First the Easy..But When the Hard?:
Mainland Expectations and the Second Ma Administration,
A Very Early Assessment

Steven M. Goldstein
Sophia Smith Professor of Government, Smith College
Research Associate, Fairbank Center, Harvard University

Prepared for The Carnegie Foundation for International Peace
Conference on “Cross-Strait Developments: Election and Power Succession,” July 13 and 14, 2012
Ma Ying-jeou’s victory in 2008 ushered in dramatic changes in the scope and tone of cross-strait relations. These were symbolized by the signing of a series of economic agreements that were expected to change radically the economic relationship between the island and the mainland. Commentaries on cross-strait relations which earlier had been rife with talk of the dangers of a cross-strait conflict sparked by Chen Shui-bian’s apparent promotion of independence, which might involve the United States, now reflected another, quite different theme—that Taiwan was drifting into China’s orbit.

For some American commentators this would be a welcome development that might eliminate a major obstacle to good relations with China; for others it was a danger that could weaken the American position in Asia. Where Taiwan was going and what the response of the United States and China might or should be, became, once again, a prominent theme in Asian security discussions.

However, much of this discussion was based on future trends extrapolated from the dramatic contrast with—and rapid transition from—the tense years of the Chen administration. Proceeding from a tacit agreement to address the “easy” economic issues first and then the “more difficult” political/security issues, the two sides of the strait appeared to be laying the foundation for future, more fundamental changes in the relationship. What was not clear during the first Ma administration was how cross-strait relations would evolve once these relatively easy, negotiable issues had been addressed. This, it was expected, would be a task for the second Ma administration—if there was one.

It is now more than six months since Ma’s re-election to a second term. It is perhaps not too early to begin to speculate its future trajectory. Is it the beginning of a new stage in
cross-strait relations? A continuation of the trajectory of earlier trends? A stalled relationship? A new crisis in cross-strait relations?

This paper will assess the transition to Ma’s second term largely from the perspective of mainland perceptions and policy. Specifically, assuming that Beijing’s policy is grounded in Hu Jintao’s framework of “peaceful development,” it will examine the initial reaction to the election results and the expectations regarding a future agenda for cross-strait relations. I will then speculate on whether the trends in post-election developments Taiwan politics are consistent with these expectations.

Of course, to claim that one can predict the trajectory of cross-strait relations for the next four years on the basis of six months’ of development would be to make a claim as tenuous as predicting the end point of cross-strait relations based on Ma’s first term. I make no such claim. However, I do believe that understanding the mainland’s expectations and their reception on Taiwan in the immediate post-election period will not only provide some insights into possible future trends. It will also establish a baseline situation that will likely play a role in shaping the future direction of cross-strait relations.

**The Road Ahead: The Post-Election Perspective in Beijing**

There was no real question as to which side Beijing favored in the presidential contest. Although statements lacked the harshness of the Premier Zhu Rongji’s warning in 2000, China’s preference was clear. Leaders on the mainland had warned that, unless the opposition Democratic Progressive Party (DPP) was willing to reverse its refusal to accept the basis for the cross-strait talks during the past four years (the “1992 Consensus” on one
China) and its position on independence, the positive momentum established over the past four years would be lost. As Wang Yi, Director of the Taiwan Affairs Office of the State Council put it in his new year’s message, with Ma’s victory, cross-strait relations had passed a “severe test” (yanjun kaoyan). ¹

More dramatically, Ni Yongjie of the Shanghai Institute of Taiwan Studies wrote

The 2012 election was a blue versus green life and death battle. It was struggle of two lines, a contest of two fates, an upward spiral or a downward one. It was the dividing line between a “golden decade” and a “decade of degeneration.”...This is a turning point in the peaceful development of cross-strait relations, a contest between prosperous stability or a move to instability.²

This wasn’t all that had apparently passed a “severe test.” With less than a year to go before he would step down as party general secretary, a crucial part of Hu Jintao’s legacy was also at stake. During the last years of the Chen Shui-bian administration, Hu had redirected the basic thrust of mainland policy away from seeking reunification with Taiwan to that of preventing independence in the short run while working for eventual reunification in the long term. With the Anti-Succession Law of 2005 providing the basis for the use of force should independence become a danger (of this more below), Hu developed contacts with the then-opposition KMT and, when in 2008 the party took power, he more fully elaborated his approach at the end of the year in the form of a six point program (Hu liu dian).


