

## **Challenges to One China Policy: Old Challenges or Threat of a New Order?**

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In contemporary times, several factors pose a challenge to the One China Policy which means one country and two systems of government within China. This policy especially pertains to Taiwan, Hong Kong, Macau, and other autonomous regions in China. Other special administrative regions of China come under the ambit of the central Chinese government but the island of Taiwan due to its history, geography, economic significance, and the separate democratic system is central to the country's One China Policy. Taiwan is critical for China both strategically and geopolitically. Despite the different system of Taiwan, China preserves its claim to the region as its province which is also internationally acknowledged. The island's assertion as a separate entity and the external support it garners poses a major challenge to the One China Policy. China considers it imperative to counter those challenges to protect its sovereignty and territorial integrity as well as to sustain regional peace.

### **Understanding the One China, Two Systems Policy**

The One China principle has evolved with China's just cause of protecting its sovereignty and territorial integrity. Taiwan is one of the territories for which China devised the One Country and Two Systems principle. Taiwan is a self-governed democratic island that is separated from mainland China by the Taiwan Strait. Historically, Taiwan was occupied by Japan in 1895. Five decades later, in 1945, China recovered its occupied territories from Japan. In 1949, after the victory of Mao's Communist party in a new democratic revolution, it was declared that the government of the People's Republic of China (PRC) was the sole representative of the country.<sup>1</sup>

The Taiwan issue originated when the defeated Kuomintang (KMT) nationalist group,

proclaimed a Chinese government in exile on the island of Taiwan, terming it the Republic of China (ROC). China rejected its claims and proclaimed Taiwan as an inalienable part of China. China claims the peaceful reunification of Taiwan but has reiterated time and again that it will not refrain from the use of force to preserve its territorial integrity.

### **Significance of Taiwan for China**

Taiwan is not only important for China because of its territorial integrity but also for its electronic and most importantly semiconductor industry. Taiwan is one of the two manufacturers of semiconductors in the world that has the technology and knowledge to produce the smallest chips. It exports almost 80 per cent of the world's microchips and semiconductors.<sup>2</sup> The West's overt support for Taiwan's separate entity can be termed as embedded within the aspiration of controlling the export of chips from Taiwan. This is then further extended to the US containment policy towards China. China on the other hand cannot allow its competitor state to control or influence this huge market economy.

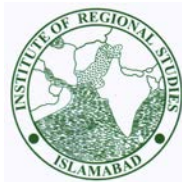
### **Challenges Posed by Internal Factors**

#### *Taiwanese Identity and Culture*

The population of Taiwan can be categorized into two different identities: 95 per cent of the population is Han Chinese, while 2.3 per cent are indigenous people who identify themselves as Taiwanese.<sup>3</sup> These huge numbers of the Chinese population suggest that the cultural difference between the two sides of the strait is not huge, but the Taiwanese national identity provides a basis for Taiwanese people to differentiate themselves from the PRC. In recent times, there is a sharp increase in people who identify themselves exclusively as Taiwanese not Chinese. Considering that there is no

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large-scale support for immediate formal independence, the recognition of exclusive Taiwanese identity can instigate a large-scale independence movement in future. It alarms China, as independence/separatist movements in Taiwan could pose a serious threat to China's aspiration for reunification under the One Country, Two Systems principle.

### *The Demand for Democracy*

The difference in governance system between China and Taiwan is one of the major hurdles to China's one-country policy. Taiwan is a self-governed democracy, unlike mainland China which is a socialist republic. The general perception among the people of Taiwan, especially the youth, is now inclined to promote the existing democratic system. Answering the questions related to cross-strait relations in Section Four of its official White Paper published on the Taiwan issue, the Chinese government stated that the people's demand for observance of a democratic system not only in Taiwan but also in the PRC despite its proclamation of observance of a loose form of a 'one country, two systems' policy in Taiwan is to create a controversy and delay the unification.<sup>4</sup> China claims reunification under the co-existence of two systems across the strait. It neither pledges Taiwan to change its democratic system nor does it seem to allow Taiwan to impose a democratic system in mainland China with a population of 1.2 billion people. It can be said that the main argument of Taiwan against its unification with China is the disparity of systems between the two sides of the strait.

### *Political Will*

The previous ruling party of Taiwan, the KMT government, agreed on the One China principle by signing a formula termed the '1992 Consensus'. The agreement or the endorsement of the One China principle by a Taiwanese political party was a positive signal toward the cross-strait understanding. However, the situation changed in 2016, when the present ruling party of Taiwan, the Democratic Progressive Party (DPP), came to the power. The DPP not only showed unwillingness to endorse the 1992 Consensus but also asked the US

to abandon strategic ambiguity and defend Taiwan.<sup>5</sup> The DPP claims that the KMT government agreed to the One China principle without agreeing on what China meant. The DPP is pro-US and its success in the second four-year term depicts that the population of Taiwan itself does not endorse the 1992 Consensus which advocates the One China principle. China's relations with Taiwan have successively degraded after the DPP came to the power.<sup>6</sup> In 2021, China blacklisted a few Taiwan authorities for preventing people from cross-strait business relations.<sup>7</sup> The political unwillingness to endorse the One China principle is one of the challenges that China believes is providing space for external actors to further threaten China's One Country policy.

