

WHEN IDENTITIES CLASH: WHY TAIWAN OPPOSES COOPERATION WITH MAINLAND CHINA

Kathleen E. Powers,* Dalton Lin.†‡

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ABSTRACT: Why are Taiwanese people ambivalent about economically beneficial trade agreements from Mainland China (the PRC)? Taiwan and China signed the Economic Cooperation Framework Agreement (ECFA) in 2010, but progress has since been slowed by Taiwanese resistance despite China's offers of favorable terms. We argue that Taiwanese opposition to cooperation is caused in part by a clash between the way Taiwanese citizens understand their relationship to China and how China describes their relationship when proposing trade terms. While China describes Taiwan as part the Chinese community, many Taiwanese citizens reject this categorization and instead see China as a peer. We draw from psychological research on social interaction to suggest that when one party in a relationship believes that the other party is not abiding by the same set of norms, they will resist cooperation. First, we test our argument with original survey data and show that Taiwanese who see China as their equal are less willing to cooperate with the Mainland than those who see China as an extension of their community. Second, we present the research design for an original experiment that we will field to a national sample in Taiwan. The experiment is designed to test whether different relational frames will increase Taiwanese support for an economic agreement with the Mainland. The results of this research study have implications for future diplomatic talks as both sides seek to continue their economic cooperation without comprising their perceived relational status.

*Assistant Professor, Department of Government, Dartmouth College. kathleen.e.powers@dartmouth.edu. <http://kepowers.com>

†Assistant Professor, Sam Nunn School of International Affairs, Georgia Institute of Technology. dalton.lin@inta.gatech.edu. <https://inta.gatech.edu/people/person/dalton-lin>

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1 Introduction

In November 2018, Taiwan’s ruling Democratic Progressive Party (DPP) suffered landslide defeat. In part, voters rejected the DPP due to their simmering dissatisfaction with the island’s economic trajectory.¹ After the DPP came to power in 2016, cross-strait economic talks broke down, Chinese tourism to the island declined, and the unnerving situation exacerbated Taiwanese anxiety about their future prosperity. The DPP’s electoral debacle highlights a puzzle: If cross-strait economic ties are key to Taiwan’s growth, why did voters reject previous trade agreements with Mainland China?² It is especially intriguing given that then-ruling party Kuomintang (KMT) was voted out of power in 2016 for being too eager in promoting cross-strait economic integration.

Taiwan’s economy relies on international trade and investment, and China is both its largest and most important trading partner (?). Over the past decade, Taipei has struggled to maintain competitive wage, attract foreign direct investment (FDI), or prevent “brain drain” as young Taiwanese look for better-paying jobs on the Mainland or elsewhere.³ The 2010 cross-strait Economic Cooperation Framework Agreement (ECFA) and 2013 Cross-Strait Service Trade Agreements (CSSTA) sought to address Taiwan’s economic stagnation with a boost from the Mainland. Experts agree that opening their economies as outlined in the negotiations would benefit Taiwan more than their Mainland partners (?) — the *Economist* described the ECFA terms as “remarkably sweet for Taiwan” — yet Taiwanese citizens have moved forward with trepidation.⁴ Indeed, even unilateral concessions from the PRC often meet resistance in Taiwan (??).

On the one hand, some Taiwanese fear that the Mainland is using economic integration to create dependence — concessions are strategic tools to facilitate unification. The 2014 student-led “Sunflower Movement” made this argument when they occupied the Taiwanese Legislative Yuan and ultimately stalled progress on the CSSTA, an agreement that “wouldn’t be a problem” if it

¹Shelley Rigger, [Results and Ramifications of Taiwan’s Elections: A Conversation with Shelley Rigger](#), *CSIS*.

²Throughout this manuscript, we use “Mainland China”, “the Mainland”, “China” and “PRC” interchangeably to refer to the People’s Republic of China. We use “Taiwan” and “ROC” to refer to the Republic of China/island of Taiwan.

³See e.g., Alice Su, 2019. [China casts a long shadow over Taiwan’s economy, and attempts to revitalize it](#), *The Los Angeles Times*, 10 February. Accessed 16 August 2019.

⁴The Economist, 2010. <https://www.economist.com/banyan/2010/06/25/no-such-thing-as-a-free-trade>No such thing as a free trade, 25 June.” *The Economist*.

⁵Taiwan’s Mainland Affairs Council promoted the prospective economic benefits and attempted to assuage concerns about distributional costs by noting growth projections. See <http://ws.mac.gov.tw/001/Upload/OldWeb/www.mac.gov.tw/ct5c32.html?xItem=85279&ctNode=6740&mp=111>Cross-strait economic agreements regulate cross-strait economic cooperation without regard to independence and politics.” For a more cautious interpretation about the economic gains, see e.g., JoAnn Fan, 2014. [“The Economics of the Cross-Strait Services Agreement,”](#) *The Diplomat* 18 April.

were negotiated with another state.⁶ On the other hand, China’s stance on unification has been constant, but Taiwan’s attitudes toward cooperation have oscillated (?). We thus need a more nuanced explanation than misgivings about China to explain Taiwanese people’s ambivalence about cross-strait economic cooperation.

We argue that Taiwanese views about how they relate to the Mainland have evolved, but Chinese rhetoric on cross-strait relations has not. This discrepancy in the relational models that each side uses to interpret their interactions leads to Taiwan’s doubt or apprehension about the Mainland’s words and deeds in cross-strait economic cooperation. For the past few decades, Chinese leaders have implored Taiwan to join cross-strait economic agreements with references to their shared Chinese heritage. People on the Mainland and in Taiwan are “one family,” whose “closeness” is “rooted in our blood, our history, and culture” (?, 260). According to Chinese President Xi Jinping, this means that China owes Taiwan the same opportunities for growth that it provides to the Mainland. A small part of the Taiwanese society agrees — they see Taiwan and China as part of a community or cross-strait family — and promote cooperation using similar logic. Cross-strait kinship means that what is best for Taiwan is best for China and vice versa.

For a more substantial and growing part of the Taiwanese society, however, the island’s rapid democratization, political separation from the Mainland, and international political participation have changed the way that Taiwan and China relate to one another. This group views Taiwan and Mainland China as equals, friends at best, but not family. For this growing proportion of Taiwanese citizens, Chinese references to their shared heritage fall on deaf ears. They want to be treated fairly, as equals like other international peers, and will forego economic gains if China follows a distinct set of relational norms. In a speech directed at Xi Jinping’s call for integration in his 2019 “Message to Compatriots in Taiwan,” for example, Taiwanese President Tsai Ing-wen suggested that she was willing to continue economic negotiations — if China both avoided coercion and dropped its calls for unity. They “must handle cross-strait differences peacefully, on the basis of equality” to gain Taiwanese interest.⁷

We detail this relational-model-based explanation in this paper and show strong empirical support of the argument through survey data collected in March 2019. This paper proceeds in four parts.

⁶Jonathan Sullivan qtd. in Austin Ramzy, 2014. “<https://www.nytimes.com/2014/04/08/world/asia/concession-offered-taiwan-group-to-end-protest-of-china-trade-pact.html>Concession Offered, Taiwan Group to End Protest of China Trade Pact,” *The New York Times*, 7 April.

⁷Tsai Ing-Wen, 2019. “[President Tsai issues statement on China’s President Xi’s ‘Message to Compatriots in Taiwan’](#).” Transcript available at the Office of the President of the Republic of China (Taiwan). 2 January.

First, we present an overview of Taiwan’s puzzling contemporary ambivalence regarding economic cooperation with China. Second, we outline our theory about why Taiwanese who are committed to fairness norms clash with China’s community-infused framing strategy. We trace the evolution of Taiwanese views of the Mainland over time to outline the historical shift from community to equality. Third, we present the results of an original survey fielded to a national sample of 1,810 Taiwanese residents to show that public views of their relationship with China shape preferences for cooperation, even when we account for their categorical identification as “Taiwanese” or “Chinese” and partisanship. Fourth, we present the research design for an experiment in which we manipulate how China frames a proposed agreement to test whether a frame that emphasizes equality norms will increase support for economic integration among Taiwanese citizens, relative to the community framing that currently dominates.

