Beyond Rapprochement:

Substantial Challenges in the US-China-Taiwan Triangular Relationship

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I. Introduction

On Jan. 14, 2012, President Ma Ying-jeou won his second term with 51.6% of the vote. Ma’s reelection shows that Taiwanese people expect smooth cross-Strait relations and support Ma’s policies toward China.

Since May 2008 when the Ma government came to power in Taiwan, cross-Strait relations have been dramatically improved. In June 2008, Taipei and Beijing resumed semi-official contacts through the dialogue mechanism between Taiwan’s Strait Exchange Foundation (SEF) and China’s Association for Relations across the Taiwan Strait (ARATS). On June 13, 2008 Taiwan’s SEF Chairman Chiang Pin-kung and China’s ARATS Chairman Chen Yunlin held their first meeting in Beijing. Since then, Taipei and Beijing have successfully made use the platform of Chiang-Chen Meetings to discuss economic and practical issues, as well as advance bilateral cooperation.

So far both sides have concluded 16 Agreements and one Minute concerning the promotion of economic and social exchanges. These progresses have been regarded by both sides as a “normalization process” of cross-Strait social and economic relations after 8-year standstill when the Democratic Progressive Party (DPP) was in power from 2000 to 2008.¹

This paper argues that eased tensions and increased economic cooperation between Taiwan and China have contributed to the improvement of cross-Strait relations; however, substantial challenges have remained. Some structural contradictions in the cross-Strait relationship may surface in the future. Several causes account for such a concern:

First, due to different attitudes towards an eventual unification, Beijing and Taipei have totally divergent paces for cross-Strait political talks. Second, Taiwanese general public’s identity of “Taiwanese” has reached a historical new high, even if both sides of the Strait have deepened their economic and social exchanges in last four years. Third, there has been no resolution to Taiwan’s quests for international space, as Beijing worries that more international space may encourage Taiwan’s de facto separation from China. Fourth, there is no sign that China’s military forces deployed opposite Taiwan have been reduced. Fifth, US arms sales to Taiwan

continue to be the most sensitive issue in US-China relations. Lastly, while expecting to have good relations with both the United States and China, Taiwan may face a dilemma on how to keep strategic balance between the two giants.

Accordingly, despite increased economic and social interactions, the future of cross-Strait relations has remained uncertain. While current cross-Strait situation is basically satisfied, more attentions should be paid to the substantial challenges in this relationship.

II. Different Pace for Political Talks

Since President Ma came to office, one of his policy priorities has been to improve Taiwan’s relations with China. On delivering his inaugural address on May 20, 2008, President Ma called on the two sides of the Taiwan Strait to seize this historic opportunity to achieve “peace and co-prosperity” (和平共榮).

President Ma has sought to reassure China and expand overall cross-Strait cooperation with the exception of political issues. Ma has made his strategy clearly by proposing “economics first, politics later” (先經後政) and “easy tasks first, difficult ones later” (先易後難). This policy position means that political negotiations on unification would not take place anytime soon.

However, Beijing has been expecting President Ma to commit something more on the issue of “one China” (一中). After two rounds of Chiang-Chen talks, Chinese President Hu Jintao took the initiative at the end of 2008 to push forward a political agenda for “consolidating cross-Strait relations for the long run.” Hu proposed that the two sides should end hostility and reach peaceful agreements under the principle of “one China.” He also suggested the two sides of the Strait to “start pragmatic discussion about political relations under special conditions before reunification in a pragmatic manner” (就國家尚未統一的特殊情況下的政治關係展開務實討論).

Beijing’s impatience stemmed in part from a fear that cross-Strait interactions would stall if the DPP returned to power in the 2012 election. Such uneasiness pushed China’s Taiwan Affairs Office (TAO) Deputy Director Sun Yafu to make a statement on December 4, 2010 by saying that: “The crucial point is that we should reach a more explicit and definite common understanding that the Mainland and Taiwan are parts of the same China.”

