

# Settling in for the Long Haul: Stability with Chinese Characteristics

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The political turmoil created in Taiwan by the Kuomintang's (KMT) move to oust Legislative Yuan (LY) speaker Wang Jin-pyng in mid-September capped off several months of tumult over such issues as the abuse-related heatstroke death of a military recruit, the Fourth Nuclear Power Plant, and the recently signed cross-Strait services trade agreement (STA). While the extent of the fallout from the Wang episode is yet to be determined, this latest turn of the political wheel has cast into some doubt the shape of politics in Taiwan going forward and the fate of pending sensitive legislative issues.

In this context, and as Taiwan's economic prospects for 2013 remained shaky, both major political parties began to position themselves not only for the 2014 seven-in-one local elections, but also for the 2016 presidential contest. Although not expected to play a significant role in 2014, cross-Strait political relations emerged as an increasingly visible aspect of that positioning.

A pressing issue regarding international space for Taiwan, Taipei's quest for observer status at the International Civil Aviation Organization (ICAO) Assembly starting in late September was finally resolved (Taiwan will attend the ICAO Assembly as a "special guest" of the ICAO Council president). But another issue, Ma Ying-jeou's desire to attend the APEC leaders meeting and perhaps sit down with Xi Jinping, emerged to take its place.

The U.S. role in cross-Strait relations has remained largely in the background, but it merits at least brief attention.

## Political Setting in Taiwan

The KMT move to oust LY Speaker Wang Jin-pyng over alleged influence peddling is a breaking story as this essay heads to the editor in mid-September. At this early date, it is premature to predict the ultimate scope and extent of the fallout. We will only note here that, however it turns out, this dramatic event—what one commentary called a "political nuclear explosion"<sup>1</sup>—will undoubtedly affect not only intra-Kuomintang politics but also the course of the KMT's rivalry with the opposition Democratic Progressive Party (DPP). All of this will almost surely affect the handling of important pending issues in the LY even if Wang remains speaker for the duration of his appeal against the KMT decision to remove him.<sup>2</sup> The impact will also almost surely not only be political but economic, as well, given that among other legislative casualties could be postponement of action on the

budget, which would constrict the government's ability to implement stimulus measures, plus yet further delay in ratification of the services trade agreement with the Mainland, which could discourage private investment.<sup>3</sup>

As important and unique as Speaker Wang's case is, it is not totally out of line with the confrontational nature of Taiwan politics we have seen in recent months. Indeed, one line of speculation in the ever-active and inventive Taiwan rumor mill ties Wang's sacking to Ma's frustration with his management of controversial issues in the LY.<sup>4</sup> In any case, there are clearly important substantive as well as political issues at stake, and so emotions and rhetoric run high. But whether the topic is the Fourth Nuclear Power Plant or the cross-Strait services trade agreement (STA) or the question of the tragic death of a military recruit, and now even apparently this internal KMT struggle as the DPP has been quick to indicate it will seek to impeach Ma over the handling of the Wang case,<sup>5</sup> the bottom line calculations frequently come down at some point to Green vs. Blue, DPP vs. KMT.

Physical confrontations in the Legislative Yuan (LY) are not unique in Taiwan's experience, even its recent experience.<sup>6</sup> But they are distressing in light of the enormous strides Taiwan has otherwise made in democratization and go a considerable way to undermining the extremely positive image that Taiwan's free elections and peaceful open debate have created throughout the region, including on the Mainland, and around the world.

One domestic result of such confrontational antics as blocking the speaker's rostrum and throwing inkwells and water bombs at one another is seen in polls that reveal general public dissatisfaction with both parties. One trusts that common sense will prevail in the end and that the people and political leaders in Taiwan will weigh the costs and benefits of the difficult choices they face and insist on decisions that are in Taiwan's long-term interest rather than to someone's short-term political advantage. But the disruptive process calls that into question and in any event imposes sometimes considerable costs.

Whatever the rights and wrongs of the dispute over the Ma administration's handling of the STA (discussed immediately below), new procedures are clearly needed to ensure both the reality and the perception of sufficient consultation with industry and with the LY about important cross-Strait negotiations (albeit in the context of appropriate protection of negotiating positions). Not only is the DPP demanding it,<sup>7</sup> but so are many in the KMT, and ideas for establishing a satisfactory procedure are already being generated within the administration.<sup>8</sup>

## Cross-Strait Services Trade Agreement

The cross-Strait services trade agreement was finally signed June 21. It was thought by both sides to be a constructive accord, and headlines in the immediate wake of the signing touted the agreement's benefits.<sup>9</sup> Not only did each side open substantially greater parts of its services market to the other, but, as we noted in earlier analysis,<sup>10</sup> the terms generally demonstrated continued PRC willingness to reach agreements that, at least on their face, favor Taiwan—helping Taiwan economically as part of the PRC's

efforts to win hearts and minds on the island.<sup>11</sup> Moreover, some press reports indicated that since Taiwan service industries are already prospering on the Mainland,<sup>12</sup> they are particularly well positioned to take advantage of this greater opening by Beijing.

However, not only did counterarguments about the STA begin to appear alongside the favorable accounts at once,<sup>13</sup> but in fact the DPP had sought ahead of time to delay the signing,<sup>14</sup> and after the signing immediately sought to start the negotiations all over again.<sup>15</sup> Many affected industries in Taiwan complained that they would face irresistible competition from Mainland counterparts which would now be allowed into the Taiwan market while, whatever the formal terms, Taiwan firms were still effectively blocked from competing on equal terms on the Mainland.<sup>16</sup> Allegations appeared before the agreement was even signed about an influx of Mainland workers, an issue of particular sensitivity,<sup>17</sup> and they continued to be made months later.<sup>18</sup>

The administration responded that charges of undue competition, an influx of Mainland workers, and other similar damaging outcomes were based on hearsay, fabrication, and unfounded rumor. “Many things that never took place have been repeated again and again,” President Ma asserted as he called for a rational debate.<sup>19</sup>

It seemed as though that opportunity for just such a debate would be in Ma’s hands after agreement was reached to hold a two-hour televised debate on September 15 with DPP Chairman Su Tseng-chang. But Su pulled out in the midst of the Wang Jin-pyng controversy, arguing that the Wang case had disrupted the political environment.<sup>20</sup> The Ma administration rejected this as a made-up excuse to avoid a debate Su didn’t want in the first place.<sup>21</sup>

In the meantime, proponents and opponents of the agreement began operating in high gear to persuade the public to their side. Ironically, while the DPP has argued that the small and medium-sized service businesses in Taiwan will be especially hurt, the party has also expressed considerable frustration that affected sectors seem largely unaware of the impact on them and has tried to rally them via the party’s website and thousands of flyers.<sup>22</sup>

In an effort to control the chaos over the STA in the LY, the KMT and DPP caucuses agreed that the accord will be reviewed and voted on by eight relevant legislative committees, article by article. As in any trade negotiation, there will be winners and losers, but the article-by-article LY review and vote should provide both legislators and the public with a more comprehensive basis on which to judge whether, on balance, the agreement serves Taiwan’s interests and whether the compensatory measures the Ma administration has said it will take to aid those affected will be sufficient.<sup>23</sup> Although the LY preemptively said that it would not allow the agreement to come into effect without being ratified by an LY vote,<sup>24</sup> the MAC sought to calm emotions by immediately promising that it would honor the outcome of the LY review.<sup>25</sup>

On the other hand, as American trade negotiators know all too well, an article-by-article vote could wreak havoc. Despite the strongly held “principled” positions, and whatever

future arrangements are adopted for vetting agreements as they are being negotiated, the choice confronting Taiwan at this time is whether to pick apart the STA, forcing a renegotiation of the entire agreement or whether, if flaws are found during what will now be a detailed LY examination, to find a different way to deal with those shortcomings that avoids scuttling an agreement widely seen to be helpful to stabilizing Taiwan's growth.<sup>26</sup>

The stakes are high, because the outcome of this struggle will likely have profound implications for Taiwan's ability to negotiate future agreements not only with the Mainland but with others, as overturning parts of the agreement will cause potential partners to doubt that Taipei can make stick whatever terms they negotiate.