2 Taiwan’s Ambivalence toward Economic Cooperation with China

As an island economy highly reliant upon trade, Taiwan has been actively seeking trade agreements with almost all possible partners. The United States, Japan, and the European Union have been priorities, and regional groups such as the Trans Pacific Partnership or even the Regional Comprehensive Economic Partnership have also been on Taiwan’s radar. As recent as on July 30, 2019, President Tsai was calling for a trade agreement with a post-Brexit UK and hoped to enlist help from three visiting members of the British House of Lords.⁸ Why is President Tsai courting Britain rather than Mainland China? Across the Taiwan Strait, China is the island’s top trade partner but Taiwan’s attitude toward economic agreements is ambivalence at best and staunch opposition at worst.

In this section, we first review the status of Taiwan’s economy and contemporary reluctance to deal with the Mainland. We then explain why the three predominant explanations for this trend — concerns that the Mainland is using economic integration to coerce unification, distributive politics on the island (?), and the emergence of a Taiwanese identity that “otherizes” China — are undoubtedly important (?), but insufficient. In the next section, we explain that the literature has overlooked an important discrepancy between how Taiwan and China perceive and describe

⁸“President Tsai Calls for Talks with U.K. on Free Trade Agreement”, *CNA*, July 30, 2019.

their relationship, and that this discrepancy plays an important role in Taiwanese attitudes toward cross-strait economic policy.

2.1 Cross-strait economics

Similar to many East Asian neighbors, Taiwan relies on China for its economic prosperity. China, together with Hong Kong, accounts for about thirty percent of Taiwan's overall trade and forty percent of the island's exports. The island's balance of trade data demonstrates China's importance: In 2018, for example, Taiwan's global trade surplus was 68.262 billion (all values in US dollars unless noted otherwise), while its trade surplus with China stood at 83.184 billion (?, 22-25). In other words, Taiwan depends on this trade surplus from China to avoid running a foreign trade deficit.

China has also been the top destination of Taiwan's foreign direct investment (FDI). Even though Taiwan only officially allowed the island's investment in China beginning in 1991, the accumulated Taiwanese investment in Mainland China has reached 183.796 billion in April 2019, more than Taiwan's accumulated FDI in the rest of the world combined (141.169 billion).

Moreover, Taiwan's investments in China have shifted over the years in a way that increases, rather than decreases, their dependence on the Mainland. Taiwan's China-bound investment started with the migration of labor-intensive and low-value-added industries such as toys and garments, which faced the loss of competitiveness if they continued production in Taiwan. Nowadays, however, the westward investment is carried out by some of Taiwan's most competitive industries, such as information and communication, motivated by two primary needs. The first is the pervasive operation model where Taiwan's global companies manage overseas orders and export intermediate goods to China, and their Mainland factories manufacture final goods and export them to buyer countries. In other words, Taiwan's investment in China has established a crucial part of the global vertically integrated supply chain and contributed to increasing interdependence across the Taiwan Strait. Second, as China becomes a middle-income country, its domestic market has become lucrative and crucial to the growth and competitiveness of Taiwanese companies. More and more investment from Taiwan to China aims not only to export to third-party countries but also, and maybe more, to tap into China's vast and fast-growing market (?, 6-7). Taiwanese companies' rising share of revenues and profits from the Chinese market implicates Taiwan's increasing dependence on the Mainland for continuing its economic success.

As an economy with a small home market and high reliance upon global trade,⁹ we might expect Taiwan to behave similarly to other small trading economies such as Hong Kong, the Netherlands, and Singapore and embrace international economic integration for their advancement. Indeed, Taiwan has eagerly pursued free trade agreements with its major trade partners, such as the United States, Japan, and the European Union, though its efforts have largely been thwarted by Chinese pressure on prospective partners.

At the same time that they pursue new opportunities for trade, Taiwanese attitudes toward its top trading partner have been at best ambivalent, even in the face of material gains, China's active support of cross-strait economic cooperation, and the extra concessions Beijing is willing to offer. For instance, before the two signed their cross-strait Economic Cooperation Framework Agreement (ECFA), a Taiwanese government-commissioned report estimated that the trade agreement would increase Taiwan's GDP by 1.65 to 1.72 percent and create 257 to 263 thousand jobs (?). Another report estimated that a cross-strait trade in services agreement (CSSTA) would increase the output of Taiwan's service industry by 0.11 percent and create 12 thousand jobs (?). China committed to make nonreciprocal concessions to Taiwan in both deals. In ECFA's early harvest program, China reduced tariffs on 539 import goods from Taiwan, while Taiwan made similar commitments only on 267 import goods from China. In the CSSTA, China committed to open 80 service sectors to Taiwan, while Taiwan 64 to China. Economic gains and preferential treatment from China notwithstanding, both ECFA and CSSTA were controversial in Taiwan. In the end, the island begrudgingly ratified the former in 2010 but ferociously rejected the latter in 2014, and the progress in cross-strait economic cooperation has stalled since the CSSTA failed to gain societal support in Taiwan.

2.2 Existing explanations

Existing scholarship points to three possible explanations for Taiwan's seemingly irrational rejection of opportunities to grow via ties to the Mainland. First, China poses an existential threat to Taiwan — China claims the island as part of its territory and refuses to rule out the option of taking Taiwan by force. Insofar as economic integration can provide a path to unification by making Taiwan so dependent on the Mainland that they cannot reasonably resist, Taiwanese reticence makes sense. Yet China has posed a constant security threat to the island, and Taiwanese people have not continuously

⁹Taiwan's trade dependence was 105.58% in 2018. The trade dependence index is calculated by the ratio of the total amount of trade to GDP.

rejected economic cooperation with China. Opinion polls in Taiwan had found that when cross-strait economic exchanges stalled, Taiwanese people became noticeably impatient about the pace of cross-strait exchanges. In contrast, during the periods of the steady progress of cross-strait economic exchanges, people's attitudes changed, and the Taiwanese public tended to feel a strong need to put the brakes on integration (?). The constant security pressure from China cannot fully explain Taiwanese citizens' oscillating preferences on cross-strait economic cooperation.

Moreover, China's security threat to Taiwan cannot explain why progress in cross-strait economic cooperation took place under DPP leadership. The party's pro-independence stance exacerbated China's security pressure, but did not always entrench opposition to cross-strait economic exchanges. While the Chinese Nationalist Party (or Kuomintang, KMT), is more open to the idea of unification, KMT administrations sometimes impose restrictions despite their China-friendly stance (?, 2-3).

Second, distributive politics resulting from unequal sharing of the benefits from cross-strait economic cooperation is another alternative explanation of Taiwan's conflicted position on the matter (?). Taiwanese businesses with commercial interests in the Mainland tend to support closer ties to China, while the general public is more skeptical and likely to resist economic integration across the Taiwan Strait. And while distributive politics explains some subgroups' attitudes, it cannot explain widespread variation across members of the public whose industries are not wholly dependent on the Mainland.

Third, some scholars focus on Taiwanese citizens' evolving identity (?). For example, Shirley Lin argues that identity-related factors complement structural pressure on small trading economies and domestic distributive politics to provide a more comprehensive explanation of Taiwan's ambivalent attitudes toward economic relations with China. She contends that Taiwan's oscillating economic policy with China was a byproduct of the island's morphing and consolidating identity, as the lack of a consensual identity in early stages prevented the Taiwanese society from agreeing upon national goals and stable economic policy to advance them (?, 12-13). However, she claims that as an exclusively Taiwanese identity consolidated on the island since the mid-2000s, the debate about economic relations with China has shifted away from identity toward rationalist and pragmatic calculation of costs and benefits.

We agree with her emphasis on the role that identity plays in Taiwan's puzzling economic policy with China. However, we disagree with her conclusion. With a consolidated Taiwanese identity on the island, we do not think the identity factor will phase out in the debate of cross-strait economic

integration. Instead, we argue that the impact of a Taiwanese identity has become more important as members of the public increasingly see Taiwan as China’s peer — they are a distinct group who wants to be recognized as such rather than folded into the Chinese family. In other words, we expect identity to continue playing a pivotal role in motivating Taiwan’s ambivalence toward cross-strait economic cooperation.