President Ma Ying-jeou’s victory in the presidential election of 2012 means that Hu Jintao’s policy of “peaceful development” across the Taiwan Strait has achieved

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positive outcomes. Nevertheless, there remain some concerns inside China, worrying that the rational behind President Ma’s policy of “no unification, no independence and no use of force” (不統、不獨、不武) is to pursue a “peaceful separation” from the mainland.4

After Taiwanese presidential election of 2012, Chinese scholars started to argue that the focus of cross-Strait relationship is now to “create a positive environment for political talks” (為政治談判創造有利環境). On June 29-30, 2012, a conference on “how to enhance cross-Strait identity and trust” was scheduled to take place in Taipei. Many important Chinese Taiwan experts including those who have close connections with the TAO and the PLA were all invited. Such an activity was interpreted by Taipei as an act to promote cross-Strait political talks. This conference was finally concealed due to Taiwan’s Mainland Affairs Council (MAO) refused to issue visas to 11 attendants who are incumbent Chinese officials and generals. Chinese TAO has accused MAO of “obstructing cross-Strait exchanges” and criticized this decision as “abnormal”.5

It should be noted that soon after President Ma’s reelection in January 2012, his popularity rates suffer grave setback due to the public’s strong complaints against Ma’s proposal to raise electricity rates. According to the opinion poll issued by the DPP in May 2014, President Ma’s popularity reached a new low of 25.8 percent.6 Besides, China Times (中國時報) carried out a survey on 16,800 adults from across Taiwan between April 5 and May 2, 2012, showing that President Ma reached a nadir just four months after he won a second term in office. Approximately 59% of those surveyed expressed their unhappiness with Ma’s performance.7

Ma’s unpopularity may increase this sense of urgency in Beijing to push for political talks before the “strategic opportunity” is lost. On the contrary, due to his low popularity at home, President Ma will remain in a difficult position to make the decision whether to start political talks with Beijing in his second term, as the issues of sovereignty and political integration across the Strait are highly sensitive in Taiwan. In the face of potential pressures from Beijing to begin cross-Strait political talks, the

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Ma government can only stall the political issues as long as possible. The sharp differences between the Ma government and Beijing regarding how soon both sides should switch on political talks may surface in next four years.

III. Gap between cross-Strait Political Identities

Since 1980s identity issue has become one of the pivotal factors in Taiwan’s electoral mobilization and cross-Strait interactions. Basically, collective identity in Taiwan can be distinguished into ethnic identity and national identity. The rapid democratization since the late 1980s has changed how the people of Taiwan view themselves. As “Taiwanese” and “Taiwan” increasingly become parts of Taiwanese general public’s ethnic and national identities, this development has complicated cross-Strait interactions and alarmed leaders and officials in Beijing.

Despite the common understanding inside Taiwan on the reality of “China’s rise,” there is still a broad consensus that Taiwan/R.O.C is a sovereign state, an attitude that violates Beijing’s political principle of “one China.” At present, the Taiwanese general public supports continued economic cooperation rather than political integration with China. Opinion polls show that Taiwanese general public’s identity of “Taiwanese” has been climbing up to a historical high – 52%, even if the Ma government has actively boosted cross-Strait economic and social exchanges since 2008.8

On its part, Beijing argues that Taiwanese people is “Chinese” (中國人), which is the rational why Beijing regards Taiwan as part of “one China”. In contrast, there is a growing sense inside Taiwan that “Taiwanese” (台灣人) are different from “Chinese” and Taiwan is not supposed to be naturally part of China. Latest opinion polls show that Taiwanese who prefer to “maintain status quo now and made decision later” (32.4%), “maintain status quo indefinitely” (29.9%) and “maintain status quo now, move toward independence later” (15.7%) continue to stay in high ratio, even if cross-Strait economic and social exchanges have been close in last four years.9

Beijing worries that the maintenance of status quo in the Taiwan Strait will over time encourage a sense of “Taiwanese identity” or contribute to Taiwan’s drift towards indefinite separation from the mainland. To prevent this from happening, on March 14, 2012, TAO Director Wang Yi stressed the importance of strengthening emotional bonds and building a sense of common Chinese culture and ethnic identity.10

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10 “Wang Yi’s Statements Delivered at the 10th Conference on Cross-Strait Relations,” Taiwan Affairs Office of State Council PRC, March 15, 2012, via
However, it is questionable whether cultural and ethnic lineages can be necessarily translated into a common political identification between the two sides of the Strait. After all, it is not an easy job to influence both ethnic and national identities of Taiwanese general public through political maneuvers, as Taiwan has evolved into a full-fledged democracy and integrated into a globalized community in this “post-modern” era.11 Looking into the future, national identity issue will continue to be one of the main elements that can shape Taiwanese public’s views on this island’s political ties with China.