In the cross-Strait context, both sides had previously expressed hope that negotiations over dispute resolution and merchandise trade could be concluded by the end of 2013—perhaps they could even be signed by then.<sup>27</sup> The merchandise trade agreement is already viewed by many as far more complicated than the services agreement because it involves thousands of individual products as well as complex matters such as certificates of origin and duty waivers.<sup>28</sup> So despite reported progress, it is inherently vulnerable to snags. But beyond that, now the problems encountered by the STA have led officials to suggest that conclusion of those negotiations could be delayed until the fate of the STA is clear.<sup>29</sup>

Moreover, the Mainland has indicated that any hope Taiwan has to participate in regional economic arrangements depends on cooperation between Taipei and Beijing. But in the wake of the STA controversy, PRC officials have indicated that Taiwan needs to rectify the problems with cross-Strait economic cooperation, including the process for approval of cross-Strait agreements, before it can try for participation in regional economic integration structures such as the Regional Comprehensive Economic Partnership (RCEP), which Ma has set, alongside membership in the Trans-Pacific Partnership (TPP), as a priority goal.<sup>30</sup>

## The Fourth Nuclear Power Plant

We have discussed in the past another highly contentious issue that while deeply enmeshed in partisan politics, also cuts across party lines. That is the Fourth Nuclear Power Plant.<sup>31</sup> This issue, and specifically the question of LY approval of a referendum to be put to the people regarding the future of that plant, is so poisonous that it has been taken off the table for the moment.<sup>32</sup>

As we have pointed out before, whether they support the power plant—and the referendum—or not, many KMT legislators see the issue as highly radioactive, feeling that, no matter the outcome, they will suffer at the polls. Hence, many observers in Taiwan believe that, unless a bill approving placing a referendum before the people can be approved quickly, and a referendum held before the end of the year—all of which now seems extremely unlikely—the entire issue may be put off for a considerable period of time, perhaps not only beyond the 2014 election but maybe even beyond that.<sup>33</sup> This has raised a question about the impact on Taiwan's energy supply in the not too distant future.<sup>34</sup>

Meanwhile, the plant has received mixed safety reviews. A favorable interim safety report was issued by the World Association of Nuclear Operators,<sup>35</sup> but two European nuclear specialists brought in by the anti-nuclear group Greenpeace Taiwan recommended terminating the project.<sup>36</sup> Neither of these assessments can be considered definitive, and the road ahead is still both long and full of potential potholes.

As is well known, part of the administration's case for the fourth plant is that without it, individual and corporate consumers will suffer significantly increased electricity costs. That case may have been brought home to many people by reaction against the far more modest hike in rates scheduled for this October. In light of strong public objections, the administration had to adjust the plan so that 85 percent of residential households and 80 percent of small businesses will not be directly affected.<sup>37</sup> Nonetheless, manufacturers in certain sectors still complained that even these modest increases would increase their operating costs significantly and squeeze profitability.<sup>38</sup>

This issue has now been further complicated by the Wang Jin-pyng issue, and while the KMT LY caucus did not go along with the effort of the referendum bill's original sponsor to formally withdraw the proposal, it has now suspended consideration of the bill until after safety has been assured. This means an LY vote will be delayed at least until mid-2014 and, as suggested earlier, probably for a considerable time beyond that.<sup>39</sup>

## Other Issues on the Ma Administration's Plate

The quick action of the Ma administration to immediately move the investigation of the heatstroke-related death of an army recruit from military courts to the civilian courts, and to move virtually all other military justice cases there as well, may have stemmed rising public anger. But, even though it may seem justified by the fact that several appeals cases have now been brought in the civilian courts,<sup>40</sup> there are many informed people who believe that there will be a cost to pay for this seemingly wholesale action, especially moving cases involving military espionage.<sup>41</sup> The reputation of the military is in need of significant repair, and the resignation of two defense ministers within one week—though for reasons entirely unrelated to each other—adds to the burden. It has also taken a toll on movement toward an all-volunteer force, as recruitment has fallen far short of targets in recent months. And, in fact, the target date for achieving the all-volunteer force was recently delayed from 2014 to 2016.<sup>42</sup>

While they were not very evident in the polls, which continued to show a lack of support for Ma, there were a number of positive developments during recent months. The Ma administration has continued to earn considerable credit for the successful negotiation of the fisheries agreement with Japan last April and for bringing to an apparently successful conclusion the case of the tragic shooting of a Taiwan fisherman by Philippine coast guard personnel in May. In the Japan instance, while there are not unexpectedly complaints from fishermen both in Taiwan and Japan,<sup>43</sup> overall the agreement seems to be working well and has led to significant catches for Taiwan fishermen. Moreover, the Ma administration's emphasis on addressing practical issues while setting aside competing sovereignty claims has won much praise.

In the Philippine case, the family of the slain fisherman went so far as to publicly thank President Ma and the foreign and justice ministries for their help,<sup>44</sup> which was certainly a boost for the administration in affirming the significance of the achievement to the broad Taiwan public.

## Managing Cross-Strait Relations

As we discussed in earlier essays, however, the outcomes of these two maritime cases were far from entirely to the liking of the Mainland. Beijing had tried to forge common “Chinese” cause with Taipei against the other parties, but failed. Despite some initial indications that the public in Taiwan might even favor cross-Strait cooperation, especially in the wake of the Philippine outrage, the Ma administration firmly rejected such a course,<sup>45</sup> and as it achieved success on both fronts, public opinion swung around to support it.<sup>46</sup>

At the same time, PRC efforts to win hearts and minds in Taiwan through economic benefits (beyond the STA) continued apace. Cross-Strait passenger flights, which had been raised to 616 per week only in February, were increased once again in August, to 670.<sup>47</sup> The number of cargo flights was also increased by over 20 percent, from 56 per week to 68.<sup>48</sup> And in mid-June the Mainland announced a set of 31 measures designed to facilitate travel and assistance to Taiwan job-seekers and businesses in the PRC.<sup>49</sup> Although Taiwan continues to resist a cultural agreement in the face of a steady push from Beijing, resistance to an education agreement seems to have been overcome. This was evident in the fact that KMT Honorary Chairman Wu Poh-hsiung urged conclusion of such an accord in his meeting with Xi Jinping in June (discussed below) while he only called for “strengthening” cultural exchange.<sup>50</sup>

### *Reciprocal Establishment of SEF and ARATS Offices, Seemingly Stuck*

We have written a fair amount in the past about the complex issue of establishing reciprocal offices of the organizations that handle cross-Strait relations for the governments, Taiwan’s Straits Exchange Foundation (SEF) and the Mainland’s Association for Relations across the Taiwan Strait (ARATS). Wu Poh-hsiung pressed on this issue again when he met with Xi Jinping in mid-June.<sup>51</sup> Xi reportedly responded that establishing offices would be an important milestone [重要的里程碑], but he hoped both sides could overcome “some obstacles that still exist at the moment” [目前還存在的一些障礙].<sup>52</sup>

The one obvious remaining sticking point is the question of the right to visit detained or arrested citizens. Progress had been anticipated in July,<sup>53</sup> but clearly there was no breakthrough. The most frequently cited issue is PRC law, but it is not clear whether such rights might not also be seen by some in the Mainland as too close for comfort to international consular rights.

