated: "This sale of F-16 to Taiwan will help maintain peace and stability in an area of great concern to us."³¹ Although it was communicated to the Chinese in advance through a private meeting at the White House that the key consideration of the arms sales was domestic, electoral incentives, rather than a shift in US policy toward Taiwan,³² Bush took "most infuriating action taken by any American president since the Nixon era"³³ by marking the first notable breach of the 1982 joint communiqué.

Complicating the matter further was a decision by the Office of Trade Representative. Merely two weeks prior to arms sales announcement, the Office announced its intention to levy a 100 percent punitive tariff on nearly every Chinese export to the United States, unless Beijing reduces tariffs and eliminates non-tariffs

³⁰ Department of State, unclassified document entitled "Themes," June 29, 1989, at: <https://nsarchive2.gwu.edu/NSAEBB/NSAEBB16/docs/doc34.pdf>.

³¹ USC US-China Institute, "Bush Announces Sale of F-16 Aircraft to Taiwan, 1992," September 2, 1992, at: <https://china.usc.edu/bush-announces-sale-f-16-aircraft-taiwan-1992>.

³² Lampton, *Same Bed, Different Dreams*, p. 33

³³ James Mann, *About Face: A History of America's Curious Relationship with China, From Nixon to Clinton* (New York: Vintage Books, 1998), p. 254.

barriers to American goods. Besides the proposed tariffs, Beijing was warned that its admission to the General Agreement on Tariffs and Trade (GATT) would be barred, if no significant market-opening step was taken.³⁴

Added to this complication was the United States-China Act of 1992. Introduced on June 3 by the Senate and subsequently agreed by the House on September 22, the bill marked yet another attempt by the Congress to impose conditions for the renewal of China's most favored nation status. If enacted into law, the bill would require China to "terminate religious persecution" and "cease unfair trade practices" in order to receive a continued most favored nation status.³⁵

Amid this conundrum, Jiang's China faced a critical decision between two options: to protest diplomatically or escalate the tension militarily. Eventually, Beijing chose to fold and maintained a sense of composure. Although China's foreign minister, Qian Qichen, went as far as to declare that "the serious consequences arising from this [arms sales to Taiwan] will be borne by the United States,"³⁶ no retaliatory action was taken in response to the arms sales.³⁷

Jiang's compromise had effectively satisfied his foreign policy and domestic goals alike. In the realm of foreign policy, Beijing received two major concessions from the United States. The initial triumph came on September 28 when President Bush vetoed another Congressional attempt to stipulate trade and human rights conditions to

³⁴ Robert L. Suettinger, *Beyond Tiananmen: The Politics of U.S.-China Relations, 1989-2000* (Washington, DC: Brookings Institution Press, 2003), pp. 141-142.

³⁵ See Govtrack, "H.R. 5318 (102nd): United States-China Act of 1992," at: <https://www.govtrack.us/congress/bills/102/hr5318>.

³⁶ *People's Daily*, "Qian Waizhang Zai Yajiada Da Jizhe Wen" ("Foreign Minister Qian Answers Reporters' Questions in Jakarta"), September 4, 1992.

³⁷ Suettinger argues that Beijing responded with retaliation, breaching vague commitments such as the Missile Technology Control Regime, evidenced in the shipment of missiles to Pakistan in November 1992. See Suettinger, *Beyond Tiananmen*, p. 142. However, the November 1992 shipment was not the first instance after Beijing agreed to the regime in late 1991. See Los Angeles Times, "China Said to Sell Missile Technology," January 31, 1992, at: <https://www.latimes.com/archives/la-xpm-1992-01-31-mn-1072-story.html>. In addition, when asked whether intelligence indicated Beijing violated the regime during a Congressional hearing, CIA director Robert Gates requested to address the matter in a closed session. This caution may suggest that there was likely some evidence. See US Government, "Joint Hearing before the Select Committee on Intelligence of the United States Senate and Permanent Select Committee on Intelligence of the House of Representatives," April 1, 1992, at: <https://www.intelligence.senate.gov/sites/default/files/hearings/1021052.pdf>.