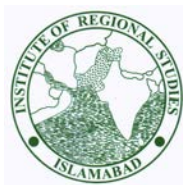
### *Geography*

One of the challenges posed to the One China policy is the geographical separation of Taiwan from mainland China by the strait. It can be argued that this geographical distance was a barrier between the mainland and Taiwan to better assimilating the identity differences. Although the cultures on both sides of the strait do not have a large disparity, there is relatively little people-to-people exchange between Taiwan and the PRC. Greater people-to-people exchange and assimilation and implementation of discourse to integrate Taiwanese people into China would have developed greater acceptance for negotiations and a better understanding.

### **Challenges Posed by External Factors**

#### *Major Power Competition*

The One China principle can be termed the political foundation of China-US relations. Both countries signed three joint communiques concluded in 1972, 1978, and 1982 and 'Six Assurances' that project the position of both countries on the Taiwan issue. China considers the implementation of the three Sino-US joint communiques as a basis for peaceful and stable relations between US and China. The US officially denounces the independence movement of Taiwan. However, it does oppose any unilateral change in the status quo. Additionally, it can be said that there is a strategic ambiguity in the US's Taiwan position.



In 1950, the US not only denied the four-year China's exercise of sovereignty from 1945-49, which it previously accepted, to contain China during the Korean war but also adopted the rhetoric that the status of Taiwan was yet to be determined.<sup>8</sup> Keeping in view the fact that now the US defines its relations with China as a major power competition, the US official position on Taiwan is influenced by this US-China competition.

Most recently, Joe Biden's remarks on the Taiwan issue that the US will not refrain from using force to defend Taiwan have escalated the momentum of tension on the Taiwan issue between both states. The statement was, however, followed by a series of statements that reaffirmed the US's commitment to the One China policy. The US thinks it is inevitable to control China's growing aggression in the region. On the contrary, China is convinced that this is beyond a challenge to its One China policy and is part of manipulating China's policy for illicit gains to contain China. The increased cross-strait tension is to hype the so-called 'China threat' to divide the region. The attempt to contain China with the 'Taiwan card' can build an iron curtain between China and the region that can degrade the growth of the region.<sup>9</sup>

While the US cannot decouple from China because of its trade embeddedness in Chinese markets, the recent indication of reshaping the strategic environment around China uncovers the US's desire to imprint its geopolitical hegemony in Asia. China believes that by using the Taiwan card, the US is trying to build anti-China alliances that will distort the existing strategic and economic cooperation framework of Asia. The recently proposed 'Indo-Pacific economic framework' is an outcome of the 'US invest, align, and compete strategy' towards China.<sup>10</sup> If the situation remains of confrontation rather than cooperation, it will unfold into regional instability. At the latest Shangri-la Dialogue, China not only condemned the independence movement and the support given to it by external actors in the strongest terms but also drew some security redlines to alert that China will crush any force that will threaten its sovereignty.<sup>11</sup> The US's rhetoric about China posing the most serious long-term challenge and its strategic

ambiguity on the Taiwan issue are resulting in a cross-strait confrontation.

### *US-Taiwan Military Developments*

Although China condemns direct bilateral relations of states with Taiwan and urges the world to stop arms sales to the island, since 2021, the Biden administration has approved its fourth arms sale to Taiwan. The increasing arms sales are a serious threat that is instigating China. The developments on the Taiwan issue from America's end highly suggest that the US is on the offensive. It can be assumed that due to China's rapid rise it is taking measures that can provoke China. According to China, the US is trying to build an Asian NATO.<sup>12</sup> However, these measures only depict the US aggression against China. As per the provisions of the Taiwan Relation Act (TRA), the US can provide Taiwan with sufficient self-defence capabilities.<sup>13</sup> While these asymmetric defence capabilities cannot help Taiwan against China's mighty military muscle, they will escalate tension across the strait. China claims that arms sales are not only posing a grave security threat to China but are also an attempt to aggravate America's so-called democracy project to defy China's growing influence and success.

### *Western Media*

Western media is trying to present Taiwan as an international issue. It is speculating that the security threat in Taiwan Strait would destabilize the peace and security of the Indo-Pacific region. According to China, Taiwan is its internal matter. Western media is relating the Taiwan issue with the Ukraine crisis which China deems erroneous.<sup>14</sup> The situation could be further aggravated with the provocations by the Western media. Currently, neither unification nor independence of Taiwan is on the cards, but using the Taiwan issue to hype China's threat will not only hinder regional cooperation but also challenge regional peace and security.

### **Conclusion**

China channelizes its power through economic means. The vision of regional connectivity, shared growth, and a win-win situation



for all can uplift regional growth. The provocations on the Taiwan strait can draw China's military attention. It can be assumed that the recent military development and separatist movements—both internally and via foreign factors—could open a front for China that can decelerate its economic development. It is certainly not possible to shift China's focus on a large scale but, to some extent, it would play a part in diverting China's strategic

attention from economy to military manoeuvres. America's longstanding position is that the political status of Taiwan is an unresolved issue. Addressing the challenges posed to the One China policy internally and externally is crucial for regional peace. Regional states are already suffering due to inflationary pressures. Therefore, a large-scale indirect confrontation between major powers can only intensify global crises.

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