Some people have begun to talk of “workarounds” that would allow such access while not running up against PRC legal restrictions or troubling political perceptions. One idea

people mention is having local lawyers “conduct” the visits, with resident SEF office representatives ostensibly along as “members of the group.”<sup>54</sup>

How much of a compromise will be possible is unclear. Both sides have talked about the exchange of offices as a priority—Ma having referred to it as an important part of the cross-strait “infrastructure.”<sup>55</sup> But his room for maneuver may not be great. While it is only the DPP that has boycotted consideration of the relevant legislation in the LY and that has indicated it will continue to boycott until LY supervision is assured and certain parameters established,<sup>56</sup> the fact is that even members of the KMT LY caucus have said they would not support establishment of the offices if visiting rights were not included in the enabling legislation.<sup>57</sup>

So it is relevant to note that while reports after a fourth round of discussions in late August pointed to a narrowing of the gap on text and structure of the agreement, they also implied continuing stalemate over the issue of “humanitarian visitation rights.” Taiwan reporting on the meeting had the Mainland saying only that it “fully understood” [充分理解] the Taiwan position, whereas Taiwan officials said agreement on the visitation issue would be “crucial to the success of the negotiation” [協議成敗的關鍵].<sup>58</sup>

As with everything in this realm, how this is worked out remains to be seen, but both the administration and the opposition in Taiwan have produced polls that reveal strong public support for insisting that the offices have the right to issue travel documents and carry out visitations,<sup>59</sup>

## The DPP Contemplates the Future of Cross-Strait Relations

Throughout the recent period there has been a lot of stirring in the DPP over the party’s cross-strait policy, but there has not been any conclusion nor is there likely to be in the months leading up to the party chairmanship election in May 2014 and the seven-in-one local elections in December. Except for Frank Hsieh, who some people suggest may run for party chair unless another candidate emerges who endorses his “respective interpretations of constitutions” (憲法各表) position,<sup>60</sup> no one else seems to think that grappling seriously with the issue would be politically propitious at the moment. The party’s senior-level China Affairs Committee has met, and, in an effort to be more inclusive, several sessions of the so-called “Huashan” seminars have as well. One of the latter featured a debate between Ma’s former NSC secretary general, Su Chi, and DPP counterparts over the value of the 1992 Consensus (a term that Su Chi coined). So far nothing conclusive has come of any of these discussions, however (nor was that expected), and several more Huashan meetings will be held in the weeks ahead on different aspects of cross-strait relations.<sup>61</sup>

Meanwhile, a number of leading DPP members have recently visited either the Mainland or Hong Kong or both, including former premier Frank Hsieh and Kaohsiung mayor Chen Chu, both for the second time, as well as the most popular local leader in Taiwan, Tainan mayor William Lai. None was received “in the capacity” of a DPP official, but their important positions were obviously well known and they all received high-level treatment. Their welcome presumably comes under the guidance that “even people who

once supported 'Taiwan independence' or engaged in related activities are welcome to visit the mainland and participate in cooperation as long as they have wishes to improve cross-Strait relations."<sup>62</sup>

But one can also find hints that the PRC position has evolved even further. TAO Deputy Director Sun Yafu is cited, for example, as saying that while party-to-party exchanges are impossible as long as the DPP doesn't give up Taiwan independence, "the PRC welcomes Taiwan independence people to come to the Mainland to have a look around and engage in exchanges" [但是歡迎台獨的人，到大陸參觀交流].<sup>63</sup> Moreover, these same elements seemed contained in the State Council Taiwan Affairs Office spokesman's comments in mid-August, when he also reiterated the ban on party-to-party exchanges as long as the DPP doesn't change its Taiwan independence stance, but expressed approval of contact and communication with people from all walks of life who support peaceful development of cross-Strait relations, including welcoming them to come to the Mainland for exchanges and visits.<sup>64</sup> No reference was made to having to give up any Taiwan independence position.

At the end of the day, however, and despite Frank Hsieh's assertion that the Mainland can "tolerate" his "respective interpretations of constitutions,"<sup>65</sup> both the TAO spokesperson and Taiwan Studies Institute head Yu Keli expressed skepticism that Hsieh's position went far enough.<sup>66</sup> As Yu put it, the Mainland is flexible in its Taiwan policy but also has its principle. Explaining further, he said that there is "a wide gap" [很大差異] between Hsieh's political idea and that of Mainland China, and while the sides can still communicate and discuss cross-Strait issues, it is impractical to deal with a political issue such as Hsieh's "respective interpretations of constitutions" proposal without having a political negotiation first.<sup>67</sup>

Hsieh has responded to this on the one hand by acknowledging that his position is that the ROC only covers Taiwan and not the Mainland (which distinguishes it from Ma's "one China, respective interpretations"), so it is not a "one China" position, but on the other hand asserting that this is not a "Taiwan independence" position because the two sides maintain "special relations." He warned that if Beijing doesn't recognize either the ROC or the ROC constitution Taiwan would have no choice but to adopt another constitution,<sup>68</sup> presumably one that will not contain the links across the Strait that exist in the present constitution.

While TAO deputy director Sun Yafu welcomed Hsieh's efforts<sup>69</sup> he also noted in mid-August that, while recent DPP steps to carry out exchanges with the CCP were worthy of encouragement, "no positive improvement can be seen" in the party's cross-Strait policies.<sup>70</sup>

In contrast to the bouquets thrown Hsieh's way, in late June Beijing threw some brickbats at Su Tseng-chang. Not only was there a series of apparently authoritatively inspired articles in the *China Review News* in late June attacking Su for what he had said while visiting the United States about Taiwan's sovereign, independent status and for criticizing the Wu-Xi June meeting, but the TAO also sharply berated him directly. Asked



specifically about Su's "offensive remarks" [攻击性的言论] by a Xinhua correspondent in what was obviously a planted question, the TAO spokesman launched into a stinging rebuke:

Some people in the DPP, for their own political purposes, stubbornly stick to the "Taiwan independence" position of "one country on each side" and insist on interfering in and sabotaging cross-Strait exchanges and cooperation. These kinds of actions not only run counter to the current of cross-Strait relations and the common aspirations of the compatriots on both sides, even more they damage Taiwan compatriots' interests and well-being. There is no way out. This is also at odds with their earlier expressed pretense about "wanting to improve relations with the Mainland."<sup>71</sup>

According to Su, what he was trying to do was to thread a political needle. As he explained it, public opinion is more and more upset about the ruling party's existing cross-Strait policy which, he said, leans excessively toward the Mainland. Moreover, he argued, people appreciate the DPP's firm stand of safeguarding Taiwan. At the same time, people have high expectations that the DPP will take "more active" [更積極] measures on cross-Strait relations. In other words, the DPP should carry out the mission of safeguarding Taiwan, on the one hand, while strengthening its capability of keeping various interests balanced, on the other.<sup>72</sup>

Su asserted that during the process of formulating a cross-Strait position, the DPP needs to find ways to create a policy that not only reflects the party's core foundation, but that also represents the wide support of civic society. As he put it, "whether we like it or not, the DPP has a responsibility to issue a China policy that conforms to the interests of Taiwan's future . . . what we need to do is to protect Taiwan's core values, to create the most beneficial interest for Taiwan, and to issue a policy of stability and peace for the region."<sup>73</sup>

Su also reiterated in the context of opening the "Huashan" meetings that the DPP stands for Taiwan's sovereignty and independence, saying the party would never betray or abandon its basic values.<sup>74</sup> Yet at various times he has said that building the country is more important than actively promoting independence<sup>75</sup> and, in asserting that Taiwan already is independent and that the most important thing is to safeguard Taiwan's democracy and sovereignty, that the issue of de jure independence should be left to academic discussions.<sup>76</sup>

Based on his comments cited above, it is unlikely that Su would disagree with former party secretary-general Chiou I-jen's assertion that the top DPP priority is to convince people that it is capable of handling Taiwan's relationship with the Mainland.<sup>77</sup> Chiou argued that the DPP must get rid of the label of being opposed to anything that has to do with the Mainland. While he offered no alternative, Chiou said that the DPP's current policy is insufficient: "We need to find a replacement for the 1992 Consensus."<sup>78</sup>

How the DPP will do that, however, is not clear.