China's most favored nation status. Twelve days later, a pivotal market access deal would be signed, successfully removing the earlier proposed 100 percent punitive tariffs. While the Chinese, for their part, were required take market-opening steps and eliminate import substitution practices, the United States had to terminate investigations of China's trade barriers, making enforcement a complication.³⁸ Most importantly, while Jiang's China would not receive an admission to the World Trade Organization until 2001, the deal pledged a "staunch [US] support" of "China's achievement of contracting party status" to the organization's predecessor.³⁹ In fact, had Bush emerged victorious the 1992 Presidential Election against the Arkansas challenger, Jiang's China would likely further American compromises. As Patrick Tyler documents, "the old friend of China" had subtly promised to "make it up" after the election.⁴⁰

At the same time, Jiang would see little opposition domestically against his inaction against the arms sales to Taiwan. In fact, with the help of Deng, the Fourteenth People's Congress in October marked "a turning point in consolidating his political leadership."⁴¹ In the military, Yang Shangkun who held the vice chairmanship of the Central Military Commission (CMC), as well as his half-brother Yang Baibing (the "Yang gang") who was both the CMC secretary-general and the director of the PLA's general political department, would be removed. Replaced with them were Deng's loyalists, Liu Huaqing and Zhang Zhen. In the meantime, a momentous reshuffle took place, with more than 300 senior officers and 1,000 regional commanders replaced across the military.⁴² Subsequently, the *People's Liberation Army Daily* published at least twelve articles calling Jiang the "core party leader" and "sole commander-in-chief." Despite Jiang's lack of military experience, his leadership was said to reflect the "traditions of the Red Army."⁴³

³⁸ "People's Republic of China-United States: Memorandum of Understanding Concerning Market Access," *International Legal Materials*, Vol. 31, No. 6 (November 1992), pp. 1274-2191.

³⁹ *Ibid.*, 1279.

⁴⁰ Patrick Tyler, *A Great Wall: Six Presidents and China: An Investigative History* (New York, NY: PublicAffairs, 1999), p. 178.

⁴¹ Robert L. Kuhn, *Ta Gaibianle Zhongguo: Jiang Zemin Zhuan (The Man Who Changed China: The Life and Legacy of Jiang Zemin)* (Shanghai: Shanghai Translation Publishing House, 2005), p. 192, translated by this author.

⁴² Gilley, *Tiger on the Brink*, p. 196.

⁴³ Kuhn, *The Man Who Changed China*, p. 192.

3.2. The 1993 *Yinhe* incident

With Bush out and Bill Clinton in, 1993 was set to be an uneasy year for Sino-American relations. Beijing would soon witness the new Secretary of State, Warren Christopher, in January to declare “[o]ur policy will seek to facilitate a peaceful evolution of China from communism to democracy encouraging the forces of economic and political liberalization....”⁴⁴ In the meantime, the Chinese were faced with a dim prospect for their admission to the GATT. “I’m going to be retiring in seven years, and I’m not sure that I’m going to be able to wrap it up at the current pace,” said Douglas Newkirk, assistant American trade representative, after a two-day negotiation on China’s GATT admission in March.⁴⁵

In the following month, a similar bill to that was vetoed by Bush would be introduced by Nancy Pelosi in the House of Representatives. Although Clinton argued some progress had been made under his predecessor and subsequently adopted to a relatively neutral stance on trade conditionality after assumed presidency,⁴⁶ this time, Beijing would not see a presidential veto. Eventually, Pelosi’s bill was converted into an executive order in late May which borne little difference except for the introduction of a one-year grace period granted to Beijing for the revision of its human rights and trade practices.

To make the year more challenging for the Chinese, the *Yinhe* incident unfolded on July 23 when the United States accused the commercial container ship carrying a substantial quantity of chemical weapon materials to Iran and forced it to anchor in the international waters of the Indian Ocean. Although Jiang made a personal assurance of no suspected chemicals to then US ambassador to China, J. Stapleton Roy, who suggested Washington to downplay the effect because a pledge from the Chinese president must not be taken lightly,⁴⁷ the United States made it clear that the *Yinhe* ship must be sent home, or it would not receive docking permission unless fully inspected.