While affirming the claim of Taiwan’s inseparability from the mainland and the goal of ultimate reunification, Hu suggested an intermediate period of “peaceful development” in cross strait relations during which a “foundation” would be built through extensive economic and cultural relations. It would also provide an opportunity for forging “pragmatic explorations in their political relations under the special circumstances when the country has not yet been reunified.”

In post-election mainland commentaries the KMT victory was seen as a resounding victory for Hu’s policy of peaceful development. In one of the more extensive official post-election discussions, Wang Yi declared that the results had demonstrated the validity of this “important thought” (zhongyao sixiang) and shown that peaceful development was “the correct road” that responded to “the common desires and basic interests” of countrymen on both sides of the strait. The voters of Taiwan had “expressed their wish for both sides of the Taiwan Strait to continue to push on with negotiations and expand exchanges and cooperation.” More, significantly, he argued, the vote had demonstrated not only that opposition to independence and acceptance of the “1992 Consensus” were now the “mainstream of public opinion on both sides of the Taiwan Strait,” but were also a “common political foundation.”

Among the most important elements that Wang credited for the success of the policy was the “step by step” manner in which policy had been pursued and the fact that it focused on the people while working to provide concrete benefits to them. Indeed, in most of the post-election commentaries, it was candidly recognized that economic self-interest had

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been the most important factor in the success of the peaceful development policy. Highlighting Ma’s last minute support from big business, Zhang Nianchi, noted that, for the first time, Taiwan’s elections had not centered on issues of ethnicity or independence, but rather on economics. As his Shanghai colleague Nie put it somewhat more crudely, the people of Taiwan had chosen to “look after their stomachs even more than so-called sovereignty” and would continue to vote for their own interests in the future.  

Where would policy go from here? Wang was quite cautious. He acknowledged that the election marked a significant new period in cross strait relations, but he also spoke of the “challenges” ahead. He was careful to note that there would be continuity with past policies. Cross-strait relations had entered a “new stage of consolidation and deepening” (gonggu shenhua di jieduan) of the successes achieved by the moderate (“first the easy, and then the hard”), people focused (“place hope on the Taiwan people”) and incremental policies of the past. These would be continued.

This cautious tone was undoubtedly reflective of an awareness of the obstacles and yet unresolved questions that lay ahead. For example, Zhou Zhihuai, of the National Taiwan Research Institute, identified four “important factors” (zhongyao yinsu) that would impact on the future of the peaceful development policy:

- whether both sides “can or cannot further consolidate “mutual political trust and have an even clearer understanding on the question of both sides belonging to one China;”
- a further expansion of exchanges;
- whether the Democratic Progressive Party will continue to be an “obstacle and destructive force” in regard to peaceful development;
- whether there can be “breakthroughs” (pojie) on difficult

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political questions.\(^6\)

With the exception of expanded exchanges, these questions presented a clear and formidable agenda for future progress on Beijing’s terms. It would seem that exchanges—whether cultural or economic—were part and parcel of the mantra of “first the easy, then the hard” and were not problematic. In the post-election environment, mainland statements did look forward optimistically to an expansion of the Economic Cooperation Framework Agreement (ECFA) as well as additional agreements that would cover cross-strait investment as well as expanded cultural exchanges.

The issue of one China had, of course, been finessed by the mutual acceptance of the 1992 consensus despite the very different definitions each side had of the term. Given, the significant differences on the issue of sovereignty that this formula sought to paper over, it was unclear how much further progress in cross-strait relations it could support; especially given the furor it had raised on Taiwan during the recent election campaign.

The future role of the DPP was similarly problematic. As noted above, Beijing did little to conceal its distrust of Tsai Ying-wen during the campaign and a report on the election results noted that the party “could still block the development of cross-strait relations.”\(^7\) However, this did not mean that Beijing could discount the party as a force in Taiwan politics. Official statements implicitly recognized the party’s importance by the emphasis on work at the “grassroots” or among farmers and fishermen in the South of the


island. Although refusal to deal “officially” with the DPP was conditioned on the party’s continued independence stance, there also had been contact with individual members.

