

7-2006

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Recommended Citation

Li, Chien-pin. "Taiwan's Participation in Inter-Governmental Organizations: An Overview of Its Initiatives." *Asian Survey* 46.4 (2006) 597-614.

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TAIWAN'S PARTICIPATION IN INTER-GOVERNMENTAL ORGANIZATIONS

An Overview of Its Initiatives

Chien-pin Li

Abstract

Emboldened by the ascendance of economic issues on the global agenda and the erosion of security-driven bipolar structures, Taiwan in the late 1980s decided to use its economic advantages for diplomatic gain. Examination of changes in three phases of Taiwan's initiatives indicates that its inter-governmental organization strategies and targets correlate well with domestic politics and external factors.

Keywords: Taiwan, China, diplomacy, cross-strait relations, inter-governmental organization

Functionalism contends that the inability of sovereign states to cope with problems created by modern technology has led to the growth and development of international organizations since the 19th century.¹ Confronted by common issues and concerns transcending their borders, states have realized that to satisfy the demands of their constituencies, international coordination and cooperation are essential for meaningful solutions to these problems. As a result, international organizations emerged as much-needed forums for states to achieve functional collaboration in their pursuit of common interests and welfare. Such institutions have come to symbolize the ideal of peaceful and purposeful interaction in the global anarchy. From this perspective,

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1. David Mitrany, *The Functional Theory of Politics* (London: London School of Economics/ M. Robertson, 1975); Ernst B. Haas, *Beyond the Nation-States: Functionalism and International Organization* (Stanford: Stanford University Press, 1964).

Asian Survey, Vol. 46, Issue 4, pp. 597–614, ISSN 0004-4687, electronic ISSN 1533-838X.

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functionalists project that democratic states with higher standards of living are more likely to participate in these organizations than states with opposite attributes.

However, functionalism alone does not provide a satisfactory explanation for Taiwan's participation in inter-governmental organizations (IGOs).² There has been little correlation between Taiwan's IGO participation and its political and economic development. Instead, with its participation level parallel to its political fortunes in the diplomatic struggle with China, Taiwan's IGO membership appears to be a case of *realpolitik* at work.³

In the 1960s, as a member of the United Nations and a permanent member of the Security Council, the Republic of China (Taiwan) was an active member in the global governance structure. In 1966, it took part in 39 conventional IGOs, whereas China was a member of only one that year.⁴ Statistically, Taiwan's participation in IGOs was higher than the world average of 34 as well as the Asian states' mean 26.⁵ However, Taiwan's fortunes were reversed soon after China was admitted to the U.N. in 1971. Mounting strong campaigns against Taiwan's presence in international organizations, China within two years of admission had successfully pushed Taiwan out of eight U.N. specialized agencies. Subsequently, Taiwan was forced to leave organizations such as the International Sugar Organization, the International Wheat Council, the Asian-Oceanic Postal Union, and the International Hydrographic Bureau. By 1977, Taiwan retained membership in only 10 IGOs, in contrast to China's 21.⁶ In 1980, a year after formal U.S. recognition of China, Taiwan had to leave the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD, or World Bank), the International Finance Corporation (IFC), and the International Development Association (IDA).

China insisted that under the "One China" principle, Taiwan should either be ousted from the organizations China sought to join or remain out of any organizations of which China was already a member. From China's perspective, Beijing is the sole legitimate government representing the whole of China; because Taiwan is not a sovereign state but rather a province of China, Taipei should be replaced and represented by Beijing in all international organizations. Peaceful coexistence with Taiwan in IGOs would have violated the exclusionary

2. IGOs refer to public or governmental organizations created by treaty or agreement between states. They are different from non-governmental organizations (NGOs), which are established by individuals or associations of individuals.

3. In this essay, the term "China" refers to the People's Republic of China (PRC), whereas the term "Taiwan" refers to the Republic of China (ROC) in Taiwan.

4. Union of International Associations (UIA), *Yearbook of International Organizations* (München: K. G. Saur, 1991/92), p. 1670.

5. *Ibid.*, pp. 1669–71. Means were calculated by author.

6. *Ibid.*, p. 1670.

TABLE 1 *Total IGO Memberships in Taiwan and Selected States, 1991 and 2002*

	1991		2002
Taiwan	11		31
Five least participatory U.N. members			
Namibia	52	Timor-Leste	8
Bhutan	57	Palau	57
Liechtenstein	57	Andorra	60
South Africa	59	Micronesia FS	65
Cambodia	65	Tuvalu	65

SOURCES: By author. Data compiled from the *Yearbook of International Organizations* (München: K. G. Saur, 1991/92), pp. 1672–77; and *Yearbook of International Organizations: Guide to Global and Civil Society Networks*, ed. 40, vol. 5 (München: K. G. Saur, 2003/04), pp. 45–55.

NOTE: IGO memberships include types A-F organizations, as defined by the UIA. Type A organizations are federations of international organizations. Type B organizations have “widespread, geographically balanced membership and management.” Type C organizations include states in more than one region but most of the memberships are concentrated in one area. Type D organizations are clearly regional ones. In addition, Type E organizations are emanations of a particular organization, place, or person. Type F organizations are foundations, funds, laboratories, or banks.

nature of sovereignty. In fact, China extended its anti-coexistence policy beyond governmental organizations; between 1974 and 1978, China persuaded the United Nations Educational, Scientific, and Cultural Organization (UNESCO), the World Health Organization (WHO), and the International Civil Aviation Organization (ICAO) to pass resolutions calling upon affiliated NGOs to sever all relations with individuals or groups linked to Taiwan.