## Political Dialogue, Consultations, and International Space

On the overall issues of political dialogue, as we noted in earlier essays, Beijing has for now settled on Track II channels as the most feasible way to lay the ground for eventual elevation to an authoritative level. Mainland commentators have tried to stress that the purpose of such dialogue is not to set the stage for near-term unification (though ultimately, of course, that remains the goal), but rather to promote peaceful development of cross-Strait relations.<sup>79</sup>

However, not only do many people in Taiwan not see much distinction between these goals given the unambiguousness of the long-term target, but some people on the Mainland continue to directly highlight the link to unification. For example, in a speech discussing the importance of enhancing cross-Strait identity—a major theme of some of the Track II conversations—Yu Keli told a cross-Strait seminar that “[e]xploring political arrangements between the Chinese mainland and Taiwan is the first step to realize peaceful reunification across the Taiwan Straits.”<sup>80</sup>

Perhaps seeking to deal with Beijing’s pressure on political dialogue, Ma made the point that some forms of ongoing cross-Strait talks are already “political.” Negotiation over reciprocal exchange of SEF and ARATS offices is a form of political consultation, he observed.<sup>81</sup>

Ma also made some interesting gestures to Beijing that, while preserving Taipei’s position regarding the Republic of China, seemed designed to respond to the Mainland’s desire for “more” from him on “one China.”

The first was his dispatch of honorary KMT chairman Wu Poh-hsiung to Beijing in mid-June to meet with Xi Jinping. This was the first high-level KMT visit since Xi assumed power, and Ma termed it a trip “of paramount importance.”<sup>82</sup> Included in Wu’s authorized set of talking points was a reference to the “one China framework,”<sup>83</sup> a phrase that does not often make it into Taipei’s rhetoric. The authoritative nature of Wu’s remarks—and of Xi’s—was evident as each indicated he was reading from an “approved text,” Wu’s script having been vetted by Ma, Xi’s by the CCP Central Committee.<sup>84</sup>

The second gesture was contained in Ma’s response to a congratulatory message from Xi Jinping on the occasion of Ma’s reelection as KMT party chair in July. In his response, for the first time in many years, Ma referred to the “one China principle” [一個中國原則].<sup>85</sup> Once again, despite DPP charges to the contrary,<sup>86</sup> there is no indication that Ma was seeking to move away from his previous position. But by citing that sentence from the 1992 negotiations in an apparently approving way, on top of Wu’s reference to the “one China framework,” Ma seemed to be trying to reassure Beijing that he truly has a “one China” approach. And he seemed to find some resonance.

On emerging from his meeting with Xi Jinping, for example, Wu said that Xi told him he had previously been under the impression that Ma was quite conservative about cross-

Strait relations, causing relations to come to a standstill or possibly even take a step backward. But now, Wu reported, Xi no longer believed this was true.<sup>87</sup>

Moreover, after Ma's response to Xi's congratulatory note, TAO head Zhang Zhijun openly welcomed Taipei's "one China" stance.<sup>88</sup>

One assumes that Ma has been doing all of this in the service of seeking greater cooperation from the Mainland on a range of issues including the reciprocal establishment of SEF and ARATS offices, but also matters connected with Taiwan's aspirations for greater international space.

In the process, Ma has continued to stress that, while cross-Strait relations are not state-to-state relations, "in cross-Strait relations, we hope that the Mainland could also understand the fact that the existence of Taiwan is something that should not be ignored. We urge the Mainland not to suppress Taiwan in the international community; otherwise this would only cause antipathy among Taiwanese people, which is unfavorable for cross-Strait relations."<sup>89</sup>

### *ICAO*

Ma continued to press in particular for a seat at the ICAO triennial Assembly meeting that was to convene in Montreal in late September. Although Taipei ultimately succeeded in obtaining an invitation to attend as the "special guest" of the ICAO Council president,<sup>90</sup> the path to get there was not easy.

After holding out for some time following favorable remarks from PRC leaders about "seriously considering" Taiwan's aspirations but seeing no follow-through,<sup>91</sup> the Ma administration tackled the issue head-on. One of the first things it did was to solicit support from the United States and other countries, and these efforts succeeded. In the U.S. case, this came in the form of HR 1151, which passed the Congress without a dissenting vote in either house in June and was signed into law as PL 113-17 by the president in July.<sup>92</sup>

But that success also carried with it some cost. PRC officials complained that passage of the act put the brakes on what otherwise was an ongoing process to try to respond to Taiwan's desires, and they warned that any further action by the United States would narrow the room for maneuver even further.<sup>93</sup> As the Taiwan Affairs Office spokesman put it, "the intervention of foreign forces is not helpful and can only complicate the matter."<sup>94</sup> The foreign ministry spokesman called Congress's action a "gross violation" of the "one China" policy and the three joint U.S.-PRC Communiqués and said China had lodged "solemn representations" with the U.S. side.<sup>95</sup>

Beijing has also cited other obstacles. For one, PRC officials noted, the rules of procedure for the ICAO Assembly do not provide for an observer that is not either an international organization or a state not party to ICAO.<sup>96</sup> For ICAO, Taiwan is neither.

For another, the PRC has complained about a lack of cross-Strait consultation. As TAO Deputy Director Sun Yafu put it in late August, less than a month before the Assembly was to convene, China's consistent policy is that, on the premise that it would not create "two Chinas" or "one China, one Taiwan," fair and reasonable arrangements can be found through cross-Strait consultation, with some emphasis on the last phrase.<sup>97</sup>

Although President Ma has spoken on a number of occasions throughout his presidency about a willingness to consult with Beijing about international space,<sup>98</sup> there is a natural sensitivity to doing so in any way that can be interpreted as seeking permission or as acknowledging that Beijing controls Taiwan's fate.

When Ma revealed that among discussions with other relevant parties there were ongoing cross-Strait consultations on ICAO through civil aviation channels,<sup>99</sup> it was not clear whether this would suffice, especially since the Mainland had stressed several times that international space is a "political" issue. Moreover, Sun Yafu's later statement that the necessary consultations had not been held seemed to indicate Beijing wanted something more.

In addition, in the ICAO case, as opposed to WHA observership, where health issues were very prominent at the time Taiwan got its first invitation in 2009, PRC officials indicated they did not accept the argument that Taiwan's attendance at a triennial Assembly was really related to safety; it was a "status" issue, they asserted.<sup>100</sup> Taiwan can get all the necessary safety-related ICAO notices and other information through Beijing in a timely way, they say, which officials in Taiwan assert is simply not the case.

