

ONE CHINA OR TWO? SOUTH AFRICA'S FOREIGN POLICY DILEMMA

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Only in Taiwan have the people worked so hard and succeeded so valiantly - and watched the world turn away ... Now, with Lee's triumphant diplomacy and quiet contacts between Taiwan and the mainland, there's renewed hope that the island nation will somehow find its place in the world (Shapiro, 1995).

Parliamentary elections in Taiwan in December and the first direct presidential elections next March may edge China closer to independence ... China now realises that a popularly elected president - of whatever political hue - will carry more clout internationally. Next year, Taiwan will look even more like what it really is - an independent country (*The Economist*, 29.06.95).

Introduction

Of the foreign policy dilemmas confronted by the Government of National Unity since its assumption of office, only the China question has generated that rarest of phenomena in South African foreign policy formulation - public debate. The back-to-back nature of two recent symposia on this question is indicative of the priority the parties involved accord to the gaining or retaining of official links to the South African government. Elsewhere in civil society a variety of bodies - academia, the labour movement, the media, business, NGO interest groups - have also entered the debate. All this is to the good and hopefully a taste of things to come. Dare we hope for such passion over the future of the Southern African Customs Union?

The GNU's dilemma over China is a very real one. The stakes as they stand at present suggest it is more of a win-lose situation than a win-win one, which makes it all the more difficult. What gives it an added twist is the fact that it is a problem not of South Africa's making but one imposed upon it by the exigencies of Chinese domestic politics. There is in regard to the mainland government's position a strong element of diplomatic blackmail and no government likes to act with 'a gun to its head'. In the South African case in particular, I suspect this attitude of the mainland's does not work to its advantage given President Mandela's well-known reputation for deep-seated loyalty to his allies and

friends.

The dilemma is both a moral and an interests one and its resolution will provide a clear indication of which factors are primarily driving South Africa's 'new' foreign policy. The economic interests at stake are clearly enormous and are dominating the debate. But, I would argue, the human rights issues involved are also worthy of serious attention. Unsurprisingly, this issue is ignored or glossed over by those who advocate recognition of the People's Republic of China (PRC). The playing out, however, of the China question will test the credibility of the ANC's foreign policy which pledged in its pre-election blueprint to 'canonise human rights in our international relations' (ANC 1994:50).

The Nature of the Dilemma

The 'nuts and bolts' of the dilemma facing the GNU runs somewhat along these lines:

- a) should South Africa retain its official ties to the Republic of China on Taiwan (ROC), an old ally (albeit one linked to the previous apartheid regime) with whom it has since 1990 developed a close and particularly economically advantageous relationship; an ally which, moreover, has in the last decade, like South Africa itself, undergone a dramatic and far-reaching democratisation process?
- b) or should it abandon, or rather downgrade, its ties to that ally in favour of a government with a wretched (and deteriorating) human rights record but which happens to be a permanent member of the UN Security Council, home to some one-fifth of all humanity and, therefore, a market of immense proportions, made more so by the fact that its economy also happens currently to be the world's fastest growing?
- c) or is there perhaps a third way, namely, that of dual recognition?

In short, the GNU's choices are to maintain the status quo, or switch sides, or pursue the hitherto little charted waters of dual recognition. The fact that the latter option is dismissed as a political non-starter by the present PRC government and its supporters does not, in my view, negate it. The fact is that there is a powerful logic for it both in terms of international law and in the context of changing international realities.

The GNU's Current Position: The Status Quo.

Despite pressure from a variety of quarters, including naturally the PRC government itself but also influential voices within the Department of Foreign Affairs and the Parliamentary Portfolio Committee on Foreign Affairs, there is little overt sign that a switching of sides is imminent. President Mandela, who himself visited Taiwan in 1993, reaffirmed as recently as late April this year that South Africa had no plans to cancel diplomatic relations with the ROC.

For its part, the ROC government is taking no chances and is engaged in a considerable diplomatic offensive to safeguard and bolster its relations with a government that is the 'jewel in its diplomatic crown'. In addition to sponsoring visits to Taiwan of numerous public figures and so-called opinion makers, the ROC government is also facilitating or developing with South Africa a major programme of aid, trade and investment.