⁴⁴ Quoted in *ibid.*, 161.

⁴⁵ The Baltimore Sun, “Creeping Trade Talks China’s Re-entry to GATT in Doubt,” March 3, 1993, at: <https://www.baltimoresun.com/news/bs-xpm-1993-03-03-1993062142-story.html>.

⁴⁶ Suettinger, *Beyond Tiananmen*, p. 162.

⁴⁷ He, *China’s Crisis Behavior*, p. 55.

As the paramount leader, Jiang faced a critical decision between two options to deal with the incident. His first option was to obey US demands and consent to a search by the US Navy or order *Yinhe* to go home. The second option was to send the PLA Navy to safeguard and ensure an unhindered free passage for the commercial container ship.⁴⁸ Eventually, Jiang chose the first option and allowed Saudi Arabia with the assistance of American chemical weapons experts to search the vessel. On September 4, after an entire week of comprehensive inspection, there were no traces of thiodiglycol or thionyl chloride found after opening and inspecting all 628 containers on board. As a result of the search, Jiang demanded a formal apology and compensation from the United States. Although the Pentagon humiliatingly refused Jiang's requests, the third-generation Chinese leader downplayed the effect because he did not want to ruin the bilateral relations.⁴⁹

Following the accommodation, Jiang would shortly receive a private invitation letter to attend the November Asia-Pacific Economic Cooperation (APEC) summit from Clinton merely thirteen days after the conclusion of the *Yinhe* accident.⁵⁰ While in Seattle, Jiang made two pivotal achievements during the first head of state exchange between Beijing and Washington since the 1989 incident. Firstly, the Clinton administration had seemed to back away from its previous tough stance on the issue of human rights. Contrary to Christopher's January remark, the former Arkansas Governor now told Jiang that "the United States needs not to tell a great country like China how to organize society and what lifestyle to adopt; it is inappropriate to do so."⁵¹ Secondly, and rarely mentioned in the English literature, the *xiyatu moshi* ("Seattle model") was formally endorsed by Clinton. Henceforward, no Taiwanese foreign minister or vice minister would be allowed to attend APEC; as an "economic entity," "Chinese Taipei" will be permitted only to send delegations responsible for economic affairs.⁵²

⁴⁸ He argues that the second option did not practically exist because China did not have the necessary naval capability. See *ibid.*, 50.

⁴⁹ Gilley, *Tiger on the Brink*, p. 211.

⁵⁰ Zhicheng Zhong, *Weile Shijie Geng Meihao: Jiang Zemin Chufang Jishi (For a Better World: Records of Jiang Zemin's Foreign Visits)* (Beijing: World Affairs Press, 2006), p. 31, translated by this author.

⁵¹ *Ibid.*, 32.

⁵² *Ibid.*, 40, 97.

On the domestic front, Jiang faced a heightened expectation to take a tough stance against Washington. As You Ji observes, some 180 senior generals purportedly urged the party leadership to take countermeasures against US “hegemonist act” as a result of the *Yinhe* humiliation.⁵³ Furthermore, some unidentified old generals reportedly wrote to Jiang, advising against his APEC attendance.⁵⁴ However, these internal oppositions would be managed away with Deng’s endorsement and support. In fact, after the conclusion of the Seattle APEC summit, Jiang’s decisions were applauded as a “roaring success.” He was said not only to have successfully “... set out the Chinese government’s principles stand and views on a number of controversial issues,” but also to have been taken pride by “the whole Chinese army.”⁵⁵

3.3. The 1994 Taiwan policy review

Having emerged successful in the previous years and established not to “make accomplishments in a single stroke,” 1994 would witness an improved relations across the Pacific. Although Lee would characterize himself as the Taiwanese Moses who will “lead his followers to escape from Egypt, cross the Red Sea, and build another country in another place” during a late April interview with Japanese writer Ryotaro Shiba,⁵⁶ just a few days later he would find himself unable to leave the Inouye International Airport in Honolulu while en route to Costa Rica. Most importantly, Jiang’s China would finally see a de-linkage of its most favored nation status with human rights conditions, although they had to release a few Tiananmen students earlier this year.⁵⁷

This calm was however briefly disrupted in September when Clinton approved the Taiwan Policy Review that upgraded almost every aspect of the US “unofficial relations with the people of Taiwan,” including sub-cabinet level dialogues.⁵⁸ The

⁵³ You Ji, “A Test Case for China’s Defence and Foreign Policies,” *Contemporary Southeast Asia*, Vol. 16, No. 4 (March 1995), p. 403.

