## Contemporary Chinese Political Economy and Strategic Relations: An International Journal (CCPS)

Vol. 3, No. 1, April/May 2017

Special Issue – Norms and Institutions in the Shaping of Identity and Governance: Mainland China and Taiwan in the Regional Environment

# Foreword – Mainland China and Taiwan in the Asia-Pacific: Norms, Institutions, Identity and Governance (pp. 1-23)

Emile Kok-Kheng YEOH

University of Malaya, Malaysia

(editorial, no abstract)

# Differences in East Asian Economic Institutions: Taiwan in a Regional Comparison (pp. 27-70)

#### István Csaba MOLDICZ

Budapest Business School, University of Applied Sciences, Hungary

#### **Abstract**

The term "developmental state" describes a very conscious, however, more or less market-friendly approach to economic development. The developmental states of the East Asian region can be characterized by a strong emphasis on diverse forms of state intervention generally; however, these sets of institutions differ in the Japanese, Taiwanese, and South Korean economies. The aim of this paper is to offer a comparative analysis of economic institutions and their alterations after the Asian financial crisis. The paper includes Taiwan, Japan and South Korea in the analysis. The paper seeks to define the peculiar features of Taiwanese economic institutions in contrast to Japan and South Korea. By doing so, the paper investigates different aspects of economic institutions in Japan, Taiwan and South Korea: firm structure, the ability of firms to shape and organize regional supply chains, the role of state and trade unions, the composition of GDP/GNP, economic openness (trade, exchange regimes) and financial sectors' capability to channel funds and encourage saving and investments. One of the findings of the paper is that

Taiwan's defining feature is its very close cooperation with Mainland China. However, the deep interconnectedness of the two economies, often called "Chiwan", is going to be changed. The reason for this is not only a new economic policy, Taiwan's "New Southbound Policy" of enhanced cooperation with countries of the Southeast Asia, South Asia and Oceania, but the upgrading of the Chinese economy, which is losing its place in the global supply chains as a cheap-labour country.

**Keywords:** China, Taiwan, Europe, economic structure, institutions

### **China and Soft Power: Building Relations and Cooperation** (pp. 71-101)

### Audrey DUGUÉ-NEVERS

University of Sheffield, United Kingdom

#### **Abstract**

This paper provides a theoretical approach on how the shifting global order is shaping international relations, and how China wields soft power to alter its image from a "threat" or "the manufacturer of the world" towards a "peaceful rise". Its recent economic growth enabled China to become a regional leader and a prominent actor in international affairs, contributing to a balance of powers. This paper seeks to bring a European perspective beyond the conventional Sino-US approach. It is relevant to assess why soft power, coined by Joseph S. Nye in the 1990s, is promoted in contemporary China. States are indeed competing for a better image, have an influence on others, and are influenced by others, as a result of the circulation of goods, culture, and ideas.

**Keywords:** China, soft power, strategic communication, international relations, politics

## An Assessment of the China-Korea Free Trade Agreement: Implementation Outcome and Influencing Factors (pp. 103-135)

Meiling WANG and Chun-Kai WANG

Shandong University, China

#### Abstract

China-Korea Free Trade Agreement tops the list of trade volume covered by 14 FTAs China has signed with its signatory counterparts. In principle, 100 days of China-Korea Free Trade Agreement (ChKFTA) into effect as of December 20, 2015, through two stages of tariff reduction and/or elimination, can result in substantial benefits for Chinese imports and/or exports firms. The paper is a pilot questionnaire study assessing the enforcement outcome of ChKFTA, based on the responding firms' perceived

observations and views of the impact of ChKFTA on their trading activities in the first quarter of 201 6, and the role of related rule of origin (RoO). Such an inquiry of the relationship between rule of origin and trade in goods aims at yielding evidence for decision-making on how to optimize the outcome of ChKFTA and China's increasing number of FTAs as well.

