



THE ATLANTIC COUNCIL
OF THE UNITED STATES

In Search of a Legacy:
Three Possible Paths for Taiwan's
Chen Shui-bian

Kay Webb Mayfield
U.S. Department of State
Atlantic Council Senior Fellow

Occasional Paper

May 2005



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In Search of a Legacy:

Three Possible Paths for Taiwan's Chen Shui-bian

Time and circumstances make it more and more unlikely that Taiwan's President Chen Shui-bian will declare *de jure* independence for Taiwan during his term of office, but Chen has not abandoned his quest for a resolution of Taiwan's status. The People's Republic of China and the United States are on guard for new independence-leaning initiatives coming from Taiwan's government, and all three sides of the Beijing-Washington-Taipei triangle are engaged in ongoing re-evaluation of their respective interpretations of the *status quo*. Recent developments such as the PRC's Anti-Secession Law may have bolstered support for Taiwan and made Chen seem like the defender rather than the challenger of the status quo. What are Chen's options for the remainder of his second term, what will his successor inherit, and what are the implications for all three sides of the triangle?

Introduction

For more than five years, observers in Taiwan, in the People's Republic of China, and in the United States have kept an apprehensive eye on Taiwan's president, Chen Shui-bian. They are watching for signs that Chen is preparing to do what some see as inevitable, others as unthinkable: declare Taiwan's independence as a means to "resolve" the impasse that has prevailed between Taiwan and the People's Republic of China for more than half a century.

The problem is that such a declaration would do the opposite of resolving the problem. In all likelihood, it would provoke an armed response from the PRC, and the United States would almost certainly be drawn into the conflict due to stated and implied U.S. commitments to help Taiwan defend itself against an attack from the PRC. It may seem far-fetched that the United States could become involved in a war against the PRC, which is a major power, a leading trade partner, a fellow United Nations Security Council permanent member, and a U.S. ally on issues ranging from terrorism to nuclear proliferation. Yet the PRC's military buildup makes it clear that Beijing intends to stand ready to fight for Taiwan. As cross-Strait scholar Richard Bush has noted, "Although the probability of this scenario is not that high given what all parties have to lose, a test of wills between China and the United States over Taiwan is not purely a theoretical proposition."¹

¹ Bush, Richard C. "United States-China Relations Looking Forward." Paper presented to FICS-Brookings Institution Conference on Taiwan-China-U.S. Relations After the Taiwan Election, Taipei, Taiwan, 23 May 2004, p. 7.

The worst-case scenarios that political analysts spun out when Chen took office in May 2000 have not come to pass. Chen, as a stalwart member of the independence-driven Democratic Progressive Party (DPP), certainly has not renounced his dedication to the goal of Taiwan's permanent separation from the mainland. His first and second inaugural addresses set a tone of reassurance and moderation in the drive toward *de jure* independence. Nonetheless, he has a record of statements and actions that have raised questions about what he will try to accomplish in cross-Strait relations before he leaves office in 2008, and about the cross-Strait realities and possibilities he will leave for his successor.

Despite his personal sentiments, Chen is a shrewd enough statesman, and his advisers are realistic enough political operatives, to recognize that a declaration of independence would be overreaching. The PRC military buildup, developed in anticipation of just such an action by Taiwan, would place the island squarely in harm's way. Even those in Taiwan who favor independence would fear any move that put their lives and livelihoods at risk. The independence vs. reunification debate continues to be the principal difference between the Pan-Greens and Pan-Blues, the two major political alliances.²

Packaging a legacy is a major task for the final phase of any presidency. To be sure, Chen will be a significant figure in Taiwan's political history, for defying the institutional and financial strength of the KMT (Nationalist Party) to break its stranglehold on power and for bringing the DPP from fringe-opposition status to legitimacy and credibility. But there are caveats: Chen's personal popularity, cultivated during his four years as a progressive and down-to-earth Taipei mayor, was not enough to overcome fears about his commitment to independence and give him a decisive majority rather than the plurality he received in 2000 presidential voting. Even the "five nos" he pledged during his inaugural addresses – including a specific pledge not to declare independence unilaterally – have been insufficient to shake the belief, on all three sides of the Taipei-Washington-Beijing triangle, that he retains his bedrock commitment to Taiwan independence.³

It is reasonable to predict that there will be no outright declaration of independence before Chen leaves the presidency. Even so, Chen does not want to be remembered primarily for what he hasn't done. He will want to establish a record that, in some sense, identifies him as one of the fathers of Taiwan independence should that step ever be accomplished.

² The alliances, named for the colors in the dominant parties' banners, formed after the 2000 elections, radically transformed Taiwan's balance of political power. The Blue faction, dominated by the Nationalist Party (Kuomintang), also includes the People First Party, formed in 2000 and led by defeated presidential candidate James Soong; and the New Party, which splintered in 1993 from the KMT. In the Green faction are the DPP; the Taiwan Solidarity Union, formed in 2001; and the Taiwan Independence Party, which dates from 1996.

³ The "five nos" – or "four nos, one not" – are no declaration of independence, no change of Taiwan's official designation to the Republic of China, no insertion of the so-called "state-to-state" theory into Taiwan's constitution, no referendum on sovereignty, and no abolition of the Guidelines for National Reunification and the National Unification Council.

The key question regarding Chen's legacy is: If not independence, then what? Without a doubt, he is aware of the legacy he does not want. He does not want to provoke the United States to alter or withdraw its commitment to Taiwan. He does not want to exhaust the patience of Taiwan's friends in a way that would leave Taiwan even more isolated than it is now, when it has barely more than two dozen formal diplomatic allies. He does not want to leave Taiwan vulnerable to some kind of PRC military action short of war, such as impediments to shipping or worldwide air links. Above all, he does not want to incite armed confrontation with the PRC that would be fought primarily in Taiwan and, no matter who "won," would leave the island a smoking heap of rubble rather than the prosperous, democratic, productive place it is today.

Essentially, Chen has three choices (with some overlap among them) regarding what he will do with the cross-Strait situation that he inherited and that he will pass down to his successor. He may choose to keep pushing the envelope to expand Taiwan's international space and test the limits of PRC and U.S. tolerance. He may opt to protect the *status quo*, to avoid deterioration of the current situation that might hurt his party's chances of holding on to the presidency. Or, most boldly, he could leverage his credentials as an independence advocate to begin a process leading to resolution between Taiwan and the PRC. Recent initiatives by his political rivals have put pressure on Chen to make visible progress toward some kind of meaningful engagement with the authorities in Beijing.

Chen's Path Thus Far

At the beginning of Chen's first term in 2000, the simplistic view of his primary objective was that he intended to declare Taiwan's independence, and that indeed this was why Taiwan's voters had favored him. The logical conclusion from this belief is that if Chen fails to achieve independence, he will fail to fulfill his mandate.

Chen knew that his positions represented a stark contrast to those of the KMT, a party dominated by mainlanders and associated with the ultimate goal of reunifying the two sides of the Taiwan Strait. Chen began his term with a more cautionary approach, calming fears on both sides. He continued the conciliatory tone in his 2004 inaugural address, in which he reaffirmed the "five nos" and highlighted the economic and cultural ties between people on both sides of the Taiwan Strait. On the other hand, he referred to the sovereignty of Taiwan and the island's right to participate in the international community. In his second inaugural address, Chen repeated his 2000 pledge that constitutional revision would not include statehood or sovereignty, and he did not mention "any pro-independence slogan, goal, or time-table."⁴ A U.S. official praised "the responsible and constructive tone" of Chen's second inaugural address, adding, "We hope that his message – especially on Taiwan's willingness to engage across the board on cross-Strait issues, not excluding any possible formula for creating an environment based on 'peaceful development freedom of choice' –

⁴ Lam, Willy. "At Arms Length: China's Move to Further Isolate Taiwan." *China Brief* (Jamestown Foundation) (2004) IV:11, 27 May 2004, 4-5; p. 4.

will be greeted positively by the PRC and taken as a basis for dialogue, which can lead to the peaceful resolution of outstanding differences.”⁵

On the other hand, some of Chen's statements have been bolder and more worrisome in drawing distinctions between the PRC and Taiwan, such as his August 2002 description of the situation as “one country on each side of the Taiwan Strait” (in Chinese, “yi bian, yi guo”). Due to the strong concern this description raised in Washington and Beijing, Chen did not continue to use the phrase, and issued a statement that there had been no change in Taiwan's cross-Strait policy.⁶

Although he had promised not to hold a referendum on sovereignty, Chen raised major alarms with his announcement in late 2003 that the March 2004 election would include a referendum on constitutional reform. He later backpedaled to make the exercise a “defensive referendum” posing loaded questions about whether Taiwan should have the right to protect itself from a PRC military threat; even so, the referendum failed to attract the required majority of voters, so it was declared invalid.

