Democratization and Alliance Policy:
A Comparison of Taiwan and the Philippines*

Dong Sun Lee

Abstract

This article explains the alignment policies of Taiwan and the Philippines vis-à-vis the United States since these Asian countries made their democratic transitions. While Manila turned away from Washington by abruptly ending the U.S. military presence there in 1991, Taipei made efforts to reinforce its security relationship with Washington.

These opposing diplomatic approaches are explained by highlighting the distinct political transition processes and security environments of these two new democracies. The paper argues that Manila distanced itself from Washington largely because (a) democratic elites there rose to power swiftly by overthrowing an authoritarian regime and (b) the government’s main adversary apparently shared its national identity and possessed weak military strength.

In contrast, Taiwan turned to the United States in important aspects because (a) old elites in Taipei could control the process of democratic transition and (b) Taiwan’s new democratic elites viewed the Chinese mainland as a separate nation with menacing military capabilities.

While military power, national identity, and political process significantly shape alliance policies, the author finds that economic dependence does not offer a compelling explanation for these alliances, contrary to widely held beliefs. These findings also present a useful basis for understanding the South Korean–U.S. alliance.
Introduction

The democratic transition of the mid-1980s unleashed a powerful force of nationalism in the Philippines: New democratic elites came to control key governmental organs and adamantly espoused the principle of national sovereignty. And such resurgent nationalism in the political arena shifted Manila’s foreign policy away from Washington in a dramatic fashion. The Senate of the newly democratic Philippines refused to extend the lease of U.S. military bases in 1991, thereby losing the robust protection and massive aid offered by the country’s patron. As a result, the decades-old alliance between Manila and Washington had turned into a nearly hollow shell only five years after the downfall of the Marcos dictatorship (although the 1998 Visiting Forces Agreement and subsequent joint military activities between the two countries have slowly resuscitated that alliance).¹

Similarly, nationalism became a potent political force in Taiwan in the wake of that country’s democratic transition of the mid-1980s, as democratic elites rose to political power and advocated national sovereignty. In contrast to the Philippines, however, the rise of nationalism in Taiwan pulled its foreign policy toward, rather than away from, the United States. Taipei actively sought greater defense commitment and assistance from Washington. Consequently, Taiwan’s alignment (or quasi-alliance, as some analysts call it) with the United States survived Taipei’s domestic political transformation.

These contrasting diplomatic outcomes—despite the two countries’ apparently similar internal political developments—constitute an

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¹ Following Stephen Walt, alliance is defined here as “a formal or informal arrangement for security cooperation between two or more sovereign states.” The author of this paper does not make a distinction between formal and informal arrangements (frequently denoted as alignments) as some scholars (e.g., James Morrow) do, because such a distinction does not serve an analytical purpose in this article. See James D. Morrow, “Alliances: Why Write Them Down?” Annual Review of Political Science, Vol. 3 (2000), pp. 63–83; and Stephen M. Walt, The Origins of Alliances (Ithaca, NY: Cornell University Press, 1987), p. 12.
intriguing empirical puzzle. Why did these states (which began their journeys to democracy at the same time) take widely different paths with regard to alliance policy? No extant bodies of scholarship are adequately equipped to offer a systematic answer to this question. International relations scholars have long been aware of the association between political regime change and alliance termination. More specifically, researchers have noticed that democratizing states tend to be unreliable alliance partners. However, few such studies that highlight the disruptive effect of domestic changes on alliances explain why democratic transitions have spared or even strengthened some alignments, including that between Taiwan and the United States. On the other hand, realist scholars who dismiss the importance of domestic politics in diplomacy cannot explain such abrupt realignments as experienced by the Philippines in the absence of major changes in international power relations. Country specialists have recorded various ways in which democratization has transformed particular alliances, but they have rarely put their findings in a broader perspective by investigating comparable cases. (This tendency pervades among analysts of South Korea’s post-transition alliance policy toward the United States, for example.) Without making such comparative studies, these analyses fail to distinguish critical factors from tangential issues and overgeneralize the dis-

2 What makes the divergence in alliance policies more puzzling is the fact that both new democracies have shared experiences with major international-political developments, such as the end of the Cold War and the rise of China. Therefore, the demise of the Soviet Union, for instance, cannot explain the cross-national difference, although it might partly account for Manila’s decreased interest in the U.S. alliance during the early 1990s.


tinctive experience of one country.

This article aims to overcome these shortcomings of the literature and to offer a systematic explanation for the divergence in post-transition alliance politics between Taiwan and the Philippines. Its central argument is that the difference in these policies originated crucially from the distinct political transitions and threat environments that each state experienced. Manila turned away from the U.S. alliance partly because its new elites rose to power rapidly by overthrowing the authoritarian government. Dissident leader Corazon Aquino took over the presidency immediately after the collapse of dictatorship, and her political allies occupied a majority of parliamentary seats in the following year. Therefore, many new leaders in the Philippines had little time to acquire expertise in national security affairs; they consequently sought a radical departure from traditional dependence on the United States in an idealistic attempt to promote national sovereignty. Meanwhile, old elites were in disarray and unable to impose a countervailing force against radical nationalists. Another reason for the dissociation was that a primary security threat to the Philippine state came from communist insurgents who shared a national identity with the democrats and possessed relatively weak military power. Consequently, the new democratic government played down the military threat from this insurgency and distanced itself from Washington without fearing grave insecurity.