Its commitment to the government's Reconstruction and Development Programme has been explicit and concrete, witness the vocational training and skills' development project underway in Gauteng in conjunction with the Ministry of Defence.

Frequently when the economic pros and cons of this issue are debated, the focus is on the volumes of trade between South Africa and the ROC, PRC and Hong Kong respectively with PRC advocates making much of the fact that when Hong Kong and the PRC are factored together, that volume marginally exceeds that with Taiwan.

That to me is the less significant aspect of the equation. What should rather be examined and analysed is the type and quality of Taiwan's investment and assistance programme. PRC investment in South Africa has to date been primarily in small-scale manufacturing. Much the same applies too to the ROC, although large-scale involvement in South Africa's petrol-chemical industry remains a possibility.

A clear difference is apparent, however, in relation to other sectors of the economy. Unlike the PRC, the ROC has become an important player in both the monetary arena, where it has extended a R181 million line of credit to the banking sector, and in the non-monetary private sector (shares, debentures, loan stock and other securities) where Taiwan's total non-direct investment at the end of 1993 totalled R784 million.

As a developing, capital-importing economy, the PRC cannot match this type and level of involvement in the South African economy. It is the reason why individuals in banking and business circles have commented to me that South Africa's short-term economic interests would be damaged by a change in its diplomatic position over China.

Finally, there is one other factor which may be influencing the government's

current position over China. President Mandela's concern for South Africa's disadvantaged youth is well-known and redressing their plight a central concern of his presidency. To this end, a variety of initiatives is underway. One involves tapping into corporate resources through the recruitment of the 'captains of industry' into an exclusive President's Club, membership of which is secured through an hefty financial donation of R150 000 per annum for five years.

The *Mail and Guardian* (19-25.05.95) pictured the members of this club. Alongside the President were such corporate giants as Clive Menell, Warren Clewlow and Bobby Godsell - and one foreign ambassador, that of the ROC. Chequebook diplomacy it may be, but in the world of realpolitik, these things count for something.

South Africa's Present Relations with the PRC

South African-PRC relations are currently semi-official with each country operating through informal representative offices in the other's capital. Despite their low-key nature, a two-way trade and aid relationship has developed involving, on the South African side, such major actors as Volkswagen, South African Breweries and ISCOR. Indeed, for ISCOR China is its most lucrative market for iron ore.

In 1993, total trade with greater China (Hong Kong, Macau and the PRC) was in the region of \$4.4 billion. Advocates of the switch position argue that this represents a 'drop in the ocean' and that the lack of full diplomatic relations is hampering the full development of South Africa's trade potential with China. This proposition, however, requires some scrutiny with two main points needing to be made:

- a) There is no questioning the magnitude of the Chinese market. It is immense and powerfully attractive to every trade economy. But I can find no evidence that South Africa's access to it is being retarded by its current diplomatic posture. I know of no trade or investment deal involving China and South Africa floundering on these grounds. It also begs the question why if such ties are so crucial to the development of trade, ISCOR was able to secure its lucrative deal? How was it too, that Volkswagen could sub-contract to its South African subsidiary its one billion rand arrangement to supply the Chinese market with Jettas? How, finally, is it that the Chinese government in August 1994 announced the approval of ten joint ventures and Chinese-owned enterprises worth \$5.5 million for South Africa.

Is it not, in fact, possible that Sino-South African trade is developing freely and that South Africa is actually doing quite well in penetrating the Chinese market given the length of the communications and transportation links and the

largely uncompetitive nature internationally of much of the South African economy? Is it not economic rationality rather than political factors which is at present governing the evolution of South Africa's trade ties to China?

Of course this could change if the Chinese authorities were to intervene to block the development of the economic relationship at any time. But they have not done so to date

b) Amongst those in South Africa who argue that the GNU should 'change sides' to be better placed to take maximal advantage of China's spectacular growth, there appears to be an assumption that this growth will continue unabated, and indeed pick up steam, well into the 21st century. Political and other factors inimical to economic growth which could produce a different scenario - a slowing or even a derailment of the train - are not factored in.