On a more reconciliatory note, in October 2004, Chen spoke of returning to the “basis” of 1992 talks between Taiwan emissary Koo Chen-fu and the PRC's Wang Daohan, resuming the talks with a goal “to seek possible schemes that are ‘not necessarily perfect but acceptable,’ as preparation of a step forward in the resumption of dialogue and consultation.”⁷ PRC officials and scholars held out for Chen to acknowledge a “consensus” in the 1992 talks that there is only one China of which Taiwan is a part – the PRC's version of the one China policy. The PRC has made Taiwan's acknowledgement of this policy a precondition for any further dialogue.

In the December 2004 legislative elections, which were seen as a test of support for Chen's policies, the Pan-Greens did not win the expected majority. Observers read this outcome as an indication that Taiwan's voters were not ready to give Chen's faction the legislative bloc needed to push its agenda, nor to grant it the “super-majority” required for constitutional revision or other independence-leaning steps.

⁵ Schriver, Randall G. “U.S.-China Relations: 15th Anniversary of the Tiananmen Crackdown.” Statement before the Congressional Executive Commission on China, Washington, D.C., 3 June 2004. <<http://www.state.gov/p/eap/rls/rm/2004/33126pf.htm>>.

⁶ Brown, David G. “Chen Muddies Cross-Strait Waters.” *Comparative Connections: An E-Journal on East Asian Bilateral Relations* (2002) 3rd Quarter: China-Taiwan Relations. <http://www.csis.org/pacfor/cc/0203Qchina_taiwan.html>.

⁷ “President Chen's Address to the National Day Rally.” Office of the President (Taipei) 10 October 2004. <<http://www.president.gov.tw/php-bin/press/showenews.php4>>.

Independence Now: The Non-Option

The reactions from the PRC and the international community every time Chen has tried to promote the independence issue during his presidency have served to convince him that for now, declaring independence is a losing strategy that poses high risk and no reward. Polls consistently show that the majority of Taiwan's people prefer the *status quo*, either temporarily or indefinitely, to the very real possibility that the PRC would use force in response to a declaration of Taiwan independence. Policy makers in the United States join in recognizing the awkward but workable realities of Taiwan's current situation. In an April 2005 hearing on the Anti-Secession Law, Rep. James Leach (R-IA) observed that despite strong U.S. support for Taiwan's democracy, the United States must insist that Taiwan exercise restraint and that it accept the reality that "the Taiwanese people can have self-determination as long as they do not seek independence; if they assert independence, their capacity for self-determination will collapse."⁸

That is not to say that Chen and his government will give up their determined efforts to test the limits of PRC and U.S. tolerance in trying to reinforce a separate identity for Taiwan. Chen's administration has built upon, and encouraged, a sense of being "Taiwanese" rather than "Chinese," and public opinion polls show a dramatic increase in "Taiwan identification" during the past 10 years or so, especially among younger people in Taiwan who have little or no direct experience with the mainland. Chen, apparently recognizing that the rise of Taiwan identity could provoke fears of a clash with rising nationalistic sentiment in the PRC, took pains to reassure a U.S. delegation in January 2005 that "this tendency should not be interpreted as a growing pro-independence sentiment... adding that the international community should not 'hand over free Taiwan to not-free China simply because of worries about the rise of Taiwanese identity'."⁹ Even so, Chen's critics predict that despite his inaugural pledges, he will "do everything in his power to cement Taiwan's separate status during his last term of office... According to the gloomiest predictions, Chen will make a surprise initiative that is offensive to China shortly before the (2008) Beijing Olympics... when China's leaders would presumably refrain from using force against Taiwan for fear of condemnation by the rest of the world."¹⁰

Although the cross-Strait debate takes center stage in Taiwan political rhetoric and is one of a few defining issues at every level in the island's political campaigns, there is a disconnect between how Taiwan's people vote on the issue and how they feel it should be handled. Taiwan officials and opinion leaders set and frame the public agenda, placing cross-Strait relations as a high priority; the leaders "significantly shape, and do not merely reflect, the

⁸ House International Relations Committee Hearing on China's Anti-Secession Law and Recent Developments across the Taiwan Strait: Statement by Representative James A. Leach, Chairman, Subcommittee on Asia and the Pacific, 6 April 2005: <http://www.house.gov/international_relations/109/lea040605.pdf>

⁹ Wu, Sofia. "Rise of Taiwanese Identity Differs from Pro-Independence: President." Central News Agency, 25 January 2005: <<http://www.cna.com.tw/eng/cepread.php?id=200501250032&pt=2&pt=2&LArr=200501250037>>

¹⁰ Jakobson, Linda. Taiwan's Unresolved Status: Visions for the Future and Implications for EU Foreign Policy. Helsinki: the Finnish Institute of International Affairs, 2004; p. 39.

island's sense of self-identity and its population's moves toward self-determination."¹¹ The framing of the issue tends to intensify respondents' positions, guiding the public to set a high priority on separate identity for Taiwan and resolution of the cross-Strait impasse. This, in turn, allows "Taiwan's democratic leaders (to say they are) responding to popular will" in seeking separate identity and international space for Taiwan.¹²

As a result, polls indicate that most people in Taiwan consider cross-Strait resolution as a front-burner issue, although most go on to say they prefer the *status quo* for the foreseeable future. This discrepancy reinforces the idea that public officials are leading rather than following the voters' opinions on Taiwan-PRC questions. Pushing the cross-Strait issue to the top of the agenda creates an additional difficulty for the ruling party, as this tactic makes cross-Strait progress – or the lack of it – the defining issue of a president's term in office, eclipsing even substantial and significant domestic progress.

Public opinion polls show consistently that people in Taiwan strongly favor the *status quo* – the strongest support is for "*status quo* now, decision later," followed by "*status quo* indefinitely." In October 2004, a KMT-commissioned poll showed that "as many as 62.6 percent support the *status quo*, while 17.2 percent said Taiwan should go for independence, while 5.4 percent lean toward a unification with China." A concurrent poll conducted by Taiwan's Government Information Office reports that "On the future of Taiwan, 30 percent of the respondents support Taiwan independence or the notion of 'one side, one country,' compared with 54.9 percent who said they support the *status quo* for Taiwan and mainland China, and only 7 percent supported reunification or the 'one country, two systems' formula."¹³

A new constraint on the drive toward a formal declaration of independence is the PRC's Anti-Secession Law, which the National People's Congress approved in March 2005. Wang Zhaoguo, vice-chairman of the standing Committee of the NPC, presented the draft law as having been shaped by interlocutors including "leading officials from certain provinces and municipalities, jurists and Taiwan specialists, heads of relevant central departments, compatriots from Taiwan, Hong Kong and Macao and representatives of overseas Chinese communities." The law seeks to extend China's soft power by encouraging more people-to-people exchanges and economic links, but reiterates its hard power with a warning that, "We have never forsworn the use of force... Using non-peaceful means to stop secession in defense of our sovereignty and territorial integrity would be our last resort when all our efforts for a peaceful reunification should prove futile."¹⁴

¹¹ Swaine, Michael D. "Trouble in Taiwan." *Foreign Affairs*. March/April 2004: <<http://www.foreignaffairs.org/20040301faessay83205/michael-d-swaine/trouble-in-taiwan.html>>.

¹² Montaperto, Ronald N. "Balancing U.S. Interests in the Strait." *China Brief* (Jamestown Foundation) (2004) IV:11, 27 May 2004, 1-3; p. 2.

¹³ "Poll shows more support for DPP." *China Post* 18 October 2004 <http://www.chinapost.com.tw/p_detail.asp?id=53487&GRP=B&onNews=>.

¹⁴ "Draft Anti-Secession Law explained to NPC deputies." *Xinhua* 8 March 2005. 8 March 2005 <http://www.chinadaily.com.cn/english/doc/2005-03/08/content_422875.htm>.

