

ABSTRACT

The defeat of Nationalist party triggering the separation in China. The Nationalist party headed to establish a new state on the China island (Taiwan), and it automatically made Mao Zedong leadership to take power in China mainland. Mao wanted to show to the public that the ideology of communism can solve all the problem by his several policy. However, his policies made China faced the inflation and economic crisis. After the transition of leadership in China from Mao Zedong then replaced by Deng Xiaoping, China decided to implementing the “One Country Two Systems” policy. The question emerged because the two ideology, the communist and capitalist are the contradictory and difficult to apply at the same time.

The objective of this research is to analyze the reason and purpose of China in implementing “One Country Two Systems” policy. Furthermore, the method that was used by the writer was qualitative method by using secondary data such as article, journals, e-news, e-book and other literary source.

As the findings, this research proves that the “One Country Two Systems” policy can brought China to be a more successful country in economy aspect. And also the “One Country Two Systems” is a policy that offered by China to Taiwan as their peaceful solution to success the reunification.

Keywords: China foreign policy, Taiwan reunification, national interest, economic condition, economic growth.