

Shaping the Future

Part II: Cross-Strait Relations

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Beijing breathed a sigh of relief after Ma Ying-jeou's reelection victory in January. Having focused largely on domestic developments in Taiwan in the last essay in this series, here we will devote our attention primarily to cross-Strait political issues in the wake of the election from the perspective of Beijing and Taipei and with regard to their implications for Washington.

Post-Election Trends

While Beijing might have preferred a more forward-leaning position from Taipei on the issue of political dialogue and a more unambiguous embrace of "one China," it appeared to accept the results as "good enough" and to settle in for the long haul. Despite carping from some Mainland academics about Ma's refusal to adopt a bolder approach to advancing political relations, the PRC government seemed pleased that he used his inaugural address to restate formally his long-standing adherence to "one China." Even though his definition differed substantially from Beijing's, the Taiwan leader once again decisively separated himself from Chen Shui-bian's rejection of the concept.

Meanwhile, PRC Taiwan Affairs Office Director Wang Yi reaffirmed Hu Jintao's December 31, 2008 vision for peaceful development of cross-Strait ties. In comprehensive terms that have been echoed in various official statements since then, Wang cast it as a Central Committee-approved long-term approach designed to enhance mutual trust and weave a web of relationships that would eventually lead to a form of unification acceptable to both sides. A PRC feint to "upgrade" the position that Taiwan and the Mainland belong to "one China" into explicit acceptance that they belong to "one country" failed to gain traction and was effectively sidelined—for now. Some analysts in Taiwan suggested, however, this formulation would become a new focus of Beijing's policy after the upcoming 18th Party Congress. Meanwhile, having finally concluded an investment protection and promotion agreement along with a customs cooperation agreement between Taipei's Straits Exchange Foundation (SEF) and Beijing's Association for Relations Across the Taiwan Strait (ARATS) at their eighth meeting in early August, both sides have committed themselves to deepening economic ties through accelerated negotiation of other follow-on talks under the Economic Cooperation Cooperation Framework Agreement (ECFA). The pace of progress is still subject to a variety of constraints, however, and only time will tell how quickly some of those negotiations can be concluded.

The United States continued to demonstrate support for Ma's approach to cross-Strait ties. Although some steps remained to be completed, Washington also seemed ready to take the Taiwan leader's successful efforts to push through a solution to the U.S. beef issue as a basis for unleashing a more robust U.S.-Taiwan economic relationship. In addition, implementation of the agreement to upgrade Taiwan's fleet of American-made F-16A/Bs appeared on the verge of realization. Even though Beijing continued to protest this "retrofit," and even as sparring over South China Sea questions threatened to affect overall Sino-American relations, Washington and Beijing appeared more willing than ever to keep their differences over Taiwan in perspective and to work on creating a "new model" of great power relations. On the other hand, statements by Governor Romney about his China policy, including his endorsement of supplying Taiwan with "adequate aircraft and other military platforms"—explained by a top aide to include F-16C/Ds—have generated a sharp warning in officially sponsored PRC media about poisoning relations and causing a retrogression in bilateral ties.

In this context, it is worth noting that President Ma put forward an East China Sea Peace Initiative in early August that appeared to be part of an overall effort to reassert Taiwan's territorial claims in both the East and South China Seas and its relevance to the diplomacy of the region. While hoping to avoid a confrontation with the PRC in either area, Ma firmly rejected Mainland feelers on cross-Strait collaboration on these issues. Japan supported Ma's notion of handling disputes through diplomacy and restraint, but it rejected Taipei's territorial claims in the East China Sea (just as it rejected Beijing's). Similarly, Taiwan's claims in the South China Sea, backed up by some steps to bolster those claims such as a live-fire exercise on Taiping Island (the largest island in the Spratlys), also led to formal protests, in that case from rival claimant Vietnam.

Over the succeeding weeks, pressed by nationalistic sentiments at home and in the wake of successive moves by Japan—including the purchase of three privately held islands in the Diaoyutai group, Ma ramped up his statements and actions on the island claims. Some seemed aimed at carving out a place for Taiwan at any code of conduct negotiating table in either the South or East China Sea. But others appeared more muscular, designed not only to bolster support for Taiwan's fishing interests but also to physically underscore sovereignty claims. These latter actions led some observers to ask whether Ma's moves might not unnecessarily complicate an increasingly delicate situation in which Taiwan was unlikely to have a decisive role. Still, he carefully stayed away from emulating some of the more in-your-face activities Beijing undertook, and he continued to resist making common cause with the Mainland.

Although these international measures on Ma's part may have been designed in important part for domestic political purposes, they apparently did little to ease his on-going problems at home. Along with his poll numbers, the economy continued to sag; officials said the economy had been in recession for nine straight months and projections for GDP in 2012 continued their downward trend, now coming in well below 2 percent. Moreover, as part of a series of actions to demonstrate leadership and build bridges within the DPP, party chairman Su Tseng-chang persistently hammered away at Ma for failing to deal effectively with Taiwan's economic and social woes and for continuing to adopt policies

that subordinated Taiwan's economy to the Mainland, further opening the door to unification. Of note in this regard is the fact that, while some prominent DPP personalities attended conferences on the Mainland, and while Su continued to talk about advancing mutual understanding between the DPP and its PRC counterparts, he temporized on the contentious issue of overall cross-Strait policy by postponing creation of a high-level advisory China Affairs Committee. For its part, while welcoming more individual DPP visitors, Beijing consistently rejected party-to-party contacts until the DPP changes its "Taiwan independence" position.

Waiting to Exhale, Beijing Welcomes Ma's Victory

When Ma Ying-jeou won reelection by a larger than anticipated margin in January, Beijing was able to breathe more easily again, reaffirmed in its conviction that the policy followed since 2008 had achieved its principal objectives of consolidating opposition to Taiwan independence and fealty to the "1992 Consensus."¹ Moreover, and of more fundamental importance as the PRC faces its own still somewhat tentative leadership transition, the outcome was taken as vindication of Hu Jintao's policy shift on Taiwan—from Jiang Zemin's search for near-term resolution of Taiwan's status to a more patient approach. Hence, Hu's legacy on this front was secured and Taiwan policy could now follow a steady course in the period ahead rather than facing disruption and becoming the focus of heated debate in Beijing as would likely have happened if the DPP had won.

While some prominent Mainland academics worried that the growth of "Taiwan identity" and "Taiwan subjective consciousness" militated against cross-Strait social integration (and ultimately reunification),² they argued that Ma could engage in cross-Strait political dialogue if he only had the political will. What they saw, however, was Ma clinging to an inwardly-focused policy orientation that was "excessively conservative and inadequately expansive" (保守有餘, 開拓不足).³

For its part, the PRC government did not take up the cudgel for political dialogue in the near term. But from early on after the election it stressed that deepening political mutual trust was "the essential point," not only as a basis for expanding cross-Strait relations in general but even for successfully promoting economic cooperation in the "hard issues stage" that the two sides were now entering.⁴ (TAO Director Wang Yi reaffirmed that the basis for deepening such trust in current circumstances was maintaining the "one China" framework. But in addressing this question later on, a senior political leader later stirred the proverbial political pot by adding a couple of new twists to the usual mantra on this subject,⁵ which we address below.)

Everyone acknowledged that the follow-on negotiations under ECFA would, indeed, be more complicated than coming to terms on the basic framework agreement of June 2010. They pointed, for example, to the fact that it took almost two years to negotiate the investment protection pact that was finally signed in early August⁶ and that, in the case of an agreement on trade in goods, some 5 to 10,000 products would have to be reviewed,⁷ covering an increasingly broad range of more specialized fields.⁸ In thinking about this, Beijing seemed to go back and forth. On one hand, it stressed the difficulties,⁹ and on the

other it took an accommodating stance, by recommitting itself to move as quickly as possible to complete the negotiations so all could benefit, especially the people of Taiwan and, among them, especially people at the grass roots.

The difficulty of these issues is not to be underestimated, and there are likely two other factors at play working in opposite directions. Complicating the problem, as has been true regarding other issues and at other stages of the relationship, the Mainland seems frustrated that, in its view, Taipei keeps coming back to extract more concessions after issues have supposedly been settled. In late June, for example, TAO Director Wang Yi implied that the 8th SEF-ARATS meeting was being postponed due to that sort of behavior on the Taiwan side. Wang said that Taiwan's concerns about the important points in the investment protection agreement had been "appropriately handled" and that, after taking into consideration the needs of Taiwan society, Beijing had included many provisions not usually contained in such agreements. When asked when the agreement would be signed he reportedly paused for a while and then said it would depend on Taiwan.¹⁰ (Officials in Taipei, of course, rejected primary responsibility for the delay.)

One got the sense that Beijing was tired of this dynamic and might pull back from what it considered efforts to give special consideration to Taiwan in economic negotiations.

At the same time, despite this apparent frustration, it is clear that Beijing sees great benefit in extending its hearts and minds offensive in Taiwan. So while it will need to pay due attention to vested interests on the Mainland who will be unhappy with one-sided deals, and despite the PRC's current economic slowdown, Beijing will doubtless still look for ways to continue to "do well by doing good" in negotiating with the island. This seemed to be the thrust of later remarks by Wang Yi as well as senior political leader Jia Qinglin (discussed below).

Wang Yi Expounds On the Policy of Peaceful Development

In mid-April, Wang Yi published an article that comprehensively reviewed Beijing's cross-Strait policy since 2008 and laid out the goals and precepts that would guide it in the coming years.¹¹ Although it has not often been cited directly, and although it generally reflected positions articulated in less comprehensive form in other contexts, its concepts and even its phrases have found echoes in numerous official statements ever since and it stands as an authoritative articulation of policy worth pausing to consider.