3 Background and Theory

We propose that in tandem with an emerging Taiwanese identity, Taiwanese perceptions of their relationship with the PRC have shifted over time. Contemporary Taiwanese public opinion is dominated by the view that China is an international peer, not family, a factor that drives opposition against the Mainland’s message of kinship. On the one hand, there is a well-documented pattern whereby most residents now identify as Taiwanese rather than Chinese that corresponds with a growing desire in Taiwan for permanent de facto or eventual de jure independence and resistance to unification (??????). On the other hand, a large portion of the population still identifies as both Taiwanese and Chinese,¹⁰ and we may miss important sources of variation if we focus only on the nominal national identity(ies) rather than the Taiwanese emphasis on a relationship built upon equality.

3.1 Relational Models Theory

Our argument is rooted in Relational Models theory (RMT) (?). RMT posits that human relationships are structured according to four ideal types — Communal Sharing (*Community*), Equality Matching (*Equality*), Authority Ranking (*Authority*), and Market Pricing (*Market*) — each constituted by a distinct set of norms. Relational models are the “schemata people use to construct and construe relationships” (? , 689). They shape what types of behavior are expected and normatively acceptable in a relationship (?), across domains from how a group should make decisions to how work duties are shared and what the norms of exchange are (??, 42-49). As ?, 689 summarizes, “People’s chief social conceptions, concerns, and coordinating criteria, their primary purposes and their principles, are usually derived from the four models.” RMT has undergone extensive ethnographic,

¹⁰Indeed, Johnston and Yin (2018) find that a majority of Taiwanese see themselves as “both” Taiwanese and Chinese when they adopt a more flexible measurement strategy than the one deployed in standard surveys. See “Beijing wants Taiwanese to identify as Chinese. But how do Taiwanese really feel?,” *The Washington Post*, 4 June 2018, for a discussion.

survey, and experimental testing since its development (??), and forms the foundation of research across the social sciences including psychology (???), business (?), marketing (?), and anthropology (?). In political science, (?) use RMT to explain why people spurn ‘taboo tradeoffs,’ different relational norms underlie the five moral foundations shown to divide liberals and conservatives (?) as well as hawks and doves (?). Recent work applies RMT to different conceptions of national and supranational identities to show that distinct sets of norms constitute what it means to be part of a group, and in turn shape preference for international cooperation (?).

These four relational models are discrete structures; they are separate, unipolar factors rather than ends of a continuum, and they are not united under an overarching metamodel (??). *Community* structures mark relationships among “undifferentiated” group members (?, 690), in which no single person is valued above another. Communities thrive in homogeneous groups due to their emphasis on unity — people in a community group share a common fate, and are responsible for helping each other and protecting the group as a whole. A threat to the group is a threat to all, and maintaining unity facilitates the group’s ability to respond to both external and internal transgressions (?). Whereas deviations from a group’s prototype can threaten cooperation in a heterogeneous community (?), homogeneous groups skirt this problem. Within the community, members prioritize the collective over any single individual. Therefore, community relations are common among families or kin groups, where people give and take freely from the group’s resources and assist any group member who is in need (?).

Social relationships governed by *equality*, by contrast, manifest among people who think of themselves as peers or equals (?). In this type of relationship, members aim for evenness or balance and expect in-kind reciprocity (?). Whereas community members do not expect anything in return for a favor that redounds to the group’s benefit, equality relations are tit-for-tat. If I buy a meal for a friend, I expect that she will repay the favor in kind with a future meal on her.

Authority relations exist where there is a clear hierarchy among individuals (??). Those at the top of the hierarchy are expected to lead, and subordinates abdicate decision-making power to leaders (?). Authority relations govern standard teacher-student interactions, military ranks, and traditional family structures in Confucian culture. Those at the top of the hierarchy appropriate goods to those at the bottom, and inferiors provide tributes to their superiors. Finally, *market* relations entail rules about proportionality, where interactions are based on a person’s share of a common resource or cost-benefit calculations (?). These are most common in economic exchange,

such as between a merchant and a consumer; their interaction is based on the exchange of money for goods (?).

People form expectations about others' behavior based on the relational model that governs their relationship, and an action deemed acceptable in one relational context might be taboo in another. Whereas one must pay the bill at a restaurant (market relations), it would be considered rude to offer money to a friend who invited you to their home for dinner (equality relations) (?). An action that would be judged as immoral in an equality-based relationship might be acceptable in a different context: In ultimatum games,¹¹ receivers reject offers that are not close to a 50-50 split on the basis of fairness (??), but not when the dictator has “earned” authority through her performance on a task (??).

Conflict and animosity can emerge when one actor believes that they are in a certain type of relationship with another actor who responds through a different set of norms (?). Imagine, for example, four people working on a group project. If three of the group members believe that all four are equals and have equal responsibilities, but one believes that he is the leader in an authority-based relationship, his effort to dole out tasks is likely to meet resistance. This can hold even when it carries a personal cost — an American voter might push back against an executive order that matches her policy preferences if she believes that the policy should be decided by a one-person one-vote process (*equality*) and not authoritative decree.

3.2 How Social Relations Shape Taiwanese Attitudes Toward Cooperation

We argue that there is a disconnect between how the Taiwanese view their relationship with the PRC and how the PRC conducts diplomacy with Taiwan. The disconnect contributes to Taiwanese citizens' ambivalence toward China's calls for deeper economic cooperation and integration across the Taiwan Strait. While the Taiwanese identity was historically linked to the broader Chinese community, there has been a shift over the past three decades. Growing numbers of Taiwanese residents, consistent with their commitment to a democratic if not fully independent government, see themselves as part of a relationship with China rooted in equality. They resist deeper cooperation with the Mainland when the cooperation is not rooted in reciprocal exchange. In what follows, we

¹¹Ultimatum games describe a class of economics experiments in which player 1 is endowed with a resource and has the opportunity to offer a division of that resource to player 2. If player 2 accepts the offer, both players keep whatever share they have been granted. If player 2 rejects the offer, both players leave empty-handed.

first review the evolution of the Taiwanese's identity, showing that Taiwan's former authoritarian government enforced norms related to a united Chinese community and how political participation eventually allowed an alternative model, based on equality, to flourish on the island. We then turn to our theoretical expectations and hypotheses.

Taiwan's Shift from Community to Equality

When Kuomintang (KMT, or the Chinese Nationalist Party) fled to Taiwan in 1949 after its defeat by the Chinese Communist Party (CCP), the KMT leadership dictated that Mainland China and Taiwan were part of one Chinese community. This move was politically motivated (Chang, 482-483). Chiang Kai-shek wanted to maintain the legitimacy of the ROC regime, which was established on Mainland China and controlled by the Mainlanders who moved to Taiwan in 1949. More important, Chiang wanted to mobilize Taiwan's resources toward his goal of recovering the Mainland. An identity based on one Chinese community was best to encourage the Taiwanese to endure individual sacrifice and take pride in serving the collective good of restoring the republican government to China (Chang, 134). The claim that Taiwan and the Mainland were one Chinese community was also critical in the ROC's international competition with the PRC to represent the whole of China.¹² The practical effects of instilling a Chinese identity pervaded everyday life on the island. In addition to political control, the KMT government used education and popular culture to indoctrinate a homogenized Chinese identity on Taiwan while suppressing elements that might develop or assert a Taiwanese identity that separated the island from the Mainland.

To inculcate a homogenized Chinese identity, Taiwanese identity was originally suppressed and bound to the Han Chinese community (Chang). Within a community, unity is a virtue, and traditions are essential for maintaining the continuity of the group (Chang). Community relationships thus emphasize unity, continuity, and a commitment to markers that bind the group together (Chang). Chiang Kai-shek's Taiwan enforced community norms by treating shared language as an important solidarity marker. The KMT government demanded conformity: They imposed Mandarin as the national language while making it embarrassing for the Taiwanese to speak their native languages e.g., Hokkien, Hakka, or Austronesian, in public (Chang, 62-64), and co-opted the education system to promote their message (Chang). The government also demanded that citizens maintain their appearances to fit the group's

¹²The KMT regime painstakingly kept people's vigilance about their Chinese identity. For example, Taiwan's national identification cards used to carry a demographic datum on one's paternal ancestor's birth province in Mainland China. See (Chang, 63)

image. For example, Shelly Rigger reports that the now renowned Cloud Gate Dance Theatre founder Lin Hwai-min was once marched into a barber shop for a forced haircut when the police deemed his unkempt look to be subversive (?, 134).