Beijing’s persistent effort in promoting the “One China” principle in all international organizations has been quite effective. To date, Taiwan’s position in IGO networks has been marginalized to a level of insignificance. As indicated in Table 1, the number of IGOs in which Taiwan participated in 1991 and 2002 is less than that of various mini-states or international pariahs—a severe contrast to Taiwan’s economic development and prominent position in global trade.

It seems at first glance that Taiwan’s IGO participation, or lack of such, can be explained by the “China Factor,” given China’s strong intervention and involvement in the issue since the 1970s. Nevertheless, a closer analysis of the issue indicates that, like functionalism, the realist, zero-sum “China Factor” does not completely account for the fluctuations in Taiwan’s IGO participation. Conventionally, with China expanding its influence and raising its profile in the wake of sustained economic growth and modernization efforts in the 1980s and

1990s, further declines in Taiwan's IGO membership should have occurred. However, the fact is that starting from the 1990s, Taiwan has overcome China's obstacles and joined more IGOs. Although total membership remains small, growth between 1991 and 2002 is impressive, increasing from only 11 memberships to a total of 31. Most significantly, Taiwan and China now share a presence in at least seven IGOs. What accounts for the change in Taiwan's IGO numbers and participation? Did it stem from Taiwan's own initiatives or a policy reversal by China? Was it the result of functional spillover in the international organizational network? To address these questions, I will review the policy environment faced by Taiwan since the 1980s, and discuss and evaluate Taiwan's IGO initiatives and strategies.

Taiwan's Policy Environment: The China Factor Since the 1980s

As mentioned earlier, China was adamantly opposed to sharing seats with Taiwan in any international organizations, governmental or non-governmental. This policy of exclusion was somewhat modified in the early 1980s in the context of Beijing's peace overture to Taipei. In September 1981, Ye Jianying, then chairman of the Standing Committee of the National People's Congress, issued a nine-point peace proposal indicating that, "after the country is unified, Taiwan can enjoy a high degree of autonomy as a special administrative region." Deng Xiaoping, China's paramount leader, expanded the idea in January 1982 and called for peaceful reunification within the framework of "one country, two systems." The new approach sought to replace military confrontation with peaceful coexistence as long as Taiwan accepted the arrangement of sub-state status. In line with this policy shift, China became more amenable to Taiwan's participation in NGOs, provided the latter retained its status as a "region" of China.

Two examples stand out as models of how delegations from both sides of the Taiwan Strait can be accommodated in the same NGO: the International Olympic Committee (IOC) and the International Council of Scientific Unions (ICSU). After years of contentious debates and negotiations, the "Chinese Taipei Olympic Committee" finally yielded to stipulated changes in its name, flag, and anthem, and was allowed to send athletes to compete with their counterparts from the "Chinese Olympic Committee" beginning with the 1984 Olympics. Similarly, after repeated attempts to drive Taiwan out of the ICSU (an umbrella organization consisting of over 20 single-discipline scientific unions), China ultimately agreed that after the "China Association for Science and Technology" joined the ICSU in 1982, the "Academy of Sciences located in Taipei" could stay as a full member. Finding creative name designations to satisfy conflicting claims for both sides suddenly became a serious intellectual exercise for diplomats.

Around the same time, the dual membership model was attempted in a regional IGO, the Asian Development Bank (ADB), where Taiwan had been a founding member since 1967. When China first expressed interest in joining the ADB in 1983, it approached the membership question as a “Chinese representation” issue, hoping to replicate the U.N. process and replace Taiwan on grounds of the latter’s illegitimate status. However, China encountered stiff resistance from Japan and the U.S., the ADB’s top two contributors. Both argued that ADB members’ capital subscriptions had been assessed on the bases of the populations, tax revenues, and imports-exports effectively under their control, irrespective of potential sovereign claims. Hence, representation in the ADB between China and Taiwan could be divisible and separate, rather than competitive or mutually exclusive. In essence, the U.S. and Japan advocated “dual representation” in the ADB; Taiwan would retain its full-member status while China could join as a new member.

After lengthy negotiation and persistent mediation through ADB officials, China finally conceded and agreed to the dual membership arrangement, but insisted that Taiwan’s name be changed. Under the 1985 agreement between the ADB and China, China entered as the People’s Republic of China, “representing the sole, legitimate government of China.” Taiwan could retain its membership but should be referred to as “Taipei, China.” Despite the opposition from Taiwan, the ADB proceeded with the arrangement and admitted China in 1986. Taiwan, in protest of this unilateral, allegedly illegal name change, boycotted the ADB annual meeting for the next two years. It returned in 1988 but has continued to voice its protests.

After the ADB, the idea of dual participation by China and Taiwan was replicated in two other important economic IGOs. In 1991, “Chinese Taipei,” along with China and Hong Kong, was admitted to the Asia Pacific Economic Cooperation (APEC) as full “member economies.” In January 2002, China and the “Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu [TPKM]” became members of the World Trade Organization (WTO).⁷

The Issue of Dual Membership

Do precedents in the ADB, APEC, and WTO signify a reversal of China’s policy toward Taiwan? Will innovative name designation work wonders in opening future IGO doors for Taiwan? Close examination of other cases before and after the ADB indicates that China’s flexibility and concessions are limited. For instance, in 1984, as China sought membership in the International Criminal Police Organization (INTERPOL), it insisted that Taiwan (a member since

7. Penghu is the name for a small archipelago of islets in the Taiwan Strait under Taiwan’s control. Kinmen (Jinmen, previously called Quemoy) and Matsu (Mazu) are islands, also under Taiwan’s rule, located just a few kilometers from the Chinese Mainland.