All of that said, Taiwan all along was keenly aware of the reality that Beijing held the whip hand on this question. Weeks before the decision was announced, Taipei's representative in Washington acknowledged frankly that Taiwan's participation in international organization still "hinges on" China's goodwill.<sup>101</sup>

The PRC position was reasonably neatly summarized in an appraisal of the Wu-Xi meeting in June: 1) the two sides must not give the outside world the impression that there are "two Chinas" or that there is an independent Taiwan; 2) the two sides must not tolerate foreign intervention or foreign pressure; and 3) the two sides must comply with the charters of international organizations. Moreover, the CCP still insists on dealing with cases on a case-by-case, individual basis for the foreseeable future.<sup>102</sup>

Whether the "invited guest" formula will in fact turn out to be a step toward observer status in the future as Taipei hopes<sup>103</sup> remains to be seen. But Taiwan's foreign minister characterized it as "an innovative formula acceptable to every party, including Mainland China."<sup>104</sup> Moreover, while the terms were not revealed in detail, Taiwan officials have indicated that this arrangement will allow Taiwan to get updated information directly from ICAO on new standards and regulations for safety, security efficiency, and regularity, as well as for aviation environmental protection, thus meeting Taiwan's practical goals in a "professional, pragmatic, decent and meaningful manner."<sup>105</sup>

Hence, while perhaps not a “first best” choice for either Taipei or Beijing, and despite opposition criticism in Taiwan,<sup>106</sup> the denouement of this case seems to have reflected sufficient success for both sides, what one might truly call a “win-win” outcome: Taiwan was able to attend the Assembly and will hopefully get greater access to ICAO information, the outcome emerged from satisfactory cross-Strait consultations,<sup>107</sup> Beijing’s “one China” premise was not breached, the charter was not violated, and credit was given entirely to the efforts of the two sides—not outside forces.<sup>108</sup>

#### *APEC and a Ma-Xi meeting*

Just as ICAO was reaching a satisfactory conclusion, Ma indicated another area where he would like to extend Taiwan’s international reach (and his own personal involvement). That is, he said he would like to attend the annual APEC leaders meeting, and in this context he has raised the possibility of meeting with Xi Jinping.

Although Ma had to acknowledge that conditions are not yet ripe to participate personally (and in the end he named former Vice President Vincent Siew to represent him at this year’s meeting in Bali), he has taken note of the fact that the existing conventions at APEC allow Taiwan to attend as a “member economy” and he has expressed a willingness to participate as head of the Taiwan economy, in accordance with the “Seattle model,”<sup>109</sup> not as a head of state. “Since I am the leader of the economy in Taiwan, why can’t I attend myself as well as send a representative to participate?”<sup>110</sup>

Wrapped up in the issue of APEC attendance was also the issue of a possible Ma-Xi meeting. Although Ma has been quite consistent for a long time in saying that “some conditions” would need to be created by both sides for any such meeting, starting in mid-July,<sup>111</sup> he has mused several times about such a meeting. Among the conditions that would need to be met, in particular he has stressed the need for public support and also for arrangements to provide that the status in which he would attend would ensure that Taiwan’s dignity was maintained. At times Ma has implied that this latter condition meant he would have to meet Xi in his capacity of ROC president. However, as he has discussed his possible attendance at APEC, he has hinted that by doing so while wearing his “head of economy” hat rather than “head of state” hat, this could cover the status issue.<sup>112</sup>

Given all of these sensitivities, although many observers argued the possibilities might be greater for him to attend APEC and meet with Xi when the PRC hosts the leaders meeting in Shanghai next year, Ma himself at one point seemed to feel that this year’s meeting in Bali, Indonesia, might be more feasible. He said the Shanghai venue would be highly sensitive.<sup>113</sup> Nonetheless, after it was clear he could not go to Bali, he indicated that he would be willing to go to Shanghai.<sup>114</sup>

Some Mainland observers chastised Ma for raising the idea of attending APEC at all.<sup>115</sup> Others thought that, assuming it was arranged carefully, managing a meeting in Shanghai in 2014 could be acceptable to Beijing.<sup>116</sup>

For its part, however, the PRC government drew a sharp distinction between prospects for Ma to attend APEC, on the one hand, and a Ma-Xi meeting, on the other. As TAO Deputy Director Sun Yafu put it, these were “two different matters” [兩回事情]. He said that any idea of attendance at the APEC leaders meeting had to accord with the existing MOU between China and APEC that ruled out attendance at such a high level as well as APEC’s “established practice.”<sup>117</sup> On the other hand, Sun said, the idea of a Ma-Xi meeting was a “good thing which he really wanted to see realized” [一件好事情，真的要實踐] if the proper conditions could be created by both sides.<sup>118</sup>

In terms of domestic reaction in Taiwan, while DPP spokesmen have said Ma’s attendance at APEC would be positive if it advanced Taiwan’s international participation and had a positive impact on economic development, they have also said that attending “only” in order to meet Xi would not be supported by the people.<sup>119</sup> Some Green advocates went even further, one predicting that a Ma-Xi meeting would mean the “elimination of the ROC.”<sup>120</sup> That said, polls show that, though at a lower level than previous support for a Ma-Hu Jintao meeting, a plurality of people in Taiwan (43.2 percent vs. 36 percent) would support a Ma-Xi meeting before Ma leaves office in 2016.<sup>121</sup>

#### *International economic agreements*

A cautious attitude also characterizes Beijing’s approach to Taiwan’s aspirations for more economic cooperation agreements (FTAs). Apparently, the agreement with New Zealand signed in mid-July passed muster, making it the first country with which Taiwan has signed such an agreement that is not only part of the TPP and RCEP processes but also a non-diplomatic partner of Taiwan’s.<sup>122</sup> A similar agreement with Singapore is expected to be signed shortly.

As to why Beijing has gone along with these arrangements, some Taiwan observers believe the fact that Beijing’s final green light to both New Zealand and Singapore only came after the successful visit of Wu Poh-hsiung in June was not coincidental.<sup>123</sup>

On broader regional economic arrangements, senior officials in Beijing have expressed “understanding” of Taiwan’s economic challenges and its need to avoid being economically isolated in the region. But the PRC position remains that Taiwan should work with the Mainland to coordinate a way for Taiwan to participate. Former Vice President Vincent Siew has endorsed that approach,<sup>124</sup> but, despite the high priority President Ma assigns to Taiwan’s participation in regional integration, working through the Mainland is likely to be politically sensitive. Moreover, as noted earlier, senior PRC officials have indicated that problems over ratification of the cross-strait services trade agreement should be resolved before Taiwan tries for regional integration.<sup>125</sup>

## The United States

Taiwan is no longer the centerpiece of U.S.-PRC dialogues, but it remains a hardy staple and it is unlikely that any senior Chinese official will omit reference to the issue in a comprehensive discussion with American counterparts.