An immediately notable feature of the article is that, while Wang gives due credit to Hu Jintao's role as general secretary and to his "important speech" on cross-Strait policy in December 2008, he pointedly ascribes to the "strong leadership" of the Central Committee the credit (and implicitly the responsibility) for the "important thinking of peaceful development" (和平发展重要思想) and the strategic decision (战略决策) to seize the "historic opportunity" presented by the major victory against "Taiwan independence" in March 2008 (i.e., Ma's first election). As a result, he says, unprecedented new prospects for peaceful development of cross-Strait relations have opened up, leading to an historic breakthrough and historic changes in those relations.

Wang writes that all of this rests on the fact that a “common political basis” of opposition to “Taiwan independence” and insistence on adherence to the “1992 consensus” has been established between the two sides and the correct direction and healthy momentum of cross-Strait relations have been maintained. In this context he reviews Hu Jintao’s December 31, 2008 “important speech.” Based on the policies of the Central Committee, he notes, Hu “for the first time” comprehensively and systematically laid out the important thinking and policies relating to peaceful development of cross-Strait relations.

Wang presents two central concepts that are important to understanding how Beijing has approached, and will continue to approach, Taiwan policy. First of all, he says, before striving for peaceful unification of the motherland—which remains the enduring goal—it is necessary to ensure the peaceful development of cross-Strait relations. Among other things, this involves adhering to the principle that Taiwan and the Mainland belong to one China as the political foundation, promoting exchanges, handling cross-Strait issues through negotiation and consultation, and opposing “Taiwan independence.”¹²

The second key point is his characterization of the peaceful development of cross-Strait relations as an important component of the PRC’s overall peaceful development strategy. As he puts it, “positive achievements in the peaceful development of cross-Strait relations will continuously promote and provide new content for China’s peaceful development strategy” (两岸关系和平发展的积极成果将不断为中国和平发展战略).

Wang lays out a broad programmatic agenda to consolidate and deepen peaceful development of cross-Strait relations, eventually creating conditions for peaceful reunification. Consistent with his assessment of the keys to success so far, he begins by stressing the need to expand and strengthen political mutual trust as the “focus” of development of cross-Strait relations, repeating that safeguarding the “one China” framework is the essential foundation.

He then addresses means for consolidating economic and trade relations—promoting ECFA follow-on negotiations to make substantial progress and conclude agreements as soon as possible; promoting financial cooperation; strengthening cooperation among newly emerging industries; encouraging two-way investment; supporting and protecting the reasonable and legal rights and interests of Taiwan-funded enterprises operating on the Mainland, resolving their operating difficulties and accelerating their transformation and upgrading; and expanding the Mainland market for them.

Moreover, Wang talks about deepening social and personal ties, working effectively to win people’s hearts to the cause of the peaceful development of cross-Strait ties and to enhance emotional bonds between people on both sides. He calls for caring about, respecting, and trusting Taiwan people; paying more attention to understanding their needs; bringing concrete benefits to more people in Taiwan, “especially people at the grassroots level.” An important goal of this greater involvement of people from the Taiwan side is to help them understand that their interests and career development are closely related to cross-Strait relations, thus strengthening public opinion in support of peaceful development of cross-Strait relations.

As we suggested earlier, it is this set of very forward-leaning attitudes and policies that signals that Beijing will place considerable priority on continuing to pursue policies, including economic policies, designed to achieve the strategic objective of winning hearts and minds of people in Taiwan, at the same time doing whatever it takes to mollify domestic concerns on the Mainland.

Attitudes toward Ma Ying-jeou's Inaugural Address

Against the background of this essentially positive assessment and prescription for advancing cross-Strait relations, it was apparent that Beijing was concerned about Ma's inaugural address in late May. There were worries that the speech would be characterized by extreme caution, occasioned by the Taiwan leader's parlous domestic political situation. A group of TAO officials reportedly traveled to Taiwan in mid-April to exchange views about this with think tanks on the island.¹³ Many Mainland scholars saw little or no prospect that Ma would back political talks during his second term, though they commented that his desire for greater "international space" was inherently a political issue.¹⁴

In the eyes of some Mainland scholars, a significant obstacle to progress on such issues as a peace accord was the attitude of the United States. One commentator charged that American pressure on the Taiwan president had caused him to go silent on the idea of cross-Strait confidence-building measures (CBMs) out of concern that they would affect U.S. arms sales to Taiwan and undermine the U.S. strategy of "containing China with Taiwan."¹⁵ He made a nod in the direction of other factors in Ma's reticence as well, such as broad-based cross-Strait political distrust as well as obstruction by the DPP. But he assigned principal responsibility to behind-the-scenes American pressure.

While staying away from public expressions of such concern, Wang Yi reportedly told an American audience in late April that he hoped to hear "positive news" in Ma's inaugural speech regarding the maintenance of favorable momentum in cross-Strait relations.¹⁶

When he did speak on May 20th, Ma did not embrace the concept of "one country, two areas" (一國兩區) as some in the Mainland had hoped he would, but no one should really have expected him to do so. After all, following the turmoil created in Taiwan when KMT Honorary Chairman Wu Poh-hsiung's used that term in Beijing in March, the president's office had to calm the waters by turning away from such terminology, stressing instead that there was "one China" with two areas, as spelled out in the Constitution and legislation, and "of course" that "one China" was the "Republic of China."¹⁷ Unsurprisingly, therefore, Ma followed this latter formulation in his inaugural address.¹⁸

Some Mainland scholars expressed understanding of Ma's situation and his choice of language. They said that while officials were disappointed by the speech, they were not surprised that Ma stuck to established positions. More disdainfully, one said that the

Mainland early on had “seen through” (看破了) Ma and had not held high expectations for him.

Still, many expressed disappointment that he had not come up with a more “forward-looking” (前瞻性) view and that he didn’t speak more forcefully about how cross-Strait relations would be developed over the next four years. In fact, said one, Ma had unhelpfully reduced the ambiguity the two sides had created when they previously agreed to shelve the controversy over interpreting “one China.”¹⁹ The effect of Ma’s emphasis on “one Republic of China” was to expose the underlying differences, he said, which would have an unfavorable impact on prospects for advancing cross-Strait relations. Another scholar agreed with that, judging that, while Ma’s speech had presented an administrative program that wasn’t bad, it had presented few new ideas about cross-Strait relations and thus concerned people who were looking to the start of political dialogue and resolution of political issues over the next four years.

All that being said, Mainland officials denied being frustrated with Ma’s speech.²⁰ In initial informal public comments, spokesmen stayed away from any judgmental remarks, sticking with the traditional position that any issue could be discussed as long as it came under the rubric of “one China.”²¹ A few days later, a senior TAO official stressed that SEF-ARATS talks would not be affected by Ma’s inaugural reference to “one Republic of China, two areas,” adding that the important thing was that both sides adhere to main theme of promoting peaceful development of cross-Strait relations.²²

By the time of the next formal TAO press briefing some ten days after the election, Beijing had worked out a comprehensive response. The spokesman reiterated the PRC’s standard position about setting aside differences and seeking common ground along with other familiar aspects of the mantra. As to the inaugural speech specifically, not only was Ma’s position characterized as a long-standing one, but Beijing regarded as positive and beneficial to the peaceful development of cross-Strait relations any statement, advocacy or policy that accorded with the “objective reality” of the indivisibility of Chinese sovereignty and territory.²³ Implicit in this statement was that Ma’s speech met that standard.

Despite continuing nattering by some PRC-sponsored press commentary²⁴ and even background statements by senior national security officials in Taiwan that they believed the Mainland felt it had been tricked by Taipei,²⁵ in fact this TAO statement seems to have represented the “last word” on how Beijing was going to position itself on Ma’s speech.

Other Developments in Cross-Strait Relations

Further Agreements

Beyond adopting this positive interpretation of Ma’s speech, Beijing continued to take steps designed to win hearts and minds along the lines of Wang Yi’s April article. In June, Wang announced eight more measures designed to benefit Taiwan in areas ranging from trade and travel to educational and technological exchange and policies relating to

Taiwan citizens ability to work on the Mainland.²⁶ In late August, the two sides conducted another round of joint maritime search and rescue drills and agreed that they should be held every other year, with the two sides taking turns as host.²⁷ And various initiatives were taken to further open markets for investment and in other ways to facilitate active cross-Strait economic ties.²⁸

Nonetheless, Taiwan opinion polls purported to show some signs of cooling in cross-Strait relations. And it was in this overall timeframe that Taipei turned down a PRC delegation invited to a seminar on the island on the grounds that it was too heavily weighted with officials (discussed further below).

Pressed by the media about such negative indicators, the TAO spokesperson rejected the notion of any cooling off. She said that cross-Strait relations are never smooth sailing and always need to overcome various obstacles and disruptions. In fact, however, the momentum of peaceful development was being maintained, she asserted, and exchanges and cooperation were proceeding normally. Citing various examples of vigorously prospering relationships, she dismissed reports of a cooling as perhaps reflecting the view of just a few people.²⁹

Given this studied determination to maintain a positive tone, and setting aside the example cited earlier of some obvious frustration with Taiwan's apparent last-minute efforts to extract even better (and politically more defensible) terms in the investment protection agreement, it is not surprising that at long last that agreement was signed in early August along with a customs cooperation agreement. Although the DPP and some business interests criticized it, especially certain aspects of the terms regarding arbitration of disputes and timely notification regarding the arrest of Taiwan citizens on the Mainland, others viewed the agreement as a significant step forward. That said, as with other cross-Strait agreements, implementation was seen as the key measurement of success, not only what appeared on paper.

Especially in light of the commitment of both sides to accelerate the timetable for negotiating the remaining ECFA follow-on agreements, it was noteworthy that both Wang Yi and SEF head Chiang Pin-kung spoke of the possibility of convening the 9th SEF-ARATS meeting even within the remaining months of 2012 to sign a cross-Strait services trade agreement.³⁰

Establishment of Reciprocal SEF and ARATS offices

Still, both sides remain alert to potentially troublesome questions. For example, when Ma Ying-jeou advocated the mutual establishment of SEF and ARATS offices in mid-May,³¹ Beijing welcomed it. This was not surprising, as it was a step the PRC had long supported.³² But reflecting some unstated underlying sensitivities, the PRC's response was couched in careful terms—and so was the MAC's subsequent comment.