The growth proponents may be proved right but, as Vincent Cable and Peter Ferdinand argued recently, 'China's full emergence as an economic giant is not pre-determined' (1994:261). They draw attention to a daunting range of economic, social, demographic and political issues confronting China's ageing leadership which could, as Melvin Gurtov has suggested, produce outcomes along a spectrum of unfavourable economic and political circumstances that could lead to increasing social instability and political disintegration' (1995:110). Amongst the negative political scenarios cited by Gurtov are 'a military coup, a struggle over succession followed by the outbreak of factional fighting, and regional divisions in the form of economic warlordism' (1995:110).

Picking up on some of the themes developed in the 1994 article cited above, Vincent Canby in *The Independent* (05.06.95) described the present Chinese government as weak. He suggested that its

economic managers are struggling to contain inflation and overall macro-economic stability in large part because far-reaching decentralisation has eroded the central government's revenue base. The government tiptoes around the problem of bankrupting and slimming loss-making public industries since it fears strikes and demonstrating workers. Peasants riot because the government is unable to pay its bills. Party cadres and state officials are less likely to be administering political correctness - or running the country - than minding their own business (05.06.95).

The above notwithstanding, Canby does not envisage a societal breakdown nor a political disintegration of the country but he does predict difficult times ahead. Neither does he, to reiterate the point made above, take its continued spectacular growth as a given.

How can one if one considers the range of problems besetting the Chinese government on the mainland? Some of these, in brief, are: centre-regional state tensions particularly in the high-growth provinces of Guangdong and Fujian; double-digit urban inflation which reached as high as 23 percent in 1993 and was nearly double the previous year's rate; a voracious military whose budget grew by nearly 100 percent between 1988-93; subsidies on food prices and to state enterprises, between one- and two-thirds of which are loss-making. According to Cable and Ferdinand, a consequence of these losses 'is a central government whose freedom of manoeuvre and resources are continuing to shrink in relative terms, even though the economy has grown rapidly' (1994:251).

Other problems are such infrastructural deficiencies as a shortage of electricity, a bottlenecked transport system and declining domestic oil reserves which will shortly make China a net importer; a variety of agricultural problems including a declining output of grain, a growing shortage of arable land and a surplus rural population estimated at around a mindboggling 100 million. The result is an accelerated rate of urban migration and a swelling of the ranks of the unemployed. The fact is that the Chinese rural sector can no longer sustain a population which continues to grow by some 13 million per year. Cable and Ferdinand have noted that:

Already China sustains about 22 percent of the world's population on roughly 7 percent of the world's cultivable land. It is difficult to see how the area of land under cultivation can be significantly increased - indeed, it is currently shrinking as a result of increased urbanisation, environmental pollution and poor land management since the introduction of agricultural reforms in the early 1980s (1994:252).

Lastly, mention needs to be made of rising crime levels, including rural disorder, endemic bureaucratic corruption reaching to the highest levels of the party, the declining legitimacy of the Communist Party as reflected in a falling party membership, and alarming environmental threats with serious local and global implications.

Addressing a recent seminar in Johannesburg, WJF Jenner referred to the potential for instability in China. In particular, he cited the growing resentment directed at the new economic elites:

To people who once took pride in the simple living of the revolutionary years the gratuitous extravagance of this minority that flaunts its expensive toys is deeply disturbing. It is not simply the have-nots jealousy of the haves. It is also resentment at having the meaning of a life of honourable frugality snatched away. When one adds to this the apparently universal feeling that many officials are corrupt, and that some of them are helping themselves to public

assets on a huge scale, the sense that society has gone badly wrong can become a potentially disruptive force. Something of this was seen in 1989. Since then the problems have got worse (1995:10).

Again it needs to be emphasised that this catalogue of woes does not presage the collapse of the Chinese economic miracle, or even an end to growth. But what it should do is suggest a need for caution on the part of South Africa's policy formulators and a hedging of the bets rather than the putting of all our economic eggs in the PRC basket.

It would, of course, be disingenuous to suggest that Taiwan is not also afflicted by some of the same problems affecting the mainland. Typical of any small island undergoing rapid growth and change, it has serious problems of urban overload, traffic congestion, and air and water pollution. But the scale and magnitude of the problems are altogether different from that on the mainland, and are basically manageable. None can seriously be said to threaten continued economic expansion, social order or the integrity of the state.