We saw that at the Obama-Xi summit at Sunnylands in June, when an American briefer reported that President Xi had raised the issue “as they often do” and that President Obama had responded in familiar terms. In so doing, the president reportedly noted that the United States strongly supports progress in improving cross-Strait relations and looks forward to more “in a manner acceptable to both sides.”<sup>126</sup>

The PRC state councilor, Yang Jiechi, also made only a brief reference to a discussion of Taiwan between the leaders, but he added a little meat to the bones, at least with regard to Xi’s presentation. Yang said that “President Xi reiterated China’s principled stand on Taiwan issue, stressing that Taiwan issue concerns the national feeling of 1.3 billion Chinese people and hoping that America would scrupulously abide by the three Sino-US Joint Communiques, stick to the one-China policy, support the peaceful development of the relations across the Taiwan Straits with its practical action, and stop selling weapons to Taiwan.”<sup>127</sup>

It was later reported that Xi had made a more pointed proposal to Obama regarding arms sales to Taiwan, suggesting that if the United States halted such sales, China would consider readjusting its military deployments.<sup>128</sup> If Xi indeed did make such a proposal, on its surface it would appear to be the resurrection of an idea that then-PRC President Jiang Zemin made to then-U.S. President George W. Bush in fall 2002, when Jiang visited Bush at the president’s ranch in Crawford, Texas. The U.S. was not interested in direct talks then—which would be interpreted as a violation of the “six assurances” Ronald Reagan gave to Taiwan on the eve of signing the August 17, 1982, communiqué with Beijing on the subject of arms sales—and it has shown no interest now.

The subject of arms sales also arose in two other contexts. First, HR 419, the Taiwan Policy Act of 2013, which was unanimously passed by the House Foreign Affairs Committee in August,<sup>129</sup> contains provisions for upgrading relations with Taipei across a broad spectrum of political, economic, and security issues, including extensive sections calling for expanding and upgrading the list of weapons available to Taiwan.<sup>130</sup> The bill is unlikely to make it all the way to the president’s desk, and if it does he will likely veto it or refuse to implement aspects that impinge on his foreign policy powers (as he did when signing the ICAO bill). But to make sure no one missed the point, and focusing especially on arms sales provisions, Beijing made its opposition clear, calling the HFAC action “gross interference” in China’s internal affairs.<sup>131</sup>

Second, following meetings in Washington between Chinese Defense Minister Chang Wanchuan and Defense Secretary Chuck Hagel in late August, the PRC briefer asserted that Hagel had agreed to form a working group to discuss how to resolve the Taiwan arms sales issue.<sup>132</sup> While it is possible that Chang suggested a working group to address obstacles to improved military-to-military relations, and that Hagel agreed to that without realizing that in Chinese minds that would include Taiwan arms sales,<sup>133</sup> there clearly was never any intention on the U.S. part to engage in such a dialogue. Quick denials from all quarters of the government put that speculation, if not Chinese concern, to rest.<sup>134</sup>

## Coda: The Dog that Didn't Bark—Chen Guangcheng Visits Taiwan

We noted in our last essay that PRC dissident Chen Guangcheng was scheduled to visit Taiwan for about two weeks in late June and early July and that the PRC had cautioned him to protect the dignity of his country and fulfill his responsibility as a citizen.<sup>135</sup>

As it turned out, while President Ma “welcomed” the visit he did not meet with Chen,<sup>136</sup> and Frank Hsieh<sup>137</sup> and Wang Jin-pyng<sup>138</sup> both cancelled meetings that had been scheduled. Moreover, when he met with DPP Chairman Su Tseng-chang, Chen said that the notion of Taiwan independence was out of date, and, though this needed to be voted on by the people of Taiwan, he favored “one country, two systems.”<sup>139</sup> Thus, in the end, what could have become a point of contention across the Strait did not.

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### Notes

<sup>1</sup> Lilian Wu, “China Times: A political storm with an unpredictable outcome,” Central News Agency (editorial abstract), September 7, 2013, <http://focustaiwan.tw/news/aopn/201309070017.aspx>.

<sup>2</sup> Jay Chen, “Ruling means Wang can keep party membership rights for now,” Central News Agency (hereafter CNA), September 13, 2013, <http://focustaiwan.tw/news/aip/201309130022.aspx>.

<sup>3</sup> Camaron Kao, “Political row may hit economy: analyst,” *Taipei Times*, September 13, 2013, <http://www.taipeitimes.com/News/biz/archives/2013/09/13/2003571980>.

<sup>4</sup> Shih Hsiu-chuan, “Ma sought Wang’s ouster to protect KMT post: report,” *Taipei Times*, September 13, 2013, <http://www.taipeitimes.com/News/front/archives/2013/09/13/2003572013>.

<sup>5</sup> Justin Su, Wang Ching-yi, Sophia Yeh, and Kay Liu, “DPP to go ahead with effort to impeach president: spokesman,” CNA, September 15, 2013, <http://focustaiwan.tw/news/aip/201309150017.aspx>.

<sup>6</sup> Adam Tyrsett Kuo, “All-out brawl erupts in legislature,” *China Post*, June 26, 2013, <http://www.chinapost.com.tw/taiwan/national/national-news/2013/06/26/382137/All-out-brawl.htm>; “DPP party whip: no peace in parliament if STA voted on as a package,” Kuomintang News Network (hereafter KMT News Network), July 9, 2013,

<http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13144>; Adam Tyrsett Kuo, “Nuclear war erupts in legislature,” *China Post*, August 3, 2013, <http://www.chinapost.com.tw/taiwan/national/national-news/2013/08/03/385430/Nuclear-war.htm>.

<sup>7</sup> Chris Wang, “DPP wants more exchange monitoring,” *Taipei Times*, September 13, 2013, <http://www.taipeitimes.com/News/taiwan/archives/2013/09/13/2003572033>; “Tsai Ing-wen: Must first pass regulations for oversight of cross-Strait agreements” (蔡英文：應先通過兩岸協議監督條例), July 23, 2013, <http://newtalk.tw/news/2013/07/23/38461.html>.

<sup>8</sup> Pan I-ching, “Regarding the controversy over the services trade agreement, Economics Minister says what he most fears is unending boycott” (服貿爭議 經長：最怕無止境杯葛), *China Times*, September 12, 2013, <http://news.chinatimes.com/focus/11050106/122013091200082.html>; Sophia Yeh and Lilian Wu, “Vice economics minister calls for new procedures in FTA talks,” CNA, July 15, 2013, <http://focustaiwan.tw/news/aeco/201307150024.aspx>.

Moreover, in the wake of the controversy, the administration has given assurances that it will closely consult local industry regarding future Mainland investments as well as scrutinize Chinese investors’ identities and background from both an economic and a national security perspective. (Scarlett Chai, Claire Chen, Wang Ching-yi, Huang Chiao-wen, and Jeffrey Wu, “Chinese investment to be examined more strictly: MAC,” CNA, July 31, 2013, <http://focustaiwan.tw/news/acs/201307310035.aspx>.)

The administration sought to demonstrate sincerity in its stance by issuing a press release disclosing that it had denied the application of a Mainland bookstore to engage in wholesale distribution, among other things, of cultural and educational materials on the grounds that the case was politically, socially, and culturally sensitive. (P’an Yi-ching, “Chinese book store [application] to come to Taiwan to invest is denied” [中國書店 來台投資遭否決], *Commercial Times*, August 1, 2013,



<http://money.chinatimes.com/news/news-content.aspx?id=20130801000048&cid=1206>. The MOEA announcement is at [http://www.moeaic.gov.tw/system\\_external/ctrl?PRO=NewsLoad&id=929](http://www.moeaic.gov.tw/system_external/ctrl?PRO=NewsLoad&id=929).)

PRC firms investing in the soon-to-be-established “free economic pilot zones” (FEPZ) will not be under special restrictions that don’t apply to other foreign investors, and thus will benefit from more liberal equity limits than apply to Mainland investments within Taiwan’s domestic economy. However, PRC projects in FEPZs will still be subjected to special case-by-case pre-project review. (Lin An-ni and Chiang Jui-chih, “In FEPZs, Mainland investment will be significantly deregulated” [自由經濟示範區 陸資大鬆綁], *United Daily News*, August 9, 2013, <http://udn.com/NEWS/FINANCE/FIN1/8084919.shtml>.)