In a formal press briefing, the TAO spokesman said that moving in the direction of establishing reciprocal offices reflected the good developments so far, but he then defined the purposes of such offices in strictly functional terms—helping to implement exchanges

and resolve problems for people from both sides in a more convenient, timely and effective fashion, concluding by saying merely that the two sides could “exchange views” (交換意見) on the subject.³³ And while TAO Director Wang Yi said some days later that it was good that the Taiwan side had recently become “active” about the matter, “of course” the two sides needed to discuss mutually acceptable programs, procedures and steps, this time in an open manner.³⁴

In turn, the Mainland Affairs Council in Taipei responded that the government would adhere to the principles of equality, dignity and reciprocity as it worked on the issue step-by-step.³⁵

Although some of the discussion of this issue in Taiwan referred to the need to amend laws and regulations, taken as a whole this set of remarks suggests that, even though the PRC’s position is that there is no need to politicize the issue since these are not official offices,³⁶ in fact the matter was seen potentially to touch on sovereignty issues and Taiwan’s status, and hence it could become politicized.³⁷

In any event, in mid-September it was reported that the issues had been resolved and that the reciprocal establishment of offices would take place by the end of October.³⁸ In light of this history, the actual functioning of these offices will be a matter of some interest.

International Space

Concerns over sovereignty and Taiwan’s status also remain at the heart of PRC reticence to move ahead crisply on Taiwan’s desire for “international space.” Although Taiwan has long made known its desire to participate in intergovernmental organizations (IGOs) such as the International Civil Aviation Organization (ICAO) and the UN Framework Convention on Climate Change (UNFCCC), until very recently no progress had been made. And it has seemed that in recent years Taipei simply downplayed its ambitions because it realized that Beijing was not going to cooperate.

Nonetheless, Ma raised these goals again in his inaugural address. In addition, he also called for “mutual tolerance and mutual assistance” (彼此包容、相互協助) by Taiwan and PRC civil organizations participating in international non-governmental organizations (NGOs), an issue he is known to emphasize in private settings, as well.

In terms of IGOs, Beijing argues that Taiwan has no international and diplomatic standing, so it has no right to approach UN-affiliated or other organizations composed of states about participating. If it did so without consulting Beijing, then Taiwan media and others would emphasize that the Mainland had no role, and this would quickly lead to the creation of an image in the international community of “one China, one Taiwan” or “two Chinas.” It might also, PRC officials say, lead Taiwan to pay less attention to cross-Strait relations and focus more exclusively on its international role without considering Beijing’s position.

All of that would be unacceptable to Beijing. What would be acceptable, PRC officials repeatedly say, is to conduct cross-Strait consultations “on an equal footing,” asserting

that this would lead to “fair and reasonable” arrangements that would meet the legitimate aspirations of the people of Taiwan.³⁹ Keep in mind, Mainland officials remind interlocutors, Ma pledged to engage in such consultation in his first inaugural address in 2008, so this should not be politically impossible for him.

And in fact an early September exchange between Hu Jintao and KMT Honorary Chairman Lien Chan, who represented Ma at the recent APEC leaders meeting in Vladivostok, may have opened the door to an arrangement on ICAO. When Lien raised the subject, including a proposal for cross-Strait consultations, Hu reportedly responded that the Mainland would “seriously study” if there were not an “appropriate way” for Taiwan to participate.⁴⁰

Only time will tell how this unfolds. Although the TAO spokeswoman characterized Hu’s statement as an expression of goodwill, she took a somewhat reserved stance on the question, referring only to consideration of Taiwan’s participation in “relevant activities” (有关活动) of ICAO.⁴¹ Nonetheless, Ma Ying-jeou seemed quite optimistic that success could be achieved over time.⁴² One important factor will be how PRC officials give meaning to their insistence that their point is not that Taipei needs to seek Beijing’s permission, but rather that genuine consultations are essential. As seen from Taipei, however, it is the appearance of a PRC role controlling and determining Taiwan’s international activities that has been unacceptable.

Related to this, an important issue is what channel to use, as Beijing does not believe that either the SEF-ARATS channel or KMT-CCP channel is appropriate for such discussions.⁴³ (This issue also has a bearing on the larger question of how one might conduct cross-Strait political dialogue whenever that might become feasible.)

As to NGOs, Beijing says it can show more flexibility, but it is still necessary to avoid the appearance of “one China, one Taiwan” or “two Chinas.” As one official put it, the “one China” framework in the international community cannot be challenged or changed, including in the NGO world. So that is why, when there is the possibility of such an image being created, Beijing insists that NGOs from the island not use “Taiwan” in their institutional or personal titles.⁴⁴

Despite this apparent inconsistency with the stress in Wang Yi’s April article on winning hearts and minds in Taiwan, the importance Beijing attaches to that latter effort is clear. Beijing has focused especially on the “grass roots” in Taiwan, meaning small business people, farmers, fishermen and part-time workers. As a matter of policy, the TAO is now asking all Mainland delegations that go to Taiwan, including those headed by provincial leaders, to “go deep into the grass roots” (深入基层) in order to “hear people’s voices” to learn about their views, their needs, and their suggestions about what the Mainland should do.⁴⁵ As Wang Yi explained it, the goal is to constantly perfect and strengthen their work toward Taiwan.⁴⁶

PRC Outreach to the DPP

In this context, Wang Yi has highlighted that Beijing “especially welcomes” (特別歡迎) members of the DPP—and especially those DPP members from the grass roots—to come to the Mainland to look around to help dispel misgivings and enhance mutual trust and understanding. And he has made a particular point of saying that the PRC very much looks forward to welcoming people from the central and southern parts of the island, areas of DPP strength.⁴⁷

The PRC’s sights are not set only on the DPP grass roots, however. The parade of prominent DPP members heading across the Strait to attend conferences⁴⁸ (and, no doubt, to seize opportunities on the margins to talk either with PRC officials or people closely linked to officialdom) has been facilitated by the more flexible approach of both the Mainland and the DPP. Whether this flow of party cadres will have any impact on the DPP’s cross-Strait policy over time remains to be seen. But even though the party’s China Affairs Department has been resuscitated, there has been sharp criticism by some elements within the party of the DPP’s apparent rapid pace on Mainland-related issues, what has been termed “China fever” (中國熱).⁴⁹ As a result, creation of the previously announced policy-level China Affairs Committee has been postponed.⁵⁰ All of this only reinforces the view that it is unlikely there will be any real breakthrough for some time to come.

In current circumstances, the TAO has made clear yet again that “there are difficulties” (有困難) having party-to-party exchanges with the DPP as long as the DPP does not give up its “Taiwan independence” position. This stance was reiterated in connection with DPP Chairman Su Tseng-chang’s statement that he might be willing to travel to the Mainland in the right circumstances, which, he has said, included the setting of no preconditions such as forbidding his ability to do so in his capacity of DPP chairman.⁵¹ And it arose again more recently when senior DPP member Frank Hsieh Chang-ting said he was pondering accepting an invitation he had received to visit the Mainland in October.⁵²

One is tempted to speculate what would happen if the DPP dropped from its charter the 1991 plank that calls for holding a referendum on creating a “Republic of Taiwan,” leaving in place only the 1999 Kaohsiung resolution on the future of Taiwan that the party says superseded the earlier provision. That latter resolution says that Taiwan (under the name “Republic of China”) is already a sovereign, independent state and its status can only be changed through a referendum.⁵³ In other words, it is a *status quo* resolution rather than one calling for change.

Obviously, the outcome of such a step is not knowable without some testing of the waters. But it is the supposedly now dead-letter 1991 provision rather than the Kaohsiung resolution that Mainland commentators generally point to as embodying the offending “Taiwan independence” position. Of course, statements by DPP leaders and spokesmen also play a role, but presumably they could be toned down without the party actually

having to abandon its position. In any case, as we say, none of that is going to happen any time soon.

Other Points of Friction

Abortive Taipei conference with a senior Mainland delegation

There are two final points regarding the state of cross-Strait relations at this stage. First, a local organization in Taiwan had invited a large, fairly high-ranking group from the Mainland to attend a late June seminar in Taipei. Included among the PRC delegates were: ARATS Vice Chairman (and former PLA general and TAO deputy director) Wang Zaixi; the head of the Chinese Academy of Social Sciences Taiwan Studies Institute Yu Keli (reportedly affiliated with the Ministry of State Security); and officials from the TAO; as well as many other well-connected Mainland scholars and experts. Although the agenda was ostensibly to discuss “how to stabilize peaceful cross-strait relations through the development of mutual trust,” it was widely believed that the Mainland participants intended to put pressure on Taiwan to enter into cross-Strait political talks.

This prospect was obviously unwelcome to the government in Taipei, some observers pointing out that the proposed conference was particularly untimely in light of Ma Ying-jeou’s desire to keep the focus on economic issues in the run-up to the 8th SEF-ARATS talks that were still being scheduled and that finally convened in August.⁵⁴

Without directly addressing the question of the seminar’s agenda or intentions of the Mainland delegation, Taipei turned down several of the group’s travel applications on the grounds that the group was too heavily weighted with officials (eleven out of thirty reportedly being from the TAO, other Taiwan affairs departments or the PLA). The Mainland Affairs Council said it still supported the idea of PRC officials coming to Taiwan, including for seminars, but the number involved in this instance was inconsistent with the notion that this was a “purely academic seminar.”⁵⁵

Perhaps because of its links to some of the Mainland invitees, the TAO weighed in, expressing the hope that the Taiwan agencies that had made the decision could “readjust their thinking by making cross-strait exchanges more convenient instead of more inconvenient.”⁵⁶ However, the decision stood and the seminar was cancelled.