⁵⁴ Gilley, *Tiger on the Brink*, p. 211.

⁵⁵ *Ibid.*, 212.

⁵⁶ Quoted in Suisheng Zhao, “Military Coercion and Peaceful Offence: Beijing’s Strategy of National Reunification with Taiwan,” *Pacific Affairs*, Vol. 72, No. 4 (Winter 1999-2000), p. 504.

⁵⁷ Suettinger, *Beyond Tiananmen*, p. 163.

⁵⁸ See Formosan Association for Public Affairs, “Taiwan Policy Review (1994),” September 27, 1994, at: <https://fapa.org/1994-taiwan-policy-review/>.

Chinese protested diplomatically as usual, but would soon receive four “extended” reassurances from Washington in early October:

1. The U.S. one-China policy remained unchanged and U.S.-Taiwan relations would remain strictly unofficial;
2. The U.S. government would not permit Taiwan’s top leaders to visit the United States or to conduct “pragmatic diplomacy” on U.S. soil in the form of transit stops or vacation trips;
3. The U.S. government opposed Taiwan’s bid for UN membership; and
4. The U.S. government would adhere to the August 17 communiqué regarding arms sales to Taiwan.⁵⁹

Domestically, Deng was seriously ill by now and when would only intervene in domestic politics “when necessary;”⁶⁰ Jiang had however largely retained authority. As his previous soft-line approach had yielded success, Jiang continued his accommodative posture, hoping for an incremental, “step-by-step settlement.”⁶¹ In consultation with senior party and military officials, Jiang’s China would finally issue the famous *Jiang badian* (“eight-point proposal”) in January 1995.⁶² Among other points, the proposal included the “Chinese should not fight fellow Chinese” narrative, promised “everything can be discussed,” and called Taiwan to “jointly shoulder the responsibility of China’s sovereignty” and to “officially end Cross-Strait hostility under the principle of one China.”⁶³

Although some claim the proposal is “old and tired,”⁶⁴ it made two significant adjustments in China’s Taiwan policy. First, by placing a “joint responsibility,” the proposal transcended the traditional “central government versus local government”

⁵⁹ Jing Huang and Xiaoting Li, *The Inseparable Separation: The Making of China’s Taiwan Policy* (Hackensack, NJ: World Scientific, 2010), p. 181

⁶⁰ Gilley, *The Tiger on the Brink*, p. 228.

⁶¹ Jiang, *Selected Works of Jiang Zemin Vol 1*, p. 289.

⁶² Gilley, *The Tiger on the Brink*, p. 249.

⁶³ Jiang, *Selected Works of Jiang Zemin Vol 1*, pp. 421-423.

⁶⁴ Gilley, *The Tiger on the Brink*, p. 250. See also, Lam, *The Era of Jiang Zemin*, p. 172.

model to one that features a party-party (e.g., CCP-Kuomintang) relationship.⁶⁵ Second, the old narrative that anything can be discussed would now be interpreted to include “recognizing Taiwan as an equal entity, renouncing the use of force, and giving Taiwan lebensraum on the international arena,” as noted at the outset.⁶⁶

However, Jiang’s continued accommodations had led to a changing view of the PLA. Key figures within military soon became particularly furious about the eight-point proposal. As will be detailed in the subsequent section, with an increase decision time, key PLA figures were able to coerce Jiang into a hardline approach toward Taiwan in 1995 by redefining the Taiwan problem as one that threatened the survival of Jiang’s political leadership within the CCP.

⁶⁵ Huang and Li, *The Inseparable Separation*, p. 185.

⁶⁶ *People’s Daily*, “Fulfill the Sacred Mission Entrusted by History.”

Chapter 4.

