

China's New Strategy towards Taiwan: Analyses of China's Lifting Ban on Outbound Tourists to Taiwan

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Abstract

Since China's Taiwan policy combines factors of soft and hard approaches, the interaction between these two countries is rather complicated and sophisticated. In recent years, China has been actively directing the economic-cooperation mechanisms in dealing with Taiwan affairs and starting rethinking its policy towards Taiwan from a tourism-bound perspective. China's "tourism engagement" against Taiwan can be deemed adjustment to the changing circumstances. This paper examines the impact of China's new policy that allows its outbound tourists to Taiwan. It is suggested that Taiwan has to make full-fledged preparations before opening up to Chinese tourism.

Keywords: tourism, Taiwan, China, Approved Destination Status (ADS)

Introduction

In November, 2005, a delegation of about 60 people, led by Shao Qiwei (邵琪偉), director of China's National Tourism Administration (NTA) (中國國家旅遊局), arrived in Taiwan and expressed a desire to promote cross-Strait negotiations.¹ Since it was an informal convention that the Chinese government sent such delegations to the countries before listing them as Approved Destination Status (ADS)² (中國公民出境旅遊目的地) for Chinese tourists, the move was seen as a step towards the opening of Taiwan to Chinese tourists (Shih, 2005: 3). Although Taiwan's Mainland Affairs Council (MAC) (大陸委員會) claimed that the group's visit did not have anything to do with negotiations on opening Taiwan to Chinese tourism, the government has officially authorized the Travel Agency Association of Taiwan (TAA) (台灣旅行商業同業公會), a private organization, to arrange cross-Strait negotiations on this issue.³ The incident signified a new cross-Strait interaction is taking place, and the PRC has in this regard switched to reconsider the situation from a different perspective, aiming at triggering mechanisms of economic exchanges and tourism-based tactics to resolve the cross-Strait political impasse and reduce bilateral animosity.

¹ For relevant reports on Mainland Affairs Council (MAC), please see "MAC—Press Release," November 6, 2005 (<http://www.mac.gov.tw/english/english/news/05168.htm>) (2007/09/22).

² Approved Destination Status (ADS) is a bilateral agreement on tourism. It allows the destination country to set up a tourist office in China, and to open market to tourists by organizing group leisure tours of minimum 5 people including a tour leader.

³ For relevant information, see "Chinese Tourism Group's Visit Next Week Approved," *Taiwan News*, October 21, 2005 (<http://www.taipetimes.com/News/taiwan/archives/2005/10/22/2003276858>) (2007/09/22).

China's Open-door Policy in Tourism

Many countries attach great importance to the development of travel industry in a view to balancing the payments of their national economy and foreign exchange. As a developing country, China has been activating its tourism industry with great efforts since 1978 when the country established an open-door policy to tourists. The policy followed China's pursuit of a neoclassical approach by promoting its reform in the domestic and foreign economic policies that adopts the Chinese standard view of the 11th Plenum as the "turning point" in the history of the PRC's economic development (Luo, 2001: 29).

What is evident in the giant strides of domestic tourism is that great changes have taken place in the traditional concepts of leisure of the Chinese. Since China is a country with its agricultural economy occupying a decisive position in the national economy as a whole, the ideology of small-scale peasant economy, which has existed for thousands of years, has had a profound impact on the ideas of the people. Now that investment and tangible goods are not able to occupy all the surplus purchasing power of the residents, tourism, as one of the ways of spending one's money, began to be adopted by more and more people (Du, 2004a: 28-36). Nonetheless, the adoption of the policy of reform and openness yielded a way to commercialization and rational disposal of tourism as far as ideology is concerned. By and large, the major reasons that contribute to the development of China's tourism industry include the implementation of the reform and openness policy by the Chinese government that greatly strengthens the sense of commercialization of the whole society. Furthermore, changes in the concepts of leisure are responsible for the growth

of domestic tourism. As a consequence, domestic tourism in China has been on the rise by leaps and bounds in recent years, according to the statistics offered by the NTA of China. See Table 1.

Table 1 Domestic Tourism in China (2000-2006)

	2000	2001	2002	2003	2004	2005	2006
Total Number of Tourists (Million Person)	744	784	878	870	1,102	1,212	1,394
Growth Rate (%)	---	5.4	12.0	*-0.9	26.7	10.0	15.0
Tourism Receipts (Billion Yuan)	317.5	355.2	387.8	344.2	471.1	528.6	622.9
Growth Rate (%)	---	10.9	10.1	*-11.2	10.0	12.2	17.8

* The collapse in China's tourism industry in 2003 was caused by the outbreak of Severe Acute Respiratory Syndrome (SARS)

Source: National Tourism Administration of China, *The Yearbook of China Tourism Statistics*, 2000, 2001, 2002, 2003, 2004, 2005, 2006.