“One Country”: Trying to Amend Terminology

The other point to note here is the position taken by Politburo Standing Committee member, and the senior official who most often speaks on Taiwan matters, Jia Qinglin, at the 8th Cross-Strait Economic, Trade and Culture Forum in Harbin in late July.

In his opening speech,⁵⁷ Jia went through the usual formulations about establishing political mutual trust, generating mutual benefits, increasing spiritual and emotional bonds and especially aiming at the grass roots. At the same time, he also noted the complexity of the relationship and the importance of properly balancing pursuit of positive outcomes, on the one hand, and the need to proceed step-by-step, on the other:

The development of cross-Strait relations involves complicated factors in every aspect, and problems that need to be resolved vary in importance and urgency. We must not only grasp the whole situation and make overall plans, but must also weigh the situation and firmly grasp the relationship between actively pursuing what shows promise and proceeding in an orderly manner.⁵⁸

Jia laid out a four-point action program:

- Consolidate the political foundation and maintain the momentum of peaceful development;
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- Deepen economic and trade cooperation and expand the effectiveness of peaceful development;
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- Strengthen cultural and educational exchanges and expand the content of peaceful development; and
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- Bring benefits to compatriots across the Strait and rally forces for peaceful development.

All of this came directly out of Wang Yi's playbook.

In expanding on the first point, however, Jia went further. He not only called for the two sides to "actively explore cross-Strait political relations at a time when the country is not yet united," but he also went on to use a formulation that stirred up a hornet's nest:

At present, increasing political mutual trust means maintaining and consolidating the one China framework. Although the two sides of the Taiwan Strait are not yet united, China's territory and sovereignty are not divided. The core of the one China framework is that the Mainland and Taiwan belong to one country and cross-Strait relations are not state-to-state relations.⁵⁹

Although to those who follow the issue this is not unfamiliar language, according to a senior PRC expert this was the first time a Mainland official had expounded on the meaning of the "one China framework." The idea of Taiwan and the Mainland "belonging to one country" represented, this expert said, a "new starting point for building political mutual trust." As he saw it, this formulation would allow both sides to put aside their dispute over "both sides belonging to one China."⁶⁰

The reaction in Taiwan was quite different. Many people in both major parties as well as the media took the reference to "one country" as an effort to consolidate a legal concept of unity (albeit without unification at this point) that was even more unacceptable than "one China."

Wang Yi felt constrained some days later to seize the occasion when Taiwan media were waiting at Capital Airport for Chen Yunlin to return from the SEF-ARATS talks in Taipei to comment on the issue. Without having been asked about it, Wang volunteered that “there is really no big difference between one country on both sides of the Strait and one China on both sides of the Strait” (兩岸一國和兩岸一中實際沒太大區別). He went on, “Our one China principle has not changed and will not change” (我們一中原則沒有變化，也不可能變化). He said that some of the interpretations of Jia’s statement were wrong and that Beijing had simply meant to show as much goodwill as possible and to increase inclusiveness. Perhaps people should take another look at what Jia said, he suggested.⁶¹

Nonetheless, there have been reports that the PRC side at the forum rather insistently tried to get Taiwan participants to sign onto “one country” language in the agreed points issued at the close of the forum.⁶² Although the Taiwan representatives finally swallowed references to opposition to independence (which they also reportedly would have preferred to avoid for domestic political reasons), they held fast against any reference to “one country.”

An analysis by the KMT Policy Committee in late August suggested that, based on the experience at the 8th Forum, including Jia Qinglin’s speech, it was apparent that Beijing was losing patience with the “1992 Consensus” as defined by Taiwan, i.e., “one China, respective interpretations” (一中各表). Describing Jia’s speech not only as a summary of the PRC’s achievements in its Taiwan policy but as an indication of its future plans, the analysis predicted that after the 18th Party Congress this fall Beijing would push for acceptance of the notion that “both sides of the Taiwan Strait belong to one country” (兩岸同屬一國) or, in short, “one country on the two sides of the Strait” (兩岸一國).⁶³

Once again Wang Yi jumped into the breach. Taking advantage of their presence at an unrelated conference, he assured Taiwan media that there would be continuity of policy. The PRC had repeatedly said, Wang noted, including in Jia Qinglin “earnest” statement, that the Mainland’s policy toward Taiwan is “stable and constant” (有穩定性和持續性). As to whether there could be some new measures taken within that premise of stability, cross-Strait relations are continuously developing, Wang said, and one needs to advance with the times; this is natural. “But the general orientation won’t change and it will unswervingly continue to follow the path of peaceful development.”⁶⁴

Roiled Waters

Although not primarily connected to our focus on cross-Strait relations, the enhanced salience of territorial and maritime disputes in the South and East China Seas has cross-Strait dimensions that merit mention.

As tensions were escalating between the PRC and both Vietnam and the Philippines in the South China Sea, and with reports that Vietnam was also challenging Taiwan over its sovereignty claims,⁶⁵ Taipei took a number of steps to reassert its ownership of all the

island areas there⁶⁶ and to reinforce its presence on Taiping Island, the largest island in the Spratlys. It conducted training of the Coast Guard contingent on Taiping by Marine trainers,⁶⁷ upgraded (modestly) its armaments there,⁶⁸ held live-fire exercises observed by Legislative Yuan members,⁶⁹ dispatched President Ma's national security adviser to the island,⁷⁰ and planted an ROC flag on a nearby feature also claimed by Vietnam.⁷¹

In the East China Sea, as the Japanese government moved to nationalize three privately-held islands in the Diaoyutais, and as Beijing ratcheted up its actions in response, Taipei also took steps to strengthen its own claim to the islands and to assert the rights of its fishermen in the area. In addition to numerous statements about ROC sovereignty and the unwillingness to cede "even an inch" of territory,⁷² Ma took several initiatives.

Among these, the most noteworthy political initiative was his issuance in early August of an "East China Sea Peace Initiative." In it, Ma called on all parties to set aside their disputes over sovereignty and focus instead on cooperative resource development and establishing modes of behavior that adhere to rule of law, relying on peaceful approaches and dialogue rather than "antagonistic actions."⁷³

But Ma did more than this. Egged on by the opposition, on the one hand, to stand up for Taiwan's sovereign claims and the rights of the fishing community⁷⁴ but, on the other, not to escalate tensions with Japan,⁷⁵ initially Ma adopted what was essentially a middle way. On the more assertive side of the ledger, he flew out to Pengjia Islet in the vicinity of Diaoyutai to reiterate the sovereignty claim to the Diaoyu Islands and to declare that Taipei would "spare no effort" to defend sovereignty and safeguard the security of fishermen.⁷⁶ He also ordered the Coast Guard to protect fishermen on a daily basis during fishing season.⁷⁷

Eventually, however, and most dramatically, Ma backed the dispatch of Coast Guard vessels to escort several dozen Taiwan fishing boats on a foray within Japanese-claimed territorial waters around the islands in late September, characterizing the expedition as an exercise in asserting ROC sovereignty as well as traditional fishing rights.⁷⁸ While this led to Japanese and Taiwan Coast Guard vessels firing water cannon, the incident ended after a few hours with no known casualties.

On the more accommodating side, he reinforced and fleshed out his East China Sea Peace Initiative while visiting Pengjia,⁷⁹ agreed to resume fisheries talks with Japan as soon as possible,⁸⁰ and implied that he might pull back from his insistence on an upgraded Coast Guard presence if there were follow-through on a Japanese statement that Taiwan fishing rights would be respected.⁸¹ (At the same time, he said that if the fishing boats' ability to operate in the East China Sea were limited, it would be "impossible" not to dispatch Coast Guard vessels to protect the boats."⁸²)

Setting aside the late September foray to the islands, exactly how the Coast Guard will carry out its duty from here on out is a little murky. First of all, although Ma said that Taiwan provides protection to "all our fishing boats operating legally at sea,"⁸³ according to most accounts, the Coast Guard Administration (CGA) patrols have normally been

geographically limited. They apparently have not, for example, escorted fishing vessels beyond the “temporary enforcement line” agreed by Taipei and Tokyo a decade ago into waters claimed by Japan.⁸⁴ This approach seemed to be validated in late September when the Coast Guard escorted a Taiwan-based supply ship to the vicinity of Diaoyutai but then, before it approached Japan’s claimed territorial waters, ordered it to head back to its original destination on Taiwan’s west coast.⁸⁵ The CGA explained that its offer of full protection for ships making voluntary protest cruises would be extended to those that were in line with the principles of “no conflict and no evasion.”⁸⁶

On the other hand, in what would obviously be seen as a highly provocative move, a senior CGA official reportedly said that, if Taiwan fishermen or local officials proceeded to land on Diaoyutai as a local fishermen’s association official had announced they would, the Coast Guard would dispatch patrol boats and special service personnel to escort them and assist in the landing.⁸⁷ A PRC article reported that, even though no landing was attempted in the recent incident, KMT members of the Yilan County Council, who represent the fishermen seeking access to the fishing grounds around the islands, are planning a landing in February 2013.⁸⁸

In addressing these issues, Taipei has been very consistent in saying it would not make common cause with Beijing over “Chinese” claims.⁸⁹ Instead, Ma Ying-jeou has made clear that his goal is to ensure that Taipei has an equal, independent voice at the table. Specifically, creating a role for Taipei in discussions of a code of conduct in both the South China Sea and East China Sea seems to be a major objective.⁹⁰

For its part, although it has strongly supported a number of Ma’s unilateral initiatives in both the South and East China Seas,⁹¹ Beijing has pushed strongly for a collaborative effort wherever possible.⁹² The presence of an ROC flag among the sea of PRC flags in front of the Japanese Embassy during protests over the Diaoyutais was seen by some as an effort to rope Taipei into a common position,⁹³ although a later report cast doubt on this by indicating the flag-bearer had been arrested.⁹⁴

Some public opinion polls in Taiwan indicate that many people think cross-Strait collaboration would be appropriate, but we do not see any likelihood that it will happen. Despite the Mainland’s praise for a number of Ma’s actions, there seems to be no common ground between Ma’s insistence that Taipei’s claims are centered on ROC sovereignty and his goal of creating a separate place at the table, on one hand, and Beijing’s insistence on speaking about “Chinese sovereignty” that allows Taiwan no separate standing, on the other.