A more compelling argument for dealing with the DPP was presented by Zhang Nianchi who candidly argued that simply winning the support of the pan-Blue voters was not enough; dealing with both coalitions was necessary. Some day, he argued, the DPP would undoubtedly return to power and the mainland needed to learn to deal with it. However, Zhang maintained that doing so would require that Beijing understand the urgency of the situation, display more “self-confidence,” “take a bit more initiative,” and be “a bit more lenient” (kuanrong yidian).  

The experience of the past year had demonstrated that the issue of political talks was linked to the attitude of the DPP. For more than a year before the election, the mainland had avoided pressing Taipei to open discussions on security or political issues because of the impact that this might have on Ma’s political position. The volatility of this issue had been demonstrated during the presidential campaign when Ma’s mention of a highly circumscribed process toward reaching a peace agreement with the mainland had resulted in an apparent, dramatic loss of public support.

Thus, post-election mainland statements approached the issue of negotiating political questions very carefully. For example, a Taiwan affairs work conference in early March spoke of “deepening economic cooperation” and “creating conditions for solving cross-strait political problems.” More directly, when asked whether the mainland would

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8章， “兩岸關係進入了以‘和平發展’為內涵的新時期”
press for dialogue on political or military issues, the spokesperson for the Taiwan Affairs Office replied “...we are ready to sit down for talks on any of these issues...If the talks cannot be launched due to problems from Taiwan, the two sides had better both cherish and support a stable environment.”\textsuperscript{10} However, although public statements dealt with the issue tactfully, there can be little doubt that Shanghai scholar Yan Anlin reflected the official view when he wrote that the political questions were essential to the development of peaceful cross-strait relations and would eventually have to be addressed.\textsuperscript{11}

Of course, although it was not among the four factors enumerated by Zhou, there was a final element considered to be major forces shaping the nature of the cross-strait relationship--American policy in the strait area. On the one hand, it was argued that Washington had been uneasy about the possible instability in the area that might result from a DPP victory and had clearly thrown its support behind the KMT. On the other hand, as the United States sought to use Taiwan to slow China’s rise (so mainland commentators argued), its support for cross-strait peace was highly qualified. As one analyst put it,

\begin{quote}
In fact, the status quo that the United States supports is one of no war, no peace and no unification, no independence...based on its own interests, the United States cannot strongly oppose a situation where the two sides end hostilities, but is against cross-strait unification....\textsuperscript{12}
\end{quote}

And as a means to the end of this policy, the United States not only used the Taiwan Relations Act, but also did all it could to see to it that the margin between the Blue and

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Green forces remained narrow, thus maintaining a domestic balance in Taiwan favorable to Washington’s particular definition of status quo.\footnote{Ibid. and 倪, “2012年台湾“大选”观察与启示”}

In short, as mainland officialdom and commentators assessed the Ma victory there was a clear agenda of the important issues that had to be addressed if there was to be any further progress toward the ultimate goal of reunification. To be sure, the economic and cultural agreements were presented as laying a foundation of mutual trust for progress in other areas and there was even a whiff of the Marxist belief that economic relations would eventually shape politics, but the tone of the statements was clearly that of a long-term process during which as yet unsolved, basic problems would have to be addressed.

Patience and a long-term view were, of course, the essence of the Hu Jintao’s policy of peaceful development. However, that patience was not inexhaustible. The Anti-Secession Law of 2005 had stipulated that if the “possibilities for a peaceful reunification should be completely exhausted, the state shall employ non-peaceful means and other necessary measures to protect China’s sovereignty and territorial integrity.”\footnote{“Full Text of the Anti-Secession Law” at http://english.peopledaily.com.cn/200503/14/eng200503314_176746.html accessed July 3, 2012.} In other words, the “hard” side of Hu’s policy involved reserving to a future Chinese leadership the option of using force should they decide that peaceful development was becoming “peaceful separation” (heping fenlie) as the government of Taiwan used the opportunity to play for time and achieve indefinite de facto separation from the mainland.\footnote{As early as Ma’s first term, this concern had been expressed most prominently by General Luo Yuan who, it was rumored, had been subsequently muzzled.}

Still, despite the knotty issues and potential dangers that lay ahead, the post-election mainland statements reflect a sense of relief not only that the accomplishments of
the past would not be lost, but that after the hiatus for politicking on Taiwan, that the
momentum of the past four years could be regained and peaceful development further
strengthened and pushed into new realms.