Upholding a policy of openness and reform for more than 20 years, China has made some achievements in the economic development, which brought about a change in people's perception of tourism, and recognition of tourism as an industry as well. In 1986, tourism industry was included in the program of national economy and social development, which signified the government's recognition of tourism as an economic industry. In 1992, the state government further identified tourism as a key industry among tertiary industries. In 1995, it was listed as the first industry to be vigorously developed among the tertiary industries in the "Ninth Five-year Plan for National Economy and Social Development," (中共中央關於國民經濟和社會發展第九個五年規劃；簡稱「九五規劃」) the position of tourism industry was thus established. In 1998 and 1999, the state government twice listed tourism industry as one of the new growth points of the national economy, and emphasized its importance in the

economic development of the country.⁴ In 2001, the State Council hosted the National Conference on Tourism Development, all indicating that the determination of the state government to develop tourism industry was thereby clearly demonstrated. Besides that, since the 1990s, the opening of China's travel service industry has been remarkably stepped up.

Concepts of China's Tourism-based Tactics

In recent years tourism has become one of the fastest growing sectors of the world economy and is widely recognized for its contribution to regional and national economic development (Seddighi & Theocharous, 2002: 437). For many countries tourism is still a new industry that have little experience in developing this sector of the economy, especially countries like China, where the tourism industry is in its early stages of development. However, the advent of the 21st century has created a new environment for the development of tourism industry in China, while China's entry into the World Trade Organization (WTO) has brought both promising opportunities and unprecedented challenges to the industry (Du, 2004b). China's tourism industry began its development in 1978 when China adopted its open-door policy. Due to the circumstances at the time, it was impossible for China to follow the normal pattern of tourism development, which is "to develop domestic tourism before developing international tourism," instead, China adopted an extraordinary strategy oriented toward a priority development of inbound sightseeing tours in order to earn foreign exchanges needed in its economic

⁴ See Hai-in Ma, "Analyses of the report regarding 'tourism' by the State Government (1979-2007)," April 27, 2007 (<http://hanweb.capnet.com.cn/u8/www.bjta.gov.cn/lyzl/ztl/100703.htm>) (2007/09/12).

growth (Shen, 1999: 20). Meanwhile, due to a general background of economic globalization and changes in concepts of leisure of the Chinese people, China also sped up the promotion of international cooperation by developing its outbound sightseeing tours. Up to January 2007, China has awarded ADS to 86 tourist destination countries and regions based on a reciprocal relation,⁵ allowing its citizens for traveling on their own expenses. China's NTA has established 13 overseas liaison offices in New York, Los Angeles, London, Paris, Frankfurt, Zurich, Madrid, Tokyo, Osaka, Singapore, Sydney and Toronto, and in Asia Tourist Exchange Center. Now that China has become a major player in the international tourism market (Zhang & Lam, 2004: 45-52), and China will be the fourth biggest world outbound country by 2020.⁶

Since the 1990s, China's outbound tourism industry has had a dramatic growth. By 2002, China's tourism outlay has turned out to be the seventh in the world at US\$1.31 billion. Therefore, tourism has become an important leverage to help boost China's foreign relations (Fan, 2005: 61-97). Based on the concepts of global village and international tourism,⁷ China tends to develop a so-called "tourism-based diplomacy" derived from the principle of "promoting politics through economics" (以經濟促政治). This principle not only conforms

⁵ Including China's Hong Kong SAR (Special Administrative Region), and Macao SAR. See "China's ADS List" (http://www.ccontact.com/ADS_list.htm) (2007/09/13).

⁶ For relevant information, see "Tourism: 2020 Vision—Executive Summary" by World Tourism Organization (1997).

⁷ Marshall McLuhan was the first person to popularize the concept of a global village and to consider its social effects. His insights were revolutionary at the time, and fundamentally changed how everyone has thought about media, technology, and communications ever since. For a comprehensive illustration on the concept of "global village," see Marshall McLuhan (1964: 358); International tourism attracts increasing attention from historians of foreign relations, and with good reason. For a comprehensive analysis on the importance of "International Tourism" in the globalized world, see Marie-Francoise Lanfant, John B. Allcock and Edward M. Bruner (1995: 25).

to the concepts of China's "great power diplomacy" (大國外交) and "peaceful rise" (和平崛起) but also improves China's partnerships with other countries. Moreover, the tourism-based tactics are considered liable to eliminate the stereotype image of the "China Threat" (中國威脅論) in the community world, and helps China draw near to ASEAN countries as well as strengthen the relations with its neighboring countries (Fan, 2005: 78-87). Regarding China's dealing with tourism diplomacy, while China is granting ADS to its counterparts, bilateral relations and political considerations are more importantly emphasized. Evidence shows that between 2000 and 2005, a majority of countries belonging to the "third world" (第三世界) were awarded ADS by China, following Mao Zedong's (毛澤東) "three worlds" theory, which has been applied to China's diplomatic policy (Zhang, 2002:103). These countries are Vietnam, Cambodia, Burma, Brunei, Nepal, Indonesia, Malta, Turkey, Egypt, India, Cuba, Pakistan, Kenya, Zambia, Zimbabwe, Tanzania, etc. More fundamentally, by politically manipulating ADS as a tool for promoting tourism diplomacy, China on one hand attempted to attain its goal of tourism attack. On the other hand, China plotted the ADS as a valve to prevent its outbound tourist from absorbing too much bad influences in some "unfriendly" countries, and thus hoped the negative impact of a quick democratization in China can be avoided.