Keywords: preferential tariff, trade in goods, assessment, questionnaire study

# Political Reforms in a Global Context: Some Foreign Perspectives on Constitutional Thought in Late Imperial China (pp. 139-185)

### Egas MONIZ BANDEIRA

University of Heidelberg, Germany / Tohoku University, Japan

#### Abstract

This paper presents some outside views on the emergence of Chinese constitutional thought. It shows that Chinese constitutionalism in the beginning of the 20th century did matter to the outside world and did attract a large interest on a global scale. Foreign views were quite diverse. While most observers welcomed the adoption of a constitution in principle, there were many words of caution that such a transition should not be rushed, notedly among diplomats and politicians. Foreign powers thus adopted a policy of not pressuring China to adopt a constitution. In particular, this paper redefines the role of the Japanese statesman Itô Hirobumi, who continually tried to give his advice to the Qing government up until his death in 1909.

Keywords: constitution, late Oing, political reforms, foreign perceptions, Itô Hirobumi

# Rethinking Peace-Building in East Asia: The Case of Japan's Struggle over History in Postwar Era (pp. 187-212)

#### Xiaohua MA

Osaka University of Education, Japan

#### Abstract

What is the relationship between the museum and the state? More precisely, in what way does the publicly sponsored museum reflect efforts by the state to expand its power at large? And how do its efforts contribute to the transformation of a nation's identity? These questions have recently begun to be raised not only in the Western context, but also among Asian countries. In Japan, as in most countries, the museum is not just a neutral public space where visitors come to view paintings, sculptures, or valuable

cultural and historical heritages. As with other aspects of Japanese cultural life, the museum has become highly politicized in recent years. Both in their conceptual foundations and contents, Japanese museums established in the postwar era reflect very specific political ends. This paper focuses on one peace museum, which is an important tool for peace-building, Peace Osaka, established in Japan's second largest city, to examine how Japan's national identity has transformed politically and socially in the postwar era. By comparing different memories of war created in different periods in this public museum, we understand how a nation attempts to reconstruct its national identity through the process of selecting historical facts to exhibit in the museum. Furthermore, through the examination of historical controversy in East Asia, we will understand how a nation deals with its conflicting national narratives in the global era.

**Keywords:** history education, peace-building, reconciliation, peace museums

### Russia-Taiwan Relations: History and Perspectives (pp. 213-243)

### Sergey VRADIY

Russian Academy of Sciences (Vladivostok), Russia

#### Abstract

From the point of view of potential possibilities for the development of business, scientific and technical cooperation, Taiwan could be considered as a prospective partner for Russian businessmen in East Asia. It is defined by the island's high degree of import dependence upon main categories of raw material resources and by its leading role in producing a number of articles in the manufacturing industry. The article will briefly review the contemporary history of Russia's relations with Taiwan. It will also analyze the current status and presume the possibility for future prospects of bilateral economic and trade relations.

**Keywords:** Taiwan, Russia, history, economic and trade relations

Institutional Approach to Anti-corruption Efforts in Taiwan, Hong Kong and Mainland China: Improving the Norms, Strengthening the Ethics (pp. 247-283)

### Olga Yurievna ADAMS

Moscow State University, Russia

#### **Abstract**

This paper explores institutional and normative developments in the area of anticorruption efforts in three Chinese-speaking countries/territories with the latest emphasis on fostering all-encompassing corruption-intolerable environment. Hong Kong's

experience is often regarded as the high standard in establishing efficient anti-corruption institutions in inhospitable conditions. Over relatively short period of time - Hong Kong's Independent Commission Against Corruption (ICAC) was established in 1974 – the city made great strides against official corruption and has upheld its clean reputation ever since. ICAC's former Deputy Commissioner and Head of Operations cites the 2000 public opinion poll in which Hong Kong residents named ICAC's establishment the 6th most important event in the city's 1 50-year history. ICAC is an example of a successful reactive approach to anti-corruption. Taiwan has its own success story. The Control Yuan - part of a unique five-branch government structure - combines watchdog and ombudsman functions which nowadays are considered prerequisite for successful fight against corruption and even more important for preventive efforts. This institution supported by legitimacy of tradition – has a potential to become a coordinating center for comprehensive anti-corruption policy with more specialized agencies handling various aspects of corruption and economic crimes. Lately the Control Yuan's role in Taiwan's political structure has been debated, but it remains an example of effective proactive approach to fighting malfeasance. China's anti-corruption strategy for 2013-17 aims to put forth a "dense net" of regulations, institutions and ethic norms towards country-wide corruption-intolerable environment. Preventive measures that include citizens' awareness-raising and increasing ethical requirements of government workers warrant additional attention.