Although the law clearly responds to growing pro-independence sentiment and activity in Taiwan, the text stops short of defining a “red line” that Taiwan must not cross. In one analysis, the law intends to show Taiwan that the PRC is more than a “paper tiger” on the independence issue, while simultaneously dodging a domestic political threat within the PRC:

The fear within the Chinese Communist Party is not simply of inciting a spontaneous nationalist outburst against the government if Taiwan policy fails, but also of providing a high-profile political opportunity to segments of society already upset with the government for purely domestic reasons. Perceived failure on Taiwan policy could allow such groups to mobilize themselves against the government for allegedly patriotic reasons.”¹⁵

The Indefinite Status Quo, Indefinitely

Chen’s second option is to protect the *status quo* against significant deterioration. This is a low risk, potentially high reward approach. Protecting the *status quo* not only keeps Washington happy and deflects any new anxieties in Beijing; it also meshes with the expressed preferences of the Taiwan electorate, as noted earlier. This path would cost Chen the opportunity to make a bold and memorable step, but would improve his party’s chances of holding onto power in 2008. The Greens, who do not yet have an anointed candidate for 2008, will have to moderate their positions even to achieve the kind of plurality that Chen won in 2000. Unless they field a candidate with Chen’s charisma and track record, they are highly unlikely to repeat or increase the scant majority Chen posted in 2004.

Safeguarding the *status quo* can be more difficult than it would appear, especially with antagonizing factors such as the PRC’s Anti-Secession Law. The timing of the law was unfortunate for both sides. Chen appeared to be moderating his position on independence and to be ready to consider a range of options in dealing with the mainland. With the passage of the law, Chen had no choice but to react promptly and publicly, condemning the law and its supporters. The PRC, which had had the law in the works for at least a year, found itself committed to moving the bill forward even after Taiwan’s December 2004 legislative election led to political reconfiguration, and after charter flights between the two sides had provided a promising example of cross-Strait cooperation.

International public opinion has run strongly against the PRC for a ham-handed, belligerent law that affirms the PRC’s determination to use force if needed to stop Taiwan from declaring independence from China. In Washington, the White House and the Department of State denounced the law as unnecessary, unwelcome, and not conducive to dialogue across the Strait. After a year and a half in which most of Washington’s warnings against “provocation” and “unilateral action” were aimed at Taiwan, the focus shifted to Beijing as

¹⁵ House International Relations Committee Hearing on “China’s Anti-Secession Law and Developments across the Taiwan Strait.” Testimony of Prof. Thomas J. Christensen. 6 April 2005. <http://www.house.gov/international_relations/109/chr040605.pdf>.

the party most threatening the *status quo* by possibly initiating with the law's passage "an unhelpful cycle of action and reaction."¹⁶

Chen can point to some advances that, while far short of actual rapprochement with the PRC, indicate that the conditions exist for cooperation and the possibility for further joint efforts in the future. Airlines from Taiwan and the PRC operated a total of 48 charter flights between Taiwan and the PRC during the 2005 Chinese New Year period, temporarily suspending a ban on direct flight between the two sides of the Strait.

Economic interdependence across the Strait has grown dramatically during the Chen administration. According to former Assistant Secretary of State James Kelly, there is probably \$70 billion in Taiwan investment in the mainland, representing 40 percent of Taiwan's external investment. China is Taiwan's top trading partner, with total trade of \$46 billion in 2003 up 25 percent from the 2002 total. One-fourth of Taiwan's exports go to China, and 8.6% of Taiwan's imports come from the PRC. Largely in relation to these investments, an estimated 500,000 to 1 million Taiwan citizens live in the PRC. To illustrate more dramatically the economic interdependence of the two sides, Kelly explained that "if Taiwan's exports to China were disrupted by one dollar, China's exports produced by Taiwan invested companies would decline by five dollars."¹⁷

Since early in his first term, Chen has encouraged and facilitated greater economic integration between Taiwan and the PRC. He has pushed for the so-called "three links" – direct trade, transportation, and postal services – between the two sides; the charter flights are widely seen as a first step toward broader transportation links.

As impressive as the numbers are, this potentially powerful force for greater cross-Strait cooperation has not necessarily extended from the economic to the political dimension. Kelly observed that Taiwan's investors in the mainland have not mobilized to "pressure their government to make political concessions to China... although some did urge their political leaders to be cautious."¹⁸ The preference for caution reflects the Taiwan business community's fears about the PRC's ability to influence their livelihoods. Richard Bush describes some of these fears as the "hostage effect" whereby businesses would be subject to fallout from political developments; "hollowing out," with expertise and capacity moving from Taiwan to the mainland, weakening the former economy while strengthening the latter; and "the 'fifth column' effect, in which Taiwan businessmen with a presence in China might promote their interests in ways that are biased in favor of Beijing, or Chinese agents and saboteurs might take advantage of economic and social interaction in order to infiltrate Taiwan." Bush noted that Taiwan businesspeople who returned to Taiwan to vote in the spring 2004 presidential election tended to vote Blue (leaning toward reunification) rather

¹⁶ House International Relations Committee Hearing on PRC Anti-Secession Legislation: Statement of Deputy Assistant Secretary of State Randall G. Schriver, 6 April 2005. <http://www.house.gov/international_relations/109/sch040605.pdf>.

¹⁷ House International Relations Committee Hearing on Taiwan: Statement of Assistant Secretary James Kelly, 21 April 2004. <http://www.house.gov/international_relations/108/Kel042104.htm>.

¹⁸ *Ibid.*

than Green (leaning toward separation), but “the business community in a whole did not seek to steer the electorate in one direction or the other.”¹⁹ Although economic and trade ties look like greater cooperation, business people apparently prefer to keep their business interests out of the range of potentially harmful political disputes.

Most recently, Chen has made some efforts at fence-mending with the Blue camp. He met in February 2005 with PFP Chairman James Soong, who had just returned from a consultative visit to the United States and presumably had a sense of official Washington’s thinking on cross-Strait trends, including Washington’s strong preference for stability in the Taiwan Strait. The Chen-Soong meeting yielded a 10-point consensus on cross-Strait peace, defense, and ethnic harmony. The joint statement expresses willingness to accept either unification or independence as an ultimate outcome, reiterates Chen’s commitment to the “five nos,” and pledges that “the constitutional reform project will not involve issues of national sovereignty, territory, or *status quo* across the Strait.” It also calls for establishing a framework for cross-Strait contact and states that “On the basis of good will from both sides, we would not exclude any possibility to establish future relations between the two sides, in any form whatsoever.”²⁰ Hard-core Greens assailed the meeting and the consensus as “a pact with the devil” that, in an effort to build a coalition that would give Chen a legislative majority, sells out Chen’s commitment to independence.²¹ Others see it as a step toward less partisanship, toward more moderation and greater unity in representing Taiwan before the international community. As for Chen, he “claims not to have sacrificed anything, but merely to have pushed to the back burner those difficult issues the resolution of which requires a far greater consensus in Taiwanese society than presently exists.”²²

Within the admittedly imprecise boundaries of the *status quo*, Chen’s administration has pushed and strained the limits. It is tempting to believe they have gone as far as they can go, but the creativity and ingenuity Taiwan has shown over the years in maneuvering for more international space suggest there will be further efforts, each one irking the PRC and the United States to a greater or lesser degree.

One key task for Chen in maintaining equilibrium is to overcome the dangerous misperception that Taiwan is not bound to the *status quo* because it has a blank-check defense commitment from the United States. This belief persists among those who selectively hear what the United States has to say. They have chosen to embrace President Bush’s April 2001 statement that the United States would do “whatever it takes” to defend Taiwan, ignoring later elaborations that the United States expects Taiwan to take responsibility for its own defense and that the United States “does not support independence for Taiwan or unilateral moves that would change the *status quo* as we define

¹⁹ Bush, Richard C. “Hearing on the Taiwan Relations Act.” Statement to U.S. House of Representatives International Relations Committee, 21 April 2004.

²⁰ “Joint Statement of President and Chairman Soong.” Office of the President, Republic of China, 24 February 2005. http://www.president.gov.tw/php-bin/docset/showenews.php4?_seccion=5&_rid=1860.

²¹ “Chen makes a pact with the devil.” Editorial. Taipei Times 25 February 2005: <<http://www.taipeitimes.com/News/edit/archieves/2005/02/25/2003224517>>.

²² Eyton, Laurence. “Strange bedfellows in Taiwan.” Asia Times 5 March 2005 <<http://www.atimes.com/atimes/China/GC05Ad01.html>>.

it.”²³ The PRC's Anti-Secession Law strains this policy, because the U.S. definition of “unilateral moves” includes Beijing's use of “force or threat of force against Taiwan.”