The KMT's plan to recover Mainland China faltered during the 1960s and the 1970s, and the constructed Chinese community on the island began to fracture along with their authoritarian rule. The number of countries who officially recognized the ROC's authority began to dwindle during the periods. The situation became more precarious when the ROC's most important ally and security guarantor, the United States, switched diplomatic recognition from Taipei to Beijing. Retaking the Mainland became a pipe dream, and Chiang Kai-shek's son and political heir Chiang Ching-kuo responded by loosening the KMT's authoritarian grip to sustain the regime's legitimacy (?). Though the KMT kept its unquestionable dominance in politics, Taiwanese elites were co-opted into the ruling echelons, and new social forces were allowed into the political process as elections became more open to competition and repression became less frequent, more legalistic and less direct (?, ?, 482-83; ?, ?).

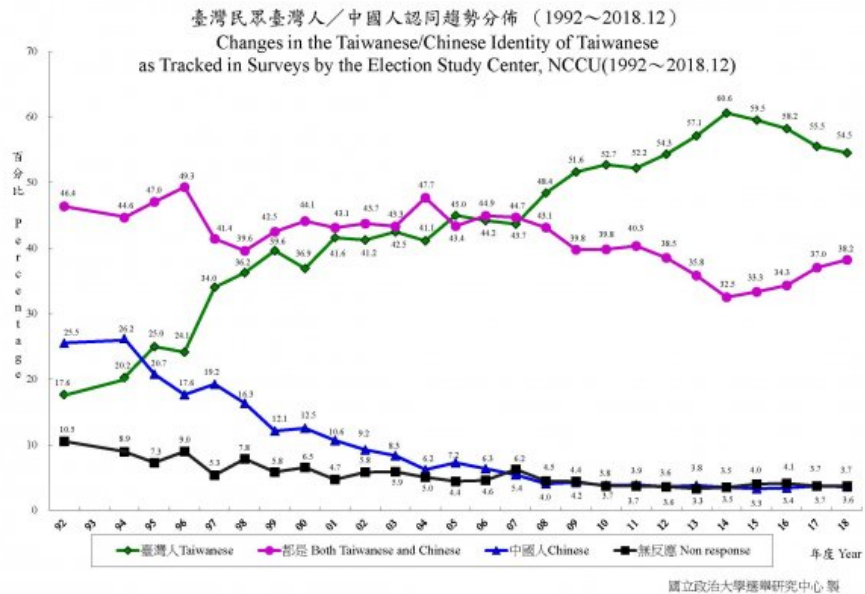
From the beginning, not all Taiwanese shared the KMT regime's enthusiasm for retaking Mainland China to reunite the Chinese community. People in such "dissident" groups instead viewed Taiwan as a political entity separate from China and should be on an equal footing with the Mainland in international interactions. When Chiang Ching-kuo lifted martial law in Taiwan in 1987, such previously suppressed voices emerged to the surface. Discussions about the definition of "citizenship" became part of the domestic political process as people debated what it meant to be Taiwanese outside of the Chinese community (?, 133). As a new generation took over leadership roles, the former unity-promoting rhetoric and policies toward Mainland China gradually faded. Politicians from the KMT and the newly-formed pro-independence Democratic Progressive Party (DPP) alike treat Taiwan, not Mainland China, as their motherland. These changes ushered in an emerging popular and political sentiment on the island that Taiwan's identity was distinct from that of China (?, xi).

The 1995-96 Taiwan Strait crisis was a watershed moment for many Taiwanese people who later came to reject that Taiwan and China were part of a same community. The crisis took place in the aftermath of then-Taiwanese President Lee Teng-hui's visit to the United States in 1995. Beijing believed that Lee's U.S. visit was a scheme to pursue Taiwan independence and hoped that military intimidation could lead to his defeat in Taiwan's coming presidential election in 1996. The PRC mustered 100,000 troops in the province of Fujian right opposite to the island across the Strait and

conducted missile tests that effectively blockaded Taiwan’s two major harbors. This military move failed to achieve Beijing’s policy goal and inadvertently further fractured the Taiwanese public’s sense of belonging to the same Chinese community with the Mainland. Even those who had been indoctrinated by the KMT’s Sino-centric education started to see China as a danger (?, 143-47). The crisis highlighted the latent security threat posed by China, which went counter to the norms of community relationships that emphasize unity, solidarity, and consensus.

In the wake of the PRC’s belligerence, a significant portion of the Taiwanese citizens moved away from describing themselves as “Chinese” at the same time that the government began a conscious “de-Sinification” process (?, 531). Surveys conducted by the National Cheng-chi University’s Election Study Center on the Taiwanese people’s identity capture the dramatic transition, as shown in Figure ???. During the crisis, the portion of people who identified themselves as exclusively Taiwanese surpassed that of whom identified themselves as exclusively Chinese for the first time since the survey began in 1992. After the 1995-96 Taiwan Strait crisis and the presidential election in 1996, the share of respondents claiming themselves as exclusively Taiwanese jumped almost ten percentage points and has maintained an upward trend thereafter (see also ?????). The Taiwanese-exclusively identity eventually topped the inclusive identity of being both Taiwanese and Chinese in 2008.

Figure 1: Changes in the Taiwanese People’s Identities



Source: Election Study Center, National Chengchi University

The exact meaning of a Taiwanese identity is still in debate on the island, but a contemporary bloc has emerged that embraces a commitment to the island's unique history and status (?). For example, Lee Teng-hui proposed a "New Taiwanese" identity in which everyone living in Taiwan is bound by their "common life experiences".¹³ This removes the distinction between Mainlanders and those born in Taiwan — they all have equal claim to membership in the group — but reinforces the separation between China and Taiwan (?, 147). When it comes to the PRC, the New Taiwanese identity stresses that the ROC exists as their equal. As President Tsai Ing-wen stated in 2019, "China must face the reality of the existence of the Republic of China (Taiwan)."¹⁴ Even if the two were to eventually unify, it must be a voluntary merger of two sovereign actors and not one larger entity absorbing another (?, 147).

3.2.1 Theoretical Expectations

We contend that a critical mass of Taiwanese citizens have come to see themselves not as part of the Chinese community but as an international peer to the Chinese community existing on the Mainland. Viewed in light of relational models theory, this means that Taiwanese citizens want the island to be entitled to same rights and responsibilities held by other international actors because actors in an equality-based relationship have "equal starting points" (?, 5). In this respect, our argument about the Taiwanese desire for cross-strait equality is akin to the struggle for recognition familiar to IR scholars (???). Taiwanese who see China as their peer are "quite certain of their social status" and demand respect in return (?, 109). Tsai Ing-wen stressed Taiwan's international position in a 2016 interview: Asked if it is "unfair that Taiwan is not recognized in the world," she surmised that "It is unfair."¹⁵ In her inauguration speech, she introduced Taiwan's New South-bound Policy, which highlighted her drive to not only reduce Taiwan's economic reliance on China but also to facilitate regional growth. This move signals her commitment to cementing Taiwan's position as a responsible stakeholder, independent of the Mainland's development assistance projects such as the One Belt One Road. The public's shift away from identifying as Chinese is similarly motivated — citizens do not reject the cultural similarities, but rather the implication that they are PRC nationals and that they are part of the Chinese community based on the PRC identity.

¹³See Lee Tung-hui, "Xin Shidai Taiwanren de Yihan "The Meaning of A Taiwanese in the New Era," published by the Lee Teng-hui Foundation (accessed on August 23, 2019).

¹⁴Tsai Ing-Wen, 2019. "President Tsai issues statement on China's President Xi's 'Message to Compatriots in Taiwan'." Transcript available at the Office of the President of the Republic of China (Taiwan). 2 January.

¹⁵Lally Weymouth, 2016. Taiwanese President Tsai Ing-wen: Beijing must respect our democratic will, *The Washington Post*, 21 June.