1961) change its name to “Taiwan, China” and be deprived of voting privileges as well as the right to send a head delegate to INTERPOL’s General Assembly. Similarly, in the late 1980s, China’s quest for membership in the International Committee of Military Medicine (ICMM), formerly the International Committee of Military Medicine and Pharmacy, was tied to demands that Taiwan’s membership privileges be revoked, participation in the ICMM be restricted to an individual basis, and individual participants not be allowed to wear military uniforms.⁸ China was unwilling to accept Taiwan as an equal partner in either case; both organizations eventually yielded to China’s terms.

What explains the variation in China’s actions? As early as 1988, a statement issued by China’s Foreign Ministry spokesman indicated that Taiwan’s membership in the ADB was “subject to agreement reached through consultations between the Chinese government and the international organization concerned.” It was a special arrangement and therefore “cannot be regarded as a model universally applicable to other inter-governmental, international organizations.”⁹

This position was reiterated and emphasized in the 1993 *White Paper on the Taiwan Question and Reunification of China* and further affirmed in the 2000 White Paper, *The One-China Principle and the Taiwan Issue*.¹⁰ All these messages were consistent, in that China would not accept Taiwan’s membership in the U.N. or other international organizations whose memberships were limited to sovereign states. Instead, it would only selectively accept Taiwan’s membership in some IGOs, “which accept region membership in an agreeable and acceptable way according to the nature, regulations, and actual conditions of these international organizations.”¹¹ Hence, the “ad hoc arrangement” in the ADB, APEC, and WTO “cannot constitute a model applicable to other inter-governmental organizations or international gatherings.”¹²

These public statements indicate that China uses two distinct criteria to determine what may be acceptable or agreeable for parallel membership. Apparently, Taiwan’s regional status, implied in these “creative” name designations, must be assured. However, it appears that the issue of regional status is only secondary; Taiwan’s membership must first be evaluated in the overall context of the nature and conditions of the organizations.

8. Ministry of Foreign Affairs (MOFA), ROC, *Zhonghuaminguo Waijiao Nianjian* [Republic of China foreign relations yearbook] (Taipei: MOFA, 1997), pp. 867–68.

9. Xinhua News Agency, “China Condemns Taiwan’s ‘Elastic Diplomacy,’” December 19, 1988.

10. Both documents are available at the website of the Taiwan Office of the State Council, <<http://www.gwytb.gov.cn:8088/index.asp>>, accessed January 5, 2005.

11. The Taiwan Affairs Office and the Information Office of the State Council, PRC, “V. Several Questions Involving Adherence to the One-China Principle in the International Community,” *The One-China Principle and the Taiwan Issue*, <<http://www.gwytb.gov.cn:8088/index.asp>>, accessed December 29, 2004.

12. Ibid.

TABLE 2 *IGOs with Both China and Taiwan as Members, 2002*

<i>IGOs</i>	<i>Taiwan's Name</i>	<i>Presence of Non-State Members</i>
Asian Development Bank	Taipei, China	Cook Islands Hong Kong, China
Asia Pacific Economic Cooperation	Chinese Taipei	Hong Kong, China
Asia Pacific Legal Metrology Forum	Chinese Taipei	Hong Kong, China
International Office of Epizootics	Taipei China	New Caledonia
International Organization of Legal Metrology	Chinese Taipei (a corresponding member)	Hong Kong, China (a corresponding member)
International Seed Testing Organization	Taiwan	All members are persons or seed-testing laboratories
World Trade Organization	Separate Customs Territory of TPKM	Hong Kong, China Macao, China

SOURCES: By author. Data compiled from the *Yearbook of International Organizations: Guide to Global and Civil Society Networks*; and *Zhonghuaminguo Waijiao Nianjian* [Republic of China foreign relations yearbook] (Taipei: MOFA, 2002), pp. 634–37.

Which IGOs are acceptable to China for a shared presence? The White Papers used “state-based membership” as a test but provided no guidance or explanation as to the operational definition. In retrospect, it can be argued that IGOs such as INTERPOL and ICMM were closely related to symbols of sovereignty and state power and so were treated differently by China than an economic organization such as the ADB. But that does not mean that all economic IGOs would be satisfactory to China. For example, Taiwan has had to overcome constant opposition and resistance since 1997 in its effort to become an observer on two committees—Trade, and Competition Law and Policy—of the Organization for Economic Cooperation and Development (OECD). Similarly, China stood against Taiwan’s drive to enter the WHO, which is sometimes considered a functional organization.