Pushing Forward

The boldest move for Chen would come at the greatest personal cost, but the high risk would be offset by a high potential reward – real progress in reaching an ultimate resolution between Beijing and Taipei. Given the Beijing authorities' personal antipathy toward Chen, he would more likely be the facilitator than the interlocutor for such a process, but could still claim intellectual authorship of possible breakthroughs between the two sides.

Chen's very unpalatability to the authorities in Beijing would in this instance represent a strength. In 1972, Richard Nixon's record as a fervent anti-Communist gave him sufficient credibility with the American public to enable him to approach Beijing without being seen as a sellout to the PRC's Communist leadership. In the same way, Chen's record as a staunch independence advocate could give him enough credibility with the Taiwan public to broker an approach to Beijing without being seen as a sellout for reunification.

KMT Chairman Lien Chan, who lost to Chen in 2000 and 2004, recently tried to outflank the Greens by sending a delegation to the PRC, paving the way for Lien to visit in late April 2005. The timing of the first trip, which began just two days after large-scale protests in Taiwan against the Anti-Secession Law, highlights the lack of KMT credibility. Neither Lien nor any of the other “dark Blue” leaders – most of whom are considered covert or overt supporters of reunification – would be a credible interlocutor in the eyes of most people in Taiwan. The Blues are seen as capitulators or appeasers, ready to bargain away the political and economic strengths Taiwan has built for itself. James Soong – like Lien, born in mainland China – made his own visit to the PRC in May 2005.

With these two leading pan-Blue figures completing their visits to the PRC and receiving heavy media coverage, the pressure is on Chen to make a dramatic move, reaching out toward Beijing. He tried to do so with a May 2005 statement that he would welcome PRC President Hu Jintao to visit Taiwan, but PRC officials said Taiwan's rejection of the one China principle and the DPP's commitment to independence made such a visit impossible.

In the near future, the PRC may blur the edges of this position in an effort to open the way for contact with Chen or his surrogate. Officials in Beijing recognize that contact now with Taiwan opposition party figures may pay off if the Blues regain power in 2008, but that for the moment, meeting with those figures counts for far less than engaging with Taipei's current authorities.

Nixon justified his overture to China with the argument of China's potential as a great power and the risks that would ensue from isolating China, or working against it, rather than engaging it. He advocated a careful strategy, “distinguishing carefully between long-range

²³ Kelly.

and short-range policies, and fashioning short-range programs so as to advance... long-range goals.”²⁴ By the same token, Chen could make the case to the Taiwan public that direct talks between authorities on the two sides of the Strait would be far preferable to each side trying to read the other’s mind, and that directly engaging the PRC would greatly diminish the possibility of armed conflict as long as the talks were under way.

Chen also could make the credible argument that time is not on Taiwan’s side, because of the PRC’s stated willingness to use force. Since the publication of the PRC’s 2000 Taiwan White Paper, Beijing has “asserted that the failure to begin the process of discussions leading to reunification could not be postponed indefinitely without running the risk of the use of military force. In effect Beijing had introduced impatience and caprice into its stated rationale for using force against Taiwan. No longer was a declaration of independence or occupation of Taiwan by a foreign force the only two reasons for a military attack, but now waiting until ‘democratic evolution’ (in the PRC) was no longer an acceptable pretense for not getting on with a reunification dialogue.”²⁵ The Anti-Secession Law reflects a hardened PRC determination to hold onto force as an option for blocking Taiwan should it choose a path toward independence.

There are perhaps more lessons to be learned from Nixon’s overtures to China. A neutral third party (Pakistan) served as an intermediary to carry messages between Washington and Beijing; such indirect contact might be a useful model as Taipei and Beijing began to sound out one another. Preparations for Nixon’s trip were conducted in the strictest secrecy, to make sure all relevant questions were addressed and terms of discussion agreed upon before plans for the trip went public. Chen might find, as Nixon did, that it would be easier to gain public approval for such an initiative done in secret and announced subsequently to the public, rather than running the risk of having negative public opinion (and political opportunism by his opponents) torpedo the process. It would be far easier and more productive to agree on terms, conditions, and definitions without the glare of television lights and the racket of skeptics prepared to declare each point of dissension a death sentence for the entire process.

The Chen/Nixon parallels are imperfect, of course. Nixon approached the PRC from a position of relative strength, offering the Chinese something they very much wanted – a powerful ally against the Soviet Union. Chen, by contrast, would be more of an underdog. He would again be offering Beijing something it wants – settlement of the Taiwan issue – but the preponderance of persuasive power would be on Beijing’s side.

Due to undeveloped strategy and unfortunate timing, Beijing may have allowed Chen to gain more bargaining strength. Soon after the December 2004 legislative election, Hong Kong columnist Frank Ching saw in the Pan-Green electoral disappointment “a situation that may finally be conducive to the resumption of cross-strait talks... If Beijing had decided after a

²⁴ Nixon, Richard M. RN: *The Memoirs of Richard Nixon*. New York: Grosset and Dunlap, 1978, p. 579. See also Nixon, Richard M., “Asia after Viet Nam.” *Foreign Affairs* 46:1, October 1967, 111-125, p. 121.

²⁵ McDevitt, Michael. “The Security Situation Across the Taiwan Strait: challenges and opportunities.” *Journal of Contemporary China* (2004), 13(40), August, 411-425; p. 416.

pro-independence triumph that it had no choice but to deal with the Chen government, it would have been acting from weakness, not strength. However, holding a dialogue with a weakened Chen regime is something else. Talking to Mr. Chen when he is still encumbered by a KMT-led legislature is ideal, from Beijing's perspective... If Beijing does not seize this opportunity, three years from now it may well be faced with both a DPP president and a DPP-controlled legislature"²⁶ The Anti-Secession Law, casting the PRC and Taiwan governments once again into the timeworn roles of bully and victim, makes the Chinese government look less open-minded than ever about an eventual resolution and makes it more difficult for Chen to chart his approach.

The key to selling such an overture among the Taiwan public would be to maintain Taiwan's dignity. Chen would have to convince the electorate that he or his surrogate was approaching the PRC not as a supplicant and not with a sense of capitulation, but as a statesman with an open mind asking the same openness of his opposite numbers. Chen's stature may make it possible for him to carry this off: "Chen Shui-bian's popularity can in part be explained by the displeasure felt by Taiwanese when Taiwan is treated as an international outcast. Many Taiwanese who do not support independence would nevertheless like Taiwan to be treated with respect in the international community; Chen is regarded as a leader who continuously seeks to ensure that Taiwan will enjoy the dignity it deserves."²⁷

He would also have to be able to promise that Taiwan would not lose anything it already has – *de facto* independence, a thriving democratic political system, and a healthy capitalist economy. A successful proposal would have to reinforce or, preferably, expand the degree of *de facto* sovereignty Taiwan already enjoys. Most significantly, Chen would have a strong argument that Taiwan stood to gain something of vital importance – diminution of the military threat from the PRC that has loomed over the island for decades. In addition, he would be able to sell "the benefits of having a seat at the top table of the world's economic powerhouse, rather than an economy tied to a juggernaut the direction of which is utterly beyond their control."²⁸

Chen has articulated a vision that "aims to reach an interim agreement for peaceful co-existence without resolving the basic argument over sovereignty."²⁹ Chen has described his vision of the framework as one principle – peace – and four issues: establishing a mechanism for negotiation across the Strait; conducting negotiations based on equality and reciprocity;

²⁶ Ching, Frank. "Perfect Time to Test Water." Hong Kong: *South China Morning Post*, 15 December 2004.

²⁷ Jakobson, p. 32.

²⁸ Eyton, Laurence. "Taiwan independence forces rejoice." *Asia Times* 19 March 2005. <<http://www.atimes.com/China/GC19Ad02.html>>

²⁹ Hille, Kathryn. "Chen agrees with opposition on ties with China." *Financial Times* 25 February 2005. <<http://news.ft.com/cms/s/9be76fcc-86d4-11d9-8075-00000e2511c8.html>>

establishing political relations; and preventing military conflict.³⁰ He has also said that “one China” is an issue but should not be a precondition for cross-Straits negotiation.³¹

The legacy that would most benefit Chen, his political allies, and the people of Taiwan and the PRC would be a framework for cross-Straits peace and stability. This framework would have to be carefully constructed to accommodate Taipei’s absolute insistence on Taiwan sovereignty and Beijing’s unconditional refusal to acknowledge that sovereignty. The greatest obstacle facing Chen in initiating contact would be the PRC’s insistence that any talks have to begin with the one China principle as the PRC defines it – as stated in the Anti-Secession Law, the policy is that “There is only one China in the world. Both the mainland and Taiwan belong to one China... Taiwan is part of China.” Article 7 of the law outlines areas in which “the two sides of the Taiwan Strait may consult and negotiate” – to include officially ending the state of hostility between them, mapping the development of cross-Straits relations, steps toward “peaceful national reunification,” the political status of Taiwan authorities, and Taiwan’s international status.³² Although the text of the bill offers “consultations and negotiations on an equal footing between the two sides of the Taiwan Straits... in steps and phases and with flexible and varied modalities,”³³ the PRC’s unwavering adherence to the one China principle is clear in the law’s repeated references to that policy.