The Standoff

If we recall **H3**, we would expect the PLA, now dissatisfied with the status quo, to seek policy changes at time-1. If the two necessary conditions for policy elites to overshadow the leader's image are satisfied simultaneously, we shall expect the PLA to take a policy shift from accommodation to hostility. Thus, central to elucidating the PRC's behavioral change in 1995 is to examine whether the prolonged decision time and the relatively equal relation between the PLA and Jiang had allowed the former to push for a policy change in its favor and against the latter.

With his key opposition, the "Yang gang," gone in 1992, Jiang was supposed to have consolidated his position within the military. Indeed, he did. The eight-point proposal did not emerge out of thin air; rather it had "underwent repeated study, discussion, and revision" before reaching a consensus within the party *and military*.⁶⁷ However, Jiang's support from the military was mainly dependent on Liu Huaqing and Zhang Zhen who were arranged by Deng to support him. While the series of reshuffles removed senior officers and regional commanders who favored the Yangs, they also allowed the Long Marchers to grow into a position of tremendous power because as a leader who never fired a gun, Jiang was unable to make appointment decisions and had to make consultations with Liu and Zhang. By March 1995, this issue was so serious that the military "asked for instructions from and reported to Liu and Zhang rather than Jiang." Deng had to intervene.⁶⁸

⁶⁷ Gilley, *The Tiger on the Brink*, p. 249. Some contend that Jiang immediately ran into discontents after the publication of the eight-point proposal. See Lam, *The Era of Jiang Zemin*, p. 172. However, it is likely that the proposal received consensus from key officials in the party and the military as Gilley suggests, since China's security policy-making featured "extensive bargaining, negotiations, and deal making" in the post-Deng era. David Bachman, "Structure and Process in the Making of Chinese Foreign Policy," in *China and the World: Chinese Foreign Policy Faces the New Millennium*, ed. Samuel S. Kim (New York, NY: Routledge, 1998), p. 50. See also, Kuhn, *The Man Who Changed China*, p. 212.

⁶⁸ Bi, "The Role of the Military in the PRC Taiwan Policymaking," p. 566.

But for now, the military stayed on Jiang's side. Within a month Lee humiliatedly rejected Jiang's proposal,⁶⁹ the general political department of the PLA would issue the "Guidelines on the Construction of the Military's Grassroots Units" on April 27, which formally requested the PLA to "fully implement Chairman Jiang Zemin's overall requirements that [the PLA] become politically loyal, militarily strong, morally upright, well-disciplined, and well-maintained."⁷⁰

The tide shortly turned against Jiang, however. Similar to 1993, he would now "receive as many as eight hundred irate letters daily from officers protesting Lee's trip to his alma mater."⁷¹ Worse still, without Deng, Liu and Zhang had now become the key "opposition to the 'Jiang Dynasty.'"⁷² While he was still championing a policy of "peaceful means as the norm,"⁷³ as decision time increased, the PLA entered the decision-making process, and he would soon be compelled to face challengers *outside the regular domestic institutional settings*.

In mid-June, an enlarged emergency meeting of the Leading Group on Taiwan Affairs was called. Whereas the group would normally consist of only one military leader, Jiang was now faced with three irate military leaders who "insisted it was time for harsher action" and subsequently forced him into making self-criticisms and self-reflections.⁷⁴ At the same time, Liu and Zhang called two internal symposiums on 19 and 22 June that invited all commanders of the military, during which he unilaterally announced "the PRC would adopt military means to settle the Taiwan issue."⁷⁵ Eventually, the third-generation Chinese leader had to pledge to take "resolute military measures to resolve the reunification issue" in a July 4 meeting with the military.⁷⁶

⁶⁹ In April, Lee issued a six-point response, which called for China's renunciation of the use of force and a parity between two sides of the Taiwan Strait, among other political concessions.

⁷⁰ Huang and Li, *The Inseparable Separation*, p. 188.

⁷¹ Kuhn, *The Man Who Changed China*, pp. 218-219.

⁷² Lam, *The Era of Jiang Zemin*, p. 183.

⁷³ Gilley, *Tiger on the Brink*, p. 252.

⁷⁴ Lam, *The Era of Jiang Zemin*, p. 174; Scobell, "Show of Force," p. 231.