Consequently, insofar as Chinese policy and rhetoric reflects Taiwan's status as a peer — if both sides ascribe to the same set of norms — we expect Taiwanese citizens to be more likely to support cross-strait cooperation. For example, in the years before the two sides negotiated and signed the historic ECFA, then-Chinese President Hu Jintao couched their relationship more in terms of equality, even as he held the line against Taiwanese independence. As early as in 2005, Hu asserted that “peaceful reunification does not mean that one side ‘swallows’ the other but that the two sides confer on reunification through consultation on an equal footing” (Hu Jintao qtd. in ?, 9). His government established research teams who were tasked with finding a solution that would create a new status for Taiwan that would be closer to equality than “one China,”¹⁶ and advocated peace negotiations that would grant equal power to both sides (?). After KMT's Ma Ying-jeou took power in Taiwan in 2008, Hu's China refrained from mentioning the “One Country, Two Systems” formula for unification that denigrated Taiwan to a local authority of the PRC. Instead, Beijing anchored its policy and rhetoric on the so-called “1992 Consensus,” which hinted more equality between the two sides as the term “one China” was pervasively accepted in the international community as referring only to the PRC (?).

Signs of progress receded into the background after Xi Jinping's ascendance in the PRC, who turned the conversation toward urgent reunification and the re-establishment of a Chinese community that included Taiwan (?). Rhetorically, Xi's “Chinese dream” called on the Taiwanese to join hands with the Mainland to rejuvenate the whole Chinese nation as one.¹⁷ China rolled out a series of policy initiatives that increasingly treated Taiwanese citizens as PRC citizens. As in community relations in general, Beijing contended that when any Taiwanese or Chinese compatriot wins, the whole group wins. Meanwhile, Xi's government tightened China's grip on Taiwan's international space, blocking Taiwan's ability to participate as an observer in international organizations¹⁸ and coerced states to shift their diplomatic recognition from the ROC to the PRC (?).¹⁹ The purpose of such actions was to deprive Taiwan of any capacity for claiming statehood and being a peer to the PRC. In short, Beijing under Xi Jinping seems to have redoubled its efforts to “bring Taiwan back into the Chinese nation,” despite that Taiwan increasingly considers themselves equals to Mainland China (?).

¹⁶Shih Hsiu-chuan, 2011. “[Hu Jintao eager for Taiwan legacy](#),” *Taipei Times*, 12 June.

¹⁷Xi Jinping, 2013. “Create a Better Future of the Chinese Nation Hand in Hand,” April 8.

¹⁸Ralph Jennings, 2016. “[China Pushes Taiwan's International Status To A New Low](#),” *Forbes*, 12 October.

¹⁹Austin Ramzy, 2016. “[China Resumes Diplomatic Relations With Gambia, Shutting Out Taiwan](#),” *The New York Times*, 18 March.

We expect China's recent rhetoric and behavior is less problematic among Taiwanese residents who think of China as part of their family because, for them, both sides of the strait share the same set of relational expectations. Their identities are complementary. In other words, we expect in contemporary Taiwan that members of the public who view China in community terms will support deeper cooperation. The prospects for mutual growth should be attractive to most people on the island, and the shared conception of the cross-strait identity removes barriers. By contrast, those in Taiwan who think of China as an equal will be driven away by rhetoric and behavior that paint them as part of a homogeneous Chinese family. For this group of people, Taiwanese are China's peers, and their identity is defined by a distinct set of democratic commitments. Proponents of this view will reject opportunities for economic cooperation, even when it might boost Taiwan's stagnating economy, unless it acknowledges their status as peers. This logic leads to our two cross-sectional hypotheses:

Hypothesis 1: Taiwanese who view China as part of their community will express more support for cooperation than those who view their relationship with China as one between equals.

Hypothesis 2: Taiwanese who view China as part of their community will be more likely to support unrestricted economic cooperation, whereas those who view China as an equal will support cooperation only if Taiwan is granted international opportunities that peers possess.

Hypotheses 1 and 2 can be tested with observational data. We can measure how members of the Taiwanese public view the Mainland and whether they support cooperation, but our theory also carries a causal claim: If Chinese rhetoric about cooperation reflects equality rather than community, Taiwanese support for cooperation will grow. On the one hand, those who see China as part of a community — or as the rightful family authority — should support cooperation under any conditions and thus will maintain their favorable views in response to minor rhetorical shifts. On the other hand, those who view China as an equal — and who are therefore put off by Chinese narratives about family unity — should respond favorably to a lexical twist. This leads to our third, experimental hypothesis:

Hypothesis 3: When a Chinese call for economic cooperation is framed in terms of equality, Taiwanese support for the proposal will increase.

4 Study 1

We first analyze results from a survey that included original questions to examine how Taiwanese people understand their relationship vis-à-vis Mainland China and the association between identity dissonance and attitudes toward cooperation. In March 2019, a diverse sample of 1,810 Taiwanese residents completed the Public Image of China survey fielded by Dr. Chung-li Wu at the Institute of Political Science, Academia Sinica, in Taipei, Taiwan.²⁰ We include survey weights to match population parameters on gender, age, education, and location in all analyses.²¹

4.1 How Taiwanese Perceive Cross-Strait Identification

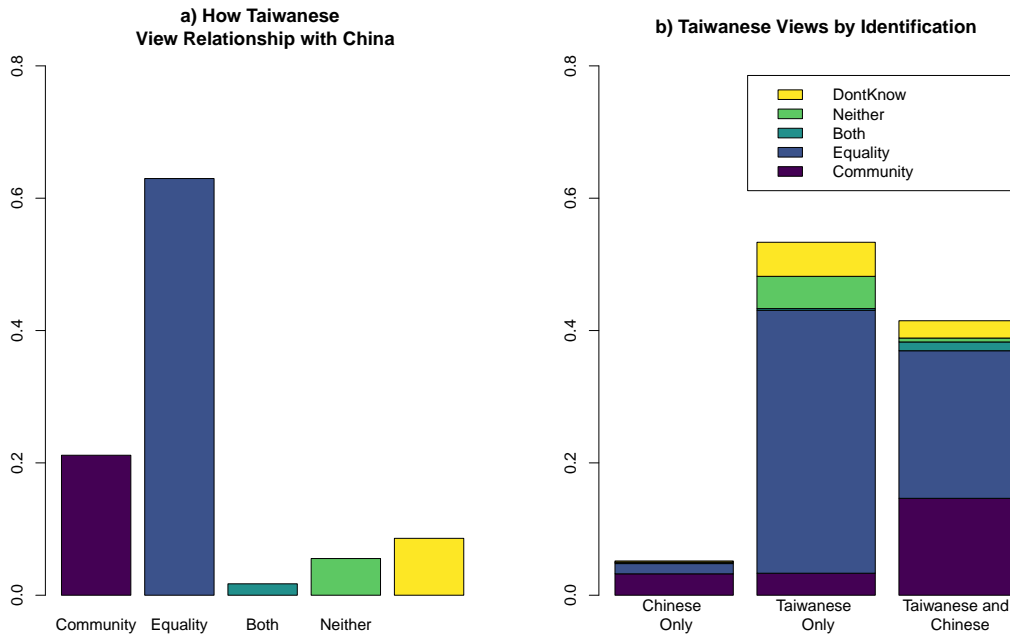
Before testing Hypotheses 1 and 2, we first validate our claim that Taiwanese residents hold distinct views of their identity vis- -vis the Mainland, and that these perceptions are not wholly commensurate with whether they describe themselves as “Chinese”, “Taiwanese” or “Both.” This demonstrates the added value of our framework over traditional measures of identity that do not account for individual understanding of what it means when they commit to a particular label. To measure how people understand their relationship with Mainland China, we asked participants whether they view Taiwan and Mainland China as part of a single family or as equal partners: “Some Taiwanese view Taiwan and Mainland China as part of the same family, who share freely. Other Taiwanese view Taiwan and Mainland China as equal partners, who ask for reciprocity. Which is closer to how you view Taiwan’s relationship with Mainland China, even if neither is exactly right?”