PRC President Hu Jintao’s March 11, 2005, “four points” statement contains important context for interpreting the Anti-Secession Law. Although the first point again states that the PRC will “never sway from adherence to the one China principle,” diplomats and scholars ascribe more significance to the second point – that the PRC will “never give up efforts to seek peaceful reconciliation,” with the two sides “confer(ring) on reunification through consultation on an equal footing.” (The other two points are “never change the principle of placing hope in the Taiwanese people” – explained as safeguarding the people of Taiwan against independence or secessionist forces – and “never compromise in opposing ‘Taiwan independence’ and ‘secessionist’ activities.”)³⁴

Despite the law’s passage and the consternation it provoked in Taipei and Washington, there may be cause for optimism and room to maneuver. In testimony before the House International Relations Committee Subcommittee on Asia and the Pacific, East Asia expert Professor Shelley Rigger outlined “the possibility that leaders in Beijing may be using the Anti-Secession Law to pacify hardliners in the PRC in the hope of opening a space for negotiations with Taiwan.” In this scenario, the PRC’s having taken a strong stance on

³⁰ “President Chen’s interview by the *Washington Post*,” *News Releases*, 30 March 2004, Office of the President <<http://www.president.gov.tw/php-bin/prez/showenews.php4>>

³¹ Chang, Jaw-Ling Joanne. “New Dimensions of U.S.-Taiwan Relations.” *American Foreign Policy Interests* (2004) 26(4), August, 309-316, p. 311.

³² “Anti-Secession Law adopted by NPC (full text). (Xinhua) *China Daily* 14 March 2005. <http://www.chinadaily.com.cn/english/doc/2005-03/14/content_424643.htm>

³³ Anti-Secession Law, Article 7.

³⁴ “Four-point guideline on cross-Straits relations set forth by President Hu.” *People’s Daily Online*, 5 March 2005. <http://english.people.com.cn/200503/05/eng20050305_175645.html>

Taiwan independence buys a degree of flexibility on the one-China principle, opening the way to progress between the two sides.³⁵

What Would the Framework Look Like?

The concept of a “framework” could refer either to a process or to an end state. Kenneth Lieberthal addresses the first definition with a proposal that Taiwan and the PRC establish an “agreed framework” to guarantee peace and stability for 20 to 30 years before negotiating a final resolution. The PRC would make a commitment not to use force; Taiwan would make a commitment not to declare independence.³⁶ McDevitt elaborates on the merits of this approach:

If China renounced the use of force and Taiwan guaranteed it would not declare independence, the prospect of war would be greatly eased. To be viable, such an arrangement would require guarantees and sanctions from the international community... This would only be a first step toward resolution, but it would be an important step as it has the potential to lift the threat of conflict, and focus efforts on a political solution.³⁷

In an interview, Chen said he had met with Lieberthal, and found the proposal “worthy of our consideration” but did not endorse a 30-year limit; the key to the timing, he said, would be for both sides to have multiparty, representative governments, “a truly neutral military,” free speech, and parity in per capita income.³⁸ A June 2004 survey commissioned by a Taiwan business magazine found that 63 percent of respondents in Taiwan would support Taiwan and the mainland signing a 50-year agreement that the mainland would not use force against Taiwan and that Taiwan would not declare independence.³⁹

A framework for the end state – a final resolution between the two sides – will require just as much political will, and even more creative thinking. A study by the International Crisis Group⁴⁰ suggests four possible scenarios:

- A “one country, two systems” model, similar to Hong Kong’s status as a Special Administrative Region within the PRC. Although this would be the PRC’s preferred solution for Taiwan, the subservience it suggests would not appeal to Taipei. Chen has described such an outcome as “going backward,” based on a comparison

³⁵ House International Relations Committee Hearing on China’s Anti-Secession Law and Developments across the Taiwan Strait: Testimony of Prof. Shelley Rigger, 6 April 2005. <http://www.house.gov/international_relations/109/rig040605.pdf>

³⁶ Lieberthal, Kenneth. “Preventing a War Over Taiwan.” *Foreign Affairs* (2005) 84(2), March/April, 53-63.

³⁷ McDevitt, p. 422.

³⁸ Wehrfritz, George, and Jonathan Adams. “Offering an Olive Twig.” *Newsweek* 7 March 2005: 30.

³⁹ “Survey of Taiwan Public’s Awareness of Security in the Taiwan Strait,” *Taiwan Business Weekly* No. 883, 22 July 2004; findings also reported in “Majority of Taiwan People Believe U.S. Will Send Troops to Help Taiwan if Cross-Strait War Begins,” *Sinanet News* 22 July 2004: <<http://news.sina.com.cn/c/2004-07-22/14403790290.shtml>>

⁴⁰ International Crisis Group. “Taiwan Strait IV: How an Ultimate Political Settlement Might Look.” ICG Asia Report No. 75, 26 February 2004. <http://www.icg.org//library/documents/asia/taiwan_strait/075_taiwan_strait_iv_ultimate.doc>

between the existing political freedom in Taiwan and encroaching limits on political freedom in Hong Kong.⁴¹

- A “federacy” linking Taiwan as an autonomous entity (but without armed forces or international security guarantees) to the PRC.
- A “confederation” that would make Taipei and Beijing “sovereign equals,” a level of parity that Beijing would not be likely to accept, even though the goal would be eventual reunification.
- A “Greater Chinese Union” that would link the two sides in federation but allow Taiwan “not only to maintain its political system and way of life but also to have considerable international space, including membership of many international organizations.” The IGC argues that this solution would save face for both sides, as Taiwan would keep its identity and the PRC could “plausibly claim that reunification is a reality.”

Returning for a moment to the “one country, two systems” formula, it will be important to promote the idea that Hong Kong is not the only model for such a solution. Taiwan citizens closely watched the 1997 handover of Hong Kong from Great Britain to the PRC and the developments since then. People in Taiwan hoped at first that the PRC would be on its best behavior in an effort to build confidence that Taiwan could be treated fairly in a future linkage. Broken promises and clumsy attempts to control Hong Kong’s political life have ratcheted up Taipei’s disbelief that Beijing would keep its promise to leave Taiwan to manage its own affairs. As a result, polls in Taiwan indicate that nearly three-fourths of Taiwanese oppose “one country, two systems.”⁴²

A basic condition of any talks toward a “one country, two systems” solution would have to begin with the premise that Taiwan is not Hong Kong or Macao, and should not be treated the same way. There would have to be some acknowledgement on the Beijing side that Taiwan is not a colony being handed back by another foreign power, and a whole new set of definitions of the limits of autonomy and interdependence.

The PRC addressed these conditions in the State Council’s white paper on “The Taiwan Question and the Reunification of China,” published in 1993. In essence, the document describes PRC willingness to yield to Taiwan the systems and institutions it already has in place. The paper states that Taiwan would be permitted to keep its capitalist system after reunification, while the mainland kept its socialist structure; and that “After reunification, Taiwan will become a special administrative region. It will be distinguished from the other provinces or regions of China by its high degree of autonomy. It will have its own administrative and legislative powers, an independent judiciary and the right of adjudication on the island. It will run its own party, political, military, economic and financial affairs. It may conclude commercial and cultural agreements with foreign countries and enjoy certain rights in foreign affairs. It may keep its military forces and the mainland will not dispatch troops or administrative personnel to the island. On the other hand, representatives of the government of the special administrative region and those from different circles of Taiwan

⁴¹ *Washington Post* interview.