The question was whether this agenda was consistent with the post-election
political reality in Taiwan.

Post-Election Reality on Taiwan: Plus Ça Change?

Simply put, immediate post-election developments on Taiwan were hardly
encouraging. At the official level in Taipei, it almost seemed as if there was a conscious
attempt to minimize the possible progress that might result from the KMT victory. For
example, less than a month after the election, the Mainland Affairs Council reiterated the
view that there would be no discussion of a peace agreement, suggesting that Beijing
needed a “more accurate perception of Taiwan’s mainstream views on the cross-strait
relationship.” At the same time the ROC Defense Ministry ruled out talks on confidence
building measures.16

The comment about the “mainstream views” of public opinion was, of course, a
contradiction of the optimistic post-election statements regarding the significance of the
election for cross strait relations that were coming out of Beijing. However it was more
than rhetoric intended to fend off mainland demands for progress. By early 2012, it was
obvious that the political environment in Taiwan was by no means supportive of any
dramatic gestures toward the mainland. In fact, that environment could be seen as
threatening to slow the momentum of the previous four years.

16 “Not Yet Time for Taiwan-China Peace Agreement: MAC,” at CNA February 16, 2012 and 中國時報, March 15,
This was most evident in public attitudes toward Ma and his cross-strait policies. Almost immediately after his January victory, there were already signs of declining popular confidence and support for his mainland policies. Although apparently largely a result of the controversy over the importation of American beef, in early March a TVBS poll found that only 28% of those polled were satisfied with his performance—a dramatic drop of 12% from the month before. Those dis-satisfied rose to 50%.17

In regard to mainland policy, a March 2012 poll by the Mainland Affairs Council (MAC) that found that 62% of those polled favored either “status quo now, decision later” or “indefinite status quo.” Similarly, in the MAC poll 33% felt that cross-strait exchanges were going “too fast;” an increase of about 30% from the previous November. Both polls showed an increase in popular perceptions that the mainland was unfriendly to Taiwan’s government.18

The controversy over beef imports with the United States seemed to do little to weaken Beijing’s view of the central role played by Washington in frustrating any fundamental change in the status quo in the Taiwan Strait. During his visit to Washington, Xi Jinping highlighted the Taiwan issue, and, at least indirectly, and in private perhaps more than that, pressed the issue of arms sales—this was to be expected, given the announcement of a $5.9 billion dollar arms sale before the election. 19

At the same time, there was also little evidence that there would be any lessening of opposition by the DPP to initiatives toward the mainland. Although there were a number of post-mortems and reports being bandied about within the party of some reconsideration of

19  Romberg, “After the Elections, Planning for the Future.”
policies toward the mainland, there seemed, as yet, to be no sign that the party would move away from its fundamental principles or its rejection of the “1992 consensus.” The *Liberty Times* reflected the difficulty that the party would face in moving from its position on relations with the mainland when it editorially warned the DPP “not to try to win Beijing’s trust by wavering and compromising on its own stance, as doing so will risk losing the trust of the Taiwanese people.”

What does the contrast developed above between the statements coming out of the Mainland and the political reality of Taiwan in the immediate aftermath of the 2012 elections suggest for the future of cross-strait relations? What is initially striking is how little the political environment in Taiwan in regard to cross-strait relations had initially changed as a result the Ma victory. The overall message of the election seems to have been a mandate not to disrupt what had been accomplished in the past rather than to move forward beyond the comfortable boundaries of the easy, economic issues. To be sure, Ma was weakened by issues other than cross-strait relations such as the beef imports and the economy, but the sharp reaction to the talk of a peace agreement with the mainland on the eve of the election had vividly demonstrated his vulnerability on this issue and there was ample evidence that this restrictive political environment had changed little in the spring of 2012.

As we have seen, the statements coming from the mainland by no means exhibited blind exuberance. There was relief that a major setback at been avoided and the sense that relations could move on a positive trajectory in the future. The agenda of issues that would

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have to be addressed in the near term was an ambitious one, but it was generally recognized that this would take time and patience.