IV. No Resolution to Taiwan’s Quests for International Space

Another concern of Taiwan is the quest for international space. So far Chinese leaders have repeated that they totally understand Taiwan’s aspirations for international space and international participation. Yet, Beijing affirms that international space/participation is one of the “political issues” that requires further discussions between the two sides. Before both sides can reach a general agreement on “international space for Taiwan,” Beijing can only allow Taiwan to participate international activities on a “case by case” principle.

It seems that Beijing is facing a dilemma on handling this issue. Theoretically, in order to win the “hearts and minds” of people in Taiwan, Beijing should respond positively to Taiwan’s requests for more international space. In practice, Beijing is hesitant to respond Taiwan’s proposal as Beijing cannot receive any concrete assurance from Ma that can meet China’s ultimate political goal. Moreover, Beijing worries that allowing Taiwan more international space may foster this island’s de facto separation from China.12

On Taiwan’s part, some have cast doubts about the Ma government’s over-dependence on Beijing’s political goodwill. According to these critics, Taiwan is suffering a risk that Beijing can easily take back what it gives to Taiwan in case that Beijing changes its intentions.13 Moreover, Beijing continues to withhold permission for Taiwan’s participation in the international community, including President Ma’s quest for Taiwan’s observer status in the International Civil Aviation Organization (ICAO) and the U.N. Framework Convention on Climate Change (UNFCC).

Meanwhile, Beijing still takes a reserved position on free trade agreements (FTA) between Taiwan and foreign countries, leaving the Ma government a failure to fulfill the promise that Taiwan can sign FTAs with other countries after the signing of the

http://www.gwytb.gov.cn/wyly/201203/t20120315_2387813.htm
Economic Cooperation Framework Agreement (ECFA) with China. On 27 June, 2012, TAO’s spokeswoman Fan Liqing pointed out that China was not against Taiwan’s civilian economic ties with foreign countries, but opposed foreign countries and Taiwan to sign “agreements with sovereign and official implications” (具有主權與官方意涵的協議).  

The DDP has argued that Taiwan needs to sign more FTAs with other trading partners so as to diversify its trade and investment links beyond those with China. Otherwise, Taiwan’s economic dependence on China will grow and Taiwan’s ability to maintain the political status quo will be weakened. Clearly, due to different political calculations, Taiwan’s constantly requests for more international space and China’s hesitance to respond these proposals will remain a tough issue in cross-Strait relations.

V. Military Hostility

China’s impressive military force deployed opposite Taiwan continues to grow in size and capability, even though cross-Strait relations have been improved since 2008. According to China’s Defense White Paper of 2010, it is the responsibility of the PLA to “safeguard national sovereignty, security and interests of national development”. The PLA is also tasked to oppose and contain the separatist forces for “Taiwan independence”. This official document issued by the PRC government stresses that “the two sides of the Taiwan Strait are destined to ultimate reunification in the course of the great rejuvenation of the Chinese nation”.

According to Pentagon’s annual report on China’s military power, the PLA continues to carry out military preparedness for the Taiwan scenario. Throughout the PLA’s modernization drive, Taiwan contingency planning has dominated the agenda. In the assessment of the Pentagon, even though cross-Strait tensions have subsided since 2008, Taiwan remains a critical mission, and the PLA continues building capabilities aimed at Taiwan and at deterring, delaying, or denying possible third party intervention in a cross-Strait conflict.

By October 2011, China has deployed between 1,000 and 1,200 short-range ballistic missiles (SRBM) targeting Taiwan. According to RAND, China has built its disposal more than enough missiles to attack Taiwan’s air bases. It is estimated

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18 Ibid., p.2.
that a total of 90-250 SRBMs would suffice to destroy every runway at Taiwan’s 10 main operating air bases and damage virtually every unsheltered aircraft located on them.19 Given that China maintains offensive military deployments against Taiwan and has not renounced its right to use force, Taiwan’s biyearly-published National Defense Report continues to voice the concerns over military threats from China.20