In contrast, newly democratic Taiwan moved to reinforce its alignment with the United States because Taipei’s resurgent nationalism sharpened its perception of the security threat posed by China. New nationalist elites perceived that the People’s Republic of China (PRC) constituted a separate nation and threatened the sovereignty of Taiwanese people. China’s growing military strength further accentuated their threat perception and strengthened their strategic incentives to seek U.S. military support. Also, unlike their Philippine counterparts, old political elites in Taipei were able to control the process of their country’s democratic transition and to check the nationalistic zeal effec-

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5 It is noteworthy that not all new elites had a strong nationalist orientation. The Aquino government comprised a diverse group of politicians, technocrats, and professionals.
tively. During this paced democratization, Taiwanese nationalists gained administrative experience, thereby developing a more pragmatic outlook and accepting U.S. constraint on their pursuit of sovereignty.

This article proceeds in five sections: The first lays out a conceptual framework for understanding the divergent diplomatic consequences of democratization in these two countries. The second and the third sections analyze the alignment policies of the Philippines and Taiwan, respectively. The fourth section examines an alternative explanation for these divergent policies that is centered on economic interdependence; and the final section summarizes the results of my analysis and discusses their implications for the Republic of Korea (ROK).

A Conceptual Framework

Advocates of democratic ideals tend to espouse the principle of national sovereignty. The democrats believe that political power must lie in the hands of the demos (people) rather than unaccountable foreigners. Therefore, they naturally detest foreign influence over national policy. This mindset is particularly true when the democrats perceive that foreign forces buttress authoritarian rule and thereby curb the exercise of popular sovereignty. Therefore, a nascent democratic state ruled by these democratic elites is generally highly sensitive to the issues of national sovereignty.

The pro-democracy forces are usually wary of alliance because it requires accepting imposition of constraint on national autonomy. A state will not extend a military commitment unless it can influence its partner’s action and thereby manage the risk of entrapment in an unwanted conflict. Some degree of influence is also essential for ensuring that aid to the partner is not misused or diverted. And asymmetric alignments with stronger states may require relinquishing greater degrees of political control. The powerful allies can do without support from minor states and therefore have less reason to fear abandonment.

Because their primary concern is entrapment, these states demand greater political influence over their weaker partners’ policies. Therefore, sovereignty advocates in small states often abhor such asymmetric alliances.

The rise in power of democratic elites in an alliance’s weaker partner thus can lead to a new foreign policy that seeks independence from the strategic partner and a turn away from the alliance. However, such democratization does not affect alliance policies in a uniform manner: Nascent democracies restrain their pursuit of sovereignty under certain circumstances, but not in other instances. Consideration of these circumstances follows.

**Extent of Security Threat**

The extent of security threat is one important factor that shapes the trajectory of alliance policy. Continued alliance is less likely when an emerging democracy perceives a weak security threat. And threat perception is a function of the adversary’s national identity and military strength. Nationalist elites tend to play down the security threat posed by an internal adversary that shares their national identity because they believe that such an adversary will not harm them intentionally. Also, if the adversary is militarily weak, the new elites will view it as less menacing. Under these circumstances, the democratizing state governed by these new elites will perceive no strong threat and discount the utility of allied support. Such states will become reluctant to sacrifice sovereignty for protection and will consequently turn away from the alliance.

In contrast, if a fledgling democracy perceives a powerful threat,

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9 On determinants of threat, see Walt, *Origins of Alliances*.


then it will be unlikely to spurn support from its ally in pursuit of sovereignty. Threat perception will be sharp when the democratizing state does not share its adversary’s national identification. In this case, the nationalist elites will likely overestimate, rather than discount, the hostile intention of the opponent and the likelihood of conflict. Also, to the extent that the opponent possesses strong military power, the new democracy will feel more threatened. Such heightened threat perception will lead the democratizing state to fear abandonment and to relent in its pursuit of sovereignty. The new democracy might even attempt to seek a closer strategic partnership with its ally at the expense of autonomy.

**Mode of Political Transition**

The mode of political transition is another determinant of a new democracy’s alliance policy. If old authoritarian elites lead the democratization process, then the state in transition will not radically depart from the alignment. In such cases of what Huntington calls “transformation,” new elites will gradually rise to political power, acquiring administrative experiences along the way.\(^{12}\) Such socialization will tame these new elites’ nationalist zeal and breed in them a pragmatic outlook, since strategic realities tend to eventually override ideological imperatives in international politics.\(^{13}\) In this measured transition process, old elites will also retain sufficient power to prevent a rushed exit from the alliance.\(^{14}\) Moreover, by the time new elites control the foreign policy apparatus (probably during the consolidation phase of democratization), effective democratic institutions will be in place to hold at bay or weed out any recalcitrant nationalist ideologues.