⁷⁵ Bi, "The Role of the Military in the PRC Taiwan Policymaking," p. 569.

⁷⁶ *Ibid.*, 570.

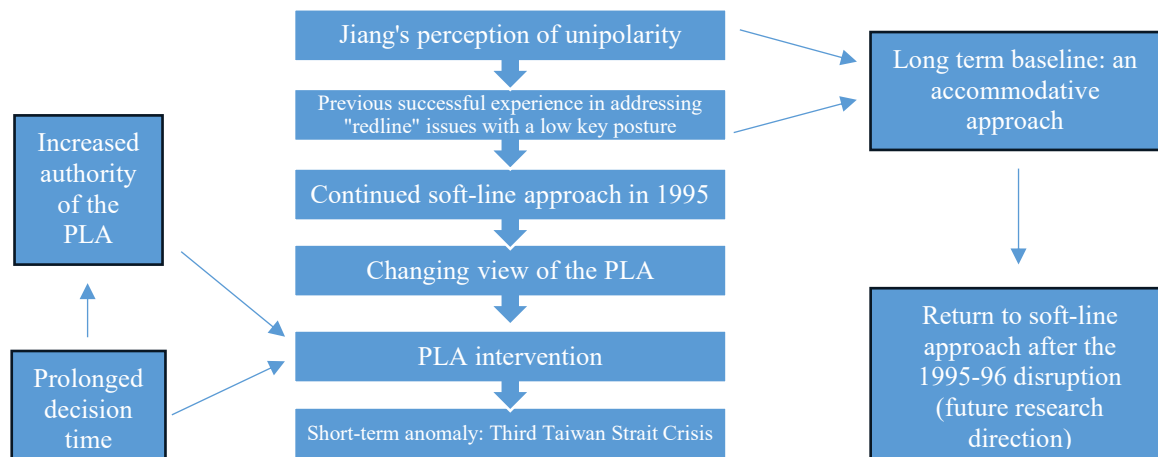


Figure 1. Causal Inference of China's behavioral change

In other words, Jiang had no choice but to abandon his accommodative approach and conduct a series of missile tests and military maneuvers in late July 1995 after being unresponsive and silent for more than one month following Lee's return to Taiwan. As Kuhn puts forward, it was not until Jiang realized "taking an uncompromising stand [toward Taiwan] was the only answer . . . that would . . . convince domestic critics he could protect the country's interests,"⁷⁷ he was willing to risk a military confrontation with Washington over Taipei. In short, China's behavioral change in 1995 can be outlined as the above chain of causal inference.

⁷⁷ Kuhn, *The Man Who Changed China: The Life and Legacy of Jiang Zemin* (New York: Crown Publishers, 2004), p. 268.

Chapter 5.

Concluding Remarks

As the frontline of Sino-US competition, Taiwan remains “the most dangerous place on earth” according to *The Economist*,⁷⁸ but Cross-Strait crises do not emerge from the ether. In 1995-1996, a military response by China was originally unintended. Jiang Zemin’s learning process that was first derived from systemic stimuli and later reinforced by his successful accommodative approach in dealing with F-16, *Yinhe*, and the Taiwan Policy Review suggested to turning a blind eye on Lee’s “personal” visit to his alma mater with his close loyalist, Zeng Qinghong, acquiescing the trip and stating in March to Taiwanese officials that “you have your position, we have ours, so criticism is still necessary when the time comes.”⁷⁹ As decision time increased, however, Jiang was compelled to face the PLA’s challenges outside regular domestic institutional setups. Eventually, the Taiwan issue was redefined as one that challenged Jiang’s domestic survival and he was coerced to initiate the crisis, even though both systemic stimuli and his policy experiences at time-0 suggested a continuation at time-1.

While limiting its analytical scope to Beijing’s two-phase reaction in the leadup to and during course of the 1995-96 crisis, the present article makes two contributions. Theoretically, it fills the gap in the analysis of leaders’ image by bridging insights from neoclassical realism and the policy paradigm shift model in the field of public policy. Although systemic effects influencing leaders’ “psychological make-up, worldview, and attitudes...” have been studied intensively, the conditions under which a leader’s image is impacted and reinforced by domestic politics have not. Empirically, the present paper challenges traditional analyses of the 1995-96 crisis that assume a linear escalatory behavior of Beijing by showing that China started with, and continued, a rather more accommodative posture.