It is clear from Table 2 that China is highly selective in sharing its presence with Taiwan in IGOs. As shown, seven IGOs currently have both China and Taiwan as members. Besides the three economic organizations (ADB, APEC, and WTO), the remaining four organizations provide technical information and support in areas of agriculture and legal metrology, the science of measurement. All of these groups have arrangements to accommodate non-state members, with Hong Kong being the most prominent. In the early 1980s when China negotiated with the ADB authority over Taiwan’s membership, the presence of

the non-sovereign Cook Islands (a member since 1976) and Hong Kong (a member since 1969) in the ADB may have helped lessen China's concern about Taiwan's statehood claim. But the same cannot be said of the WHO; the presence of the Cook Islands was not sufficient for China to acquiesce in Taiwan's membership quest.¹³

These practices suggest that there are no simple, generalized rules separating the acceptable from the unacceptable. "Regional status" and "non-state membership," as painstakingly outlined in public statements are at best necessary, rather than sufficient, conditions for China's acceptance of Taiwan's IGO memberships. In the final analysis, those documents and the conditions they detail appear to be *ex post facto* rationalizations of Beijing's concessions: China voiced its objection to Taiwan's membership and maneuvered against the island's representation even in those so-called exceptions. What apparently mattered most was completely unmentioned in those statements—the particulars of each case. These included China's diplomatic isolation immediately after the 1989 Tiananmen Incident (APEC); the strong, unwavering position from U.S. administrations in support of Taiwan (ADB and WTO); and the calculated opportunity cost between entering or staying out of the organization (WTO).

Beijing, deliberately vague on what is "agreeable" or "acceptable," retains the greatest flexibility in each case to maximize its capacity to maneuver or contain the less desirable effects, however defined. Treating all coexistence cases as exceptions means that obstacles will be placed against Taiwan's every significant move, leaving it to Taipei to gather sufficient force to remove these obstacles. Ironically, the ambiguity of China's position and the existence of possible "gray areas" have one unintended consequence. They essentially encourage Taiwan to open battlefields in all possible venues to probe China's real position and test its resolve—something Taiwan has been doing since the late 1980s and a subject that we will now explore.

Taiwan's IGO Initiatives: A Three-Stage Analysis

In 1988, when Lee Teng-hui became president of Taiwan, the island's international status and visibility were at the nadir. Taiwan participated in just eight IGOs and was recognized by only 20-plus states. Its standing as an independent sovereign state was in question and, in Lee's mind, the country's foreign policy was due for a change.

13. It should be pointed out that the Cook Islands has been a self-governing territory in free association with New Zealand since 1965. According to its Constitution, it has the right at any time to achieve full independence by unilateral action. See <<http://www.ck/govt.htm>>, accessed January 5, 2005.

In an interview with Japan's *Yomiuri Shimbun* in May 1989,¹⁴ Lee revealed his vision for the future. Dismissing China's "one country, two systems" formula as "unrealistic," Lee suggested a three-pronged strategy to break Taiwan's diplomatic impasse: (a) strengthen bilateral relations with Taiwan's allies, (b) establish and promote substantive relations with non-hostile nations, and (c) actively participate in international organizations and activities. This new approach, commonly known as "flexible diplomacy" or "pragmatic diplomacy," sought to expand Taiwan's "international space" through pragmatic, innovative actions. To accomplish this, Lee believed that Taiwan must be flexible with its name and strategy, if that helped preserve the ultimate interests of the country.

This was a significant departure from the official conservative, orthodox emphasis on name and formality. In March 1989, upon returning from his visit to Singapore, Lee displayed this practical attitude. Asked how he felt when the Singapore media addressed him as "the president from Taiwan," Lee indicated that the title was "not satisfactory, but acceptable."¹⁵ Shortly after this remark, the Chinese Taipei Olympic Committee announced that Taiwan's athletic teams and organizations would participate in international sports events held in China under the name "Chinese Taipei." On April 30, Finance Minister Shirley Kuo led an official delegation to the 22nd annual ADB meeting in Beijing, further signaling the change in Taiwan's diplomatic strategy. Since then, the concept of "pragmatic diplomacy" has become the ultimate directive for Taiwan's diplomatic efforts. This remained true even after Chen Shui-bian succeeded Lee in the 2000 presidential election.

What made Taiwan so confident that it could break out of its diplomatic isolation? Was "pragmatic diplomacy" a realistic answer to Beijing's encirclement strategy, or merely a political posture aimed internally to rally domestic support? When the idea was first proposed, Taiwan's optimism about the future was not entirely based on blind faith. It was a reasonable conclusion, considering Taiwan's economic strength and the changing geopolitical environment around the globe. Through the 1980s, diplomatic isolation notwithstanding, Taiwan's export-led economy continued to grow and expand. By the end of the decade, Taiwan's foreign reserve surpassed that of almost all major economies, second only to Japan's. The island's economic vibrancy and strength easily raised hopes and expectations for diplomatic survival and success.

Trends and events around the world added further support to this ambition. Beginning in the late 1980s, reforms and liberalization in Eastern Europe and

14. "President Lee Reiterates One China Policy, Outlines Realism," Central News Agency (Taiwan), May 8, 1989.

15. Chia-lung Lin and Bo Tedards, "Lee Teng-hui: Transformational Leadership in Taiwan's Transition," in *Sayonara to the Lee Teng-hui Era: Politics in Taiwan, 1988–2000*, ed. Wei-chin Lee and T. Y. Wang (Lanham, Md.: University Press of America, 2003), p. 28.

the former USSR signaled that the bipolar structure shaped primarily by security concerns was in erosion. The ascendance of economic issues on the global agenda and the emergence of regional organizations amid superpower retreat offered ample opportunities for Taiwan to assert its strength and break out of China's diplomatic squeeze.¹⁶ The thinking was that through active participation in regional or functional organizations as a sovereign state, Taiwan could strengthen its international status as an entity separate from China, so as to protect itself from China's sovereignty claim.

This optimism and pragmatism have driven Taiwan's IGO initiatives since then; however, the concern about international status alone is insufficient to explain the actions, twists, and turns behind these initiatives. Further analysis indicates that in response to the changing balance of internal and external factors, different priorities and strategies were developed at different stages to accomplish this goal.