\(^{12}\) Three categories of democratization processes (transformation, replacement, and transplacement) are borrowed from Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman, OK: University of Oklahoma Press, 1991).


In contrast, if new elites overthrow an authoritarian regime and lead a democratic transition, their government will likely turn away from the alliance. As the democrats come to power abruptly, they will have little chance to gain administrative experience and thereby adjust their idealistic views to strategic realities. Consequently, they will adopt radical nationalist policies designed to reduce foreign influence and promote national sovereignty. Also, if democratization occurs through such sudden “replacement,” neither the old elites that are in disarray nor the immature democratic institutions will be able to constrain the pursuit of sovereignty by the new elites.

A synthesis of these propositions produces a simple framework—presented in Table 1—for explaining the central puzzle: Why did the democratizing Philippines dissociate itself from its alliance with the United States while a democratizing Taiwan sought to reinforce its own counterpart? The subsequent sections apply this framework to illuminating the contrasting alliance policies of the two young democracies.

Table 1. Security Threat, Transition Process, and Alliance Policy

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<td>Led by Democratic Elites</td>
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<td>Weak Security Threat</td>
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The U.S.-Philippine Alliance

Exit

For decades preceding democratic transition, Manila cultivated a close relationship with Washington. The United States defeated Spain and occupied the archipelago in 1898. Although the Philippines fell under Japanese rule in 1942, the United States retook the islands in cooperation with the Filipinos and helped establish the independent Republic of the Philippines in 1946. A “special relationship” emerged out of this shared historical experience. Through the Military Bases
Agreement of 1947, the Philippines agreed to host U.S. military installations at Clark Air Base in Angeles City and at Subic Bay Naval Station in Olongapo. These bases—among the largest outside the United States—offered repair, resupply, and training facilities; they formed a crucial foundation for U.S. power projection into the western Pacific and Indian Oceans. In return, the Philippines gained U.S. military protection against both internal and external security threats such as indigenous insurgencies and communist foreign powers. Manila also received large amounts of aid for defense and development, totaling US$6.2 billion between 1946 and 1990.15

This long, relatively stable relationship collapsed rapidly as the Philippines went through democratization. Its new political elites who came to political power in the wake of democratic transition tended to have a principled commitment to national sovereignty. They believed that the Filipino people had a sovereign right to govern themselves, free from foreign interference as well as domestic oppression. They were particularly impatient of U.S. political meddling, not only because the United States—as a former colonial master—wielded greatest influence over their country’s policies, but also because the patron seemingly had acquiesced to the authoritarian regime. In fact, Washington had assisted Manila’s democratic transition of the mid-1980s in important ways: For example, the United States pressured Ferdinand Marcos to hold the 1986 presidential election and deterred his use of force against “people power” protesters. Nevertheless, many Filipino democrats suspected that the United States was unduly influencing their new government in order to protect U.S. strategic and economic interests. For instance, Corazon Aquino expressed her displeasure with President Ronald Reagan’s urge for a tougher policy against the communists by retorting: “It is I who will decide just what we do in our country.”16

The nationalist elites in Manila thus set out to dismantle the unequal relationship with the United States. The most important step toward achieving this goal was to remove the U.S. military presence—the most

conspicuous symbol of the Philippines’ dependence and the largest conduit of U.S. political influence.\(^17\) Shortly after its inauguration, the Aquino government began negotiations with the George H.W. Bush administration on renewal of the U.S.-bases lease, which was due to expire in September 1991. For the nationalists, the renewal talks presented a good opportunity for redressing the unbalanced relationship. More pragmatic elements including several Senators, initially sought higher remuneration from the United States for renewal of the lease, but eventually concluded that the 10-year extension agreement signed by the allied governments in August 1991 was utterly unsatisfactory.\(^18\) Other opponents of the agreement simply wanted to remove the base for reasons of sovereignty.\(^19\) Senator Agapito Aquino—President Aquino’s brother-in-law—asserted: “The time has come for the Philippines to put an end to the spirit of dependence on the United States.”\(^20\) Senator Aquilino Pimentel similarly argued, “Because of the American protection and tutelage, we have been reduced to an adolescent nation, growing old in age but not in our ability to guarantee our own survival.”\(^21\) In the end, the Philippines Senate rejected the agreement, with 12 of 23 members voting against it.\(^22\) Senator Juan Ponce Enrile (who opposed the agreement) proudly declared: “it is the day of our independence.”\(^23\)

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18 Under the agreement, the United States would retain Subic Naval Station—the largest American military facility abroad—for a decade for an annual compensation of US$203 million, but would return Clark Air Base (which had been destroyed by Mt. Pinatubo’s volcanic eruption in June 1991).


20 Philip Shenon, “One Aquino’s Painful Stand on Bases,” *New York Times*, Sept. 13, 1991. Although such statements can partly be rhetoric designed to get a better deal from Washington, it is hard to believe that they are motivated entirely by purely strategic calculations.