There are two implications of the present analysis to today’s China-US-Taiwan triangular relationship. First, as the PLA has been sidelined in the in the foreign and

⁷⁸ *The Economist*, “The Most Dangerous Place on Earth,” May 1, 2021, at: <https://www.economist.com/leaders/2021/05/01/the-most-dangerous-place-on-earth>.

⁷⁹ Wang, *Unexpected Founding Fathers*, pp. 282, 284

security policy decision making process since the late Jiang Zemin and early Hu Jintao era, it is unlikely, given China's wider domestic organizational design, that any other elite groups within the CCP's bureaucracy will rise to a powerful position that is sufficiently enough to challenge (let alone coerce) the paramount leader's policy direction. In other words, Xi Jinping's image will likely dictate China's policy paradigm with regard to Taiwan and other issues foreign policy challenges.

Second, China's guiding principle for foreign and security policy has shifted from *tao guang yang hui* of Deng, Jiang, and Hu to *fen fa you wei* of Xi ("striving for achievements") since 2012. While the qualitative difference between these two grand strategies remains unknown, the only legacies from the former principle are its non-alliance and second-strike (non-first strike nuclear) principles. In other words, China is lying low no more. This policy paradigm has yet to encounter notable anomalies, with Xi's hardline response to Nancy Pelosi's trip to Taipei seeming to receive wide support from the general public and officials alike (i.e., a successful policy experience). Without a shift in and an overshadow of his image, we unfortunately shall be pessimistic about the future triangular relationship and can continue to expect Taiwan to remain as "the most dangerous place on earth."

What would be the next research step? After the 1995-96 confrontation, Jiang's China did return a low-key posture similar to that of pre-1995, as shown in the above causal chain. When Newt Gingrich paid a visit to Taipei, China lied low, with Jiang assuring then White House speaker that "[s]ince we don't intend to attack, you won't have to defend."⁸⁰ Similarly, although escalating tensions arose when the bombs were "accidentally" dropped in the Chinese embassy in the Former Yugoslavia in May 1999, Jiang's response was self-restrained, with Clinton's formal apology being broadcasted on the China Central Television barely four days after the incident. How did Jiang succeed in regaining his domestic supremacy against the PLA so that he could bring China back to the soft-line approach toward the United States? This puzzle warrants future research.

⁸⁰ The Washington Post, "Gingrich, Last House Speaker to Visit Taiwan, Downplays China Threats," August 2, 2022, at: <https://www.washingtonpost.com/politics/2022/08/02/newt-gingrich-china-taiwan-pelosi-visit/>.

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Appendix.

Chronology of China's Behavioral Change

Phase I: An accommodative China

August 1992: Office of Trade Representative announced its intention to levy a 100 percent punitive tariff on nearly every Chinese export to the United States, unless Beijing reduces tariffs and eliminates non-tariffs barriers to American goods.

September 2, 1992: Bush announced sale of F-16 to Taiwan. China's actions remained diplomatic.

September 22, 1992: United States-China Act of 1992 agreed in the House.

September 28, 1992: Bush vetoed Congressional attempt to stipulate trade and human rights conditions to China's most favored nation status. Twelve days later, a market access deal would be signed, successfully removing the earlier proposed 100 percent punitive tariffs.

April 1993: Human rights conditions attached to China's most favored nation status.

July-September 1993: *Yinhe* accident. Jiang's China lied low, allowing a search of the vessel.

November 1993: Seattle APEC Summit.

April 1994: Lee characterized himself as the Taiwanese Moses

September 1994: Taiwan Policy Review, China lied low.

Early October 1994: China received four "extended" reassurances from Washington.

January 30, 1995: Jiang's famous eight-point proposal, which among other things called for "Chinese do not fight fellow Chinese."