Stage One (1989–1992)

When Lee assumed the presidency in early 1988 after Chiang Ching-kuo's death, many thought he would simply be a caretaker serving out Chiang's remaining term. As a technocrat specializing in agricultural economy, Lee was relatively isolated from the party machine and had no power base in the ruling Nationalist Party, the Kuomintang (KMT). Moreover, his native Taiwanese upbringing was at odds with the KMT power circle's Mainland background. To overcome these obstacles and survive ensuing power struggles, Lee, to his credit, carefully assessed his strategy, including his diplomatic options.

From the beginning, conservatives in the KMT were suspicious of Lee's concept of "pragmatic diplomacy," thinking that it betrayed the party's longstanding "One China" policy. In the Legislative Yuan, senior parliamentarians, elected on the Mainland decades ago, frequently raised questions about the perceived inconsistency between the two. Their mistrust of Lee culminated in their attempt to nominate a candidate to challenge Lee in the presidential election of 1990. A crisis was averted only after Lee made a verbal concession to the conservatives.

After the election, seeking to neutralize future attacks from these senior conservatives, Lee appointed Hau Pei-tsun, a conservative general, as premier. Additionally, rather than debating with conservatives over the merits of his pragmatic policy in the cross-strait context, Lee skillfully turned the issue into a matter of domestic reform and democratization. Capitalizing on the public's

16. For instance, then Foreign Minister Lien Chan justified Taiwan's diplomatic efforts on the basis of Taiwan's economic strength and the global trend toward "economic blocism." See "Foreign Minister Stresses ROC's One-China Policy," Central News Agency, February 23, 1989, Lexis-Nexis, accessed September 18, 2003.

disapproval of these “old thieves” (*laozei*), Lee appealed to pro-reform forces by convening a cross-party National Affairs Conference to put forth a reform agenda, including re-election of the representative bodies and direct election of the president and provincial governor.

Like a skilled general plotting to maximize his chance of winning by avoiding a two-front war, Lee focused his efforts primarily on reform and democratization while limiting his exposure to the contentious debate over independence versus unification.¹⁷ Translating this position into practical strategies, Lee was deliberately vague on how flexible pragmatic diplomacy could be and whether it was in conflict with KMT’s longstanding “One China” policy. As discussed below, even when the opposition Democratic Progressive Party (DPP) and the conservative wing of the KMT sparred in fierce debate over whether Taiwan should join the U.N., Lee was conspicuously silent and non-committal. Instead, the bulk of diplomatic efforts during this time was made in the sectors where Taiwan was strongest—international financial and economic organizations. This was also an area where the greatest consensus existed: even conservatives accepted the idea of leveraging Taiwan’s economic strength and financial power for diplomatic gains.¹⁸

In 1989 Taiwan entered the OECD-sponsored Emerging Market Economy Forum, which invited non-members for dialogues on various themes. In April 1991, Taiwan attended, for the first time, the annual meeting of the Inter-American Development Bank (IDB), as an observer. That June Taipei concluded an agreement with the Central American Bank for Economic Integration (CABEI), committing \$150 million to join the bank’s Central American Economic and Social Development Fund. Subsequently, in 1992, Taiwan formally joined the CABEI as an extra-regional partner (member). Taiwan exchanged notes with the International Organization for Migration (IOM) in 1991, allowing it to establish an office in Taipei to notarize immigration documents for Taiwan’s emigrants to Argentina. Finally, in 1992 Taiwan’s central bank (known today as the Central Bank of China, Republic of China [Taiwan]) joined the Conference of Governors of South-East Asian Central Banks (SEACEN), an organization that facilitates cooperation and research related to central bank operations.

During this period, Taiwan also became a member of APEC and formally demanded accession negotiations with the General Agreement on Tariffs and Trade (GATT) as a custom territory, gaining observer status in 1992. (The application was subsequently transferred to GATT’s successor agency, the WTO,

17. Lin and Tedards, “Lee Teng-hui,” p. 35.

18. For instance, then Premier Hau Pei-tsun was proud of the fact that potential business opportunities associated with Taiwan’s \$303 billion Six-Year National Development Plan, announced in 1990, opened the door for some of those diplomatic breakthroughs. See Cora L. S. Wang, *Wukuei: Hau Pei-tsun de Zhengzhizhilu* [With a clear conscience: Hau Pei-tsun’s political journey] (Taipei: Commonwealth Publishing Co., 1994), pp. 244–47.

in 1995.) Additionally, Taiwan entered an agreement with the European Bank for Reconstruction and Development (EBRD) in 1991, providing it with \$10 million as a special fund for East European transitional economies.

Underscoring these diverse efforts and initiatives was the expectation by many of functional spillover, so that participation in these organizations, whether as an observer, dialogue partner, or fund contributor, would build contacts and connections leading to future IGO opportunities. The geography of potential spillovers was chosen to serve longer-term diplomatic interests. For instance, Taiwan's contribution at the EBRD was made in order to establish connections and expand contacts in Eastern Europe—a new diplomatic frontier in the post-Cold War era. On the other hand, the goal in Latin America was to consolidate Taiwan's diplomatic support in the region, a traditional stronghold for Taipei.

The game plan was to utilize Taiwan's economic advantages and quietly strengthen its position in functional organizations. The development and execution of the plan was mostly entrusted to career diplomats and economic officials, who identified potential IGO targets, evaluated feasibility, and conducted negotiations with their counterparts with little publicity. Most of the breakthroughs at this stage were accomplished by the age-old diplomatic formula of ultimate secrecy with little public participation in the process.