This mood remained even after these initial indications of the restrictive nature of the Taiwan political environment. Other than continued criticism of American policy and the DPP, suggestions that there were official concerns on the mainland about whether the Ma administration could maintain the pre-election trajectory or whether some progress might be made in the discussion of the more difficult issues on the agenda, were rarely reflected in official statements.

However, there were some doubts expressed by unofficial sources such as the following report from Beijing

Last month, the Taiwan election results satisfied officials on the mainland and Taiwan related work is becoming more and more active. However, one mainland scholar [who was in Taiwan] believes that although Ma Ying-jeou was victorious, a study of the election results shows that "unification" forces are disappearing and "independence" forces are quietly on the rise.  

Another scholar reported that while the independence forces had suffered something of a setback in the recent election

... still, Beijing has profound doubts about ‘independence,’ because Ma Ying-jeou has not energetically pushed cross-strait unity. On this point there have been many penetrating internal discussions, the majority feels that Ma Ying-jeou should more positively lead the popular will for ‘unification,’ However, his actions are disappointing.  

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It would not be long until the political environment in Taiwan would begin to move in directions that would, it can be assumed, bring even greater disappointment to observers in Beijing.

Wu Poh-hsiung in China: Regaining the Momentum or Further Setback?

As part of Hu Jintao's policy toward Taiwan, track two talks had been begun between the Communist Party of China and the KMT in 2005. Indeed, during the Chen administration, the relationship proved to be an important means by which the views of Taiwan business people in China could be conveyed to the government. When Ma became president, the party-to-party talks continued. However, the KMT's earlier representative Lian Chan was replaced by Wu Poh-hsiung.

On March 22, during a meeting with Hu Jintao, Wu was quoted as saying

The two sides seek common ground while reserving differences... Taiwan is promoting the development of cross-strait relations according to the law governing relations between people on two sides of the Strait (Statute Governing Relations between the People of the Taiwan Area and the Mainland Area). This takes the concept of “one country, two areas” as its foundation... cross-strait relations are not a “state to state” relationship, but a ‘special relationship.”

The official internet site for Taiwan news on the mainland was somewhat positive on the statement. For example, it posted a report that Hong Kong observers had interpreted this as a response, after three years, to Hu Jintao’s “six points” as well as a

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24 On the background to this see the cable from AIT Director Steven Young to the State Department at http://www.cablegatesearch.net/cable.php?id=08TAIPEI1705 accessed July 6, 2012.
positive contribution to the advancement of cross-strait relations. Specifically it had established the recognition of one China as the “common factor” (gongyue shu) in cross-strait relations that would be a strong force for maintaining peace.\(^{26}\) Significantly, the official mainland press or television made no mention of the statement, although it was carried in the Global Times along with subsequent reactions on Taiwan.\(^{27}\)

However, the speech caused immediate controversy in Taiwan. As one might expect, it was roundly criticized by most opposition figures with the DPP's official spokesman noting that the statement “not only disregarded the mainstream public opinion on Taiwan, but also downgraded Taiwan to merely an area representing a change of the status quo on Taiwan and was tantamount to abandoning, or even forfeiting the “Republic of China.””\(^{28}\)

Despite efforts by the MAC to deny rumors that this could be an indication of the beginning of cross-strait political talks as well as statements by the Ma administration clarifying that the “one China” was “the ROC;” that the President had not been consulted regarding the statement; and the efforts by other government agencies including Mainland Affairs Council and the National Security Bureau to distance themselves from the remarks; the damage had been done. As had been the case the previous fall with the mention of a peace accord, the President's Office appeared to have simply mishandled a most sensitive issue in Taiwan politics.\(^{29}\)