For China, Taiwan is not regarded as a country that deserves a formal foreign relationship and diplomacy with China. Instead, the bilateral relations are dealt with as internal and domestic affairs from China's angle. However, tactics of tourism-based concepts still play an important role in the making of Beijing's policy towards Taiwan. The tactics reside in Beijing's revised Taiwan policy of "promoting politics through economy" and "promoting reunification through economy" (以經促統).

Basically, in the making of Beijing's policy towards Taiwan, unlike their Party elders, the new leaders of the Chinese Communist Party (CCP)(中國共產黨)are more limited. The room for personal policy predilection is actually quite limited, and these limitations will only increase as China becomes more deeply enmeshed in a globalized world with each passing day (Chu, 2003: 960-80). In general, from the perspective of the policy-making process, any CCP individual leaders are not allowed much room to take political risks in dealing with Taiwan (Hsu, 2002: 130-64). More fundamentally, during the era of Reform a shared commitment among the CCP leaders to certain higher-level national strategic priorities—most importantly the nation's fundamental interests in maintaining a peaceful and stable surrounding environment for the sake of economic modernization—has facilitated the development of intra-Party consensus over the basic policy concerning the Taiwan issue. It has been widely shared among the CCP leaders that, as long as the prospect of peaceful reunification is effectively preserved, there is neither the urgency nor the strategic imperative to force a final resolution of Taiwan issues before China accomplishes its modernization task (Chu, 2003: 962). In other words, reunification is no more urgency for the new CCP leaders than a mission for the long haul.

Under such circumstances, for the Chinese new leaders, the concept of linking economic globalization to regional economic cooperation appeared for the first time in China's Taiwan policy when Chinese Vice Premier Qian Qichen (錢其琛) talked about the impact of globalization on cross-Strait relations. Qian made his statement as an objective description of the international trend to mark the sixth anniversary of President Jiang Zemin's (江澤民) "Eight Points" (江八點) speech.⁸ Taking advantages of the trend, China aims to unite the two

⁸ See relevant reports on Li-wen Tung, "China's New Propaganda Strategy," *Taipei Times*,

sides first and then make use of relations between them to adapt to globalization. More obviously, during Hu Jintao's (胡锦涛) administration, the government has stopped promoting immediate reunification under one country, two systems in favor of a more gradual approach of increasing economic and cultural integration. Actually, the combination of both soft and hard approaches were apparent in the "Anti-Secession Law," (反分裂國家法) which was passed in March 2005, and in the unprecedented meeting between Hu and former Kuomintang (KMT) leader Lien Chan (連戰) in April 2005, seen by commentators as an embrace of a status quo.⁹ Currently, it is still unclear how China will deal with the relationships between globalization, regional economic cooperation and cross-Strait economic-cooperation mechanisms, but Beijing is rethinking its policy towards Taiwan in a more active way based on its own concept of reunification through economic exchanges. Thus, the tourism-based tactic is undoubtedly one of the priorities.

Examining China's Taiwan Policy: From the Perspective of "Promoting Politics through Economy"

For China's leaders, the Taiwan issue is inextricably related to national self-respect and regime survival. Today, China's main objective is not to assert direct territorial rule over Taiwan but to avoid the island's permanent loss. Consequently, the Chinese leadership will not jettison the one-China principle, the recognition of which remains a precondition to any serious political negotiations with Taipei (Swaine, 2004: 39-49). However, in recent years,

February 9, 2002 (<http://www.taipeitimes.com/News/editorials/archives/2002/02/09/123428/>) (2007/09/23).

⁹ For relevant information, see "Hu Jintao's Taiwan Policy," Wikipedia, the Free Encyclopedia, September 18, 2007 (http://en.wikipedia.org/wiki/Hu_Jintao#Taiwan) (2007/09/23).

China has been expecting a stable development of cross-Strait relations aiming at broadening the scope of economic exchanges even though China's National People's Congress (NPC) (全國人民代表大會) approved the "Anti-Secession Law." Conversely, instead of adopting a hard-line on Taiwan, Beijing attempted to shift the focus of the world and ease bilateral tensions across the Taiwan Strait by allowing both former KMT chairman Lien Chan and chairman of People First Party (PFP) (親民黨) James Soong (宋楚瑜) to visit China. This indicated an unprecedented move to facilitate exchanges between political parties across the Taiwan Strait and de-escalate tensions resulting from the promulgation of the "Anti-Secession Law."¹⁰

Generally speaking, there has been a fundamental and radical change in China's Taiwan policy since Hu's reign, especially in 2005. Following the visits by Lien and Soong to China, Beijing continued to implement its Taiwan policy and the pledges it made to the Taiwanese. These include the offer of tariff-free imports of 15 Taiwanese fruits, the normalization of cross-Strait direct charter flights, the approval of Chinese tourists traveling to Taiwan, the assistance to Taiwanese intending to acquire entry into China and Taiwanese seeking employment in China, charging Taiwanese students in China the same tuition fee as it charges the Chinese students, and offering special loans for Taiwanese businessmen, etc. These are all unprecedented, open and pragmatic policies and measures taken by Beijing since the Chinese leadership agreed to step up cross-Strait exchanges in November 1987. However, the political pundits all agree that Hu is now actually adopting a carrot-and-stick approach in dealing with the Taiwan issue.¹¹

¹⁰ Please refer to Ming-Yi Wang, "An Overview of China's Taiwan Policy Following the Promulgation of the 'Anti-secession Law'," *Peace Forum*, February 9, 2006 (http://www.peaceforum.org.tw/onweb.jsp?webno=333333217&webitem_no=1623) (2007/09/23).