<sup>9</sup> Y.F. Low, “Economic Daily News: Service trade pact opens new opportunities,” CNA (editorial abstract), June 22, 2013, <http://focustaiwan.tw/news/aopn/201306220014.aspx>; Wei Shu and Frances Huang, “Deal with China expected to bring funds to construction sector,” CNA, June 22, 2013, <http://focustaiwan.tw/news/aeco/201306220011.aspx>; Lin Hui-chun and Jay Chen, “Agreement with China can help Taiwan export services: economist,” CNA, June 23, 2013, <http://focustaiwan.tw/news/aall/201306230022.aspx>.

<sup>10</sup> Alan D. Romberg, “Striving for New Equilibria,” *China Leadership Monitor*, no. 41, June 6, 2013.

<sup>11</sup> One analysis asserts that the agreement is an “absolute concession” by the Mainland. According to that account, not only does the PRC offer constitute nearly comprehensive World Trade Organization (WTO) treatment in opening up 80 categories to Taiwan, but it even surpasses Beijing’s commitment to opening up under the WTO. Moreover, Taiwan has opened to the Mainland only half the categories accorded to other WTO members (or only 64 categories), among which over 30 percent are categories already open to investment from across the Strait, nearly 30 percent are lower than the WTO standard, and a further 30 percent, while higher than the WTO standard, have been opened to foreign investment from elsewhere in recent years. (Lilian Wu, “United Daily News: Turn Ma-Su debate into win-win situation, CNA [editorial abstract], September 2, 2013, <http://focustaiwan.tw/news/aopn/201309020023.aspx>.)

<sup>12</sup> Lee Seok Hwai, “Taiwan firms gain foothold in China’s service sector,” *Straits Times* (Singapore), July 15, 2013, <http://www.stasiareport.com/the-big-story/asia-report/china/story/taiwan-firms-gain-foothold-chinas-service-sector-20130715>.

<sup>13</sup> Stacey Wu, Lung Rui-yun, and Kay Liu, “Service trade pact unfair to Taiwanese publishers: industry group,” CNA, June 23, 2013, <http://focustaiwan.tw/news/aall/201306230007.aspx>; “Cross-strait pact is ‘policy ambush,’” *Taipei Times* (editorial), June 23, 2013, <http://www.taipeitimes.com/News/editorials/archives/2013/06/23/2003565433>.

<sup>14</sup> Tseng Ying-yu and Ann Chen, “DPP asks government to postpone signing service trade pact,” CNA, June 19, 2013, <http://focustaiwan.tw/news/aall/201306190030.aspx>.

<sup>15</sup> Sophia Yeh, Wen Kuei-hsiang, Chen Hsun-hsieh, and Lilian Wu, “DPP calls for restart of service trade negotiation with China,” CNA, June 24, 2013, <http://focustaiwan.tw/news/aall/201306240032.aspx>. In explaining the DPP position later on, party chair Su Tseng-chang stated that the DPP supports free trade and the signing of FTAs with trade partners, but it opposes what he termed the opaque process of the STA and the lack of communication with local sectors as well as LY monitoring (Chris Wang, “DPP against fast-tracking pact’s review,” *Taipei Times*, July 17, 2013, <http://www.taipeitimes.com/News/taiwan/archives/2013/07/17/2003567296>.)

<sup>16</sup> *Wealth* magazine, June 20–July 3, 2013, Issue, No. 427, distributed in translation by Open Source Center, CHR2013080251168186, August 2, 2013.

<sup>17</sup> Lo Tien-pin and Stacy Hsu, “Cross-Strait pact’s possible impact leads to concerns,” *Taipei Times*, May 28, 2013, <http://www.taipeitimes.com/News/taiwan/archives/2013/05/28/2003563380>.

<sup>18</sup> Kao Chao-fen and Lee Hsin-Yin, “Labor leaders worry about downside of service trade pact,” CNA, September 13, 2013, <http://focustaiwan.tw/news/aeco/201309130031.aspx>.

<sup>19</sup> Lin Meng-ju, Chen Shun-hsieh, and Elizabeth Hsu, “Ma calls for rational debate amid protests over pact with China,” CNA, July 30, 2013, <http://focustaiwan.tw/news/aeco/201307300036.aspx>; “Ma: Arguments against cross-Strait STA based on rumors,” *China Times* (translated in KMT News Network), July 31, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13247>.

<sup>20</sup> Su Lung-chi and Elaine Hou, “DPP chairman withdraws from service pact debate,” CNA, September 11, 2013, <http://focustaiwan.tw/news/aip1/201309110040.aspx>.

<sup>21</sup> Kelven Huang and Lilian Wu, “Presidential Office faults DPP for pulling out of debate,” CNA, September 11, 2013, <http://focustaiwan.tw/news/aip1/201309110041.aspx>.