⁴² ICG, p. 5.

may be appointed to senior posts in the central government and participate in the running of national affairs.” The PRC would not support “dual recognition” or “one country, two seats” in international organizations; Taiwan’s identity would be subsumed to that of the PRC in international bodies.⁴³

In 1998, former PRC President Jiang Zemin also put forth guidelines for Taiwan under a “one country, two systems” scheme. His eight-point proposal held that the PRC would talk with any Taiwan authorities “on the premise that there is only one China” and stated that “the lifestyles of our Taiwan compatriots and their desire to be masters of their own country should be fully respected.”⁴⁴ Most recently, the Anti-Secession Law includes the statement: “After the country is unified peacefully, Taiwan may practice systems different from those on the mainland and enjoy a high degree of autonomy.”⁴⁵

The U.S. Approach

As much as Washington tries to stay neutral in the PRC-Taiwan dynamic, the gravitational pull is constant. Washington’s every pronouncement about developments on either side of the Taiwan Strait is subject to scrupulous examination and analysis, and such is the impact of the United States in the Taiwan Strait that Washington can seldom get by without demands for reactions and assessments.

The deliberately ambiguous character of the Beijing-Washington-Taipei triangle impedes direct communication about whom Washington does or does not favor, or about what Washington will or will not do in some hypothetical situation. The peril may be more in what is unsaid, as the rubric of “strategic ambiguity” leaves alarming amounts of room for speculation, much of it misguided – based on disinformation, ideology, or simply wishful thinking. Circumstances led the PRC to interpret strategic ambiguity in the Clinton Administration as a sign that “the United States lacked a clear sense of priorities toward China... As a result, Washington dealt with issues on a case-by-case basis, making it difficult to predict U.S. policy.”⁴⁶ Still, as advocates of strategic ambiguity are quick to point out, the formula helped to maintain peace and stability in the Taiwan Strait for decades.

With the handover from the Clinton to Bush administrations, the PRC shifted in the U.S. definition from “strategic partner” to “strategic competitor.” McDevitt observes that the Bush Administration sought to replace strategic ambiguity with “strategic clarity regarding U.S. intentions should China attack Taiwan, by indicating that the U.S. would indeed become involved in the defense of Taiwan... The Administration also made certain that strategic clarity was also involved in making clear to Taipei that a firm defense commitment

⁴³ *The Taiwan Question and the Reunification of China*. Official statement from the State Council of the People’s Republic of China, August 1993.

⁴⁴ “Jiang Zemin’s Eight-Point Proposal.” Taiwan Affairs Office of the State Council of the People’s Republic of China, 30 January 1998. <http://www.gwytb.gov.cn:8088/detail.asp?table=JiangEP&title=Jiang+Zemin+%27s+Eight%2Dpoint+Proposal&m_id=3>

⁴⁵ Anti-Secession Law, Article 5.

⁴⁶ Sutter, Robert G. *U.S. Policy Toward China: An Introduction to the Role of Interest Groups*. Rowman and Littlefield, 1998, p. 71.

was not a license for Taipei to provoke Beijing and drag the United States into conflict. Being unequivocal about U.S. intentions should China attack has transformed speculation over likely future U.S. courses of action into surety regarding future U.S. courses of action – a defense commitment... This Presidential security commitment, along with the Congressional sanction of the Taiwan Relations Act, have made it politically possible for the United States to be far more open about its unofficial defense relationship with Taiwan.”⁴⁷ That drive toward clarity has since rolled backward, with repeated warnings, especially to Taiwan, that the United States opposes any unilateral efforts to change the cross-Strait *status quo* as the United States defines it.

The Anti-Secession Law is another counterweight in the drive for strategic clarity, with broad statements that if “secessionist forces” act or there are “major incidents entailing Taiwan’s secession from China,” the PRC reserves the right to use “non-peaceful means” to respond. In fact, the measure may be aimed as much against the United States as it is against Taiwan. The PRC places more weight on the three Sino-U.S. joint communiqués, as expressions agreed upon by both sides, than on the Taiwan Relations Act, a U.S. domestic law.⁴⁸ The PRC can now invoke the anti-secession law in the same fashion, with a claim that it is merely following the provisions of a piece of domestic legislation reflecting the will of the Chinese people. The PRC is speculating that as long as the TRA is in place, the United States has little grounds to object to what the PRC considers a counterpart law. The goal, according to one commentary, is “to challenge Washington and test its resolve. If Washington does nothing and other countries refrain from strong reaction to Chinese aggression, then China may escalate its threats of military action to frighten Taiwan away from adopting any domestic reforms and create the impression that Taiwan is already in the bag.”⁴⁹

Officials in Washington have to keep a constant balancing process in play to reassure each side that neither is the U.S. government “favorite,” and keep encouraging both sides to talk directly to each other. Any prospect for direct talks between the two sides would dissolve if the United States were to overplay its hand by making guarantees or side deals with one of

⁴⁷ McDevitt, p. 417.

* The U.S. Congress passed the Taiwan Relations Act, P.L. 96-8, in January 1979, after the Carter Administration switched formal diplomatic relations from Taipei to Beijing. The TRA calls for maintaining “commercial, cultural, and other relations between the people of the United States and the people on Taiwan,” and authorizes the United States to “make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability.” The Shanghai Communiqué of Feb. 27, 1972, summarizes President Nixon’s visit to the PRC and states that “the United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China.” The Joint Communiqué of January 1, 1979, establishes U.S.-PRC diplomatic relations and restates that “the Government of the United States of America acknowledges the Chinese position that there is but one China and Taiwan is part of China.” The U.S.-PRC Joint Communiqué of Aug. 17, 1982, sets limits on and commits to an eventual end to U.S. arms sales to Taiwan, and says the United States will not pursue a policy of “two Chinas” or “one China, one Taiwan.”

⁴⁸ Romberg, Alan G. Cross-Strait Relations: Avoiding War, Managing Peace. CAPS Papers No. 38, edited by Richard H. Yang. Chinese Council of Advanced Policy Studies (Taipei), November 2004, pp. 11-12.

⁴⁹ “The world that can say ‘no.’” Editorial. Taipei Times 9 March 2005. <<http://www.taipeitimes.com/News/edit/archieves/2005/03/09/2003245543>>

the parties, prompting that party to quit talking across the Strait and talk directly to Washington.⁵⁰

The United States also has to be wary of reacting too quickly to events on either side of the Strait. When the Anti-Secession Law proposal was announced, U.S. officials declined to comment on the grounds that they had not seen its text; this position prompted complaints from Taiwan officials who said the United States had not hesitated to condemn Chen's proposal for a referendum in 2004, before there had been any formal announcement about the substance of the referendum questions.

Despite having declined repeatedly over the years to mediate between Beijing and Taipei, the United States has a strong interest in seeing a peaceful and equitable solution come about. Due to U.S. security commitments to Taiwan, any armed conflict between the two sides would necessarily involve the United States. On the other hand, if the United States renounced or, in time of trouble, refused to meet the international community's expectations in coming to Taiwan's defense, the United States would lose the confidence and credulity of nations throughout East Asia that have come to depend on the U.S. defense shield as a major factor in maintaining regional peace and stability.⁵¹

Even as the U.S. Government continues to encourage dialogue between the two sides of the Taiwan Strait, it must continue to resist being part of that dialogue. If preliminary soundings between the two sides suggest that a third party could be a useful element in building toward formal talks, the United States should *not* seek or accept that role. The U.S. Government simply has too much baggage to be a party that both sides of the Strait could trust as even-handed. The U.S. Government might act as a facilitator, but cannot be a participant in such talks. As former Assistant Secretary Kelly said in April 2004 Congressional testimony, "The United States is not a direct participant in the dispute between the PRC and Taiwan... We desire and need good relations with both, and believe this positions us best to assist the two sides in getting to the negotiating table on mutually agreeable terms."⁵²

Among the difficulties in promoting dialogue is the reality that strategic distrust outweighs political will on both sides of the Taiwan Strait. The United States should support initiatives that aim to build trust. These initiatives may better be accomplished through "Track Two" (efforts conducted with government knowledge and approval, but no direct involvement) or "Track Three" (entirely independent of the government) initiatives than with direct government participation.⁵³

As the PRC becomes more integrated in the world political and economic community, there may be other countries willing to play the mediator in exchange for the prospect of a Chinese market or Chinese diplomacy free of the diversion of time and resources the PRC (and Taiwan) devote to preparing for war. For example, a European Union member country

⁵⁰ J. Chang, p. 313.

⁵¹ Montaperto, p. 3.

⁵² Kelly.