Meanwhile, according to opinion survey conducted by MAC, 49.7% of Taiwanese general public believe that the PRC government’s attitude toward the ROC government is “unfriendly,” (不友善) much higher than the percentage (33%) believing it is “friendly” (友善). Regarding the PRC government’s attitude toward the people of Taiwan, 45.7% of the public believe it is “unfriendly”, while 38.5 percent believe it is “friendly”.21

To remove “cold war mentality” across the Strait, President Ma made a proposal on December 12, 2008 to develop confidence-building measures (CBMs) in the Taiwan Strait. Ma also highlighted the removal of Chinese missiles as the pre-condition for cross-Strait talks on CBMs.22 On December 31, 2008, Hu Jintao himself responded Ma’s proposal by saying that under the “one China” principle, both sides of the Strait might “step up contacts and exchanges on military issues at an appropriate time and talk about a military security mechanism of mutual trust, in a bid to stabilize cross-Strait relations and ease concerns about military security.”23

Cross-Strait diverse positions on CBMs show that both sides have totally different security concerns. While Taipei worries about military threats from China’s missile deployments, Beijing is anxious about political threats from Taiwan’s independence. Different political and security concerns make the two sides’ stances on CBMs just like two paralleling lines, leaving no junction points for them to open up the talks.

VI. US Arms Sales to Taiwan

Washington’s cross-Strait policy has been consistent. To lower the probability of a cross-Strait conflict, the Obama administration follows the long-standing policy of “dual deterrence,” warning Beijing not to use force against Taiwan and offering Beijing reassurance that US does not support Taiwan independence.

The Obama administration has issued public statements to support the peaceful development of cross-Strait relations and encourage the efforts by Taiwan and China to increase bilateral dialogues and interactions.\textsuperscript{24} It is worthy to point out that when Washington welcomes cross-Strait cooperation, its public backing for Taiwan also declines. The improvement of cross-Strait relations has led to a brand new and subtle situation in which Washington needs to take a cautious attitude toward Taiwan, particularly those policies or actions that may risk complicating US-China and Taiwan-China relations.

In January 2012, the Obama administration issued a new defense strategy and pledged to “rebalance towards the Asia-Pacific region”. To achieve these, Washington has sought to enlarge engagements with the Asia-Pacific countries. The Obama administration has announced to enhance US alliance ties with Japan, Korea, Australia, the Philippines, and Thailand; to broaden cooperation with regional partners e.g. India, Indonesia, Vietnam, Mongolia, New Zealand, Singapore, and Malaysia; and to pursue a “positive, cooperative, and comprehensive” relationship with China. Unfortunately, the major speeches delivered by US high-level officials on the re-engagement with Asia-Pacific countries do not touch upon any upgrading of US-Taiwan relations.\textsuperscript{25}

The current situation in the Taiwan Strait is very contradictory in nature. While Taiwan and China have developed close cooperation to boost bilateral trade ties and social exchanges, China’s military capabilities threatening Taiwan continue to grow. Such an odd phenomenon confronts Washington with difficult decisions on future arms sales to Taiwan.

For over 30 years, the US has played an important role in helping to ensure Taiwan’s defense security, while also maintaining stable relations with China. US arms sales to Taiwan have been contentious sensitive issues in the US-China relationship. Given this, the Obama administration has exercised extreme caution when evaluating arms deals with Taiwan.

Some American scholars have argued that cutting arms sales to Taiwan will help to maintain stable US-China relations and obtain greater cooperation from Beijing on other issues vital to US interests.\textsuperscript{26} Some others worry that US compromise on arms sales to Taiwan would be seen by Beijing as a demonstration of American weakness

\textsuperscript{25} Kurt M. Campbell, “Asia Overview: Protecting American Interests in China and Asia,” Testimony before the House Committee on Foreign Affairs Subcommittee on Asia and the Pacific, Washington, DC, March 31, 2011.
and invite new challenges. Particularly, any freeze or downsize on US arms sales to Taiwan may legitimize China to use military coercion against Taiwan.27

In their meetings with US high-level officials, Chinese civilian and military leaders repeatedly signaled the strongest oppositions on US arms sales to Taiwan, particularly of F-16C/D jet fighters. To avoid offending Beijing, Washington has decided to work on a separate request from Taipei to upgrade its existing F-16A/B fighters. The consideration of “Beijing factor” has accounted for the Obama government’s decisions on the sales of F-16A/B upgrade package to Taiwan. This development will place Taiwan in an unfavorable situation in which Taipei can only purchase those items of weapons from the United States that Beijing agrees.