However, as the pace of democratization in Taiwan began to accelerate in the 1990s, the dynamics of this process changed. For many in Taiwan, participation in IGOs was not simply a practical response to changing geopolitics or a diplomatic solution to China's pressure. It symbolized a reawakened nation seeking its fundamental right to participate in the international community with renewed confidence and assertiveness to confront and challenge an oppressive hegemon. In a new political era, the symbolism resonated well with the Taiwanese people's basic desire for justice, security, and identity. Once the issue's domestic political value became apparent, politicians began to take charge of the process, leading to the second stage in Taiwan's IGO initiatives.

Stage Two (1993–1996)

Taiwan's effort at this stage centered on the United Nations. Returning to the U.N. was initially a campaign issue for the DPP. The KMT government was more cautious on the issue, knowing that it could cause contentious debates over fundamental questions such as political identity ("One China" vs. "Two Chinas") and Mainland policy (confrontation vs. conciliation). In June 1991, when 81 legislators of the Legislative Yuan—many of them KMT members—proposed that Taiwan join the U.N., leaders decided to block that proposal, saying the idea was "infeasible" and would "complicate cross-Straits relations, and violate the one-China policy."¹⁹ On September 30, in a televised debate with then-DPP

19. *Zhongguo Shibao* [*China Times*] (Taipei), June 11, 1991.

legislator Frank Chang-ting Hsieh, Vice Minister of Foreign Affairs John Hsiao-yen Chang reviewed the potential barriers, political and institutional, faced by Taiwan. Despite the ruling party's hesitancy, though, the idea soon captured the imagination of the Taiwanese people for psychological reasons mentioned earlier, as well as the implicit concrete economic, political, and security benefits.²⁰ A survey conducted that year showed that 49.6% of the people were in favor of joining the U.N.; the number went up to 64.8% the following year.²¹

In an attempt to further appeal to grassroots Taiwanese nationalism, the DPP in October added a controversial "One-China, One-Taiwan" plank to its platform, declaring the island an independent state. Capitalizing on popular support for U.N. membership, some DPP members organized massive street rallies and publicly advocated changing Taiwan's official name or holding a national referendum as a means toward membership. Increasingly wary that the U.N. campaign might be used as a Trojan horse by the DPP to achieve de facto Taiwan independence, conservatives in the KMT led by Premier Hau insisted that any U.N. drive must not violate the "One China" policy.

In 1991 and 1992, as both sides debated vigorously over the U.N. issue, President Lee remained silent. This did not necessarily indicate that he was entirely neutral. On several occasions, DPP legislators indicated that Lee privately favored a name change for Taiwan, but this was dismissed by Hau as a smear tactic.²² Lee's long silence, in contrast with Hau's bluntness on this issue, frequently fueled speculation that there was a rift between the two.

In the December 1992 Legislative Yuan elections, the KMT suffered a serious setback. Many KMT legislators blamed the defeat on the party's unbending "One China" mentality and its conservative response to the U.N. issue. After the election, President Lee replaced Hau with Lien Chan, who supposedly had a different perspective on U.N. membership.²³ After Lien took over as premier in early 1993, the government formally established the "U.N. Decision Group" in the Executive Yuan and the "U.N. Strategy Group" in the MOFA and made the U.N. campaign a top priority issue in its IGO initiatives.

Lee did not openly endorse the U.N. campaign until April 1993 and remained vague on the official name designation that Taiwan would use. In August, at the KMT Fourteenth Party Congress, Lee was reelected as party chairman. Soon afterward the anti-Lee faction left the KMT to form the New Party. This signaled that after five years of political struggles, Lee had finally consolidated his power and control over the government and KMT.

20. Dennis Van Vranken Hickey, "Coming in from the Cold: Taiwan's Return to International Organizations," *Issues & Studies* 36:5 (May 1994), pp. 41–60.

21. Lang Kao, *Zhonghuaminguo Waijiao Guanxi zhi Yanbian, 1972–1992* [The evolution of the Republic of China's foreign relations, 1972–1992] (Taipei: Wunan, 1994), pp. 242–43.

22. *Zhongguo Shibao*, October 14, 1992.

23. *Ibid.*, March 8, 1993.

At this point, Lee began to adjust the government's foreign and cross-strait policies. He believed that if cross-strait exchanges outpaced Taiwan's international activities, then cross-strait issues would be treated as an internal matter of China, which would significantly undercut Taiwan's status and security. On the other hand, deepening Taiwan's international engagement would internationalize the Taiwan Strait issue, giving the island leverage to balance the pressure from China.²⁴ The need for this balance was increasingly urgent because Taiwan's economy was becoming more and more dependent on Mainland China.²⁵ It was time to raise the stakes and confront China on the U.N. issue.

In August 1993, seven states in Latin America formally launched Taiwan's U.N. campaign, requesting that the organization establish a study group to review Taiwan's international situation. Resources were subsequently mobilized and channeled to Taiwan's allies as they spoke in the U.N. on its behalf, urging the body to "examine the exceptional international situation pertaining to the ROC on Taiwan, to ensure that the fundamental right of its 23 million people to participate in the work and activities of the U.N. is fully respected."²⁶ Supporters also appealed to the U.N. Charter's principles of universality, equality, and non-discrimination; their proposals were couched in strong moralistic and normative tones calling for justice, dignity, and rights, with significant focus on the contributions Taiwan was willing and able to make.