22 Treaty ratification required a two-thirds majority vote in the Philippines Senate—at least 16 of the 23 senators.

23 Del Mundo, “Philippine Senate Rejects U.S. Bases Pact.”
The quest for sovereignty quite predictably estranged the United States and undermined the alliance. Even before the Senate vote not to extend the base lease, Washington was unhappy about Manila’s confrontational postures. U.S. Defense Secretary Richard Cheney, reflecting the American mood, said bluntly in an interview: “We obviously can’t stay where we’re not wanted, and we won’t.” Filipino senators noticed the cooling of U.S. support for the Philippines during their visit to Washington following the Senate poll. Not long after the U.S. troop withdrawal got under way, Washington began slashing assistance to Manila drastically—cutting military and economic aid by as much as two-thirds in 1992. Washington also declared that it could no longer guarantee the security of the Philippines.

**Explanation**

The democratizing Philippines nearly exited from the U.S. alliance for two main reasons. One is its abrupt transition to democracy via “replacement.” Democratic governance in the Philippines started with the sudden demise of Marcos’s dictatorship in 1986. Filipinos resented that an electoral fraud stole the February 7 presidential election from Corazon Aquino, and rose up against the corrupt government in protest. On February 22, military forces directed by Juan Ponce Enrile and Fidel Ramos joined the protesters in a mutiny. This “people power” move-

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24 William Branigin, “U.S. Warns Manila on Bases Stance,” *Washington Post*, Jan. 1, 1991. It is important to note that President Aquino and her foreign policy team made sincere efforts to keep the U.S. bases in their country to the last moment. But they often had to employ confrontational bargaining tactics, in order to win larger concessions from Washington and thereby gain approval of the new Treaty of Friendship, Cooperation, and Security from sovereignty-conscious Senators and laypersons. I thank an anonymous reviewer for bringing this important point to my attention.


ment forced Marcos into exile on February 26 and projected Aquino into the presidency. Her government then foiled a coup attempt by Arturo Tolentino—Marcos’s former running mate—and the democratic transition gained further momentum. As elections held under a new constitution formed a new legislature in May 1987, a fully democratic government came into existence.

This democratic transition through “replacement” meant that new democratic elites swiftly rose to power. The executive power came under control of a former political dissident upon the collapse of the authoritarian regime. And lawmakers elected with her endorsement soon came to have a firm grip on the 8th Congress (1987-1992): In the May 1987 election, the administration coalition—lakas ng bayan—carried 22 of 24 Senate seats and 150 of 200 House of Representatives seats. Thus, the democrats controlled both executive and legislative branches of national government within less than two years after the regime change.

As a result of the abrupt transition, many political dissidents with little administrative experience came to occupy important posts in various governing bodies. These novices tended to choose their nationalist ideals over practical national interests in making important decisions. In addition, the old elites failed to retain sufficient power to rein in the idealists. The abrupt political transition also meant that the nationalists came to power when democratic institutions were not yet fully developed. Most importantly, the Philippine political system lacked a constitutional mechanism by which the electorate could override the Senate’s decision on foreign affairs. Consequently, it took 12 Senators to destroy the most important pillar of the half-century-old alliance—the base agreement—despite overwhelming popular opposition to that move. (Credible surveys reported that a majority—above 70 percent—of Filipinos supported the continuation of the U.S. military presence.)

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The other reason for Manila’s near exit from the alliance was that the new Philippine elites perceived no powerful security threat to their country. Manila’s adversaries did not possess a strong enough military power to threaten government defeat. The New People’s Army (NPA)—the military arm of the Communist Party of the Philippines (CPP) and the strongest rebel group—only had approximately 25,000 fighters when its strength peaked in 1987. On the other hand, the Armed Forces of the Philippines (AFP) had 113,000 regular soldiers and 42,000 paramilitary personnel that year. Although the NPA steadily grew in strength through the mid-1980s, it remained incapable of mounting a strategic offensive and defeating the government forces. The communists operated in many provinces and controlled numerous villages (barangays), but their success owed more to the government’s wretched performance than to their own military strength. Also, the communist insurgency had received little foreign support since Chinese assistance had halted in the 1970s. Due to such comparative weakness of adversaries, the new elites regarded U.S. support as dispensable and relentlessly pursued autonomy.

The leaders of the Philippine state, moreover, shared a national identity with the communist insurgents and therefore discounted the threat posed by them. The CPP aimed to establish a revolutionary government representing the entire Filipino people—not a particular ethnic group. The communists and the new ruling elites also had largely identical conceptions of national boundaries. The nationalist elites in Manila expected that this shared national identity would provide a firm basis for a peaceful resolution of conflict with the rebels. Therefore, they enthusiastically pursued accommodation soon after assuming political power (while resorting to force when rebels refused to cooperate.) As a confidence-building measure, the Aquino government

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released top communist leaders—including Jose Maria Sison and Bernabe Buscayno, who had been under detention since the late 1970s. The democratic government also introduced the National Reconciliation and Development Program, which gave rebels various incentives to lay down their arms and rejoin mainstream politics. These conciliatory policies continued in the subsequent administrations. Anticipating the success of engagement, the nationalist elites deemphasized the security threat posed by the conational insurgents and discounted the strategic value of the U.S. alliance. Consequently, they did not hesitate to turn away from the United States.