There is one other dimension worth mentioning: the attitude of the United States. In general, of course, while reiterating its neutrality on claims of sovereignty over any of the disputed islands, and despite its treaty commitment to Japan because the Senkakus are an area “administered by Japan,” Washington has urged all parties to back away from provocative measures and to resolve, or at least manage, their differences through dialogue and diplomacy.

Despite the assertion by a Taiwan legislator who visited Washington recently that the U.S. is “confident” about Taiwan’s handling of the territorial issues,⁹⁵ one senses that this may reflect the stance of the visitor’s congressional counterparts more than the views of the Administration. No one has expressly criticized Ma, but on the other hand the most senior American officials the visitor met privately declined to comment at all on Ma’s East China Sea Peace Initiative. Government spokesmen have been equally silent. The only response to the early August proposal was a rather low-key statement by the American Institute in Taiwan (AIT), the U.S. representative office in Taipei, that “we expect claimants to resolve the issue through peaceful means among themselves.”⁹⁶

Ma’s proposals to set aside sovereignty disputes and promote cooperative behavior are consistent with U.S. calls for peacefully handling the disputes, as have been Taiwan’s calls for “restraint” by both Beijing and Tokyo⁹⁷ and for “rational and peaceful” behavior by anti-Japanese demonstrators on the island.⁹⁸ But, in the words of the old adage, timing is everything, and one senses that, understandable as they may be in terms of national interest or domestic politics, Taipei’s various actions to assert sovereignty and become more actively involved in the issues have not been seen as particularly well-timed in terms of tamping down the explosive situation.

This will not likely have a serious impact on U.S.-Taiwan relations, which continue to be strong. But it does underscore the importance of continuing close consultation between Taipei and Washington on a timely basis.

Concluding Thoughts

As discussed in most of the essays in this issue of *China Leadership Monitor*, most attention on China in the next couple of months will be focused on the 18th Party Congress and the personnel decisions, politics and policies affecting it and affected by it. But as we can see from the foregoing discussion, the course of cross-Strait relations will be of importance not just for their own sake, but also in terms of how they impact the PRC’s larger interests. Whether it is the relationship with the United States, potential turmoil in the East or South China Sea, overall ties with China’s neighbors or even domestic development, there will continue to be a “Taiwan factor.”

Hence, how well the leaders on both sides of the Strait manage their relations with each other and with the United States, and how well Washington and Beijing manage their relationship regarding Taiwan, will continue to be the focus of our attention in this series of essays in the months ahead.

Notes

¹ Some PRC commentators observed, however, that in fact Ma’s position on “Taiwan independence” is simply that it will not happen while he is president, but that he does not specifically state that he is “opposed” to it. (Ni Hung-hsiang, “Observation: Political mutual trust is the key to deepening cross-Strait peaceful development” (觀察：深化兩岸和平發展 政治互信為關鍵), *China Review News*, April 2, 2012,

<http://www.chinareviewnews.com/doc/1020/6/0/7/102060718.html?coluid=93&kindid=2910&docid=102060718&mdate=0402004544.>)

² Wang Jianmin, “The impact of ‘Taiwan subjective consciousness’ on domestic politics and cross-Strait relations is increasingly severe” (「台灣主體意識」對島內政治與兩岸關係的影響日益嚴峻), *China Review News*, May 5, 2012, <http://www.chinareviewnews.com/doc/1020/6/2/6/102062671.html?coluid=7&kindid=0&docid=102062671>.

³ Yan Anlin, “From Ma Ying-jeou’s ‘inaugural speech’ one can see the direction and emphasis of the development of cross-Strait relations in the coming four years” (從馬英九“就職演說”看未來四年兩岸關係發展的方向與重點), *China Review News*, August 16, 2012, http://www.chinareviewnews.com/doc/1022/0/2/8/102202858_3.html?coluid=63&kindid=0&docid=102202858&mdate=0816103611.

⁴ “Wang Yi: Cross-Strait political mutual trust should be deepened,” *China Times* (translated by KMT News Network), April 2, 2012, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=11083>.

An adviser to Hu Jintao argued to an audience in Kaohsiung that, under the “one China framework,” anything could be discussed including what he termed “cross-Strait democracy” as well as the notion of “one country, two areas” that KMT Honorary Chairman Wu Poh-hsiung had raised in Beijing in March. Any deviation from that framework, however, would mean that such issues were not on the table. (Tzai Su-chia and Lilian Wu, “‘One China’ framework key to cross-Strait democracy: PRC official,” *CNA*, April 19, 2012.

⁵ “Mainland official calls for discussion of cross-Strait political relations,” *Xinhua*, July 28, 2012, http://news.xinhuanet.com/english/china/2012-07/28/c_131744972.htm.

⁶ Even in the final months of negotiation, the actual August 9 signing date—and hence the date of the 8th SEF-ARATS talks—was decided only after a series of postponements following the original “decision” to hold it before the middle of June. (“Third meeting of CSECC [Cross-Strait Economic Cooperation Committee] held in Danshuei yesterday,” Kuomintang [hereafter KMT] News Network (from Taipei papers), April 27, 2012, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=11201>.)

⁷ Ma Ying-jeou spoke of 5,000 products (Mo Yan-chih, “ECFA talks to be finished in two years: president,” *Taipei Times*, April 7, 2012), whereas SEF Chairman Chiang Pin-kung said the number was “over ten thousand.” (Hou Ya-yan, “Chiang Pin-kung: ECFA negotiation is getting more difficult” [江丙坤: ECFA協商 愈來愈難], *Economic Daily* [*United Daily News*], June 21, 2012, <http://udn.com/NEWS/MAINLAND/MA11/7173985.shtml>.)

⁸ “Third meeting of CSECC” (see endnote 6).

⁹ Ch’en Hsiu-lan and Tai Jui-fen, “News Analysis: As to whether it is possible to achieve the negotiation target, Mainland is cool, our side is hot” (新聞分析—能否完成協商目標 陸冷我熱), *Want Daily* (*China Times*), April 27, 2012, <http://news.chinatimes.com/focus/501011027/112012042700108.html>. The best the vice chairman of ARATS would say was that the Mainland would “advance the follow-up talks in a stable and adequate manner” to “make headway in a timely fashion” and to “sign an agreement as soon as the negotiation is completed.”

¹⁰ “Wang Yi: Scheduling of 8th Chiang-Chen meeting depends on Taiwan,” KMT News Network (from Taipei papers), June 25, 2012, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=11473>.

¹¹ Wang Yi, “Strengthening and deepening cross-Strait relations, opening a new phase of peaceful development” (巩固深化两岸关系 开创和平发展新局面), *Qiu Shi*, 2012 No. 8, April 16, 2012, http://www.qstheory.cn/zxdk/2012/201208/201204/t20120412_150797.htm.

¹² Ever prone to using parallel formulations, in a speech several weeks later, Politburo Standing Committee member Jia Qinglin put it this way: “The peaceful development of cross-Strait relations in practice teaches us: from beginning to end, we must take promoting political mutual trust as the most important precondition, deepening exchanges and cooperation as an important means, promotion of concerted efforts by compatriots on both sides as a powerful driving force, and opposition to and containment of ‘Taiwan independence’ as a necessary requirement.” (Mao Leilei, “Jia Qinglin attends the opening ceremony of the 2nd Forum of Taiwan Compatriots Mass Organizations” (贾庆林出席第二届台胞社团论坛开幕式), *Xinhua*, May 11, 2012, http://news.xinhuanet.com/2012-05/11/c_111936124.htm.)