As expected, China was adamant in opposing this idea. It saw the action as a separatist plot to achieve independence, resulting in "Two Chinas," or "One China, One Taiwan." Beijing immediately issued the 1993 White Paper and for the first time systematically stated its position. It quickly gathered sufficient support in the U.N. to defeat the proposal. Subsequently, the United States indicated in its 1994 Taiwan Policy Review that it would support Taiwan's participation only in non-state-based international organizations. During the debate over the issue, major states such as the United States, United Kingdom, and France remained silent.

Without significant support from the international community, Taiwan's U.N. drive has yet to make significant progress. Taipei's moral plea and intensive lobbying was able to assemble, at best, 25 sympathetic states to speak on its behalf; China rallied twice as many states to speak against the idea. As trivial as it may seem, the fluctuation in the number of states speaking for or against the

24. Lin and Tedards, "Lee Teng-hui," p. 36.

25. From 1990 to 1993, Taiwan's export share to China grew from 6.54% to 16.47%. Also, in 1993, 65.6% of outbound investment went to Mainland China, in comparison with 9.5% in 1991. See Tun-jen Cheng and Peggy Pei-chen Chang, "Limits of Statecraft: Taiwan's Political Economy under Lee Teng-hui," in Lee and Wang, eds., *Sayonara to the Lee Teng-hui Era*, pp. 136–38.

26. Government Information Office, Taiwan, ROC, *The Republic of China Yearbook-Taiwan 2002* (Taipei: Government Information Office, 2002), p. 128.

issue has been taken seriously by both sides as a measure of progress or setback. One can only imagine the total amount of resources expended by both sides to line up support during the annual tug of war in the U.N. for the past 12 years.

Pragmatic diplomacy, a strategy intended to expand Taiwan's international influence and enhance its status through flexible tactics, actually restricted Taiwan's diplomatic options once the question was framed as national pride and focused domestically for political consumption. While rhetoric and sensationalism expressed openly in public rallies and street demonstrations may have accumulated political capital for the politicians involved, these displays also heightened the stakes and hardened China's opposition. Eventually, the annual U.N. fanfare notwithstanding, Taiwan redirected its focus. Beginning in 1997, the U.N. initiative became a long-term goal, rather than an immediate priority, and Taiwan directed its search for IGO opportunities elsewhere.

Stage Three (1997–Present)

At this stage, Taiwan shifted its focus to organizations affiliated with the U.N., as well as functional organizations outside the U.N. system. Two, the WHO and OECD, were high on the list. Taiwan's WHO drive was a repeat of the U.N. campaign on a smaller scale, because it directly challenged China's prescribed policy boundary over specialized agencies within the U.N. system as stated in the 1993 White Paper. Taiwan built its case on a functional basis, arguing that all health entities should be integrated into international and regional health organizations and that WHO observership is a humanitarian rather than a political issue. Officials added that Taiwan's public health system and people's health had suffered without adequate access to WHO's information network on disease control, monitoring, and prevention. The outbreak of Severe Acute Respiratory Syndrome (SARS) in 2003 lent credence to Taiwan's argument, because WHO officials had failed to provide immediate assistance during the SARS crisis because of China's objections.

Since 1997 Taiwan's IGO campaigns have employed similar tactics to those used in the U.N. effort: lobbying major states' legislative/parliamentary branches, contacting grassroots and professional organizations for support, and raising public awareness through press and media coverage. Thus far the effort has not been productive because it invites equally effective counteraction from China. On May 18, 2004, the General Committee of the World Health Assembly refused, for the eighth consecutive year, to consider Taiwan's request to be admitted as an observer in the WHO. Despite the setback, Taiwan appeared to gain some ground on this issue: both the U.S. and Japan, for the first time, cast their votes in support of Taiwan's application. It remains to be seen whether the humanitarian argument will win support from other members.

Taiwan's approach in the OECD was different. Building on earlier dialogues, it tried to quietly upgrade its relationship with the organization. As noted previously,

beginning in 1997 Taiwan pushed to be an observer on the Trade and the Competition Law and Policy Committees. Applying as non-sovereign “Chinese Taipei” under the category of Emerging Asian Economies, it kept a low profile throughout the process. Taiwan made professional contributions by co-sponsoring international symposia on fair-trade law for three consecutive years and by disseminating its law enforcement experiences through the OECD Global Forum. This functionally and professionally oriented approach worked well, and Taiwan became an observer on the Competition Law and Policy Committee in 2001, the same day that China was admitted as an observer on the Science and Technology Committee.

Progress was made in other areas as well. For example, Taiwan became a member of the Asia/Pacific Group on Money Laundering (APG) in 1997. Prior to this breakthrough, Taiwan, excluded from INTERPOL, could only rely on bilateral arrangements in preventing or prosecuting money laundering. APG provided a multilateral framework for Taiwan to facilitate information exchanges with other Asian states. A year later, Taiwan joined the Egmont Group of Financial Intelligence Units, a worldwide anti-money-laundering network.

As a democracy eager to share its experience in running open elections with other Asian states, Taiwan found another functional area to which it could contribute. In 1998, Taiwan became one of the founding members of the Association of Asian Election Authorities (AAEA), whose goal is to promote open elections through an exchange of information related to election law, procedures, and technology.

Between 1999 and 2000, Taiwan succeeded in achieving observer status in three regional organizations in Central America: the Central American Parliament (PARLACEN), Central American Legislative Presidents Forum (FORPEL), and System of Central American Integration (SICA). These developments once again demonstrated Taiwan’s diplomatic edge in the region. Finally, in 2001, the long-anticipated membership in WTO materialized for Taiwan. After more than 10 years of negotiations, the world’s 14th largest trade economy was officially admitted to this multilateral trade framework.