An unspecified date of March 1995: Zeng Qinghong, who participated in the Central Leading Group for Taiwan Affairs as then Head of the CCP's General Office, told Su Zhi-cheng, Lee's secret envoy, in Macau that "you have your position, we have ours, so criticism is still necessary when the time comes," upon being informed about Lee's intention to visit his alma mater.⁸¹

May 22, 1995: White House approval of Lee's visa. Clinton acquiesced the decision.

June 8, 1995: Clinton assured Beijing that the visa issuance to Lee did not imply a major shift in US' China policy. Washington, in other words, held that Lee's visit was not in violation of the Three Communiqués.

June 9, 1995: Lee delivered the Cornell speech on "Always in My Heart."

June 12, 1995: Lee's return to Taiwan

Mid-June 1995: an enlarged emergency meeting of the Leading Group on Taiwan Affairs was called.

June 19 and 22, 1995: two internal symposiums that invited all commanders of the military were called.

July 11, 1995: the US restated its position that Lee's Cornell trip was not "violative" of the U.S.-China "basic relationship," but rather was "quite compatible" with unofficial U.S.-Taiwan relations.⁸²

July 18, 1995: China announced that it would conduct missile tests and naval and air exercises in the water near Taiwan from July 21 to July 28.

⁸¹ Wang, *Unexpected Founding Fathers*, pp. 282, 284; Zou, *Lee Teng-hui's Confessions of Governance Chronicle*, p. 203.

⁸² Ross, "The 1995-96 Taiwan Strait Confrontation," p. 93.

Phase II: The show of force

July 21, 1995: Crisis begins. The first series of military exercises lasted until July 28, 1995.

August 15, 1995: China initiated a second series of missile trials and naval drills in the vicinity of Taiwan, scheduled to end on August 25.

September 15-October 20: 81 ships and 610 aircrafts were deployed in the coastal region of Southern Fujian.

September 23, 1995: two E-2T early airborne warning and command aircraft were sent to Taiwan by the US.

October 1995: During the New York Summit, Clinton assured Jiang that similar visits to that of Lee would be “unofficial, private, and rare and decided on a case-by-case basis” and that the US would oppose the separation of Taiwan and its membership in the UN.”⁸³

October 31-November 23, 1995: The PLA held amphibious landing exercises on Dongshan Island in Fujian Province, deploying 63 ships and 50 aircrafts.

December 19, 1995: an unpublished passage of *Nimitz* through Taiwan Strait due to bad weather conditions.

An unspecified date of late January 1996: Taiwan media publicized the December *Nimitz* transit through the Strait.

An unspecified date in early February: Taiwan publicized that it accepted a missile frigate from the US.

An unspecified date of early 1996: a comprehensive PLA military drill plan, potentially involving an actual invasion of Taiwan, was revealed to Taiwan and US officials, by Liu Liankun, a Taiwanese espionage. Under pressures, the PLA however eventually internally issue the “three no’s principle”: missiles will not fly over the

⁸³ Ibid., 99.

airspace above Taiwan; the Navy and the Air Force will not cross the median line of the Taiwan Strait; and the actual occupation of Taiwan's islands will not occur.

March 4, 1996: It was announced that PLA would conduct surface-to-surface missile tests from March 8 to March 18.

March 9, 1996: China announced that from March 12 to March 20 it would conduct air and naval exercises with live ammunition in waters near Taiwan (they turned out to be blank ammunition)

March 11, 1996: US sent aircraft carriers to the Strait.

March 13, 1996: China launched a fourth M-9 missile test.

March 18 to March 25, 1996: joint air, ground, and naval exercises near Pingtan Island.

March 23, 1996: Lee was elected but no independence was yielded; crisis ended.

Phase III: The return of the soft-line China

1997: Newt Gingrich paid a visit to Taipei. China lied low: Jiang assured then White House speaker that "[s]ince we don't intend to attack, you won't have to defend."⁸⁴

1999: Lee issued the special state to state narrative. China again lied low, with limited military reaction.

1999: embassy bombing in Belgrade. Led to massive grassroot protests in across US embassies in China. Jiang, however, called a halt to the protests by broadcasting Clinton's formal apology on the China Central Television merely four days after the incident.

⁸⁴ "Gingrich," *The Washington Post*.