- ¹³ Lin T'ing-yao, "Concerned about President Ma's inaugural address, TAO officials come to Taiwan" (關切馬總統就職演說 國台辦官員來台), *United Daily News*, April 18, 2012, <http://udn.com/NEWS/NATIONAL/NAT1/7035174.shtml> (currently available at <http://dailynews.sina.com/bg/tw/twpolitics/ausdaily/20120417/16063321937.html>).
- ¹⁴ "Chinese scholars discuss uncertain future of cross-Strait ties," *WantChinaTimes.com*, April 24, 2012, <http://www.wantchinatimes.com/news-subclass-cnt.aspx?id=20120423000091&cid=1101&MainCatID=11>.
- ¹⁵ Wang Jianmin, "Commentary: U.S. is biggest obstacle to a cross-Strait peace accord" (專論: 美國是兩岸簽署和平協議最大阻力), *China Review News*, April 19, 2012, http://www.chinareviewnews.com/doc/1020/7/6/7/102076726_3.html?coluid=7&kindid=0&docid=102076726&mdate=0419003139.
- ¹⁶ "希望能聽到馬英九在第二任就職演說中傳達出積極資訊, 讓兩岸關係能夠保持良好的發展勢頭。" (Tsou Ching-wen, "Regarding the May 20 inaugural address—China applies pressure, wants Ma to soften his advocacy of no unification" (五二〇就職演說 / 中國施壓 要馬鬆動不統主張), *Liberty Times*, April 30, 2012, <http://www.libertytimes.com.tw/2012/new/apr/30/today-t2.htm>.)
- ¹⁷ Alan D. Romberg, "After the Taiwan Elections: Planning for the Future," *China Leadership Monitor*, No. 37, p. 7.
- ¹⁸ "President Ma's Inaugural Address: Upholding Ideals, Working Together for Reform and Creating Greater Well-being for Taiwan," Office of the President, Republic of China (Taiwan), May 20, 2012, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=27199&rmid=2355&sd=2012/05/20&ed=2012/05/20>. The original Chinese-language text is available at <http://www.president.gov.tw/Default.aspx?tabid=131&itemid=27200&rmid=514>.
- ¹⁹ "將兩岸間擱置「一中」爭議互留模糊空間壓縮了。" (Lin Ts'ung-ch'eng, Sung Ting-yi, Hung Chao-chun, "Mainland scholars: Ma removes ambiguity regarding one China, expands the differences" (陸學者: 馬一中去模糊 增分歧), *Want Daily (China Times)*, May 21, 2012, <http://news.chinatimes.com/mainland/11050501/112012052100156.html>.)
- ²⁰ Private conversations
- ²¹ "TAO: If one recognizes one China, anything can be discussed" (國台辦: 認同一中都可以討論), *Guangzhou Daily*, May 20, 2012, <http://dailynews.sina.com/bg/tw/twpolitics/ausdaily/20120520/18503406108.html>.
- ²² Ch'iu Kuo-ch'iang, "Regarding Ma's speech, Zheng Lizhong: Cross-Strait peaceful development" (馬演說 鄭立中: 兩岸和平發展), Central News Agency (CNA), May 25, 2012, <http://www.cna.com.tw/News/aALL/201205250267.aspx>.
- ²³ "Transcript of TAO press conference," May 30, 2012, http://www.gwyth.gov.cn/xwfbh/201205/t20120530_2703546.htm.
- ²⁴ Tang Yonghong, "Commentary: Deciphering Ma Ying-jeou's 2nd inaugural address: Huge lurking worries" (專論: 解讀馬英九連任演說 巨大隱憂), *China Review News*, May 31, 2012, <http://www.chinareviewnews.com/doc/1021/1/5/3/102115320.html?coluid=7&kindid=0&docid=102115320&mdate=0531005111>. Looking at the national security section of Ma's speech, the author asserts that the Taiwan leader has repaid the favorable actions Beijing has taken toward the island with a policy of not engaging in political talks, seeking PRC acceptance of "the ROC" as its counterpart, and, despite efforts by the Mainland to reduce tensions, maintaining a "Cold War mindset" and using the money earned from Beijing's support of Taiwan's economic development to purchase weapons directed against the Mainland.
- ²⁵ "China 'fooled' by Taiwan President Ma Ying-jeou's 'One Republic of China, Two Areas' reports," *Taiwan News Online*, May 24, 2012, http://www.taiwannews.com.tw/etn/news_content.php?id=1928993. According to a Taiwan national security official, Beijing erroneously thought that Wu Poh-hsiung's reference to "one country, two areas" when he met with Hu Jintao in March was a deliberate "message" authorized by Ma and that Ma would repeat the formulation in his inaugural address. The official commented that, when that phrase did not appear, this had affected the trust built up through years of KMT-CCP contact, which could take a long time to rebuild. According to the official, the government was evaluating how to defuse the situation without going back on Ma's inaugural speech words.
- At the very least, this would appear to reflect an extreme view on the part of some official in Taipei. Given that Ma's office had immediately distanced itself from Wu's statement in March, it would hardly have been likely that the president would now embrace it. While Beijing might have welcomed it if he had done so, no serious analyst could have thought he would. Nor is it likely, whatever some Taiwan officials thought, that Ma had any intention of backing away from his "one Republic of China" formulation.

²⁶ Philip Liu, “China puts forth eight policies benefitting Taiwan,” *Taiwan Economic News*, June 18, 2012, http://www.cens.com/cens/html/en/news/news_inner_40469.html.

²⁷ “Mainland, Taiwan agree [on] joint maritime drill,” Xinhua, August 31, 2012, http://www.chinadaily.com.cn/china/2012-08/30/content_15721961.htm.

²⁸ Philip Liu, “Gov’t plans to lift Chinese-investment ceiling for key industries,” *Taiwan Economic News*, September 10, 2012, http://cens.com/cens/html/en/news/news_inner_41367.html; Kao Chao-fen and Frances Huang, “Taiwan, China sign MOU on currency settlement,” CNA, August 31, 2012.

²⁹ “Transcript of TAO press conference,” June 27, 2012, http://www.gwytb.gov.cn/xwfbh/201206/t20120627_2764190.htm.

³⁰ “Wang Yi, Both sides are part of one China remains unchanged,” KMT News Network (from Taipei papers), August 13, 2012, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=11701>; “Taiwan hopes cross-strait services trade agreement to be signed at yearend,” KMT News Network (Taipei papers), September 7, 2012, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=11833>.

³¹ At the dedication of the new SEF building on May 18, Ma noted favorably that SEF and ARATS were looking into a mutual exchange of offices, calling such a development “very appropriate and necessary” (這是非常正確, 有必要的). (Chen Si-hao, “Ma Ying-jeou raises issue of new developments in cross-strait relations, revision of regulations, mutual establishment of SEF and ARATS offices” (馬英九提兩岸關係新發展修正條例、海基海協互設辦事處), Chinese Television System, May 18, 2012, <http://news.cts.com.tw/nownews/politics/201205/201205181005475.html>. He had also spoken of this possibility in the fall, when laying out his vision for Taiwan’s “Golden Decade.” (“President Ma chairs fifth in a series of press conferences explaining ‘golden decade’ blueprint,” Office of the President, Republic of China (Taiwan), October 17, 2012, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=25786&rmid=2355>.)

³² Chiu Kuo-chiang, Huang Chi-kuan and Elizabeth Hsu, “China pushes for talks on exchanging offices,” CNA, March 10, 2012.

³³ “Transcript of TAO press conference,” May 30, 2012, http://www.gwytb.gov.cn/xwfbh/201205/t20120530_2703546.htm.

³⁴ “當然這需要雙方來談, 談出一種雙方都能接受、實施的方案、程序、步驟, 這次我們都是開放地談。” Cai Su-rong, “Wang Yi: Mutual establishment of SEF-ARATS offices is a matter of time” (兩會互設辦 時間問題), CNA, June 11, 2012, <http://dailynews.sina.com/gb/chn/chnoverseamedia/cna/20120611/06403460577.html>.

³⁵ Ch’ing cheng, “MAC: reciprocity and mutual benefit, proceed step by step” (陸委會: 對等互惠、循序漸進), *Want Daily (China Times)*, June 12, 2012, <http://news.chinatimes.com/mainland/11050506/112012061200187.html>.

³⁶ Interview with PRC official, May 2012.

³⁷ Although it now appears that the two sides will proceed with reciprocal establishment of SEF and ARATS offices, a senior official in Taipei “in charge of cross-strait affairs” said that, when Ma spoke of establishment of cross-strait offices last fall as part of his “Golden Decade” platform (see endnote 31), he had in mind “comprehensive offices” on a political level with consular functions. This goal, the official said, was one that they hoped to achieve within a decade.

Sensitivities were also evident in the handling of the establishment of reciprocal offices of trade associations. Plans had been announced to create such offices as long ago as mid-April, but the date kept being pushed off. Finally in late July it was reported that an important stumbling block was Taipei’s objection to assignment of PRC officials to the office in Taiwan, especially assignment of a TAO official, as giving the office too much “official coloring.” (Huang Hsin, “Establishment of reciprocal cross-strait economic and trade offices, blocked over [assignment of] official” (兩岸互設經貿辦事處 卡官), *China Times/Commercial Times*, July 27, 2012, <http://news.chinatimes.com/mainland/11050501/122012072700170.html>.)

People in Taiwan were also not encouraged by the statement of a senior ARATS official that Taiwan could make “reasonable arrangements” if it wanted to sign FTAs with other countries *as long as* it did so under the “one China principle.” He also wondered aloud, however, why Taiwan would want to do so given the opportunities in the Mainland market. (Hsu Hui, “Zheng Lihong: Taiwan can sign FTAs under ‘one China’” (鄭立中: 一中下台可談 FTA), CNA, carried in *Taiwan News*, August 29, 2012, http://www.taiwannews.com.tw/etn/news_content.php?id=2011253.)

Officially the Mainland Affairs Council in Taipei responded that efforts to build trade ties with other countries did not conflict with its expanding trade relations with the Mainland. (Chen Hung-chin and Ann Chen, “Taiwan says FTA efforts not in conflict with China ties,” CNA, August 29, 2012.) Some academics also took a cautiously upbeat approach, seeing nothing wrong with “a certain degree of communication” between SEF and ARATS on this question as long as Taiwan maintained its “dignity.” (Chen Hung-chin, Hsu Hui and C.J. Lin, “Taiwan’s dignity should be maintained in FTA signings: academic,” CNA, August 30, 2012.) But the former MAC head under the former DPP administration interpreted Zheng Lizhong’s position as clearly saying “no” (形同清楚說「不」) to such FTAs. (Lin T’ing-yao, “Under one China, Zheng Lizhong says: Taiwan can sign FTAs” (一個中國下 鄭立中: 台可簽FTA), *United Daily News*, August 30, 2012, <http://udn.com/NEWS/MAINLAND/MA11/7329561.shtml>.)

³⁸ Huang Hsin, “Reciprocal establishment of cross-Strait economic and trade association offices will take place before the end of October” (兩岸經貿團體互設辦事處10月底前掛牌), *Commercial Times*, September 12, 2012, <http://money.chinatimes.com/news/news-content.aspx?id=20120911000083&cid=5080081>.

³⁹ Although Mainland press did not report it, Taiwan media reported that then-Vice President-elect Wu Den-yih raised the issue of Taiwan’s participation in ICAO and UNFCCC with PRC Vice Premier (and Premier-presumptive) Li Keqiang when they met at the Boao Forum in April. Li is said to have reaffirmed this PRC view about the availability of solutions via mutual discussion on an equal footing, and nothing since then has indicated any inclination by Beijing to change its position. (Philip Liu, “Cross-Strait leaders agree on acceleration of economic cooperation,” *Taiwan Economic News*, April 2, 2012, http://cens.com/cens/html/en/news/news_inner_39743.html.)