On the other hand, some of the mainland's ailments do not affect Taiwan at all. Inflation, for example, is minimal on Taiwan and the target is to keep it below 3.5 percent for the next five years. The ROC's foreign reserves excluding gold now stand in the region of \$100 billion, the world's highest and more than double that of the PRC's, while it carries no external debt burden at all. China's foreign debt, by contrast, stood at \$93.7 billion in 1993.

The point of the above discussion has been to introduce a cautionary perspective to the oft-expressed view that by not recognising Beijing, South Africa is damaging its economic interests and prospects. I am not at all sure that that is correct at the present time; nor am I certain that it will be the case in the near future (until mid-1997) and may not necessarily be that damaging in the medium- to long-term, Hong Kong notwithstanding.

In other words, what I am suggesting is that a continued cultivation and exploitation of what is clearly to the ROC a very special relationship could turn out to be South Africa's better economic bet.

The Case for Dual Recognition

The case for dual recognition, made elsewhere by Willie Breytenbach (1994) and Deon Geldenhuys (1995), rests on three sets of criteria:

- a) a case in international law;
- b) a de facto but publicly unacknowledged recognition by both the PRC and ROC governments that in their mutual interactions, they are dealing with autonomous, if not sovereign, entities with distinct - and not overlapping - areas of jurisdiction;

- c) a changing international reality involving a growing recognition worldwide that the ROC government is a force to be reckoned with in international relations and that it is wishful thinking, and self-defeating, to pretend it does not exist;

Let us examine each of these factors:

The case in International Law

The international legal concept of statehood rests on notions such as that states should have territories and boundaries, citizens, and governments capable of exercising authority and the capacity to enter international relations. It was this latter factor that sunk the recognition claims of the bantustans of the apartheid era.

Taiwan is, however, no bantustan. Indeed, on the basis of the above, as Breytenbach (1994:52) has argued, both the PRC and the ROC governments qualify for statehood. There is nothing in international law that precludes dual recognition. The obstacle is not legal, it is political.

Growing Inter-strait Relations

Both the PRC and ROC governments engage in inter-state diplomacy. They do so through 'front' organisations in the other's capital - The Straits Exchange Foundation (SEF) representing the PRC in Taipei and The Association for Relations across the Taiwan Straits (ARTS) representing the ROC. In recent years, the two bodies have negotiated a series of agreements governing immigration, tourism and family visits, fishing disputes and the repatriation of hijackers.

This last agreement represented something of a legal breakthrough for the ROC in that it provides for hijackers to be dealt with according to the laws of their countries of origin. In this way, according to Breytenbach (1994:51), 'the PRC for the first time recognised the existence and authority of Taiwan's legal system', a concession which *The Economist* (13.08.94) described as a far-reaching breach of the PRC's 'one China' position.

More significant, however, in terms of inter-strait relations than this diplomatic shadow boxing is the fact that Taiwan is, after Hong Kong, the second largest investor in the PRC economy. The total value of that investment is estimated at about US\$ 20 billion and forms part of a modest but growing two-way trade between Taiwan and the mainland. In 1993, Taiwan sold goods worth approximately one billion dollars to China while importing goods worth seven times as much. According to *Time* magazine (19.06.95), this two-way trade increased significantly in 1994 to reach a value of \$19.4 billion. It is clearly on

a rapid growth curve.

Opinions vary as to the impact upon inter-strait relations of Taiwan's involvement in the PRC economy. The Taiwanese journalist Leslie Chang argued recently in *Business Day* (18.07.95) that 'many in Taiwan believe its considerable investment in China at a time when some investors are pulling back make Taiwan too important for China to harm'. In other words, Taiwan is through its investment programme gaining some leverage over the mainland.

A recent discussion with Dr Szu-yin Ho of the Institute of International Relations at National Chengchi University in Taipei elicited an opposite view, namely that it increased Taiwan's vulnerability in that the size of the investment pool is such that the ROC economy would be affected adversely in the event of a Chinese seizure of those assets. Ross Munro echoes this view, arguing that the scale of ROC investment on the mainland is giving the PRC 'overwhelming leverage over Taiwan's business community and thus considerable influence over the ROC government' (1994:115).