Security threats continue to play important roles in shaping alliance politics. Filipinos became suspicious of China’s intentions during the mid-1990s, due to that country’s increased activities in Mischief Reef and military modernization. Such concerns prompted Manila’s efforts to gain U.S. support, leading to the signing of Visiting Forces Agreement in 1998 and subsequent military cooperation. Since the September 11, 2001 terrorist attacks, Manila has further increased efforts to revitalize its security partnership with Washington. This new initiative by the Gloria Arroyo administration reflects changes in the security threat. The reduction in U.S. assistance and the financial crisis in the 1990s diminished the AFP’s capability vis-à-vis the insurgent groups to a marked extent. Meanwhile, militant Muslim organizations such as the Abu Sayyaf and the Moro Islamic Liberation Front gained in strength, replacing the communist NPA as the primary opponents of the Philippine state. Unlike the communists, the Muslim insurgents share no common national identity with the governing elites and strive to establish a separate Islamic state in Mindanao. These developments heightened the threat perception of Philippine leaders and strengthened their interest in courting U.S. support. Moreover, with democracy consoli-


dating over time, radical nationalism subsided and sensitivity to the sovereignty cost of the alliance diminished. Consequently, Manila became willing to accept U.S. assistance with counter-terrorism operations that did not require a large military presence.

The U.S.-Taiwanese Alignment

Reinforcement

Like the Philippines, the Republic of China (ROC) had a long history of close strategic partnership with the United States prior to its democratic transition. During the 1930s and 1940s, the United States supplied the country with war materials and military advisers, thereby supporting its anti-Japanese armed struggle. In the wake of the Korean War (1950–53), the alignment transformed into a solid anti-communist bulwark as Taipei and Washington together confronted the PRC. The United States protected the security of Taiwan by providing arms, technologies, and market access. The U.S.-ROC Mutual Defense Treaty formalized the security cooperation in 1954.

The alliance, however, went through major adjustments in the 1970s, when the United States sought rapprochement with the PRC in order to check Soviet power. For that purpose, President Richard Nixon allowed China to replace Taiwan in the United Nations in 1971 and paid a visit to China in the following year. Then, the Jimmy Carter administration formally withdrew diplomatic recognition from the ROC in 1979, declaring the PRC as the sole legal government of China. The United States also abrogated the Mutual Defense Treaty, withdrew its military personnel, and reduced military contacts.

Despite these changes, the alignment continued to function as a substantive—albeit limited and ambiguous—security arrangement. Immediately after derecognition, the U.S. government enacted the Taiwan Relations Act (TRA), which provided a broad legal commitment to

assisting Taiwan’s defense and ensuring a peaceful resolution of the Taiwan Strait issue. In addition, the United States offered the “six assurances” in 1982 and thereby further reinforced the defense commitment. Accordingly, U.S. arms sales to Taiwan and efforts to maintain peace in the Strait continued, although the United States fell short of guaranteeing an armed intervention in the event of a cross-Strait conflict. Despite the vagaries of U.S. policy, Taipei made steadfast efforts to strengthen its strategic relationship with Washington. The stable political leadership under Chiang Kai-shek and Chiang Ching-kuo buttressed the pro-American policy of Taiwan.

Like the Philippine case, however, democratization exposed this close partnership to a potential nationalist challenge. The political elites who newly rose to power had led the anti-authoritarian struggle. For example, Chen Shui-bian used to be a civil rights lawyer who defended political dissidents and a leader of the opposition dangwai movement. He was imprisoned on political charges in 1985–86. Similarly, his vice-president, Annette Lu, was a political prisoner for five years due to her involvement in the 1979 Kaohsiung incident. Also, Peng Ming-min—the Democratic Progressive Party (DPP) nominee for the 1996 presidential election—had been in exile in the United States for two decades. These democratic elites subscribed (in varying degrees) to a nationalist ideology that sought to uphold Taiwan’s sovereignty. Radical members such as Annette Lu and Foreign Minister Mark Chen argued for outright establishment of an independent Taiwan. On the other hand,


38 The United States committed itself to (1) not setting a date for termination of arms sales to Taiwan, (2) not altering the terms of the TRA, (3) not consulting China before making decisions about arms sales to Taiwan, (4) not mediating between Taiwan and China, (5) not pressuring Taiwan to negotiate with China over sovereignty, and (6) not formally recognizing Chinese sovereignty over Taiwan.


40 China and Taiwan: Uneasy Detente (Brussels: International Crisis Group, 2005), p. 5;
moderates like presidential advisers Chiou I-jeon and Tsai Ing-wen called for Taiwan’s self-determination, which meant that the people of Taiwan should determine its relationship with other states, including the PRC and the United States.41 Despite such a disagreement, both groups espoused the principle of sovereignty.