⁴⁰ “Lien Chan: Cross-Strait economic and trade relations enter deep waters,” KMT News Network (from Taipei papers), September 10, 2012, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=11835>. It is noteworthy, but not surprising, that the official PRC account of the meeting hailed the development of cross-Strait relations and prospects for the future, but made no mention of ICAO or international space. (“Hu meets KMT honorary chairman on cross-Strait ties,” Xinhua, September 7, 2012, http://www.gwytb.gov.cn/en/Headline/201209/t20120910_3061338.htm.)

⁴¹ Characterizing the Mainland’s policy toward Taiwan’s international space as “consistent,” the spokeswoman said that as long as the two sides maintained development of cross-Strait relations and cross-Strait mutual trust was continuously increasing, questions in this arena could be appropriately handled through pragmatic consultations. Specifically with respect to the question of how Taiwan could participate in the “relevant activities” of ICAO, she said, first one would need to consider the provisions of ICAO’s regulations and second the matter would need to be handled through cross-Strait consultation. One needed to “seek truth from facts,” she said, and to do research and conduct talks starting from the realm of the possible. (“Transcript of TAO press conference,” September 12, 2012, http://www.gwytb.gov.cn/xwfbh/201209/t20120912_3076877.htm.)

⁴² Rachel Chan, “Ma welcomes Beijing’s ICAO support,” *Taiwan Today*, September 10, 2012, <http://www.taiwantoday.tw/ct.asp?xItem=195986&ctNode=445>.

⁴³ Interview with PRC official, May 2012.

⁴⁴ Ibid.

⁴⁵ Wang Congming, “Ye Kedong’s impressions [from his visit to Taiwan]: The space for cross-Strait cultural exchange and cooperation is very big” (葉克冬感言: 兩岸文化交流合作空間很大), *China Review News*, May 29, 2012, http://www.chinareviewnews.com/doc/1021/2/3/7/102123727_2.html?coluid=93&kindid=8010&docid=102123727&mdate=0529003146.

⁴⁶ “Wang Yi meets with Chinese Kuomintang Youth Affairs Department delegation visiting the Mainland” (王毅会见中国国民党青工总会大陆访问团), *China Taiwan Net*, June 11, 2012, http://www.chinataiwan.org/xwzx/la/201206/t20120612_2726071.htm.

⁴⁷ Tsai Su-jung, “Wang Yi: [As long as it does] not give up Taiwan independence, exchanges between the DPP and CCP will be difficult” (王毅: 不棄台獨 民共交流困難), CNA, June 11, 2012, <http://www.cna.com.tw/News/aALL/201206110344.aspx>.

Even in discussing plans for negotiating and signing further ECFA-related agreements, the TAO spokesperson related this to the “grass roots,” saying that as those agreements move forward, this will inevitably extend the fruits of the peaceful development of cross-Strait relations to still more people,

“especially broad masses of people at the grass roots” (尤其是广大基层民众). (“Transcript of TAO press conference,” June 27, 2012, http://www.gwytb.gov.cn/xwfbh/201206/t20120627_2764190.htm.)

⁴⁸ Chris Wang, “DPP spokesperson Lo visits China as party eases policy,” *Taipei Times*, March 15, 2012; Justin Su and Ann Chen, “DPP members invited to visit state-backed Chinese think tank,” CNA, July 25, 2012; Chris Wang, “Hsiao Bi-khim to attend Shanghai talk,” *Taipei Times*, August 13, 2012.

⁴⁹ “Yu Shyi-kun lambasts DPP’s [Mainland] China fever phenomenon,” KMT News Network (from Taipei papers), August 16, 2012, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=11724>.

⁵⁰ Ye Su-p’ing, “Green [DPP] China Affairs Committee, plan postponed, will establish later” (綠中國事務委員會 擬延後成立), CNA, August 14, 2012,

<http://www.cna.com.tw/News/aIPL/201208140395.aspx>.

⁵¹ “Transcript of TAO press conference,” May 30, 2012,

http://www.gwytb.gov.cn/xwfbh/201205/t20120530_2703546.htm.

⁵² “Transcript of TAO press conference,” September 12, 2012,

http://www.gwytb.gov.cn/xwfbh/201209/t20120912_3076877.htm.

⁵³ Texts of the DPP’s 1991 Taiwan Independence Party Program (台獨黨綱) and the 1999 Resolution on Taiwan’s Future (台灣前途決議文) are available at

<http://zh.wikipedia.org/wiki/%E5%8F%B0%E7%8D%A8%E9%BB%A8%E7%B6%B1>.

⁵⁴ Tzou Jiing-wen, “KMT denies entry to Chinese officials,” *Taipei Times*, June 25, 2012.

⁵⁵ Ch’en Hung-chin, “MAC: Official Mainland participants in Taipei seminar relatively high,” CNA, June 28, 2012, <http://www.cna.com.tw/News/aALL/201206280329.aspx>.

⁵⁶ Tsai Su-jung and C.J. Lin, “China asks Taiwan government to rethink ban on certain scholars,” CNA, June 27, 2012.

⁵⁷ Full text (贾庆林在第八届两岸经贸文化论坛开幕式上的致辞, 全文) is available at

http://www.chinataiwan.org/xwzx/la/201207/t20120728_2860356.htm.

⁵⁸ “两岸关系发展涉及各方面复杂因素, 需要解决的问题轻重缓急不同、难易程度不一。我们既要总揽全局, 统筹规划, 又要审时度势, 把握好积极有为与有序推进的关系。”

⁵⁹ “当前, 增进政治互信就是要维护和巩固一个中国的框架。两岸虽然尚未统一, 但中国的领土和主权没有分裂。一个中国框架的核心是大陆和台湾同属一个国家, 两岸关系不是国与国的关系。”

⁶⁰ P’eng Hsien-chun and Li Yu-hsin, “China tosses out one country on the two sides of the Strait, LY attacks as the KMT and CCP joining hands to sell out Taiwan” (中國拋兩岸一國 立委轟國共聯手賣台), *Liberty Times*, July 30, 2012, <http://www.libertytimes.com.tw/2012/new/jul/30/today-fo1.htm>. The official cited was Zhou Zhihuai, vice president of the National Society of Taiwan Studies. Zhou attended the forum.

⁶¹ Tsai Su-jung, “One country on both sides of the Strait, Wang Yi: the one China principle has not changed” (兩岸一國 王毅: 一中原則沒變), CNA, August 11, 2012,

<http://www.cna.com.tw/News/aCN/201208100349.aspx>.

⁶² Private conversation with informed observer in Taiwan, August 2012.

⁶³ KMT Policy Committee, “The CCP 18th Party Congress political road and Taiwan policy”

(中共十八大政治路線與對台政策), *Biweekly Report on the Mainland Situation*, Issue 1627, August 23, 2012, p. 11, <http://www.kmt.org.tw/hc.aspx?id=44&aid=7352>.

⁶⁴ Tsai Su-jung, “Wang Yi: Marriage isn’t a political matter, how about easing up” (王毅: 婚姻不是政治放鬆吧), CNA, August 28, 2012, <http://www.cna.com.tw/News/aCN/201208280152.aspx>.

⁶⁵ Rich Chang, “Strengthen Taiping defense: lawmakers,” *Taipei Times*, May 3, 2012,

<http://www.taipetimes.com/News/front/archives/2012/05/03/2003531854>.

⁶⁶ “The Ministry of Foreign Affairs of the Republic of China (Taiwan) reiterates its absolute sovereignty over Taiping Island,” Foreign Ministry, Press Release No. 163, July 25, 2012,

<http://www.mofa.gov.tw/EnOfficial/ArticleDetail/DetailDefault/947f4436-0e3d-403f-9bfd-083d0ac6c690?arfid=7b3b4d7a-8ee7-43a9-97f8-7f3d313ad781&opno=84ba3639-be42-4966-b873-78a267de8cf1>.

⁶⁷ Andrew Nien-Dzu Yang, Vice Minister of National Defense for Policy, “Coping with Defense in an Era of Tight Budgets,” presentation to the Stimson Center, August 7, 2012, video at

<http://www.stimson.org/events/coping-with-defense-in-an-era-of-tight-budgets/>.

⁶⁸ Elaine Hou, Maia Huang and Chen Shun-hsieh, “New weapons to help safeguard Taiwan’s territory in South China Sea,” CNA, September 4, 2012.

⁶⁹ Shih Hsiu-chuan, “Lawmaker trio inspect Taiping Island,” *Taipei Times*, September 5, 2012, <http://www.taipeitimes.com/News/front/archives/2012/09/05/2003541991>.

⁷⁰ Kelven Huang and Sofia Wu, “Taiwan can serve as South China Sea peacemaker: official,” CNA, September 1, 2012.

⁷¹ Ibid.

⁷² “Ma: We will not budge even an inch over Diaoyutai and Spratly Islands sovereignty,” *UDN* (translated by KMT News Network), September 4, 2012, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=11808>.

⁷³ “President Ma proposes the East China Peace Initiative, calls on all parties concerned to resolve Diaoyutai dispute peacefully,” Ministry of Foreign Affairs, Republic of China (Taiwan), Press Release No. 184, August 5, 2012, <http://www.mofa.gov.tw/EnOfficial/ArticleDetail/DetailDefault/2fcab26c-e410-41f3-b01b-418899045f10?arfid=12e3ae93-5bcb-43a6-90cb-05ff0268cafc&opno=3874e0ce-d467-4f72-b271-a5af8d47ab33>.