\(^{29}\) Romberg, “After the Elections: Planning for the Future.”
In retrospect it is clear that the brouhaha over the Wu statement was the beginning of what was to be more than three months of political controversies that would appear to make Ma Ying-jeou a far less popular and effective leader than his margin of victory in January might have suggested. Almost immediately after the Wu visit, Ma was buffeted by political developments within Taiwan. There were continuing concerns over economic growth and employment as well as the divisive controversy with the DPP over American beef imports which were beginning to have an impact on the ruling party. These were joined by public protests over recently announced rises in utility and gasoline prices as well as the tax rate and reports of unhappiness with Ma’s leadership within his own party. Finally, at the end of June, the president’s judgment in the choice of political appointees was harshly criticized with the arrest of the Cabinet Secretary, Lin Yi-shih on charges of corruption.\footnote{For an excellent overview of domestic politics in Taiwan during this period see Alan Romberg’s forthcoming China Leadership Monitor, No. 38, “Shaping the Future, Part I: Domestic Developments in Taiwan.” The following paragraph is drawn from this piece.}

By July, it was obvious that the cumulative impact of all these events had had a devastating effect on Ma’s presidency. According to the survey organization cited earlier, those expressing dissatisfaction with him went from 50% in March to 69% the beginning of July while those satisfied dropped from an already low 28% to 15%. Consistent with this trend was the belief of 46% of those polled that Ma’s policies were taking the country in the wrong direction against 30% who considered they were going in the right direction.\footnote{TVBS Poll Center, July 2-3, 2012, at http://www1.tvbs.com.tw/FILE_DB/PCH/201207/39g77tofel.pdf accessed July 6, 2012. Taiwan Indicators Survey Research published similar results in early July, 2012. See http://www.tisr.com.tw/?p=933#more-933 accessed July 10, 2012.}

A poll taken soon after the Wu visit in March reflected reactions more specifically to Ma’s cross-strait policies. It found that 55% of those polled did not agree with the formula
of “one state, two areas” to characterize cross-strait relations with only a difference of 2% if the one state was specified to be the ROC. Although 41% believed that economic agreements already signed benefited Taiwan, on another question 57% were not confident that the current administration would protect Taiwan’s interests in negotiations with the mainland. Overall, the poll found that 55% of those asked were not satisfied with current cross-strait policies and 59% felt that Ma’s policies leaned toward the mainland—an historic high during the Ma administration for this question.32

The same survey also sought responses on issues of identity and the future status of Taiwan—and in all areas the results were at historic highs for this poll. Specifically, when given the choice between “status quo,” “independence,” or “unification” the responses were 68% (the historic high), 19% and 5%. When given only a binary choice between independence and unification the response was 69% and 16%—with the largest percentage of those choosing independence in the 20 to 29 year-old range. Finally, those identifying themselves at Taiwanese were at an all-time high of 54% while those seeing themselves as both Taiwanese and Chinese at 40%—and once again the higher percentages were among the younger respondents aged 20-39.33

By early May, editorials on Taiwan were noting the precipitous decline in Ma’s standing. The Apple Daily spoke of the “fatal blow “that had been struck to Ma’s popularity. Wang Bao went even further and depicted the president as already a “lame duck.”34

33 Ibid.
Attention was focused on the May 20th inauguration speech for clues to how Ma might respond to his apparent difficulties in managing the economy and cross-strait relations.

In regard to the latter, the President’s tone was certainly defensive. In 2008, the inauguration speech had served to establish the “1992 Consensus” as the basis for the first term’s dealing with the mainland. In his second inaugural Ma noted the progress that had been made over the past four years in these relations. However, he emphasized that he had staunchly maintained the precepts of “parity, dignity and reciprocity” and the principle of “‘putting Taiwan first for the benefit of the people.’” As one might expect, he also emphasized the centrality of the recognition of Taiwan’s sovereignty in mainland dealings while reiterating that the “one China” referred to by his administration was the ROC.\(^\text{35}\)

The defensive tone of the inaugural was matched by the cautious manner in which the Ma administration approached some important—and potentially politically sensitive—issues in cross-strait relations during the months that followed. Three were particularly striking.