In stark contrast to the Philippine case, however, the rise of nationalism did not undermine Taiwan’s alignment with the United States.42 Taipei did not defy Washington’s often heavy-handed attempts to restrain its seemingly legitimate bids for sovereignty. President George W. Bush publicly admonished Chen for seeking to change the status quo unilaterally, when Chinese Premier Wen Jiabao visited Washington in December 2003. But Taiwan did not react strongly against such an extraordinary rebuke from its security partner.43 The Taipei government agreed to avoid openly advocating political independence. Nor did Taiwan demand a more autonomous, equitable relationship with the United States. Instead, Taiwan sought a closer partnership with and a stronger defense commitment from the United States. For that purpose, Chen supported the establishment of a joint missile defense system with the United States and Japan.

The United States, in turn, has committed itself to the defense of Taiwan. President Bill Clinton sent two aircraft carrier battle groups to the Strait when China threatened to attack Taiwan in 1995–96. Also, the Bush administration has reduced strategic ambiguity over the U.S. defense commitment. A notable example: President Bush in 2001 made


a public pledge to do “whatever it took to help Taiwan defend itself.” His government also has repeatedly expressed its strong disapproval of a forceful reunification by the PRC. In addition, recent years have witnessed more frequent visits of high-level U.S. officials and legislators to Taiwan and vice versa. In 2002, a Taiwanese Defense Minister visited the United States for the first time since 1979, meeting with then U.S. Deputy Secretary of Defense Paul Wolfowitz. Moreover, the United States has made robust arms sales to the ROC. In a move to reinforce Taiwan’s air defense, Washington decided to sell Taipei F-16 fighters (1992), Patriot missile defense systems (1993 and 1999), and early warning and reconnaissance aircraft (2002). The United States also has helped Taiwan to match China’s growing naval capabilities, agreeing in 2001 to sales of advanced surface and subsurface naval combatants—including four *Kidd*-class destroyers and eight diesel submarines. Washington also adopted measures to expedite the arms sales process.

**Explanation**

Taiwan sought to reinforce its U.S. alignment for two reasons. One is that its new democratic elites perceived that Taiwan constituted a nation separate from mainland China. Their peculiar conception of nationhood originated from distinct features of Taiwanese authoritarianism. Taiwan’s Kuomintang (KMT) Party was largely controlled by mainlanders (*waishengren*) who had moved to the island at the end of the civil war with the Chinese Communist Party. The political supremacy of the KMT meant that native Taiwanese (*benshengren*) were excluded from national politics. In this situation, democratic governance required that the alienated native Taiwanese (who constituted the majority of the population) regain sovereign rights. Thus, native Taiwanese intellectuals like Chen and Peng naturally came to play leading roles in the democracy movement.

The legitimization strategy of the authoritarian government also gave the political opposition a nationalist orientation. The KMT legitimized its political monopoly in good part by claiming

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44 The Legislative Yuan has yet to approve these weapons purchases.
that its power rested on a popular mandate from the entire Chinese people.46 Therefore, political power could not be turned over to the people of Taiwan alone. In order to undermine this rationale for authoritarian rule, the opposition strived to establish the principle of Taiwanese sovereignty: The people of Taiwan (excluding those of mainland China) have a sovereign right to determine the future of the ROC.

The rising influence of democratic elites thus produced policies designed to promote the sovereignty of Taiwan as an independent state. The Chen government sought to actively participate in multilateral institutions such as the World Trade Organization and the World Health Organization as well as non-governmental organizations related to human rights and the environment. Chen also increased contacts with international society—for instance, by making recurrent “stopovers” in the United States and other countries.47 The main purpose of these moves was to acquire international recognition of Taiwan as a separate political entity vis-à-vis the PRC. The Chen government also advocated advancing the notion of “a New Taiwan identity,” while also refusing to accept the “One-China” policy. In a highly symbolic move, Chen closed down the National Unification Council, whose function was to promote Chinese reunification.

Not surprisingly, these nationalist policies drew strong negative reactions from the mainland, thereby heightening the threat perception of the new Taiwanese elites. China’s military buildup in particular magnified the perceived security threat.48 China had deployed a more capable ballistic missile force and had purchased advanced aircraft and ships from Russia.49 Consequently, the PRC acquired an improved

48 Robert S. Ross, “Taiwan’s Fading Independence Movement,” Foreign Affairs, Vol. 85, No. 2 (2006), p. 142. Another apparent constraint was China’s ability to impose costly sanctions on Taiwan’s dependent economy.
capability to coerce the ROC through naval blockade or missile and air strikes. Faced with such a powerful adversary on the rise, Taipei desperately needed U.S. military assistance and therefore accepted U.S. political influence and the unequal relationship that came with that influence.50

Another reason for Taiwan’s pro-U.S. posture is its transition to democracy under the ruling elite’s initiative—through “transformation.” The political transition in Taiwan started in the mid-1980s, when Chiang Ching-kuo decided to liberalize national politics by lifting the martial law decree and permitting the formation of opposition parties, including the DPP. Thus, the KMT voluntarily ended its dominant-party rule since 1945 and subjected itself to national-level political competition. This political change from above gained further momentum in 1988, when Lee Teng-hui became supreme leader of the KMT and the ROC. Lee—the first native Taiwan-born president—promoted liberal reforms and furthered Taiwanization of the KMT in a measured way. This process resulted in the first direct presidential election in 1996; with Lee’s victory in the election, old elites extended their control over the political transition for four more years.