⁷⁴ Worthy Shen, Wen Kuei-hsiang and Elizabeth Hsu, “Ex-DPP chief critical of Ma’s Pengjia Islet visit,” CNA, September 7, 2012.

⁷⁵ Chris Wang, “DPP warns that Taiwan must not side with China,” *Taipei Times*, August 25, 2012, <http://www.taipeitimes.com/News/taiwan/archives/2012/08/25/2003541148>.

⁷⁶ “East China Sea Peace Initiative—safeguarding sovereignty, promoting joint exploration and development,” Office of the President, Republic of China (Taiwan), September 9, 2012, <http://english.president.gov.tw/Default.aspx?tabid=1124&itemid=28118&view=home>.

⁷⁷ Lee Shu-hua and Elizabeth Hsu, “Ma orders Coast Guard to increase patrols around Diaoyutais,” CNA, September 5, 2012.

⁷⁸ Lee Shu-hua and Maubo Chang, “President praises coast guard for escorting fishermen,” CNA, September 25, 2012.

⁷⁹ “East Asia Peace Initiative” (see endnote 76). Ma called for a three-legged consultations among Taiwan, Japan and the PRC as a prelude to a trilateral effort to address a variety of issues from fishing to mining, marine science research and marine environment protection, marine security and unconventional security, and an East Asia Code of Conduct.

In his September 9 remarks, Ma also discussed international legal means for resolving sovereignty disputes and seemed to be suggesting that these consultations could set the stage for addressing the underlying dispute over ownership of the Diaoyutais. However, the thrust of the proposal was on the other issues mentioned above, which he premised on “safeguarding sovereignty, shelving disputes, pursuing peace and reciprocity, and promoting joint exploration and development.”

⁸⁰ The goal of the talks is not entirely clear. According to some reports, the objective is to draw up a joint management mechanism for waters with overlapping territorial claims but not to establish new fishing boundaries outside the traditional fishing grounds. (Joseph Yeh, “Taiwan-Japan fishery talks hope to net resource sharing: sources,” *China Post*, September 18, 2012, <http://www.chinapost.com.tw/taiwan/foreign-affairs/2012/09/18/354662/Taiwan-Japan-fishery.htm>.) Other accounts suggest that Taiwan’s goal is to allow fishing within 12 nautical miles of the islands, i.e., within what Japan claims as territorial waters. (Yang Su-min, Worthy Shen and Hanna Liu, “Escorting Taiwanese boats around Diaoyutais helps protect rights,” CNA, September 13, 2012.)

⁸¹ Emmanuelle Tzeng and S.C. Chang, “Japan calls for fishery talks with Taiwan,” CNA, September 23, 2012.

⁸² “Ma: Diaoyutai fishing rights will be safeguarded,” KMT News Network (from Taipei papers), September 17, 2012, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=11873>.

When he visited Pengjia Islet in early September, Ma said that, since the Diaoyutai dispute had become more active in the 1970s, Japanese Coast Guard vessels had interfered with Taiwan fishermen’s activities in what had been traditional fishing grounds, leading to a significant curtailment of their catch. (“East China Sea Peace Initiative,” see endnote 76.) It was Ma’s statements on this occasion that apparently prompted the Japanese call for renewed fishery talks and their reassurances that Taiwan’s fishing rights would not be curtailed. (See endnote 81.)

According to another account, Japanese Coast Guard vessels started expelling Taiwan fishing boats from traditional fishing grounds around the islands in 1996, after Japan enacted a Law on the Exclusive Economic Zone and the Continental Shelf. The EEZ is not based on the islands, themselves, but on Japan’s

broader EEZ claim. (Du Yu, “Is Taiwan ready for fishery talks,” *Taipei Times*, Opinion Article, September 23, 2012.)

⁸³ “East China Sea Peace Initiative—safeguarding sovereignty, promoting joint exploration and development,” Office of the President, Republic of China (Taiwan), September 9, 2012, <http://english.president.gov.tw/Default.aspx?tabid=1124&itemid=28118&view=home>.

⁸⁴ Joseph Yeh, “Coast Guard holds drill near Diaoyutais,” *China Post*, September 14, 2012, <http://www.chinapost.com.tw/taiwan/national/national-news/2012/09/14/354241/Coast-Guard.htm>.

Taiwan’s Vice Minister of National Defense, Andrew Nien-dzu Yang, spoke of the line in a presentation at the Stimson Center in Washington, noting that it was announced in 2003 and that the Coast Guard has informed fishing boats not to cross the line. He commented that “there is no problem with law enforcement in the area.” (Tony Liao and Y.F. Low, “Taiwan has tacit agreement with Japan over economic waters: MND,” CNA, August 7, 2012.)

⁸⁵ “Taiwan, China ships crowd sea near Senkaku Islands,” Kyodo, September 21, 2012, <http://english.kyodonews.jp/news/2012/09/183767.html>.

⁸⁶ Johnson Sun, Tsao Heng and Sofia Wu, “Taiwanese vessel approaches Diaoyutais to assert claim,” CNA, September 20, 2012.

⁸⁷ Tseng Pai-tsun, Chen Yu-hsin, and Chen Hung-wei, “Patrol boats *Hualien*, *Lienchiang* demonstrate onsite duty changeover, Civil efforts in safeguarding Diaoyutais, Coast Guard Administration: Special service personnel ready to assist with landing on Diaoyutais” (花蓮、連江艦護漁現地交接 民間保釣海巡：派特勤助登島), *China Times*, September 14, 2012, <http://news.chinatimes.com/politics/110101/112012091400118.html>.

⁸⁸ “KMT activists mull Diaoyu landing,” *China Daily*, September 28, 2012, http://www.china.org.cn/china/2012-09/28/content_26666804.htm.

⁸⁹ As far back as July, for example, the Ministry of Foreign Affairs in Taipei made clear that Taiwan would not work with Beijing to resolve the sovereignty dispute over Diaoyutai, even though a recent public opinion poll had shown over half the respondents favored cross-strait cooperation. (Nancy Liu, “Taiwan, China will not collaborate on Diaoyutais: Foreign Ministry,” CNA, July 19, 2012.)

⁹⁰ Emmanuelle Tzeng and Maia Huang, “Taiwan wants to join code of conduct discussion over South China Sea,” CNA, July 31, 2012.

⁹¹ *Global Times* (editorial), “Mainland applauds Taiwan’s Taiping drill,” September 2, 2012, <http://www.globaltimes.cn/content/730627.shtml>. This People’s Daily affiliate said of the Taiping live-fire exercise “We appreciate this exercise, which helps protect Chinese sovereignty . . . This drill on the Taiping Island comes at a good time. The mainland is building up its naval strength and reinforcing law enforcement in waters surrounding disputed islands. It is prepared for more possible frictions with regional countries in the future. In this process, actions by Taiwan like this drill will help stress Chinese claims.”

The editorial also encouraged Taiwan actions in the East China Sea, as well: “Taiwan is close to the Diaoyu Islands, which are under the administration of Taiwan’s Ilan county . . . Compared with the mainland, it is easy and convenient for Taiwan to take steps to protect sovereignty . . . Taiwan cannot remain as a bystander. It must look at the interests of the entire Chinese people, and act in the current island disputes in East Asia.”

Praise for Taiwan acting on its own also came from the State Council Taiwan Affairs Office in Beijing. Citing a passage of classical poetry saying that “Brothers may quarrel at home, but internal disunity dissolves at the threat of invasion from the outside” (兄弟鬩于牆，外御其侮), the spokeswoman said that “Actions taken by either side of Strait to safeguard the overall interests of the Chinese nation will receive firm support from the sons and daughters of the Chinese nation.” (两岸各自采取的维护中华民族整体利益的举措都会得到全体中华儿女的坚决支持. “Transcript of TAO press conference,” September 12, 2012, http://www.gwytb.gov.cn/xwfbh/201209/t20120912_3076877.htm.)

PRC backing of Taipei’s unilateral actions was also expressed at an authoritative political level. When he met with KMT Honorary Chairman Lien Chan in mid-September, CCP Politburo Standing Committee member Jia Qinglin addressed the issue. When he spoke of how, “facing our interests as a nation, both sides should transcend their differences,” Jia said that the two sides should “jointly” safeguard the nation’s territorial integrity, interests and dignity by “using respective approaches.” (“Jia Qinglin: For our cause, both sides should put aside differences,” KMT News Network (from Taipei papers), September 19, 2012, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112& anum=11884>.)

⁹² ARATS vice president Wang Zaixi praised Ma's trip to Pengjia Islet, observing that it is the responsibility of both side of the Taiwan Strait to work together to safeguard the sovereignty and territorial integrity of the "Chinese nation." (Ko Shu-ling, "Taiwan's president visits Taiwan island nearest to Senkakus," *Kyodo*, September 7, 2012.) TAO Director Wang Yi also called on people from both sides of the Strait to rise above their differences and seek cooperation when dealing with foreign affairs. (Stacy Hsu, "PRC wants to team up on island row, Taiwan lukewarm," *Taipei Times*, September 17, 2012.)

⁹³ Chen Hui-ping and Jason Pan, "ROC flags planted in protests by China: expert," *Taipei Times*, September 18, 2012.

⁹⁴ Private conversation with Taiwan official, September 2012.

⁹⁵ Tony Liao and Y.F. Low, "U.S. confident in Taiwan's handling of territorial rows: legislator," CNA, September 13, 2012.

⁹⁶ Emmanuelle Tzeng and Elaine Hou, "U.S. expects Tiaoyutai dispute to be resolved peacefully," CNA, August 6, 2012.

⁹⁷ Elaine Hou, "Taiwan urges China, Japan to show restraint in Diaoyutais row," CNA, September 14, 2012.

⁹⁸ Chen Pei-huang, Worthy Shen, Claudia Liu, and Scully Hsiao, "Ministry urges rationality, peace among anti-Japan protesters," CNA, September 22, 2012.