Panels a and b of Figure ??, reveal four important patterns. First, 63% of our Taiwanese respondents see their relationship with China as an equal partnership. This strong majority dwarves the next most popular response — 21.2% of the sample believes that Taiwan and China are part of a single community. Second, our measures of identity content are not perfectly correlated with whether or not an individual identifies as Taiwanese, Chinese, or both. Excluding the 2.6% of the sample who responded “don’t know” or did not respond when asked about their identity, 5% of respondents reported that they identify as solely Chinese. The remaining respondents were split between “Taiwanese only” at 52% and Taiwanese and Chinese at 40.4%. Most of the people who

²⁰The survey organization used a stratified sampling procedure to draw respondents over 20 years old from 22 cities and counties in Taiwan. Respondents were contacted by phone using random digit dialing, and the survey was completed via Computer Assisted Telephone Interviews (CATI). The completion rate was 5.3% of the 31,062 numbers called, and 65.2% after counting for incorrect numbers, technical issues, and inability to confirm eligibility.

²¹Additional information about the sample and survey weights is available in the Appendix, §1

Figure 2: Taiwanese Perceptions of Cross-Strait Identities



Note: Panel a displays the proportion of the weighted sample of respondents who selected each response, N=1810. Respondents who selected “I don’t know”, “It depends”, “No opinion” are combined in the “No response” category. Bars in panel b represent the proportion of the sample who report that they identify as Chinese, Taiwanese, or Taiwanese and Chinese. Colored sections of each bar indicate the proportion of that identity category who perceive their relationship with China in each category. Respondents who selected “I don’t know”, “It depends”, “No opinion” to the question about their identity – 2.6% of the sample — are eliminated from this plot.

identify as solely Chinese see Mainland China as part of their family, but respondents who view China as part of their community and identify as Taiwanese only or both Taiwanese and Chinese comprise nearly 18% of the sample. If we only focused on the nominal identity category, we would miss important variation.

Third, respondents view community and equality as distinct categories. Few respondents selected that they view China as both their friend and family member. Fourth, a non-trivial proportion of respondents, 14.1% declined to respond, selected don't know, or said that neither model was a good descriptor of how they view their relationship with China. On one hand, this is comparable to non-response or don't know rates on other items from the same survey.²² On the other hand, this allows us to explore whether those who see China as neither friend nor family, or who did not respond, differ systematically from the categories that interest us. We therefore retain these data and treat them as separate categories in our analyses.

4.2 Community, Equality, and Cooperation

To test hypothesis 1, we operationalize support for cooperation with two separate outcomes. The first dependent variable taps general economic cooperation in line with the puzzle that drives our project — do participants support enhancing economic and trade relations with Mainland China, or not? We create a binary indicator coded 1 if participants reported that they support enhancing existing economic ties, and 0 if they opted to decrease ties or maintain the status quo (those who preferred the status quo comprised 0.5% of the sample).

The second measure draws from a contemporary debate over the ability of Taiwanese residents to hold residence permits for Mainland China and tests whether our argument applies in the context of a specific cooperative policy. Starting in August 2018, China introduced a measure that would allow citizens from Hong Kong, Macau, and Taiwan to hold residence permits in the Mainland if they meet certain eligibility criteria. Residence card holders enjoy national treatment and can easily access to transportation, professional certifications, and other services like PRC citizens and can also take advantage of government benefits like health insurance and public housing.²³ Like the ECFA and other forms of economic cooperation, Beijing's rhetoric is couched in community language. The

²²For example, 15.3% of respondents declined to answer or selected don't know/no opinion when asked whether they thought U.S.-China relations were changing under Trump, and 10.6% when asked their impression of Chinese tourists.

²³See [“The General Office of the State Council issued Notice on ‘Application for Hong Kong, Macao and Taiwan Residents.’”](#)

Taiwan Affairs Office, for example, noted that the permits are “an implementation of the ‘Two sides, one family (*liangan yijia qin*)’ concept,” and that they would allow Taiwanese compatriots to “share development opportunities with Chinese citizens and eventually achieve “equal treatment” (between Chinese and Taiwanese citizens).²⁴ The Taiwanese government has met this move with skepticism, arguing that holding a Mainland residence permit is tantamount to Chinese citizenship and threatening to strip Taiwanese citizenship from those who obtain a Mainland residence permit.²⁵

We ask participants whether they believe that Taiwanese people should be able to freely hold these permits, or whether holding a residence permit for Mainland China should come at a cost to their civil liberties at home. We code a binary dependent variable as 1 for participants who believe that Taiwanese should be able to hold permits without restrictions, and 0 for those who think that restrictions or punishments should apply or who choose don’t know.

The primary independent variable is a participant’s response to the question of how they view their relationship with China — as part of a family, equals, both, neither, or a non-response. We include controls for whether identification as Taiwanese only or both Taiwanese and Chinese (Chinese only is the excluded category), education (dummy coded 1 for university completed), male, partisanship (dummy indicators for KMT, DPP, and Other Party, with no party as the reference category), and age (6 categories).

4.2.1 Results

Models 1-4 in Table ?? report the estimates from logistic regressions that predict support for our two measures of cooperation. Turning to Models 1 and 2, the results show that relative to those who see China as part of their family — the excluded category in the models — Taiwanese who view China as their peer are less likely to support strengthening Taiwan’s economic ties to the Mainland. People who view the Mainland as part of their extended family are relatively keen to build economic bridges — what’s good for the Mainland is good for the community as a whole. By contrast, the negative coefficient on Equality indicates that people who see Mainland China as a peer are wary of Chinese advances toward deeper integration. They do not want to enhance economic ties that might bring material benefits but erode their equal standing contra their Chinese peers. Negative

²⁴Taiwan Affairs Office of the CPC Central Committee, 2018. “[Taiwan Affairs Office: Making Taiwan resident residence permits is a good thing for the benefit of Taiwan compatriots](#),” 12 September.

²⁵Mainland Affairs Council, 2018. “[Instructions for the full implementation of the residence permit issued by the Taiwanese people in mainland China since September 1](#),” 1 September.

Table 1: Support for Cooperation with Mainland China

	Support Economic Cooperation		Support Residence Permits	
	(1)	(2)	(3)	(4)
Equality	-1.802** (0.262)	-0.926** (0.331)	-1.934** (0.194)	-1.192** (0.225)
Both	-0.103 (0.799)	0.455 (0.941)	-0.595 (0.535)	-0.134 (0.609)
Neither	-3.036** (0.370)	-1.762** (0.471)	-3.815** (0.401)	-2.660** (0.446)
Don't Know	-1.848** (0.406)	-1.038* (0.461)	-1.480** (0.377)	-0.451 (0.417)
Taiwanese Only		-3.025** (0.825)		-1.516** (0.475)
Taiwanese and Chinese		-2.196** (0.828)		-0.614 (0.460)
DPP		-1.029** (0.210)		-0.868** (0.236)
KMT		1.977** (0.271)		0.979** (0.187)
Other Party		-0.341 (0.351)		0.164 (0.328)
University		-0.037 (0.228)		0.342 (0.202)
Male		-0.708** (0.184)		0.092 (0.165)
Age 20-29		0.468 (0.426)		0.348 (0.390)
Age 30-39		-0.146 (0.363)		0.227 (0.350)
Age 40-49		-0.187 (0.352)		-0.006 (0.332)
Age 50-59		0.105 (0.327)		-0.288 (0.306)
Age 60-69		-0.202 (0.323)		-0.441 (0.312)
Constant	2.519** (0.247)	4.696** (0.858)	1.788** (0.175)	1.900** (0.524)
N	1,579	1,492	1,524	1,441