This transition to democracy via “transformation” meant that Taiwan experienced an incremental shift in power. The first direct presidential election took place no sooner than a decade after political liberalization had begun in earnest, and the incumbent party candidate won that contest. New democratic elites only came to control the executive branch of national government in 2000 when their candidate Chen Shui-bian became president—15 years after the initiation of liberalization. Also, the KMT dominated the legislative bodies until 1992, when all the so-called “old crooks” (who had been elected on the mainland in 1947) were replaced by winners of a comprehensive popular election. Even afterwards, however, the KMT still maintained a majority position in the Legislative Yuan. The DPP did not achieve a plurality in the legislature until 2001, when it took 38.7 percent of the seats (87 out of 225) and formed a “Pan-Green Coalition.” However, the KMT and its allies (the pan-Blue Coalition) could maintain a parliamentary majority, which continues to this day.

50 Swaine and Kamphausen, “Military Modernization in Taiwan.”
Exploiting such political advantages, the old elites selectively introduced modest reform measures toward self-determination, while stopping their new rivals from undertaking any major policy initiatives. Taiwan under Lee’s leadership adopted the policy of “pragmatic diplomacy” in order to strengthen its status of a sovereign state. Lee particularly sought to expand Taiwan’s diplomatic recognition and its membership in international organizations.\textsuperscript{51} Most notably, his government initiated a bid to re-enter the United Nations in the spring of 1993 (although to no avail). He also made frequent visits to foreign countries in spite of China’s threats.\textsuperscript{52} Lee’s controversial trip to the United States to speak at Cornell University in 1995 was one such example. Regarding cross-Strait relations, the Lee government rejected the venerable “One-China” principle in favor of a “One-China, two political entities” approach and characterized the relations between these two entities as a “special state-to-state relationship.” In so doing, Lee recognized the legitimacy of the PRC’s rule on the mainland and adopted a “pure defense” (\textit{shoushi fangyu}) strategy for Taiwan, renouncing the longstanding goal of retaking the mainland through military means.\textsuperscript{53} To minimize Taiwan’s economic dependence and China’s political influence, Lee also adopted a “go slow, be patient” (\textit{jieji yongren}) policy in strengthening Taiwan’s economic links with China.\textsuperscript{54} But for all his efforts to promote sovereignty, Lee declined to go so far as to establish de jure independence of Taiwan. Such partial preemption of the Taiwan’s nationalist agenda combined with the indigenization of KMT membership made sovereignty a less salient issue in Taiwan’s foreign policymaking.

Over the gradual transition, Taiwan’s new elites also had the opportunities to hold governmental offices and gain administrative experi-


\textsuperscript{52} Bruce J. Dickson, “Taiwan’s Challenge to U.S. Foreign Policy,” in Dickson and Chao, eds., \textit{Assessing the Lee Teng-Hui Legacy in Taiwan’s Politics}, pp. 266–69.

\textsuperscript{53} Roy, \textit{Taiwan}, p. 185.

\textsuperscript{54} Julian J. Kuo, “Cross-Strait Relations: Buying Time without Strategy,” in Dickson and Chao, \textit{Assessing the Lee Teng-Hui Legacy in Taiwan’s Politics}, p. 204.
ences. For example, Chen served as mayor of Taipei from 1994 to 1998. Through this process, the DPP politicians transformed themselves from activists into administrators.\(^{55}\) Their activities focused increasingly on practical public-policy issues such as healthcare and the environment instead of an idealistic pro-independence agenda.\(^{56}\) The new elites also learned valuable lessons from their failed attempts to advance the nationalist agenda precipitately. The DPP had openly advocated Taiwan independence and consequently suffered disappointing defeats in the 1991 National Assembly election and the 1996 presidential election.\(^{57}\) After these defeats, the party mainstream moderated its policy platform, emphasizing substantive autonomy over formal independence.\(^{58}\) As such, the new elites became more pragmatic over the course of their gradual rise to power, although some members of this group refused to forego nationalist ideals.\(^{59}\) And the Taiwanese independence movement waned accordingly.\(^{60}\)

**Alternative Explanation: Economic Dependence**

A widely accepted argument posits that a country that is economically dependent on its strategic partner is less likely to break the alliance for fear of damaging the beneficial economic relations of the alliance. Can this proposition account for the post-democratization alignment policies of Taipei and Manila? Finding an answer to this question is important, partly because the proposition provides a strate-

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56 Tien, “Taiwan’s Transformation,” p. 142.
58 China and Taiwan, p. 3; and Roy, *Taiwan*, p. 193.
59 Roy, *Taiwan*, p. 231.
60 Ross, “Taiwan’s Fading Independence Movement.”
gic rationale for the ROK-U.S. free trade agreement.