**Keywords:** anti-corruption strategies, law, institution-building, awareness-raising, citizens' participation, ethics

# The Rights of the Wronged: Norms of Nuclearism, the Polygon and the Making of Waste-life (pp. 285-330)

Aliya **Sartbayeva PELEO** National Sun Yat-sen University, Taiwan

#### Abstract

On 16th December 1991 Kazakhstan inherited "1216 nuclear warheads for intercontinental ballistic missiles and heavy bombers" (Werner and Purvis-Roberts, 2006). Moreover, Kazakhstan was also presumed to have significant amounts of enriched weapon-grade uranium enough for at least "two dozen warheads" (*ibid.*). However on 23rd May 1992 Kazakhstan signed the Lisbon Protocol to the Strategic Arms Reduction Treaty (START), gave up its "nuclear ambitions" and agreed "to become a non-nuclear weapon state" (Ayazbekov, 2014). Why did Kazakhstan give up nuclear weapons? This can be adequately answered only by linking the issue with the high material, human and environmental costs of hosting WMDs within the state territory. This paper examines the case of 'waste-lives' (Bauman, 2004) related to the Semipalatinsk Polygon in Kazakhstan. The Polygon experienced 467 nuclear tests during the period of 1949-1989 "without regard for the health and safety of those living and working near the test site" (Loretz, 2015). The issues of "human" exclusion of the periphery of the Cold War IR and its effects after the end of the Cold War are at the core of this case study. The structure of

the international system (Waltz, 1 979) and "nuclear deterrence" (Brodie, 1 958) that explain "Long Peace" during the Cold War came at the cost of well-being of the population that supposed to benefit out of the absence of warfare. Geopolitical perspective of the Cold War views historical events as anonymous or mechanical, except those that involved prominent leaders and disregards the "human" aspects of military industrial complex, particularly its biopolitical impact on the life-system of population. The fall of the USSR and "triumph of liberalism" helped to politicise and recognise the long-term effects of radiation contamination. However, this revelation did not resolve the issues as persistent problems being framed as a legacy of the "communist" Soviet Union that people have to accept; that is, without "institutional" or "individual" accountability, relocation, appropriate compensation and clearing the sites from contamination. What are the implications of this case for the future of "nuclearism" debate now with China's rise in the region?

**Keywords:** nuclearism, Cold War geopolitics, biopolitics of wasted lives, Semipalatinsk polygon, China's rise

# China and India Going Green: The Power of Wind, International Norms, and National Commitments (pp. 331-363)

#### Silvan SIEFERT

Sozialverband VdK Baden-Württemberg, Germany

#### Abstract

India and China have established reputations in the international community for rapid economic development, innovative technology and exploitation of natural resources. Aside from the United States, China and India are the two major producers of carbon dioxide emissions in the world. At the same time China and India are two of the leading developing countries in promoting green energy and international climate change objectives. The local wind energy industry, as an alternative to replace fuel, witnessed a politically-sponsored take-off in both countries in terms of global market share as well as domestically-installed wind energy capacity in the late 2000s. In particular, the current governments have taken the issue seriously on both the local and international levels. China and India ratified the Paris Agreement in 2015 and their national climate objectives. The puzzle of rapidly growing and politically supported wind energy sectors in these two countries in which environmental protection is strategically ignored in favour for economic growth has to be understood in the terms of the bigger picture of Beij ing and New Delhi fostering external and internal legitimation by transforming norms and values to measureable outcomes. To do so, the paper illuminates the development of renewed legislative commitments for wind energy, the increasing external pressure for emission reductions, institutional changes, and demands for legitimation in India and China.

**Keywords:** green energy, norms and values, new institutionalism, comparative politics, foreign politics, wind energy, policy output performance, legitimation