The first was the rather curious reference that Ma made to the “German model” as something to consider in cross-strait relations. This suggestion had, of course, been bandied around for some time and its recognition of separate jurisdictions was as appealing to the Taiwan side as it was unacceptable to the mainland. It seemed a provocative move intended to calm the domestic political waters even as it was immediately rejected by the mainland.\(^\text{36}\) This was followed by the refusal of the


\(^{36}\)“German Unification Model Unacceptable to Mainland,” Global Times, June 9, 2012 at
immigration authorities to approve visas for some members of a high-level delegation of Chinese to an academic seminar on cross-strait relations. Amid the mutual recriminations between organizations and Taiwan and, an unusual intervention by the TAO, it seemed clear that, as the green Liberty Times noted, there was concern in the administration that this might seem like the beginnings of a political dialogue.37

However, the most direct evidence of the Ma administration’s care in proceeding with relations with the mainland can be seen the field where exchanges had been most successful in the first administration—economic relations. Here there was the continued government opposition to Taiwanese investment on the Fujian island of Pingtan that had been characterized as a showcase of the “one country, two systems policy” and the care with which visiting Chinese promoting economic ties were treated. However, the most dramatic example was the delay in the completion of an investment protection pact as part of the broader Economic Cooperation Framework. Although the pact has been apparently close to completion, the Ma administration was rumored to be demanding protections incompatible with the Chinese sensitivities regarding the domestic nature of the agreement.38 It was clear that the Ma administration was trying to protect its mainland policy flank from greater domestic criticism.


Even as the mainland policy of the Ma administration seemed to be moving more cautiously in response to the erosion of public confidence, the DPP was undergoing a leadership transition. The resignation of Tsai Ying-wen from the chairmanship required a new inner-party election and with it, the opportunity to revisit the party’s mainland policy. One of the candidates, Frank Hsieh, had argued for a reexamination of that policy. The successful candidate, Su Tseng-chang, while speaking of the need for flexibility in aspects of cross-strait policy, his willingness to visit China (as DPP chairman), and the restoration of the party’s Mainland Affairs Department, has showed little inclination to exploit the declining support for Ma’s mainland policy by taking any initiatives of his own.

Thus, Joseph Wu, whom Su appointed to manage the party’s policy research committee, argued that the DPP would have to present “clear policy positions” in opposition to Ma; among these would be a retaining “the party’s basic position on China.” Moreover, chairman Su announced that the slogan for the party’s upcoming congress would be “March forward, Taiwan! (前進吧，台灣！)” with its basic tasks identified as “strengthening its grassroots-level organization and re-adjusting party structure to regain people’s trust; collaboration with social movements; and nurturing qualified politicians in a quest to return to power.” The theme of party revival would seem to be incompatible with a reconsideration of the essential element in the party’s identity.

As one might expect, mainland officials and commentators carefully followed these developments. Recall, that the initial Chinese reaction to the Ma victory had been relief that
a fundamental setback had been avoided, optimism that the current trajectory of improving cross-strait relations could be maintained; and, among some non-official commentators, a tentative consideration of the direction that policy might take in the future. However, by the early part of July 2012, it was clear that the changes in Taiwan politics discussed above were beginning to dampen some of this optimism.

The most obvious change noted was the dramatic, and for the mainland, disappointing decline in Ma’s political standing and with this, came indications of greater pessimism regarding the future of cross-strait relations. For example, although the Taiwan Affairs Office had a very low-key response to Ma’s inaugural speech, noting that it would not affect cross-strait relations, there were numerous suggestions to the contrary. One report suggested that the mainland had felt “tricked” by the speech. Interestingly, two scholars quoted earlier in this paper made statements after the speech that contrasted with their earlier, relative optimism. Thus, Yan Angling noted that he didn’t “know what direction Ma is going to take Taiwan” while his Shanghai colleague, Ni Yongjie, was quoted as saying that “emphasizing the divergence between the Kuomintang and the Communist Party [in the address] does nothing to help cross-strait relations.”41 Finally, the Global Times reported that mainland analysts felt that “a major political breakthrough” between the mainland and Taiwan is not likely to be achieved during Ma’s second term while other commentaries suggested that

Comparatively pessimistic specialists [in Beijing] said that in his speech Ma had given no consideration to Beijing’s good intentions or Hu’s six points. There has been no response to policy suggestions

by Beijing made through the KMT-CCP pipeline or in discussions with scholars even reaching the point of building even more political barriers. This indicates that the interchange and negotiations between the two sides are about to enter an immeasurable ‘deep water’ [shenshui chu].