Both viewpoints are probably valid. What is certainly true, however, is that there is now a degree of interdependence in the economic relationship between Taiwan and China which, in the absence of a total political rupture, can only intensify and deepen. This is because, as George Crane has put it, 'the economic logic that draws capital-rich Taiwan to labour abundant China is powerful and will probably continue to fuel exchange and investment' (1993:723).

The political consequences of this growing economic interdependence are highly significant, albeit paradoxical. On the one hand, it lays the groundwork for the possible ultimate integration of the two economies and promotes the case of the 'greater China'; on the other, it makes it all the more apparent that in the current global political economy there are two distinct politico-economic entities at play, namely two Chinas.

The Changing Global Reality

While it is the case that Taiwan enjoys full diplomatic relations with only 30 governments, the bulk of them minor players on the world stage, the more important fact is that the ROC has semi-official relations with 58 nations, including such major players as the United States, Canada, Russia and Nigeria. Put another way, slightly more than half the members of the United Nations have some form of government-to-government relations with the regime in Taipei. Additionally, according to Munro (1994:112), Taiwan maintains some sort of agency, like a business office or travel bureau, 'as a point of contact' in about 30 other countries.

The recent granting of a visa to President Lee to enable him to enter the United States was an enormous diplomatic coup for the ROC and probably its biggest

breakthrough since the US broke off ties in 1979. In the last year nearly half (24) of all states in the US have passed pro-Taiwan resolutions, demanding that it be treated like any other independent nation. This includes restoring it to UN membership.

In May of this year, the US House of Representatives voted 396-0 and the Senate 97 -1 for resolutions urging the State Department to grant President Lee his visa. The fact that the Clinton administration bowed to this pressure was reflective of a considerable shift in US political circles over Taiwan and Sino-US relations in general. Perhaps, it also reflected a coming to grips with the reality of Taiwan's *de facto* sovereignty and an attempt to address some of the more absurd features of the ROC's international position.

Willie Breytenbach has drawn our attention to some of these anomalies:

The ROC has a nuclear capacity but is not a member of the UN; it is an island state (together with the associated islands of Penghu, Kinmen and Matsu), yet it is not a member of the Law of the Sea Conference; it is a major industrial polluter, yet it is not a member of the UN Conference on the Environment and Development; it has the world's second biggest foreign reserves, yet it is not a member of the World Bank; it is the world's seventh largest aid donor, yet it is not a member of the OECD; and, it is the world's 13th strongest trading nation, yet is (still) not yet a member of GATT (1994:54).

Breytenbach could have detailed a few more anomalies. Though not a member of the OECD, Taiwan can attend meetings of the Asia Pacific Economic Cooperation (APEC) forum; though not a member of the World Bank, she is of the Asian Development Bank; though excluded from the UN, Taiwan is a member of the International Olympic Committee and participates in both Olympic and Asian Games, albeit under the name of Chinese Taipei.

The above, in my view, constitutes a powerful case for the dual recognition proposition. But what of the view that the position is a futile one, and no solution to South Africa's dilemma, because of China's implacable opposition to it? In his report on a visit to China by a delegation from the Parliamentary Portfolio Committee on Foreign Affairs, chairperson Raymond Suttner makes it clear 'that the PRC will not tolerate any deviation from the concept of one China ... on the question of one China there can be no compromise'.

Speaking to an earlier parliamentary delegation on a visit to China, the Chinese foreign minister argued that 'there is only one China in the world, and the government of the People's Republic of China is the sole legal government of China, and Taiwan is an inalienable part of China' (*Sunday Independent* 06.07.95).

Three points need to be made regarding the PRC's position:

- a) the fact that the PRC rejects the dual recognition thesis may make it an impractical political proposition under present circumstances, but it in no way undermines the argument for it. The fact that certain governments are opposed to abortion, or allow the death penalty, does not mean that there are not sound and valid arguments for and against each of these contentious practices.

There is, as I have tried to suggest, a case for dual recognition that is well-based both in terms of international law and the reality of contemporary international politics. The fact of the PRC's opposition to it is really neither here nor there in regard to its soundness;

- b) while it would be foolish to ignore or under-estimate the strength of the PRC's position on the question of national unity, statements such as that of the Chinese foreign minister cited above are actually ideological fantasies devoid of reality. Even though, as Richard Grant has put it, 'the Taiwan question goes to the very heart of China's national political agenda' (1995:7) and that 'nothing is more fundamental than "one China", it will make no compromise regardless of who is sitting on the other side of the negotiating table' (1995:8), this does nothing to alter the fact that the idea that there is one China and one Chinese government is a fiction.