# The Dialectic Characteristics of Policies for Asia-Pacific Regional Relations (pp. 367-393)

Ching CHANG

ROC Society for Strategic Studies, Taiwan

#### Abstract

The regional relations within the Asia-Pacific are essentially reflecting a stage for powers to exercise their individual influences. States employ their own strength to echo the themes advocated by the international powers and international organizations in order to introduce their influences for balancing the attempt conducted by the powers for changing the power structure. To establish and shape the regional relations in the Asia-Pacific is basically based on the Asian-Pacific policies of states within or outside the region. All these policies and regional relations as well as the power structure itself is dynamic thus keeping it in development all the time. To well perceive the interest calculation of the Asian-Pacific policies for various states and the principles followed for policy adjustment from this dynamic development process is indeed worthy of further observation. This paper would like to introduce Hegel's dialectic principles of unity of opposites, transition from quantity to quality and negation of the negation as the tools to observe the Asia-Pacific state formulating their regional policies and by so doing to interpret the rules for them to adjust these policies. As the national interests may extend across various aspects, states therefore need to consider all these factors in order to make the best judgment for the political calculations of their external policies. Precisely based on the plural characteristics of the national interests, there is definitely no absolute friendly or foe relation in dealing with the regional relations. The co-existed competition and cooperation within the framework of the unity of opposites is specifically reflecting such dialectic thinking. By the same token, states adjusting their regional policies must respond to the realities of the power structure accordingly. Yet, the eco-political strength for various states keeps on changing. The commercial activities are gradually evolving and accumulating the variation scales so that eventually overthrowing the previous power structure is fundamentally in line with the rule of transition from quantity to quality. The contradictory movement between the existing norms and the objective realities is more vividly signifying the value of employing dialectic rules to examine and to interpret the power transitions and evolutions of the regional relations in the Asia-Pacific region.

**Keywords:** power, regional relations, unity of opposites, transition from quantity to quality, dialectic principles

## Independent Planning System and Public Administration in Metropolitan Development: Agglomeration Strategies of Greater Chaoshan in Southern China (pp. 395-432)

TIAN Guang\*, Kathy TIAN\*\*, Camilla H. WANG\*\*\*, LIU Yu\*\*\* and LI Wei\*\*\*

- \*Yinchuan University, China
- \*\*University of Illinois at Urbana-Champaign, USA
- \*\*\*Shantou University, China
- \*\*\*\*Jamia Millia Islamia, Delhi, India

#### Abstract

This paper examines independent planning system as a means of public administration in regional economic development. It proposes a new strategy based on the theories of public administrative resources, to agglomerate and unify the cities of Shantou, Jieyang, and Chaozhou into a new administrative entity as a metropolis with the status of independent planning and the preferred policies of a Special Economic Region to lead regional development. The optimal allocation of public administrative resources has played a key role in the fundamental economic development in China in recent years. The new administrative system of large cities (metropolises) with independent planning has become an innovative format to utilize the renewable soft resources of administration, which in fact is a new attempt to reform the economic system by the Chinese government. The greater Chaoshan area needs to be agglomerated and unified to further develop the regional economy with the implementation of independent planning system. The current research conducted from a practical and political point of view is of significant value to the overall planning and strategic layout of the economic and social development of the whole eastern Guangdong region.

**Keywords:** agglomeration, independent planning, greater Chaoshan area, public administration, administration resources

## **Housing in China: State Governance, Market and Public Perception** (pp. 433-503)

Emile Kok-Kheng YEOH\* and WANG Fan\*\*

- \*University of Malaya, Kuala Lumpur, Malaysia
- \*\*Ambow Education, Beijing, China

#### Abstract

Chinese house prices have been receiving huge coverage in both the domestic and the international media. Although the Chinese government has implemented many policies to control house prices, especially in the big cities, it is obvious that there is disequilibrium between demand for and supply of houses. Even though numerous housing policies have

been put in place to overcome that, house prices in China are still rising. Many Chinese citizens from the low- and middle-incomes group find it difficult to purchase a house in the cities due to high house prices. This paper covers the current situation of the house prices in China, introduces the existing state of affairs about the Chinese housing market, explores a series of important reasons for high house prices, examines various public policies the Chinese government is using to control real estate, as well as reveals the citizens' perceptions related to rising house prices. To gauge citizens' perception of the current state of affairs in this regard, a questionnaire survey was conducted to gather information with a final sample of 256 respondents from more than ten cities of different tiers in the different regions of China.

**Keywords:** China, house prices, real estate market, government policies, citizens' perceptions

### **Book Review** (pp. 517-521)

Zhang Weiwei (ed.), *The China Wave: Rise of a Civilizational State*, Lakewood, New Jersey: World Century Publishing Corporation, 2012, 208 pp. + xiv.

reviewed by

CHANG Le

University of Malaya, Malaysia