¹¹ *Ibid.*

Another single distinct event that attracted public attention was that the Fifth Plenary Session of the 16th Central Committee of the CCP (中國共產黨第十六屆五中全會) ratified the “11th Five-year Plan” (十一五規劃) in October, 2005. The plan was fundamentally emphasized the need to take enhancement of independent innovative capability as the strategic base for scientific and technological development and as the central link in the adjustment of economic structure and transformation of the mode of economic growth, and strive to blaze a trail of scientific and technological innovation with Chinese characteristics (People's Daily, 2005, October 11, p.2) More precisely, the main objectives of the 11th five-year plan, which spans the period from 2006 to 2010, are to reduce the growing income gap between China's rural and urban populations and boost innovation in science and technology (Lemon, 2006).

One of the noteworthy policies included in Beijing's 11th five-year plan is that China's Fujian province has been actively projecting a so-called “Taiwan Strait West Coast Economic Zone.” (台灣海峽西岸經濟區；簡稱「海西區」) The zone is based on two main foundations, namely, unilaterally offering Taiwanese businesspeople favorable treatments and establishing a bilateral agreement on mutually beneficial exchanges. For the time being, the idea of planning the west coast economic zone is by no means an infeasible idea for creating a win-win situation for both Taiwan and Fujian. In the first beginning, Beijing bore the brunt of challenging the government of Taiwan that criticized China's plan as a “political scheme” aimed at “localizing Taiwan's government” and turning Taiwan into another regional economy similar to Hong Kong.¹² Even if the Taiwanese government were willing to authorize an

¹² See relevant reports on “MAC (Mainland Affairs Council) Says China's Economic Plan ‘Politically Driven’,” *Taiwan Headlines*, March 28, 2006 (<http://english.www.gov.tw/>)

appropriate representative to negotiate with the Fujian provincial government on its behalf, there would still be a great number of difficulties in executing such a plan. Most importantly, any attempts to set up closer economic exchanges or cooperation frameworks will run into a great deal of problems at both the negotiation and realization stages (Tung, 2006: 20-31). However, according to the Chinese authorities, the project not only explores the economic implications to the cross-Strait relations and to the economic integration of the west coast of the Taiwan Strait, but also emphasizes that given the homogeneous nature of language, custom, culture etc., and complementary nature of the economies between the two sides of the Strait, the economic zone will speed up the economic integration across the Strait and promote the final peaceful reunification of China.

From a brief and clear overview, China has been manipulating Fujian province to augment exchanges and strengthen relations with Taiwan since 1979, based on the strategic consideration of “reunification of motherland” (祖國統一) (Kuo, 2005: 120-25). In recent years, China’s Taiwan affairs that have been implemented by Fujian province either unilaterally or bilaterally approved include: establishing 6 investment zones for Taiwanese businesspeople, setting up 2 business cooperation experimental zones in Zhangzhou (漳州) and Fuzhou (福州), regulating experimental districts of small-amount maritime trade with Taiwanese fishermen, opening up 8 universities to recruit Taiwanese students, allowing Xiamen (廈門) and Fuzhou authorities to release visas of five-year validity to Taiwanese people, and inaugurating the “Mini Three Links”(小三通) in Xiamen and Fuzhou with Kinmen (金門) and Matsu (馬祖) of Taiwan, etc.

Undoubtedly, in the making of China’s policy towards Taiwan, Xiamen is

entitled with a leading role of a pivotal city in the city belts of Xiamen, Zhangzhou, Quanzhou (泉州), and Kinmen of Taiwan. The future of Xiamen has been depicted as an arching moon with one core, two rings, one main town, four supportive towns and eight subordinate sectors, aiming at taking the initiative in forging closer economic ties with the cities of Zhangzhou and Quanzhou to help the Strait West Coast Economic Zone take shape and take off.¹³ In the meantime, being an integral part of Fujian's blueprint to develop the Strait West Coast Economic Zone, building Xiamen is also Beijing's attempt to integrate the whole area of the Taiwan Strait both economically and politically. Due to their geographical proximity, similar customs and culture with Fujian province, Kinmen, and Matsu, the two offshore islands of Taiwan, are included in the zone by China.

China's Tourism Strategy towards Taiwan: Case of the "Mini Three Links"

In the beginning of the 21st century, the suspension over the past nearly 50 years between China and Taiwan's Kinmen and Matsu was ended by a so-called "Mini Three Links" policy,¹⁴ owing to a concession between the governments of both sides of the Taiwan Strait. This policy temporarily reflected an accommodation between the two sides after such a long period of confrontation.