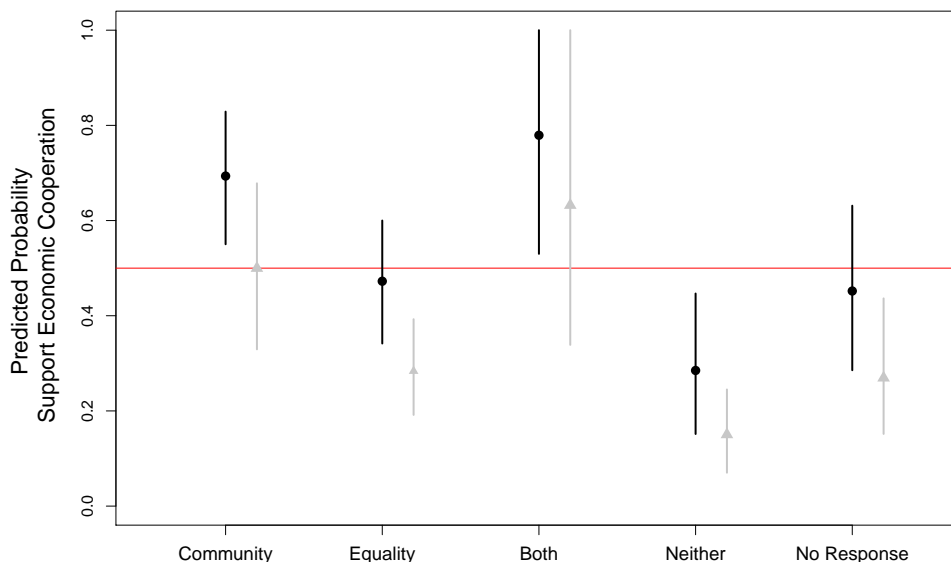
*p < .05; **p < .01

Note: Table displays logit coefficients from models estimated with survey weights. Reference categories for dummy variables include Community, Chinese Only, no party, and Age \geq 69.

coefficients on Neither and Don't Know indicate that the participants who see China as neither friend nor family oppose cooperation. The control variables included in Model 2 confirm expectations from previous literature, in that people for whom Taiwanese comprises part of their identity are less likely to support economic cooperation than their counterparts who identify as only Chinese. DPP and

KMT partisans are less and more likely to support cooperation, respectively. Our primary findings are robust to including these controls.

Figure 3: Who Supports Enhanced Economic and Trade Relations?



Note: Figure displays predicted probabilities with bootstrapped confidence intervals from a logistic regression that predicts support for increased economic cooperation (Model 2 from Table ??). The dependent variable is coded 1 if participants support enhancing economic relations, and 0 otherwise. Index values for control variables are DPP, male, university education, and age 50-59. Estimates in black are for those who identify as Taiwanese and Chinese, and estimates in gray are for those who identify as Taiwanese only.

To interpret the substantive effects of our independent variables, we plot the predicted probability that a participant supports increasing Taiwan’s economic ties to the Mainland in Figure ???. Self-reported identity as Taiwanese versus Chinese is a significant predictor in Model 2, so we generate separate estimates using each identity category as the index value. Black points plot the predicted probability for people who identify as both Chinese and Taiwanese, and gray triangles show the same quantity of interest for people who identify as Taiwanese only.²⁶

The results provide support for Hypothesis 1. How Taiwanese view their relationship with the Mainland is not only a statistically significant predictor of support for cooperation and substantively meaningful. The predicted probability of support for someone who identifies as Chinese and Taiwanese and sees China as part of their community is 0.69 — 22 percentage points greater than

²⁶The sample of those who report that they identify as Chinese only is small, and almost exclusively pro-cooperation — only 3 respondents in this identity category did not select that they would increase economic integration with the Mainland.

someone who sees China as their peer. While those who identify as exclusively Taiwanese are less likely to support economic integration in general, the probability of support remains high for those who view the Mainland as part of their community ($p=0.5$ [0.33, 0.68]).

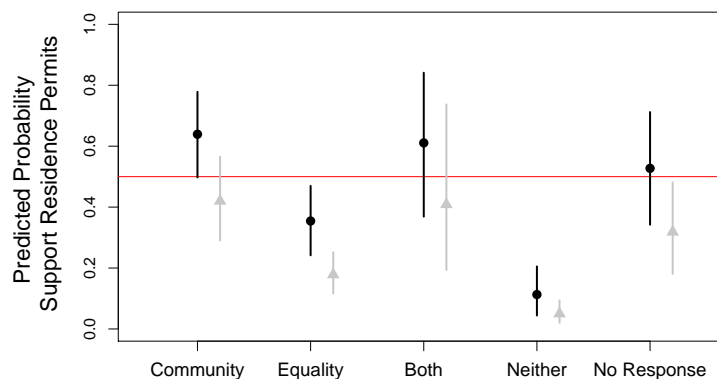
Figure ?? illustrates two additional findings. First, the predicted probability of support is highest for those who see China as both friend and family. The coefficient on “Both” in Model 2 suggest that people in this category are similar to those who select community, and the predicted probabilities reflect this — the odds that someone in the Both category supports cooperation are 78% for those who identify as Taiwanese and Chinese, and 63% for a Taiwanese-only identifier with the same covariate profile. This implies that as long as someone holds a view of their partner that is partially consonant with the other side’s narrative, they will favor cooperation. Yet we are cautious in this interpretation given the small portion of the sample, 1.7%, who selected Both. Second, the strongest opponents of cooperation are not those who view China as a friend, but those who do not think of their cross-strait neighbor in terms of either relational model. We speculate that those who select neither have hostile views of China not captured by our measures, both of which imply some degree of warmth and amity. While a thorough investigation is beyond the scope of our manuscript, we do find a strong negative relationship between “Neither” and respondents’ overall impression of China.²⁷ Future research could probe this by prompting respondents to offer an open-ended description of how they view if neither friend nor family.

Turning to our other measure of support for cooperation, we find a similar pattern: Those who see China as part of their community are more likely to support a policy that allows Taiwanese citizens to obtain a Mainland China residence permit without restrictions. In a community, all members should have access to the same resources (?) — Beijing used this logic to promote the new opportunity, and the probability of support is 0.63 for a Taiwanese resident who perceives China to be part of their broader community and identifies as Taiwanese and Chinese. In a relationship that depends on reciprocal exchange, Taiwanese holding residence permits in China undermines the status as equals and should either be punished or disallowed — the predicted probability of support among those who view China as their peer is 0.35, or 0.18 for those who identify as Taiwanese only and see China as their peer. We again find the lowest levels of support among those who selected neither, and those who view China as friend and family promote cooperation at similar rates to

²⁷We estimated an OLS regression predicting responses to an item that measured overall impression of China on a 5-point from “very bad” to “very good.” The coefficient on “Neither” is both large and statistically significant ($b = -1.30, p < 0.01$) relative to each of the other categories.

those in the community category along.

Figure 4: Should Taiwanese be Allowed Mainland China Residence Permits Without Restriction?



Note: Figure displays predicted probabilities with bootstrapped confidence intervals from a logit model predicting support for the proposition that Taiwanese have unrestricted access to Mainland China residence permits. The dependent variable is coded 1 if participants support enhancing economic relations, and 0 otherwise. Index values for control variables are DPP, male, university education, and age 50-59. Black circles represent estimates for those who identify as Taiwanese and Chinese, and grey triangles represent those who identify as Taiwanese only.

Under what conditions will equality-minded Taiwanese cooperate with the Mainland?

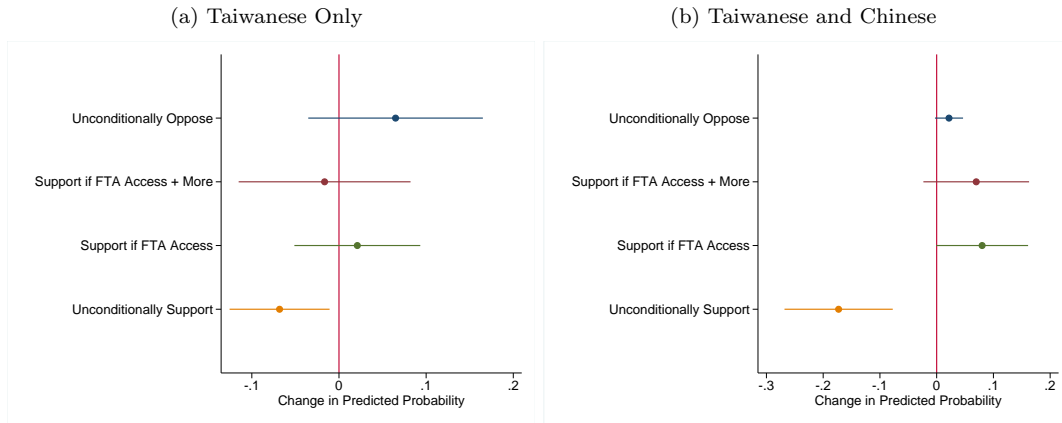
In hypothesis 2, we argue that despite their opposition to enhancing economic ties in general and to granting Mainland residence permits to Taiwanese, participants who see Mainland China as a peer are willing to cooperate as long as their equal international status receives affirmation. One survey item asks whether individuals support enhanced economic ties with the Mainland unconditionally, oppose economic engagement unconditionally, or support economic ties under some circumstances. Namely, participants could choose to support economic cooperation conditional upon China allowing Taiwan to join other regional free trade agreements (FTAs), or upon allowing Taiwan to join other FTAs and offering additional economic concessions. Participants who selected don't know or declined to respond are combined for a fifth category, and the question makes no reference to formal independence for Taiwan.