Recently, mainland commentaries have incorporated Ma’s “conservatism” and political vulnerability into analyses of Taipei’s policy. Thus, in his call for cross-strait cooperation the always outspoken General Peng Guangqian noted that the present administration was constrained by attacks from independence forces on its pro-China policy as well as the fact that “the governing administration is not doing well, the amount of public support and satisfaction is comparatively low, and its policies tend to be cautious.”

The impatience and disappointment reflected in General Peng’s comments were amply demonstrated in the apparent mainland reaction to what seems to have been two attempts by the Ma administration to arrest its domestic decline by slowing the pace of cross-strait developments. In a series of commentaries and editorials, a Hong Kong magazine that generally reflects mainland sentiments sharply criticized Taipei’s actions in the case of the investment protection agreement and the cancellation of the cross-strait conference at the end of June.

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A meeting of the Taiwan Research Institute in Fujian used the same language about cross-strait relations entering deep water and noted that “Ma Ying-jeou’s conservative policies toward the mainland at the same time raised questions about the future of cross-strait relations.” “福建台研會改選：對台優勢得天獨厚” at http://www.chinareviewnews.com/doc/1021/5/1/2/102151200.html?coluid=7&kindid=0&docid=102151200 accessed July 16, 2012.
In the case of the investment pact, the Ma administration was charged with responding to mainland concessions with a “selfish mindset” that had moved the negotiations into “deep water.” It warned that while earlier agreements had been based on “first the easy and then the hard,” at present economic relations “will increasingly face sensitive and difficult questions that cannot be solved by only economic concessions.” Similarly, the same magazine sharply responded to the conference cancellation by warning that the incident suggested a decline in the “identification and trust” factors in cross-strait relations that could damage the prospects for subsequent negotiations under ECFA. 44

In seeking to explain the restraints on Ma Ying-jeou’s mainland policy, commentaries highlighted the importance of two factors—the stance of the DPP and the position of the United States. As relations became more difficult, the views of both were seen as contributing factors. In the case of Washington, there was no hint that the American position on cross-strait relations had changed. It sought, for its own purpose of slowing the rise of China, to assure that cross-strait cooperation did not go too far. As General Peng noted, the American pivot to Asia only increased its determination to keep Taiwan on its “leash.” 45

Moreover, the commentaries on the DPP of Su Tseng-chang showed little inclination to reassess Beijing’s relations with the DPP. As long as the Party adhered to its stance of


45 彭，“保南海諸島 兩岸共同責任.”
supporting Taiwan independence and advocating one state on either side of the strait, there would be no Communist Party contacts with the organization.\textsuperscript{46} Indeed, on commentary published toward the end of June virtually gave up hope that Su was ready to preside over a change in DPP policy despite the political opening offered by the hint of a slowdown in cross strait relations under the Ma administration.\textsuperscript{47}

What then can we conclude about cross-strait relations during the first half-year of the Second Ma administration? It seems clear that the decisive factor shaping Taiwan’s policy has been the precipitous decline in the president’s political position and thus in his ability not only to maintain the momentum of the cross-strait relationship established in his first term but, also to take any initiatives into new areas. Thus from the mainland’s perspective a major force for change in the relationship is, at the moment, stalled. Moreover, there seems to be little indication that progress has been made, or will soon be made, in lessening the influence of what Beijing sees as the two major obstacles to the reversal of the current downward spiral—American policy and the opposition DPP.

Yet it is important to emphasize the point made at the beginning of this paper: Hu Jintao’s “Six Points” are premised on an extended period of building cross-strait relations and assume tolerance of incremental change as well as building people-to-people relationships. To be sure, there have been ample signals of impatience coming from the mainland regarding the current trends in the domestic and international context of cross-strait relations as well as little encouragement from opinion polls that suggest that “placing hope on the Taiwan people” has not had much success.

However, despite this, the dominant theme that has emerged in recent statements by major figures such as Jia Qinglin and Wang Yi has been patience and a determination to pursue grass root exchanges and provide economic benefits in order to “strengthen [the] political, economic, cultural and social foundations for future development of cross-Strait relations.” As a colleague of mine has said, it is clear that despite setbacks, for the time being, patient policy makers in Beijing appear to be prepared for the long haul. But what are their other choices? What is the probable direction of the long haul? And, most important of all: Is time really on China’s side?

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