¹³ Zhan Bian. "Xiamen to Play Leading Role in Economic Zone." *China Daily*, May 17, 2005.

¹⁴ The three links are direct transportation, mail service and trade across the Taiwan Strait. Cross-strait exchanges were totally cut off when President Chiang Kai-shek moved his Kuomintang government to Taipei in 1949, and currently visitors, mail and trade are rerouted through a third country or territory, like Hong Kong, although three "mini links" are in place between the offshore island of Kinmen (Quemoy) and Amoy (Xiamen) in the Chinese province of Fukien (Fujian) as well as between Matsu and Foochow (Fuzhou). See, Hung (2002: 20).

More fundamentally, the policy was made possible as a result of diminishing domestic pressure on the stalled opening of full direct links on Taipei's side (Chen, 2005: 48-61). Basically, there are six areas identified in which detailed plans have been fleshed out, including transportation, passengers, trade, currency, quarantine, and shipping, among which passengers transportation is most favored. Residents of the outlying islands may be the only ones eligible to take advantage of cross-Strait transportation during the early stages of implementation of the "mini links", because the legal basis for the "mini links" is the "Offshore Island Development Act." (離島建設條例) Upon fully implementation, travelers from Taiwan will most likely have to pass through the outlying islands, with the intermediate ports there treated as third-country transshipment centers.

Interestingly, at first Beijing was uninterested in the policy and reflected official position that the "mini links" were not identical to the "direct links" (三通) that China has been hoping for, and that limited links projected by Taipei will not meet the needs of cross-Strait interaction (*United Daily News*, 2000, December 29, 2000, p.2). Even though Beijing was highly critical of the policy, PRC Foreign Ministry stressed that since the "mini links" will be beneficial to the people living on Kinmen and Matsu, the mainland will seek to facilitate their implementation. That Beijing had dropped its opposition to the links and had switched instead to active support was based on the perception of manipulating the policy in a strategic way from a neutral position to a dominant and advantageous position.

According to the official statistics, between 2001 and 2006 passengers traveling via "mini links" from Xiamen to Taiwan (including to Kinmen) accounted for only 64,322, outnumbered by those who traveled from Taiwan to

Xiamen, which accounted for as many as 832,552.¹⁵ Government statistics also showed that between January and July in 2007, tourists (including businesspeople) from Taiwan to Xiamen totaled 192,575, while the mainland tourists to Kinmen totaled only 28,312,¹⁶ all indicating that the implementation of the “mini links” turned out to Beijing’s advantage. Table 2 shows the total arrivals of visitors between Kinmen and Xiamen via the route of “mini links.”

Table 2 Visitor Numbers between Xiamen and Kinmen

Year	Total number of tourists	Tourists from Kinmen to Xiamen	Tourists from Xiamen to Kinmen
2001	10,689	9,738	951
2002	27,190	26,151	1,039
2003	81,718	78,782	2,936
2004	205,182	195,317	9,865
2005	258,636	244,504	14,132
2006	313,459	278,060	35,399
Total	896,874	832,552	64,322

Source: Kinmen County Government, *Statistics of Kinmen Harbor Administration*, 2005.

Beside, evidences showed that in the past few years Beijing has been constantly adjusting its “mini links” policy—from conservatism to incremental openness. In September of 2002, when Chinese Vice Premier Qian Qichen paid an inspection to Fujian province, the proclamation of the policy that allowed the mainlanders to tour on Kinmen was first approved. In the ensuing year when Qian inspected Fujian again, detailed guidelines were added in the policy, which according to Qian’s perception stressed that Fujian would be by no

¹⁵ Please refer to “Statistics of Kinmen Harbor Administration,” Kinmen County Government (2007).

¹⁶ *Ibid.*

means least involved in Beijing's policy-making towards Taiwan and could be more flexible and pliable, due to their geographical proximity and cultural similarity. Moreover, given the more favorable position after the "mini links", Kinmen and Matsu are plotted in Beijing's two breakthrough points to further expand the implementation of the links (Chen, 2005: 57).

Under such guidelines, the announcement made by Fujian authorities in 2004 allowed citizens of Fujian province to make Kinmen and Matsu-bound tourism trips before the end of the same year, also saying that this openness would reflect the spirit of the "Mini Three Links" that Taiwan initiated nearly three years ago aimed at bolstering exchanges between people from both sides of the Taiwan Strait.¹⁷ The quick change of China's policy and strong support for the "mini links" represented Beijing's thoughtful strategies and considerations, which had meanings and impact as follows:

- (1) China hoped to set up cooperative ties and joint efforts for the promotion of tourism resources, and economic entities in the region of Fujian province, and Kinmen, Matsu of Taiwan. This tourism-related strategy aimed at integrating the tourism zone of the west coast of the Strait, in line with Beijing's plan of "Taiwan Strait West Coast Economic Zone." With a view to fulfilling this project, Fujian authorities has mapped out a plan to open tourists from the "Pan Pearl River Delta"¹⁸ (泛珠江三角

¹⁷ Taiwan opened direct postal, trade and shipping links between Kinmen and Matsu and Xiamen and Mawei (馬尾) in January 2001. However, China up to this point did not allow its citizens to travel to Kinmen and Matsu for leisure trips until the end of 2004. See relevant reports on "Matsu Welcomes China's Decision to Allow Tourist Visits," *Taipei Times*, September 27, 2004 (<http://english.www.gov.tw/TaiwanHeadlines/index.jsp?catid=10&recordid=55731>) (2007/09/23).