Taiwan’s IGO initiatives have revealed an interesting duality in the struggle between functional diplomacy and staged political power plays. IGO initiatives such as the U.N. and WHO campaigns continue to be used as political instruments to rally domestic support and challenge deficiency and injustice in the current system, but Taiwanese politicians have become more sophisticated in blending functional and professional pleas with political ambition. Especially worth mentioning is Taiwan’s participation in non-economic organizations related to election administration and law enforcement, which involves less publicity but may have the practical effect of deepening and expanding functional contacts with other states in Asia and beyond.

Evaluation

Between 1983 and 2000, Taiwan tripled its IGO memberships, with the majority of its participation concentrated in economic and agricultural organizations. As an important economy with foreign investment, manufacturing networks, and foreign trade closely tied to the global economy, Taiwan's participation in regional and global economic and financial organizations is essential for continued growth and development. Taiwan's presence in agricultural organizations reflects its edge in agricultural technology and research as well as its foreign policy practice of converting this edge to political gain. In the 1960s and early 1970s, agricultural technical assistance was frequently used by Taiwan to secure votes in the U.N., and Taipei still maintains agricultural technical missions in some African states.

Despite the fact that the majority of Taiwan's IGO memberships are in functional organizations, functionalism was not the reason for Taiwan's IGO drives. Perhaps institutionalism provides a more pertinent explanation.²⁷ In contrast to the economically and technologically driven processes posited by functionalism, the institutional perspective looks for "legitimacy" and "sovereignty" as major motivating factors leading to participation in the international organizational network. Specifically, the institutional perspective argues that as the world gradually intensifies efforts toward interaction and communication, it begins to develop a universal culture that emphasizes state responsibility as a participatory member in the world polity. Participation in international organizations projects a rational, modern, and responsible image for states that serves to legitimize their status in the global community.

An analysis of Taiwan's IGO strategies and efforts since the late 1980s clearly shows the significance of the status concern and the legitimacy issue. For Taiwan, the ultimate goal of IGO networking and expansion is political, not economic. Whether it was Lee Tenghui's "pragmatic diplomacy" or the DPP's "new internationalism,"²⁸ the common thread behind all IGO initiatives was the attempt to internationalize the cross-strait relationship. From Taipei's perspective, extensive participation in international forums fosters long-term friendship and cooperation with members of the international community. Presumably, recognition of Taiwan's contributions and accomplishments will make it more difficult for China to turn cross-strait problems into China's internal affair alone. By enhancing its status and position in international organizations, Taiwan believes that it can gain sufficient leverage to counterbalance China's pressure.

27. John Meyer, John Boli, George M. Thomas, and Francisco O. Ramirez, "World Society and the Nation-State," *American Journal of Sociology* 103:1 (July 1997), pp. 144–81.

28. DPP, *White Paper on Foreign Policy for the 21st Century*, November 28, 1999, <<http://www.taiwandocuments.org/dpp02.htm>>.

Ironically, as Taiwan seeks to subsume the “China factor” under a larger international framework, the “China factor” still works to restrict Taiwan’s IGO targets. So far, functional organizations appear to be the only option for Taiwan’s IGO pursuits. Significant gains in Taiwan’s IGO memberships were made in the Type E and Type F organizations (see Table 1), as classified by the UIA. These organizations are usually not created by states through the traditional treaty-making process but are derived from other IGOs or government entities. For instance, the Asian Finance and Investment Corporation is affiliated with the ADB, whereas the Asia Pacific Legal Metrology Forum is linked to APEC. In other words, Taiwan’s “new” memberships in those new IGOs can be achieved simply by passive assent through its membership in the parent organization.

Nevertheless, the importance of these types of organizations should not be underestimated. According to Shanks and her colleagues, these “emanations” constitute the majority of the IGO population (about 70% in 1992), and some of them could spin off additional emanations.²⁹ In fact, in the early 2000s, close to 80% of the IGOs belonged to this group.³⁰

Because these types of organizations do not follow the traditional procedures of treaty-making, powerful states have had only limited influence over their creation and evolution. In addition, these organizations, showing more flexibility in their decision-making processes, tend to allow more active roles for international administrative staff and NGOs. Taken together, the nature and characteristics of these IGOs should create a more open and hospitable environment for Taiwan’s participation. As technological developments in communication and transportation continue to impact global trade, economy, and environment, Taiwan is well positioned, through its presence in WTO and APEC, to capture opportunities created by future IGO spin-offs.

Within the vast IGO system, hundreds of organizations differ significantly in terms of purpose, function, and structure. Each has its own culture, membership requirements, and decision-making processes. It is virtually impossible for any state to be in all of them or to have full control over this large population. As long as the relationship between both sides of the Taiwan Strait remains volatile and fluid, we can anticipate continued diplomatic battles between Taiwan and China, especially in those IGOs with rich political value and symbolism.

29. Cheryl Shanks, Harold K. Jacobson, and Jeffrey H. Kaplan, “Inertia and Change in the Constellation of International Governmental Organizations, 1981–1992,” *International Organization* 50:4 (Autumn 1996), pp. 593–627.

30. Percentage calculated by author, with data from the *Yearbook of International Organizations: Guide to Global and Civil Society Networks*, ed. 39, vol. 5 (München: K. G. Saur, 2002/03), p. 1615.