⁵³ Harding.

could make a compelling case, based on EU experience, about how tradeoffs between sovereignty and unity can be worked out to benefit both sides of the exchange. Indeed, in Chen's May 2004 inaugural address he noted that the EU's success in integrating the countries of Europe represents a future trend that "has led to fundamental changes in the conventional thinking of national sovereignty and territorial boundaries."⁵⁴

Policy makers in the United States also need to be ready to make good on their stated position that the U.S. will support any peaceful resolution that is acceptable to both sides of the Taiwan Strait, and by the same token should debunk any notion that the U.S. government has a veiled preference for either reunification or independence. Although Washington recognizes and validates Taiwan as an effective democracy, "the United States... having fostered a strong, democratic society in Taiwan in the course of over 50 years of intimate association with the island... now finds that the result has sometimes proven messy and uncontrollable, not to mention unpredictable, especially when that democracy has not totally matured and battles are in important part over who is 'in' and who is 'out' rather than whose ideas are necessarily in Taiwan's long-term interest. And where ideas do matter, they are sometimes put forward in unduly stark and provocative ways."⁵⁵ Given this disarray and the shifting nature of public opinion, the statements and positions of Taiwan officials tend to garner much more attention in the United States than do trends in what Taiwan's people would or would not accept – as reflected in the disconnect mentioned earlier, with the cross-Strait issue considered most important, but the general public favoring no immediate change in the *status quo*. For the moment, Washington's insistence on the *status quo* fits with the Taiwan people's preference to avoid major change in the near term.

When the time is right for further moves toward resolution, there will be room for play in the concept of acceptability to both sides. What if government officials broker a deal that is wildly unpopular with the public on one side or the other? What if Taiwan authorities, in keeping with the island's democratic practices, were to put a proposal to a vote and the people rejected what their leaders had negotiated? There is also a sense among some in Taiwan that the "mutually acceptable" stipulation gives the PRC a veto over a settlement that will, necessarily, affect the lives of people in Taiwan much more than it will affect daily life in the Mainland.⁵⁶

Another important factor in finding an acceptable solution will be the rising nationalism that has taken root on both sides of the Taiwan Strait. The PRC cannot suggest a compromise on reunification because bringing Taiwan "back home" is seen as unfinished business that will be one more step toward redeeming historical blows to China's sovereignty.⁵⁷ Across the Strait, the growing "Taiwan identification" makes the one China principle ever harder to accept. These conflicting identities would not disappear with reunification; and although

⁵⁴ Government Information Office (Taiwan), "President Chen's Inaugural Speech 'Paving the Way for a Sustainable Taiwan,'" 20 May 2004. <<http://www.gio.gov.tw/taiwan-website/4-0a/20040520/2004052001.html>>

⁵⁵ Romberg, Alan G. *Rein In at the Brink of the Precipice: American Policy Toward Taiwan and U.S.-PRC Relations*. Washington, D.C.: The Henry L. Stimson Center, 2003: pp. 219-220.

⁵⁶ Harding.

⁵⁷ Sutter, p. 67.

Taiwan independence would clearly satisfy the aspirations of those who see Taiwan identity as distinctive, it would just as clearly frustrate those who want to bring all the branches of the Chinese “family” under the same umbrella.

The Shape of U.S. Support

It might be helpful for Taiwan’s leaders to take a reality check, through official or unofficial channels, about the changing nature of Taiwan’s support in the United States. Although direct contacts with the Executive Branch are sharply constrained except by means of the unofficial American Institute in Taiwan and its Taiwan counterpart, the Taipei Economic and Cultural Relations Office, Taiwan representatives have in the past received sympathetic hearings and earned great support in the U.S. Congress.

Furthermore, the indirect nature of contact with the Executive Branch hardly means Washington and Taipei ignore one another. A critic of Chen Shui-bian wrote that Chen:

Has openly used Taipei-Washington ties and cross-Strait relations as a weapon... As a state leader, Chen has not only lost the respect and trust of his people but has also lost the respect and trust of Taiwan’s most important ally – the United States. The mutual trust between Taipei and Washington has been badly damaged, and the U.S. has been troubled enough as a result of Chen’s political manipulations. As a result, Washington has decided to actively interfere with everything concerning Taiwan... the United States has lost even the slightest bit of respect for Chen as the president of Taiwan, and it no longer trusts Chen’s policies or pledges. Compared to the minor defeat in the legislative elections, [losing the respect and trust of the United States] is a major defeat for Chen.⁵⁸

A Republican majority in Congress, and a Republican president, are perceived as advantages for Taiwan. The 2004 Republican Party platform identified Taiwan as a “friend” important to maintaining security in Asia. Although the platform reaffirms the one China principle and opposes any unilateral decision by either side to change the *status quo*, “Republicans recognize that America’s policy is based on the principle that there must be no use of force by China against Taiwan. We deny the right of Beijing to impose its rule on the free Taiwanese people. All issues regarding Taiwan’s future must be resolved peacefully and must be agreeable to the people of Taiwan. If China violates these principles and attacks Taiwan, then the United States will respond appropriately in accordance with the Taiwan Relations Act. America will help Taiwan defend itself. Republicans applaud President Bush and the Republican Congress for honoring our nation’s promises to the people of Taiwan, a longstanding friend of the United States and a genuine democracy. Taiwan deserves America’s strong support, including the timely sale of defensive arms to enhance Taiwan’s security.” (On the issue of Taiwan, the Democratic Party’s 2004 platform said only, “We are committed to a ‘One China’ policy, and will continue to support a peaceful resolution of

⁵⁸ Chang Hui-ying, “President Chen Didn’t Just Lose the Election.” *China Times* (Taipei), 15 December 2004, p. A2.

cross-Straits issues that is consistent with the wishes and best interests of the Taiwanese people.”⁵⁹

Without a doubt, Taiwan has strong advocates who make their voices heard in the U.S. Congress; as recently as February 2005, a House resolution called for resuming formal diplomatic relations with Taiwan. Support for Taiwan is by no means unconditional, and even Taiwan’s champions have cautioned the island against pushing too hard for independence. Charles Morrison of Hawaii’s East-West Center commented that Taiwan leaders may not be assessing realistically the new dimensions of U.S.-China cooperating in spheres such as counter-terrorism, economic partnerships, and the Six Party Talks, and may not have adjusted to the idea that “There is less appreciation for Taiwan in Washington than the Taiwanese believe. There are concerns Taiwan is only hearing what it wants to hear.”⁶⁰

A factor in Taiwan’s calculus of its U.S. support may be the idea that the PRC’s opponents in Congress dislike the PRC even more than Taiwan’s proponents favor Taiwan, so that in the U.S. Congress, the PRC will always lose and Taiwan will always win. Especially since the Tiananmen incident in 1989, single-issue lobbies in the United States have used the PRC as a straw man for their own domestic causes, reinforcing negative attitudes toward and stereotypes of the PRC:

In Congress, alliances of partisans of single issues insist vocally on highly negative views of China. Critics of China’s human rights practices, including a repressive criminal process and suppression of dissent, have joined with members who speak for the religious right in decrying China’s birth-control policies and hostility to religions not licensed by the state. Supporters of Tibetan independence and an autonomous Taiwan add further heat to debate... Free from doubt, adamant in their moralism, unrelenting in their emotional criticism, and insistent on expressing the most idealistic representation of American values, the members of Congress who form an anti-China coalition have a significant debating advantage over those members who favor engagement.⁶¹

The PRC’s belligerent responses to recent incidents – such as then-Taiwan President Lee Teng-hui’s U.S. visa in 1995, the accidental bombing of the PRC embassy in Belgrade in 1999, and the EP-3 incident in 2001 – have only reinforced to Taiwan and to the United States the bellicose image of the PRC, and the need for the United States to continue or even expand its sales of self-defense hardware and software to Taiwan.

There is a dangerous misperception regarding Taiwan’s commitment to its own self-defense, that the United States will supply whatever the island lacks in the event of an attack. In a way, history is on the side of this belief. President Truman sent naval forces in 1952; much more recently, President Clinton sent two carrier battle groups to the Taiwan Strait in 1996

⁵⁹ Republican Party Platform: <[http://www.gop.com/media/2004 platform](http://www.gop.com/media/2004_platform)> Democratic Party Platform: <<http://www.democrats.org/platform>>

⁶⁰ Low, Eugene. “Kerry ‘more likely to get Taiwan and China to talk.’” *Straits Times Interactive* 18 October 2004 <<http://straitstimes.asia1.com.sg>>

⁶¹ Lubman, Stanley. “The Dragon as Demon: images of China on Capitol Hill.” *Journal of Contemporary China* (2004), 13(40), August, 541-565; pp. 542-3, 561.

when the PRC was lobbing “test” missiles off the Taiwan coast. U.S. officials have tried since that time to convince Taiwan’s leaders and public that the carriers might not be there the next time; for the most part, it is a message they have not wanted to hear and have chosen not to believe.