¹⁸ The "Pan Pearl River Delta" consists of nine provinces of China—Guangdong (廣東), Guangxi (廣西), Sichuan (四川), Yunnan (雲南), Guizhou (貴州), Hunan (湖南), Jiangxi (江西), Fujian (福建), Hainan (海南).

- 洲) to make a tour on Kinmen and Matsu.¹⁹
- (2) During the reign of Hu Jintao, Beijing's policy towards Taiwan tends to be, on one hand, "unyielding to hardness" politically when touching on the bottom line of "One-China Policy" (一個中國原則) and "Independence of Taiwan," as it adopted the "Anti-Secession Law." While on the other hand, Beijing seems to be "pliable to softness" when it attempts to set up closer economic exchanges or cooperation frameworks with Taiwan. The "mini links" provided a leeway for China to make up with Taiwan in dealing with tough things that occurred in the bilateral relations.
 - (3) Beijing's strong support for the "mini links" justified the means of its strategy to segment the Kinmen and Matsu affairs from those of Taiwan. Tactically, the segmentation may have impacts on Taiwan's internal debates and ambivalence over cross-Strait matters. For instance, 72.8% of the respondents in Kinmen favored the policy that helped break the stalemate across the Strait in the past 50 years,²⁰ causing voices of separatism in Kinmen, a once impregnable fortress and battlefield in defense of Taiwan against China's attack.
 - (4) To avoid an overall opening up of tourists to Taiwan that may cause sudden and significant impact on China's society, China deliberated upon the step-by-step scheme which allows its tourists to travel via "mini link" to the three offshore islands of Taiwan, namely, Penghu (澎湖), Kinmen, and Matsu. When Qian Qichen officially inspected Fujian province in China in 2002, he elaborated the "mini links"

¹⁹ For relevant information, see "Mainlanders' Tour on Kinmen & Matsu Opened to the Nine Provinces of Pearl River," *People's Daily*, June 30, 2005 (<http://tw.people.com.cn/BIG5/14810/3507891.html>) (2007/09/25).

²⁰ Opinion poll conducted by Ming Chuan University of Kinmen Campus, December 28, 2004.

policy and stressed that “opening up tourism in Taiwan for Chinese tourists is feasible, and Kinmen is the first destination we try before moving forward to Taiwan” (Lin, 2004: 93). Qian’s comments connote that China is making use of the “mini links” as a transition, aiming at transferring to next destination—Taiwan.

China’s New Tourism-based Policy towards Taiwan

Regarding China’s Taiwan policy in the past few years, it is found that Beijing’s tactics tend to be even more multi-faceted and sophisticated. The combination of both soft and hard approaches is apparent during the reign of Hu Jintao. Politically, although Beijing has moderated its saber-rattling at Taiwan, the cross-Strait confrontation remains in place. Militarily, with the consent of its NPC, Beijing’s adoption of the “Anti-Secession Law” serves to provide a legal basis for the use of “non-peaceful” means to oppose the cause of Taiwan independence, and its military drills directed at Taiwan on the southeast coast of China have yet to abate. Moreover, on the diplomatic front, China continues to oppress Taiwan through the meetings of WHO, WTO and APEC, and its intentions have yet to change in spite of the meetings between leaders of the CCP and the KMT. Nonetheless, negotiations over cross-Strait affairs such as direct charter flights and the links, especially the “mini links”, are still under way and have made a breakthrough (*United Daily News*, 2005, June 1, p.A13). In addition, director of China’s NTA also led a delegation to visit Taiwan and urged both sides of the Strait to hold negotiations.²¹

²¹ Shao Qi Wei, Chairman of the China National Tourism Administration, pointed out during a visit to Taiwan that there already exist basic conditions for Chinese tourists to visit Taiwan and urged both sides of the Taiwan Strait to hold negotiations early on to complete the necessary arrangements. See “Chinese Tourism Chief Urges Negotiations for Mainlanders to

In accordance with its consequential decisions, Beijing made some pivotal tourism-oriented policies towards Taiwan after its “Anti-Secession” legislation in 2005. On May 20 of the same year, China’s NTA announced its polar policy to allow Chinese tourists to travel to Taiwan. Besides that, following the meeting between former KMT chairman Lien Chan and Chinese President Hu Jintao, Beijing has announced the “Measures for the Administration of Chinese Citizens Traveling to or from the Region of Taiwan,” (中國公民往來台灣地區管理辦法) signifying China’s “tourism stratagem warfare” modeled in the concept of “tourism-based diplomacy” against Taiwan has formed and gone into high gear. In response to Beijing’s initiative, Taiwan acknowledges that details of the measures hinge on negotiations with Beijing.²²

Currently, two categories (“category 2” and “category 3”) of Chinese nationals are permitted to enter Taiwan and Taipei is planning to revise the policy regulating cross-Strait tourism to allow as many as 1,000 Chinese tourists to enter Taiwan per day for stays of up to 10 days. “Category 2” is those visiting a third country or conducting business via a third country, while “category 3” is those residing or studying overseas (including Hong Kong and Macao).²³ The new initiative means Chinese travelers will hereafter be divided into four major groups, depending on their destination, and Chinese outbound tourists to Taiwan will be classified into the fourth group, which is most recently mandated.²⁴

Visit Taiwan,” *CENS*, November 7, 2005 (<http://news.cens.com/php/getnews.php?file=/news/2005/11/07/20051107004.htm&daily=1>) (2007/09/23).