It falls into the same realm of propagandistic nonsense as that put out by the French government when it tried to convince a sceptical world that Algeria was part of metropolitan France; and by the Portuguese dictatorship under Salazar which argued that Portugal had no colonies, only overseas provinces; and by the apartheid regime which tried in vain to sell the idea that South Africa was not one country but a multinational commonwealth of self-governing nations. The problem for those who put out these tales is that history has a way of exposing them for the myths they are;

- c) another of history's lessons is that nothing is cast in stone and that there is simply no such thing in politics as never; no situation is ever static and the unimaginable today can become tomorrow's reality. We just need to cast our minds back over the last six or seven years to realise the truth of this assertion. Who in 1988 could have thought that world was on the brink of witnessing the reunification of Germany, the dissolution of the Soviet Union and the end to its colonial domination of Eastern Europe (and the banning of the Soviet Communist Party), and majority rule in South Africa (and the unbanning of the South African Communist Party)?

Thus, for example, the Chinese foreign minister's assertion that there can be no compromise with the notion of one China amounts to no more than a stating of his government's present position. Admittedly, it has held to this view for 45 years and may do so for some time to come. But it cannot do so indefinitely. Eventually reality will overtake it; indeed, in many ways it already has and even the PRC has compromised its own hard-held position. Every meeting between the SEF and ARTS undermines the PRC's position.

Let us bear in mind, too, that, the 'one China' position excepted, perhaps the most characteristic feature of Chinese politics under the PRC has been its unpredictability and inconsistency. Nothing other than the question of national unity appears sacred. This is a government whose party rulers in the space of a single generation made, in the words of Jenner, 'one of the great U-turns of history ... abandoning the main declared aim of the party's existence: the defence of socialism and the advance to the ultimate goal of communism' (1995:7).

Nowhere has the impact of this policy shift been more dramatic than in the rural sector. The very same peasant families catapulted into the forced collectivisation of rural socialism in the late-1950s are now at the mercy of the market, part of a 'mobile population travelling around China in search of work that is probably a hundred million strong and may be twice as many in number by the end of the century' (Jenner 1995:9).

The PRC's foreign policy has been equally unpredictable. Leaving aside the political acuity of a government which favoured the PAC in the South African struggle and backed UNITA in Angola, consider the fact that in less than a decade the PRC abandoned the central feature of its early foreign policy - the Sino-Soviet alliance, fought a border war with the Soviet Union and then took to their bosom one of the coldest of cold war warriors - Richard Nixon.

With a record like this, it is, in fact, possible to imagine the unimaginable.

The Human Rights Situation

The ANC's pre-election commitment to put human rights at the forefront of its foreign policy was always going to be problematic. All governments at one time or another experience a tension between principle and pragmatism and such tensions are particularly acute where governments are under pressure to deliver jobs and services to its constituency. This is the case with the GNU and there do seem to have been occasions where pragmatism appears to have prevailed. Indonesia is an oft-cited case and criticism has been levelled at the Department of Foreign Affairs over this and other such cases.

Nonetheless, given its history as a liberation movement which forged a global

coalition around the denial of human rights to the majority of South Africans, the ANC cannot be oblivious to human rights factors in the shaping of its relations with members of the international community. It occupies a high moral ground presently and its position over China will be carefully scrutinised by the international human rights lobby.

If human rights were the only grounds by which this dilemma over China were to be resolved, then there would be only one outcome - the status quo. While both Chinas were for much of the post-1949 era gross human rights violators, this is no longer the case. In addition to its economic miracle, Taiwan has since 1988, like South Africa itself, effected something of a political miracle, transforming itself from an authoritarian dictatorship to a multi-party democracy.

Like South Africa again, the process is not yet fully complete. Local government elections in South Africa in the coming months will complete the electoral phase of the process while, in Taiwan, parliamentary elections in December 1995 and a presidential election in March 1996 will do so.