In recent months, even some of Taiwan’s best friends in Congress have expressed impatience and frustration with Taiwan over the delay in appropriating funds for an \$18 billion arms package the United States approved in 2001 for sale to Taiwan. The Greens see the purchase of arms as the price Taiwan has to pay for maintaining U.S. security protection; the Blues oppose the appropriation as a way to undermine Chen. Opponents of the package argue that Taiwan’s economic growth is cooling, and committing such a large sum would be too great an economic risk. They argue that defense should take its place among other priorities competing for government funds. Tacitly or overtly, they argue that Taiwan can afford to divert funds to other purposes because the United States will make up whatever Taiwan lacks in the event of hostilities with the PRC.

In January 2005, California Democrat Rep. Tom Lantos, regarded as a friend of Taiwan, criticized Taiwan authorities for shirking on spending for their own defense and pushed for the legislature to approve the \$18 billion arms package. Lantos “expressed a clear warning that it was getting ever harder for friends of Taiwan on Capitol Hill to lobby the administration for support” as Taiwan officials delayed the arms purchase and per capita spending on self-defense decreased even as the PRC continued its military buildup.⁶²

The PRC’s Anti-Secession Law has had the unintended consequence of galvanizing public support in Taiwan for the arms appropriation. It now appears likely, given the PRC’s refusal to rule out use of force against Taiwan, that the Legislative Yuan will move forward the stalled bill and allocate the money to pay for the arms package.⁶³

Public opposition in Taiwan to the arms deal and legislative reluctance to appropriate the money have given U.S. supporters the unfavorable impression that Taiwan is unwilling to pay for its own defense, and that leaders and citizens in Taiwan believe, as mentioned earlier, that the United States has an open-ended commitment to Taiwan’s security no matter what steps Taiwan might take that disrupted the *status quo*. The *Taiwan Business Weekly* survey shows that more than 58 percent of respondents believe the two sides of the Taiwan Strait would go to war if Taiwan declared independence, and that in case of war, 51.7 percent believe the United States would send troops to help Taiwan. Attitudes toward arms purchases are fairly evenly divided with 42.5 percent in support and 43.1 percent opposed; those opposed said buying the arms is futile (22 percent), it is too much strain on the economy (13.7 percent), Taiwan is too far behind the PRC in the arms race (12 percent), or the arms are too expensive (11.8 percent).⁶⁴

⁶² Hille, Kathryn. “Taipei’s Defence Bill Criticised by US Ally.” *Financial Times* 17 January 2005. <<http://news.ft.com/cms/s/90bcf290-6882-11d9-9183-00000e2511c8.html>>

⁶³ Eyton, 19 March 2005.

⁶⁴ *Taiwan Business Weekly* and Sinanet, op.cit.

It is important to recognize that, even with all the overheated rhetoric about defending Taiwan against the PRC's military bullying, U.S. arms sales to Taiwan represent a political issue, not a military one. Arms sales are a sideshow to the real issues of whether the United States is "tilting" toward Taipei or Beijing; the limits of Beijing's and Washington's tolerance for what they see as Taipei's provocations; and the real meaning of President Bush's statement that the United States will do "whatever it takes" to defend Taiwan against PRC aggression. Given the enormous military imbalance between the two sides of the Taiwan Strait, the United States sees Taiwan arms purchases as an indication of the island's seriousness about taking responsibility for protecting itself and as a way to put itself in a better negotiating position.

There is also a question of public perception in Taiwan about the driving forces behind arms purchases from the United States. Starting from the Taiwan Relations Act's commitment to provide "articles" for self-defense, the Taiwan side through most of the 1990s pushed the definition of defensive weapons to include submarines and other arguably offensive items. The tide of public opinion has changed from a sense of needing to push the United States into giving Taiwan all it wants – more as a symbolic demonstration of U.S. political support than as a response to key military needs – to a feeling that the United States is pushing Taiwan to spend more than it wants to (or indeed more than it has on hand) to buy arms "prescribed" by the U.S. Department of Defense.

Viewing arms sales through a political prism, both Taiwan and the PRC read the sales as indications of U.S. intentions in the Taiwan Strait. The United States keeps the debate in military terms, saying the arms sales are based on the threat Taiwan faces. Thus any reduction in U.S. military sales to Taiwan would have to be couched as a response to a reduced threat from the PRC, rather than as part of a deal the United States had made with the PRC behind Taiwan's back. The October 2002 "Crawford proposal" that the PRC would remove some of its ballistic missiles aimed at Taiwan in return for a reduction or an end to U.S. arms sale to Taiwan was so asymmetric as to be meaningless, except possibly as an opening gambit.

Washington should continue to promote exploration through official or unofficial channels between the two sides regarding what it would take to get the two sides to stop aiming weapons at one another, and what meaningful disarmament – asymmetric or proportional – would look like. The United States also should use its direct diplomatic channels to Beijing to make the point that bullying and threatening Taiwan have historically only hardened Taiwan's attitudes against the PRC. McDevitt describes the dilemma: "by threatening war (the PRC) also makes it more difficult for China to convince the people of Taiwan to choose a path toward reunification. The irony is that the effect of China's policy, resting as it does on intimidation, is a perpetuation of the *status quo* because it is not sufficient to make the people of Taiwan want reunification; it only frightens them away from independence."⁶⁵

Meanwhile, in the United States, the executive and legislative branches should seek more effective communication and greater cooperation in developing the next steps in policy

⁶⁵ McDevitt, p. 422.

regarding Taiwan, to avoid mixed messages and miscalculations of support on either side of the Strait. As Richard Bush has observed, “An open conflict over Taiwan policy in the United States would foster profound concern on Taiwan, because it would be read as a weakening of the American political commitment. It would also be welcomed by China.”⁶⁶ Efforts by the two sides to gain favor in Washington will be proportional to their ambitions and their respective power; the PRC will continue to seek big steps to prove it enjoys U.S. favor, and Taiwan will keep probing for incremental gains that earn sympathy for its situation and seek to stretch the boundaries of its space in the international community.⁶⁷ The April 2005 announcement that the United States and PRC will engage in a series of senior-level talks promises a new opportunity for the United States to express concern about the PRC’s military threats against Taiwan and for the United States to encourage the flexibility and creativity that will lead to productive dialogue.⁶⁸

Conclusion

Chen Shui-bian’s administration will occupy only a short period in the long chain of events leading from 1949 to the eventual date of resolution between Taipei and Beijing. Even so, he has the opportunity to make a significant impact in the time available to him. Although he is fond of invoking the hopes and aspirations of all 23 million people who live in Taiwan, the reality is that he governs a divided electorate whose view of Taiwan’s options is generally much more moderate than Chen’s own beliefs.

The United States and other countries that stand to lose from a PRC-Taiwan confrontation – which would be most countries in the world, given the PRC’s ascendancy as a major economic and political player – should hold to the position that independence for Taiwan is not an option at the present time, and that Chen’s mandate is not to declare independence but to protect Taiwan’s security and stability. Alan Romberg sees the need for Washington to act “with consistency, purpose, vision, flexibility, and creativity,” adding, “while we may not be able to bring the situation to a point of reliable stability we can probably influence things enough to avert a crisis. This may seem to place a lot of the burden on Washington when in all justice the main responsibility should rest with Taipei and Beijing, but we can’t control them; we can only influence them. What we presumably can do is control ourselves.”⁶⁹

The United States and its allies should encourage and, when possible, facilitate efforts by Chen or his surrogates to approach the PRC to turn the focus away from “red lines” on specific issues that dare one side or the other to cross, and toward “green zones” where the two sides can find areas of strategic agreement and work to build confidence.⁷⁰ The parties

⁶⁶ Bush, HIRC testimony.

⁶⁷ Sutter, p. 74.

⁶⁸ Kessler, Glenn. “U.S., China Agree to Regular Talks.” *Washington Post*, 8 April 2005, p. A14.

⁶⁹ “The Second Chen Administration: A Crisis in the Making?” Panel Discussion. Carnegie Endowment for International Peace, Washington, D.C., 6 June 2004. <<http://www.carnegieendowment.org/events/index.cfm?fa=eventDetail&id=710>>

⁷⁰ Harding.

need to devote all their efforts to finding the “green zones” and slowly expanding them to reach a level of political coexistence that is as pervasive and productive as the growing economic interdependence between the two sides of the Strait. This is the only solution that will be in the best interests of the people in the PRC, Taiwan, the United States, and other countries that seek partnerships based on mutual interests, not on decades-old political rhetoric and deadlock from an unresolved civil war.