²² For relevant information, see “China Tours Hinge on Beijing,” *Taipei Times*, August 5, 2005 (<http://english.www.gov.tw/TaiwanHeadlines/index.jsp?catid=8&recordid=54701>)(2007/09/23).

²³ “Category 1,” which isn’t opened yet, is those traveling from China via Hong Kong and Macao.

²⁴ The other three groups are: (1) Those going to “other” countries, who are covered by the

Although Chinese authorities insist that tourism belongs to civil affairs, actually the decision-making relies on the guidance of the Leading Division of Taiwan Task (中共對台工作領導小組) headed by Hu Jintao.²⁵ From this angle, China's opening of tourists to Taiwan appears to be politically involved in terms of Beijing's motivation and ramifications. The tourism-bound policy has many unforeseen ramifications such as follows:

- (1) The detailed measures concerning the policy depend on negotiations between both sides of the Taiwan Strait. The Taiwanese government claims that China has to first include Taiwan in its list of ADS before Beijing and Taipei can conduct further negotiations. However, Beijing has yet to respond to Taiwan in this regard. This raises problems as, on one hand, an ADS isn't generally included on the list before negotiations are completed, and on the other, according to the "Measures for the Administration of the Overseas Tours of Chinese Citizens," (中國公民出國旅遊管理辦法) from which the ADS system is originated, taking a trip to Taiwan is not actually considered an overseas tour.

2002 "Measures for the Administration of the Overseas Tours of Chinese Citizens;" (2) Tourists going to Hong Kong and Macao, covered by the "Notice of the State Administration of Tourism on the Relevant Issues concerning the Travel Agencies' Organizing Inland Residents to Travel to Hong Kong and Macao" (關於旅行社組織內地居民赴香港澳門旅遊有關問題的通知), also issued in 2002; (3) Those going to neighboring countries, covered by the "Interim Measures for the Administration of Tours of Neighboring Countries" (邊境旅遊暫行管理辦法) of 1997.

²⁵ The Leading Division of Taiwan Task functions as the top organization to deal with Taiwan affairs. The Division is directly supervised and commanded by the Politburo Standing Committee of the Communist Party of China (中國共產黨中央政治局常務委員會), which is a committee whose membership varies between 5 and 9 and includes the top leadership of the Communist Party of China. At the 2002 16th Party Congress, the Standing Committee was expanded to include nine members, the country's most influential leaders headed by Hu Jintao. See The Bureau of Investigation (2003: 172).

- (2) According to Article 4 of the “Measures for the Control of Chinese Citizens Traveling to or from the Region of Taiwan,”²⁶ which stipulates that Taiwanese travel agencies receiving Chinese tourists must be approved by China’s NTA, the implication lies in that China will have tight control of Taiwanese travel agencies that receive Chinese tourists, absolutely different from that China does not actively regulate overseas travel agencies doing so.
- (3) Currently, there are still controversial opinions of the so-called “1992 Consensus” (九二共識) in the political arena of Taipei. It remains to be seen whether Beijing will find it acceptable if Taipei continues to deny the existence of this consensus, or will manipulate the cross-Strait tourism negotiations based on the consensus in its favor. Whatsoever, given that Hu Jintao recently reiterated that both sides of the Taiwan Strait should stick to the one-China principle and accept the “1992 Consensus,” which is the precondition of any talks aimed to achieve substantial results,²⁷ it is predictable that if Taipei denies the consensus, Beijing will undoubtedly re-emphasize the one-China principle and refer the cross-Strait tourism to a domestic level.
- (4) Judging from the opening up of “category 2” and “category 3” Chinese tourism in 2002, a unilateral consent of opening of Taiwan to Chinese tourists on a larger scale without any prior negotiation would probably

²⁶ The content of Article 4 is as follows: “For entering the Mainland, Taiwan residents shall pass through open ports or other designated ports of entry and exit on the strength of the travel certificates signed and issued by the competent organs of the State.” See “Measures for the Control of Chinese Citizens Traveling to or from the Region of Taiwan” (<http://cns.miis.edu/straittalk/Appendix%2061.htm>) (2007/09/18).

²⁷ For relevant information, see “Hu Jintao Sets Four Viewpoints on Cross-Strait Ties,” *Xinhua News Agency*, May 12, 2005 (<http://www.china.org.cn/english/features/Leaders/128695.htm>) (2007/09/18).

have an impact of insignificance. However, taking the implementation of the “mini three links” in 2001 for example, China has taken initiative in using the opening up of “category 1” as gambits to obtain an advantageous position politically and economically in the future negotiations with Taiwan.