A simple cross-national comparison seems to support the argument. Table 2 compares the ratio of U.S. trade with each country to its total economic production (measured in gross domestic product) in selected years. This ratio is a favorite indicator of economic dependence among international relations scholars.61 The data show that Taiwan was overall more dependent on the United States than was the Philippines. And this pattern is consistent with the fact that Taipei was reluctant to spurn its U.S. alignment, while Manila was not.

<table>
<thead>
<tr>
<th>Year</th>
<th>The Philippines</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>11.5 (%)</td>
<td>33.3</td>
</tr>
<tr>
<td>1990</td>
<td>13.3</td>
<td>20.7</td>
</tr>
<tr>
<td>1995</td>
<td>16.3</td>
<td>17.6</td>
</tr>
<tr>
<td>2000</td>
<td>29.9</td>
<td>20.2</td>
</tr>
<tr>
<td>2005</td>
<td>16.4</td>
<td>16.4</td>
</tr>
</tbody>
</table>

Sources: The U.S. trade data are drawn from the U.S. Census Bureau, and GDP figures are drawn from the International Monetary Fund.

This economic dependence explanation has some significant limitations, however. It cannot account for trends in alignment policies over time. Taiwan made efforts to reinforce its strategic partnership with the United States, despite the declining level of economic dependence. Also, Manila’s interest in the U.S. alliance diminished during the late 1980s and the early 1990s against a backdrop of increasing commercial dependence on the United States. A close look into the Philippine case reveals another weakness in the explanation. The Philippine economy depended heavily on U.S. trade (albeit to a less extent compared with its Taiwanese counterpart) and U.S. military presence. The base treaty was expected to provide up to US$800 million a year in direct and indirect payments, in addition to the annual rent of US$203

The bases also supplied tens of thousands of jobs. Nevertheless, the new democratic government in Manila reached a decision to end the U.S. military presence there. Even a high level of economic dependence is still not enough to sustain the alliance by itself.

Conclusion

This article has argued that the mode of political transition in large part explains the divergent alignment policies of Taiwan and the Philippines since their democratization. Manila distanced itself from Washington because its democratic elites overthrew the authoritarian government and rose to power swiftly. Due to their rapid political ascendance, the new elites in the Philippines had little chance to develop administrative expertise and a pragmatic outlook; they therefore made idealistic attempts to advance national sovereignty. And old elites in that country were in no position to check the nationalist drive. In contrast, Taiwan reinforced its relationship with the United States because old elites in Taipei could control the process of democratic transition. The ensuing gradual shift in power meant that the new Taiwanese elites had time to acquire experience and pragmatism and to become more willing to accept constraints on sovereignty. Also, the old Taiwanese elites were able to restrain the nationalists.

Another determinant for the divergent alliance policies was the extent of security threat that each state perceived. The main adversary of the Philippine state—communist insurgents—shared national identity with the democrats and possessed weak military strength. Therefore, the democratic government in Manila played down the threat and was able to nearly end its alliance with the United States without much fear. In contrast, Taiwan’s efforts to strengthen its U.S. alignment originated from the growing military power of the PRC. Also, the new Taiwanese elites inflated the Chinese threat by perceiving that the mainland constituted a separate nation that threatened the sovereignty of the Tai-

wanese people. Consequently, Taipei became more inclined to seek U.S. protection. While transition process and threat environment offer compelling explanations as such, there is no strong evidence that economic dependence shapes alliance policies.

The foregoing analysis sheds light on Seoul’s alliance policy since democratic transition. South Korea has made incremental adjustments to its U.S. alliance in the direction of augmenting sovereignty, unlike both Taiwan and the Philippines. This distinct diplomatic path is not difficult to understand in light of the transition process and the threat environment experienced by the ROK.63 In a nutshell, South Korea was an in-between case in these regards. Seoul democratized through “transplacement”—a compromise between democratic and authoritarian elites—and its power shift progressed at a medium pace. And the new South Korean elites perceived a moderate security threat from North Korea: They viewed North Koreans as belonging to an identical nation, but as possessing significant military power. As a result, the ROK neither exited nor reinforced the alliance with the United States. Instead, South Koreans chose to make a downward adjustment.

The limited significance of economic dependence also suggests that increased bilateral trade resulting from the ROK-U.S. Free Trade Agreement might not reverse or stop the downward adjustment of the security alliance. The evidence does not show positive associations between commercial expansion and alliance cohesion (see Table 1). In fact, there seems to be an inverse relationship between the two factors, contrary to common expectations. Also, the Philippine case reveals that trade alone cannot sustain an alliance. Therefore, the most realistic expectation might be that the strengthening of commercial relations would slow down the decline of a security relationship—not reverse the trend.