In the course of these journeys to democracy, new constitutions have been enacted in both countries guaranteeing to all citizens rights previously enjoyed by the privileged few. The result has been a dramatic improvement to the human rights' situation on Taiwan. Writing in *Time* magazine (19.06.95), its correspondent Donald Shapiro talks of Taiwan's autocracy giving 'way nearly overnight to democracy' (1995:36). Discussing the 'bad old days', he wrote:

Of the military trials I attended, the most personally painful was the April 1980 prosecution of the Kaohsiung Eight, editors and backers of the independent-minded magazine *Formosa*, who were accused on the flimsiest evidence of plotting to overthrow the government. I knew several of the defendants well and respected them for trying to bring a breath of freedom to the stifling atmosphere of Taiwan. All eight received heavy sentences. Happily those days are gone; four ... are now members of the Legislative Yuan, and one heads the Bureau of Social Affairs in the Taipei city government (1995:36-7).

How very familiar to us here in South Africa!

In its 1995 annual report, Amnesty International devoted only one page to Taiwan, complaining only of allegations of ill-treatment of suspects in police custody and the execution of 13 prisoners. In stark contrast, Amnesty devoted nearly four pages to the deteriorating human rights' situation in China, noting amongst many other abuses 1791 executions - 'but the true figures were believed to be far higher' (1995:100).

In the introduction to its report on China, Amnesty noted as follows:

Hundreds of political dissidents and members of ethnic and religious groups were arbitrarily detained. Scores of them, includ-

ing prisoners of conscience, were held without charge or trial or sentenced to terms of imprisonment after unfair trials. Thousands of prisoners of conscience and political prisoners arrested in previous years remained in prison. Torture and ill-treatment of prisoners were widely reported (1995:97).

In the report itself, details were provided of repressive new laws aimed at religious activities and of crackdowns on academic dissidents as well as labour, religious and human rights activists. Much comment was devoted to the worsening situation in Tibet where monks and nuns continued to make up the majority of detainees and convicted political prisoners.

There can be no getting away from the fact that if South Africa reverses its diplomatic position over the two Chinas, it would, under the present political circumstances in the two countries, represent a triumph of pragmatism over principle; moral principles will have been subordinated to hoped-for material gains.

Conclusion

It should be clear that I believe dual recognition to be the course of action the GNU should follow. In the event that it is rejected by the PRC, as it certainly will be, the offer should be left on the table and the current status quo maintained. That, I believe, is both the morally correct position in human rights terms as well as, conveniently, the one in South Africa's best economic interests at the present time.

That could change if the PRC were to put the squeeze on South Africa by making all economic transactions subject to political criteria, ie recognition. It might also change - and will certainly require reviewing - as Hong Kong's incorporation into China looms closer. Views differ as to the significance for South Africa of its incorporation.

In his report to the Parliamentary Portfolio committee, Raymond Suttner cites the concerns of the South African Consul-General in Hong Kong and his anxiety that South Africa's relations with China be regularised 'in order to safeguard South African interests ... in regard to trade, landing rights and the future of the consulate'. But are those factors sufficiently weighty to necessitate a changing of South Africa's diplomatic posture?

Some economists argue that trade with Hong Kong will decline as incorporation nears and capital takes flight and moves off the island. Can landing rights in Hong Kong be so critical? Singapore is but a short hop and a major crossroads to all of the Far East and Australasia. Finally, as Suttner's report notes, articles 113 and 114 of the Basic Law of the Hong Kong Special Administrative Region of the PRC will exempt all trade and exports between South Africa and Hong

Kong, with the exception of alcohol and tobacco, from any duties or tariffs.

Suttner concludes his report by noting the need for further information on a number of issues relating to the China issue. One relates to the consequences of the transfer of Hong Kong to China's sovereignty. This would seem to suggest that the Committee does not regard the Hong Kong factor as decisive.

In part, my proposal amounts to a playing for time. There may not be much of that available but a year in international politics can be a long time. Positions are shifting over Taiwan. Dual recognition is no longer, in my view, an impossible dream. Writing on his visit to Taiwan, *Business Day* columnist Alan Fine described the dual recognition thesis as 'not quite as fanciful as it would have been a few years ago' (05.05.95). And that was before Taiwan's diplomatic coup in the United States.

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