Conclusion

China has set the targets for the development of its tourism industry in the country's 11th Five-Year Program period (2006-2010) as follows: By 2010, the annual revenue from international travel service will hit US\$53 billion.²⁸ And according to figures released by the Chinese Academy of Social Sciences (中國社會科學院) and the National Bureau of Statistics (中國國家統計局), private and leisure visits abroad by Chinese citizens in 2005 numbered around 25 million, and that figure could rise to some 35 million in the ensuing year (Tu, 2006: 4). As the Chinese authorities claimed, China has already become the biggest source of travelers within Asia. From economic perspectives, the impact of Chinese outbound tourism must not be ignored.

Due to economic globalization and demand of international tourism, tourism industry in China started to develop in the late 1970's. Meanwhile, China's reform and opening policy brought about favorable changes in its economic environment whereas government support helped facilitate the growth and improvement of its tourism industry. As a result, China has been

²⁸ For relevant information, see “China Sets Five-year Targets for Tourism Industry,” *Asia Pulse News*, Jan. 11, 2006. For a comprehensive illustration on the Plan, also see Ma Kai, Chairman, National Development and Reform Commission (NDRC) of the PRC, “The 11th Five-year Plan: Targets, Paths, and Policy Orientation,” *NDRC News*, March 19, 2006 (http://en.ndrc.gov.cn/newsrelease/t20060323_63813.htm)(2007/09/24).

forecast to become the most visited international destination, with 137.1 millions of international tourist arrivals by 2020. As a source of international tourists, China has also been predicted to reach 100 millions of outbound tourist departures by the same year (Cervera, 2005: 340). There is little doubt that tourism is and will continue to be an important element in the economic life of China as well as the world.

As China is speeding up the promotion of international cooperation by developing its outbound sightseeing tours, however, its tourism-bound policy can not be regarded simply as economic orientation and impingement. China's tourism-based strategy is even more politically plotted on some aspects, such as to wash out the image of the "China Threat" in the global world, and to improve the relations with its neighboring countries. In terms of China's policy to Taiwan, the concept of peaceful reunification and economic exchanges is bound to exert immense political leverage and influence. Furthermore, in light of the rise in globalization, regional security, and national interest in which the current stage of cross-Strait interaction is taking place, the PRC has learnt to really think outside the box as the old methods were just leading to dead ends.

Judging from the manipulativeness in tourism strategy that the Chinese government is employing for political reasons, it remains to be seen if both sides of the Taiwan Strait will wield considerable political clout over each other. Although China has taken initiative in showing willingness to lift the ban on its tourists to Taiwan, the impact of a unilateral opening without any prior negotiations with Taiwanese government would probably be of no significance. Before that the "Mini Three Links" will remain and operate as a cross-Strait buffer and arrangement will be made to release more Chinese tourists in the offshore islands of Taiwan. It is foreseen that an immediate and overall opening up of Chinese tourists to Taiwan will be fairly impossible. The future

development will encounter some problems, and as a consequence, limitations are inevitable based on the following beliefs. First, Beijing will not find it acceptable if Taipei continues to deny the existence of “1992 Consensus” and to focus on the debates over sovereignty issues. Second, given that China is an authoritarian state and still maintains tight controls over outbound tourism, especially to democratic Taiwan, China is likely to assess a step-by-step opening to reduce the negative impact on Chinese society. Third, before detailed issues are solved including the ADS, which is one of the most complicated, China will continue to use the opening up of “category 1” as gambits to obtain an advantageous position by mixing talks and procrastination. Citing China and Japan for example, it took three years for both countries to ink a deal on tourism-related agreements.

Undoubtedly, the opening up of Chinese tourism to Taiwan will be the center of public attention in the future cross-Strait negotiations to augment the scope of exchanges. Referring to Taiwan’s attitude towards China’s new tourism policy, what can not be overlooked is that factors involved in the policy-making of Taiwanese government with respect to allowing PRC citizens to visit Taiwan do not just concern matters of overall benefit to Taiwan’s economy but also considerations of national security. As one of the two biggest attractions for Chinese tourists besides Taiwan, the US is deeply worried about the potential for illegal immigration, and feels its national security could be severely threatened once easy tourism becomes a convenient disguise for spying and espionage. In addition, the government of Taiwan will need to take into account factors such as the degree of sufficient preparations, regulatory measures and Taiwan’s numerical “carrying capacity” for PRC tourists.

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中國對台灣新策略——從中國開放觀光客 赴台的角度分析

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摘要

中國對台灣的政策採取軟硬兼施的手段，雙方之間的互動充滿了變化和複雜性。近年來，中國對台灣以更主動積極的態度，從經濟方面著手處理台灣問題，並且重新思考以觀光為導向的對台政策。中國的「觀光攻勢」可謂隨著時空環境的變化而作出調整。本研究檢視中國開放其對台灣境外旅遊之政策，結論建議台灣方面針對此策略必須有充分的因應和準備。

關鍵字：觀光、台灣、中國、中國公民出境旅遊目的地