Because this question offers participants four categorical choices, we estimate a multinomial logistic regression that treats each option as a single binary dependent variable. Models include the same panel of controls used in Models 2 and 4 above. We present the full results in the Appendix in the interest of space, and include the substantive results in Figure ?? below. We focus on a

comparison between equality and community to test Hypothesis 2.

We find that while people who feel that they are part of a united community are nearly three times more likely to espouse unconditional support for additional economic cooperation, those who view China as an equal are not hardened against economic integration. Equality is not the same as enmity. Instead, we find few differences between those who select community and equality when meaningful concessions are offered. Those who view China as an equal are willing to cooperate if China grants Taiwan the opportunity to participate in other regional FTAs. Equality-minded Taiwanese citizens desire the latitude to establish new trading partnerships like their international peers, and they will support deepening their ties to the Mainland to achieve that recognition.

Figure 5: Change in Predicted Probability from Community to Equality



Note: Plots show the change in the predicted probability that a respondent chooses each response category (models include a category for non-response, omitted here for presentation), based on a shift from viewing China as a community member to an equal, with 95% confidence intervals. Panel **a** estimates represent people who identify as Taiwanese only, and Panel **b** plots the same estimates for those who identify as Taiwanese and Chinese. Index values for other control variables are DPP, male, university education, and age 50-59.

5 Study 2

Study 1 provides support for our argument that in contemporary Taiwan, residents are divided between those who believe that their relationship with China is founded on community norms and those who believe that cross-strait relations should be governed by equality. Moreover, this divide helps explain why many people in the Taiwanese public resist economic cooperation that could jumpstart their economy. They do not want to accept an arrangement that would reinforce a different set of norms.

Yet this evidence does not speak to our primary causal claim. We expect that part of this resistance is driven by Beijing’s commitment to a rhetorical strategy that depends on framing economic integration as sharing their largesse with Taiwanese compatriots as family members. Our theory implies that this language undermines Taiwanese beliefs about their relationship and drives them away (?), but that support for cooperation should grow when a policy is framed in a way that affirms their perception of the relationship. A simple narrative shift could then improve the prospects for cross-strait cooperation while the substantive proposal remains the same.

Given that consecutive Chinese leaders have more or less framed cross-strait relations in communal/family terms, conditions for natural experiments are not ripe in this pair of relationship. We find it necessary to resort to lab conditions to manipulate China’s rhetorical strategies. As a result, to test Hypothesis 3, we will field an original experiment to a sample of 1,000 Taiwanese participants as soon as we have cleared the IRB process at one of our institutions. In this section, we present the planned experimental design and welcome any feedback.²⁸ We have designed a single-factor, between-subjects experiment in which we randomly assign participants to receive one of five messages framed as news blurbs, where the Chinese mainland calls on Taiwan to resume negotiations on a cross-strait trade in goods agreement as soon possible. The control message simply calls for renewed cooperation but does not present a relational frame:

Control: The Chinese mainland has recently renewed its call to increase cross-strait economic cooperation. In a recent statement, mainland China stated that the ECFA was an important step forward, but that the two sides must work together to continue eliminating barriers to economic cooperation. “We should resume negotiations on a cross-strait trade in goods agreement as soon as possible to deepen integrated development of

²⁸The experiment will be administered in Chinese, but we present English translations below.

the two sides.”

Four additional treatments begin the same way, but expand the final quote with a message designed to tap each of the four relational models from ?’s (?) framework. We expect that support for cooperation will increase when the message is framed in terms of equality and, to a lesser extent, market pricing, but decrease when the message frames Taiwan as part of the Chinese community or as sons and daughters on a lower rung of the authority-based hierarchical relationship. In crafting the treatments, we draw from previous experimental and survey-based research that measures relational models (??). We consulted Xi Jinping’s speeches to use realistic terminology as much as possible while retaining experimental control.

- **Community:** “... The same blood binds all of us, and we treat Taiwan compatriots and businesses the same as mainland compatriots and businesses. We would like to share mainland’s development opportunities with Taiwan compatriots.”
- **Equality:** “... We are equals, and we treat Taiwanese people and businesses fairly, like Taiwan treats Mainland Chinese people and businesses. We would like to reciprocally exchange the mainland’s development opportunities with Taiwanese peers.”
- **Authority:** “... We have the same moral hierarchy, and we treat Taiwanese people and businesses as our sons and daughters. We would like Taiwanese people and businesses to follow the lead of the motherland to increase development opportunities.”
- **Market:** “This is the rational path to growth for each of us. Taiwan’s economy will grow in proportion to the amount of economic integration with mainland China, or suffer otherwise. We would like Taiwanese people and businesses to make the right cost-benefit calculation on the mainland’s development opportunities.”

Following the treatment, we will measure support for cooperation with four dependent variables. The first item asks about the targeted proposal: “Do you support or oppose mainland China’s proposal to resume negotiations on a cross-strait trade in goods agreement as soon as possible?” Next, we assess support for enhanced economic cooperation in general and for allowing residence permits in particular using the same items from Study 1. This will also facilitate a comparison between our two studies. Finally, we ask people to rate their overall impression of China on a feeling thermometer scale from 0 (very cold) to 100 (very warm).

A factual manipulation check follows the dependent variable measures and asks participants to select how the Mainland described Taiwan in their proposal to move forward with the trade in goods agreement: *They described Taiwan as a member of the same community, They described Taiwan as an equal partner, They described Taiwan as a son or daughter, They described Taiwan as a rational economic actor, They did not describe Taiwan any way in particular.* Four subjective manipulation checks test the extent to which respondents were persuaded by the message, and ask whether they agree or disagree that Mainland China views Taiwan as part of one community/an equal peer/their son or daughter/in market terms. We expect that agreement will be higher among participants who receive a treatment targeted at that set of norms relative to the control group.

Finally, our instrument includes a set of pre-treatment covariates designed to tap 1) pre-treatment perceptions of Mainland China, 2) foreign policy orientation, 3) partisanship, 4) strength of Taiwanese and Chinese identification, 5) traditionalism, and 6) demographic characteristics. We expect that pre-treatment views of the relationship with the Mainland, international trust, and traditionalism will moderate the treatment effects and plan to test for heterogeneity.

6 Conclusion

The government and people of Taiwan are keenly pursuing economic agreements with trade partners to avoid being marginalized and losing out in the general trend of regional and global economic integration. It was thus puzzling when China, Taiwan's top trade partner, proposed economic cooperation with the island that often came with extra concessions made by the Mainland, Taiwanese citizens' attitudes had been ambivalent at best. Conventional wisdom often explains the ambivalence by China's security threat to Taiwan and the distributive politics inside the island. We argue these explanations are crucial but not comprehensive. This paper contends that the emerging Taiwanese identity plays a role, but the impact of the identity factor roots in a causal mechanism deeper than the nominal identity categories of Taiwanese versus Chinese. In tandem with an identity that perceives the Taiwanese as distinct from the Chinese, a significant part of the Taiwanese society begins to view their relations with Mainland China through the prism of a relational model that emphasizes heterogeneity and equality. As a result, when Mainland China continues to pitch economic deals with Taiwan through a framing that emphasizes communal sharing within a homogeneous Chinese community, the framing contradicts with the Taiwanese society's dominant relational model on

cross-strait interactions and creates cognitive dissonance, anxiety, and resistance. The paper shows strong support of the argument through the data obtained in a Public Image of China survey and lays out a plan for an upcoming experimental study in Taiwan. The implication of the research is an ironic contrast to Beijing's worry. By showing more indications that Mainland China treats Taiwan as a peer in their relations, Beijing is more likely to bring the island closer into its orbits instead of enabling it to drift further away.