Arms sales issue touches upon the most sensitive nerve in the US-China-Taiwan triangular relationship. How can the United States sustain the increasing political, economic and military costs, while offering commitments to Taiwan’s security? How can the United States help Taiwan to defend itself against China’s military coercion, while China is rising as a great military power in the region? How can the United States maintain its military leadership in Asia and carry out the strategy of “rebalance towards the Asia-Pacific region,” while the military balance in the Taiwan Strait is shifting in China’s favor? Cross-strait rapprochement, along with military imbalance, place Washington in a difficult position and complicate the process of decision-making on arms sales to Taiwan.

VII. Strategic Dilemma facing Taiwan

Since 2008, Taiwan has developed a survival approach through “depending on China economically, and confiding in US politically/militarily.” The Ma government has proposed “pro-American, rapprochement with PRC, friendship with Japan,” (親美、和中、友日) as the major principle for Taiwan’s foreign policy. This policy stand shows that it is in Taiwan’s strategic interests to maintain friendly and stable relations with three great powers in the meantime. It is not easy, however, to maintain a strategic balance among these three, as their relations reflect the features of both cooperation and competition.

Due to the above considerations, in contrast with the public support of other Asia-Pacific countries for the Obama administration’s strategy of “rebalance towards the Asia-Pacific region,” Taiwan has maintained a very low public profile so as not to disturb good political atmosphere across the Strait. What Taiwan faces is exactly this question of how to keep a strategic balance between the importance it attaches to the cross-Strait cooperation and its security ties with the United States.

On June 8, 2012, an article issued by China Review News (中評) made comments on Taiwan’s strategic role in the US-PRC relationship. According to this article, it is impossible for Taiwan to abidingly hold a neutral position between the United States and China. It argues that cross-strait ties and cooperation have been deepened since 2008. When Washington decides to “return back to Asia” and strengthen strategic “hedging” against China, Taiwan will need to make a choice between the two eventually.28

While contacting with their Taiwanese counterparts, Chinese scholars have repeatedly suggested that Taiwan and China should make joint efforts to safeguard sovereignty over disputed areas in the South China Sea, arguing that sovereignty belonged to “China.” Some Chinese scholars even go further to argue that both sides of the Strait should use the South China Sea as a “pioneer region” to implement cross-Strait CBMs.29

Based on Taiwan’s strategic deliberation, Taiwan needs to engage with China economically without falling into China-planed political roadmap of “one China,” and to deepen defense ties with the United States without involving in US-PRC strategic confrontation. How to build solid mutual trust and balance cooperative relations with both US and China will become a big challenge for Taiwan, once China starts to force Taiwan to put an end to its strategic ambiguity.

VIII. Conclusion: Troubles Ahead?

Looking ahead in cross-Strait relations, there are reasons for concerns. After President Ma won his second term, Beijing may expect to establish a long-term framework for cross-Strait political status. Beijing will need progress on political issues in the long run so as to pursue the eventual goal of reunification and to prevent Taiwan from putting off political issues indefinitely. Although cross-Strait relations have been improved, a key question here is that how much longer will Beijing continue to hold strategic patience and offer policy concessions to Taiwan?

President Ma has made it clear that the pre-conditions for cross-Strait political talks will include “consensus inside Taiwan, public support, and oversight by the legislature” (國內共識、民意支持、國會監督). These strict pre-conditions mean that Ma seeks to leave cross-Strait political issue aside and merely focus on economic and social exchanges.

The Ma government and Beijing may share the common idea to “oppose Taiwan


independence” (防獨) and uphold the “1992 Consensus.” But they have not already reached consensus on “accelerating unification” (促統). It is clear that the Ma government and Beijing have fundamental differences over how “one China” should be defined and how “one China” could be achieved, although both sides accept the “1992 Consensus”.

Thus, despite the current improvements in cross-strait relations, the persistence of substantial challenges could pose uncertainties for the future of US-PRC-Taiwan triangular relationship. While the US, China and Taiwan are committed to maintaining the current rapprochement in the Taiwan Strait, fundamental differences in attitudes towards an eventual reunification and in assessments of strategic interests remain potential sources of tensions.