- <sup>22</sup> Katherine Wei, "DPP website to help industries impacted by service trade pact," *China Post*, July 11, 2013, <http://www.chinapost.com.tw/taiwan/national/national-news/2013/07/11/383405/DPP-website.htm>; Katherine Wei, "Industry should take bull by horns in cross-Strait pact: Su," *China Post*, July 17, 2013, <http://www.chinapost.com.tw/taiwan/national/national-news/2013/07/17/383980/Industry-should.htm>.
- <sup>23</sup> "President promises subsidies to affected businesses," Formosa Television News (hereafter FTVN), June 26, 2013, <http://englishnews.ftv.com.tw/read.aspx?sno=87DBD1E0DB5B6F3431F02E79562B2301>.
- <sup>24</sup> "LY not to vote on ratification of cross-Strait services trade agreement as package," KMT News Network, June 26, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13087>. There has been some concern that the administration would argue that submitting it to the legislature "for review" would suffice, and that it could proceed to implement the agreement regardless of LY action or inaction. The LY insistence on a vote was designed to forestall any such interpretation.
- <sup>25</sup> Lee Hsin-yin, "Legislative review of service trade pact will be honored: MAC," CNA, June 27, 2013, <http://focustaiwan.tw/news/aall/201306270020.aspx>.
- <sup>26</sup> James Lee, "Service trade pact helps stabilize Taiwan's growth: ANZ [Australia and New Zealand Banking Group Ltd.]," CNA, August 2, 2013, <http://focustaiwan.tw/news/aeco/201308020021.aspx>.
- <sup>27</sup> Scarlett Chai and Y.L. Kao, "Talks on product trade to be concluded by year-end: SEF head," CNA, July 3, 2013, <http://focustaiwan.tw/news/aall/201307030035.aspx>.
- <sup>28</sup> Ibid.
- <sup>29</sup> "Zheng Lizhong: Merchandise trade agreement could be delayed owing to STA developments," KMT News Network, August 9, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13289>; Luo Yin-chong, "Zhang Zhijun in closed door meeting says [controversy over] services trade agreement will harm merchandise trade agreement" (張志軍閉門談 服貿將影響貨貿), *China Times*, August 15, 2013, <http://news.chinatimes.com/mainland/17180504/112013081500492.html>.
- <sup>30</sup> Scarlett Chai and Scully Hsiao, "China urged to view Taiwan's regional integration bid positively," CNA, August 8, 2013, <http://focustaiwan.tw/news/aeco/201308080025.aspx>.
- <sup>31</sup> Romberg, "Striving for New Equilibria," pp. 14ff.
- <sup>32</sup> "LY decides to delay deliberations on plebiscite bill on fate of NPPR," KMT News Network, August 6, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13272>.
- <sup>33</sup> "NPP4 plebiscite bill could be frozen indefinitely," KMT News Network, August 7, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13278>.
- <sup>34</sup> Huang Chiao-wen, "Without the 4<sup>th</sup> Nuclear Power Plant, fear there is a risk of electricity shortage in 2015" (無核四 104年恐有缺電風險), CNA (domestic), September 11, 2013, <http://www.cna.com.tw/News/aFE/201309110304-1.aspx>.
- <sup>35</sup> Lin Meng-ju, "WANO experts approve NPP4 safety precautions" (WANO 專家 肯定核四安全預防), CNA (domestic), August 29, 2013, <http://www.cna.com.tw/News/aFE/201308290523-1.aspx>.
- <sup>36</sup> Lee I-chia, "Experts urge termination of nuclear power plant project," *Taipei Times*, September 11, 2013, <http://www.taipeitimes.com/News/taiwan/archives/2013/09/11/2003571875>.
- <sup>37</sup> Amy Su, Mo Yan-chih, and Chris Wang, "Power rate hike will affect few: MOEA," *Taipei Times*, August 28, 2013, <http://www.taipeitimes.com/News/front/archives/2013/08/28/2003570750>.
- <sup>38</sup> Jalen Chung, Wei Shu, and Frances Huang, "Manufacturers voice concern over power rate hike," CNA, August 28, 2013, <http://focustaiwan.tw/news/aeco/201308280033.aspx>.
- <sup>39</sup> "KMT to 'freeze,' but not withdraw, NPPR plebiscite bill," KMT News Network, September 27, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13510>.
- <sup>40</sup> Wen Kuei-hsiang and Elizabeth Hsu, "Cabinet receives 15 appeals over disputed military convictions," CNA, September 13, 2013, <http://focustaiwan.tw/news/aipl/201309130027.aspx>.
- <sup>41</sup> Private conversations.
- <sup>42</sup> "Taiwan military delays plan to scrap conscription," Agence France-Presse (carried by *Daily Times of Pakistan*), September 13, 2013, [http://www.dailytimes.com.pk/default.asp?page=2013%5C09%5C13%5Cstory\\_13-9-2013\\_pg14\\_5](http://www.dailytimes.com.pk/default.asp?page=2013%5C09%5C13%5Cstory_13-9-2013_pg14_5).
- <sup>43</sup> Ko Shu-ling, "Japan-Taiwan fisheries pact leaves fishermen on both sides dissatisfied," Kyodo, June 10, 2013, <http://www.thefreelibrary.com/FOCUS%3A+Japan-Taiwan+fisheries+pact+leaves+fishermen+on+both+sides...-a0333326427>.

<sup>44</sup> “Fatal fishing boat shooting incident: Victim’s family thanks President Ma,” KMT News Network, August 9, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13287>.

<sup>45</sup> As we noted in *CLM* 41, the Mainland Affairs Council openly asked that Beijing refrain from getting involved. (Romberg, “Striving for New Equilibria,” endnote 96.)

<sup>46</sup> Some people from Taiwan have been outspoken in favor of cross-Strait cooperation on these issues. (Luo Xiangxi, “China Review News Forum: How to start cross-Strait cooperation on maritime strategy?”

[中評論壇：如何開啟兩岸海洋戰略合作?], *China Review News*, August 9, 2013,

[http://www.chinareviewnews.com/crn-](http://www.chinareviewnews.com/crn-webapp/doc/docDetailCNML.jsp?coluid=7&kindid=0&docid=102670826)

[webapp/doc/docDetailCNML.jsp?coluid=7&kindid=0&docid=102670826](http://www.chinareviewnews.com/crn-webapp/doc/docDetailCNML.jsp?coluid=7&kindid=0&docid=102670826).) In addition, a second “Taiwan Association for Recovering the Diaoyutai Islands” (台灣釣魚台光復會) is being created in Taiwan, which explicitly endorses maritime cooperation with the Mainland. (Li Wenhui, “Taiwan Diaoyutai Restoration Society established, old, middle-aged and young activists come together to protect the Diaoyutai islands”

[台灣釣魚台光復會成立 老中青保釣大將匯集], *China Review News*, July 22, 2013,

[http://www.chinareviewnews.com/crn-](http://www.chinareviewnews.com/crn-webapp/doc/docDetailCNML.jsp?coluid=7&kindid=0&docid=102641125)

[webapp/doc/docDetailCNML.jsp?coluid=7&kindid=0&docid=102641125](http://www.chinareviewnews.com/crn-webapp/doc/docDetailCNML.jsp?coluid=7&kindid=0&docid=102641125).

It is perhaps worth noting at least in passing that one Mainland academic was so distressed by the settlement with the Philippines that he went on national television to express his regret. He reasoned that crisis is the greatest motivator for cross-Strait cooperation in the South China Sea and resolution of the issue was now a barrier to cooperation in future territorial disputes in the region. (“Xu Liping: Taiwan’s reconciliation with the Philippines is harmful to the Mainland safeguarding its rights and interests in the South China Sea” [许利平：台湾对菲和解不利于大陆南海维权], Phoenix Television, August 9, 2013, [http://news.ifeng.com/taiwan/special/taiwanyuchuan/content-2/detail\\_2013\\_08/09/28450571\\_0.shtml](http://news.ifeng.com/taiwan/special/taiwanyuchuan/content-2/detail_2013_08/09/28450571_0.shtml).)

<sup>47</sup> “Cross-Strait flights increase to 670 per week,” Xinhua, August 12, 2013,

[http://news.xinhuanet.com/english/china/2013-08/12/c\\_132624292.htm](http://news.xinhuanet.com/english/china/2013-08/12/c_132624292.htm). It is striking, however, that at least until the latest increase, some 45 percent of travelers between the two sides have had to transit third areas rather than take direct flights, a problem that promises to get worse with passenger volume growing at 20 percent a year. (Wang Shu-fen and Elizabeth Hsu, “Taiwan calls for more nonstop cross-Strait flights,” CNA, June 17, 2013, <http://focustaiwan.tw/news/aall/201306170021.aspx>.)

<sup>48</sup> Lin Shen-hsu and Y.L. Kao, “Taiwan announces plans to increase number of cross-Strait flights,” CNA, August 12, 2013, <http://focustaiwan.tw/news/acs/201308120031.aspx>.

<sup>49</sup> Huang Chi-kuan, Jay Chen, and S.C. Chang, “China unveils 31 measures to promote exchanges with Taiwan,” CNA, June 16, 2013, <http://focustaiwan.tw/news/aall/201306160027.aspx>. For further details, see also “Xinhua Insight: New preferential policies on Taiwan reflect people orientation,” Xinhua, [http://news.xinhuanet.com/english/indepth/2013-06/16/c\\_124862439.htm](http://news.xinhuanet.com/english/indepth/2013-06/16/c_124862439.htm).

<sup>50</sup> “Wu-Xi meeting, strengthening cross-Strait political mutual trust” (吳習會 加強兩岸政治互信), CNA (domestic), June 13, 2013, <http://www.cna.com.tw/News/aCN/201306130462-1.aspx>.

<sup>51</sup> Lee Shu-hwa and Scully Hsiao, “KMT elder meets with Xi, pushes exchange of offices,” CNA, June 13, 2013, <http://focustaiwan.tw/news/aall/201306130036.aspx>.

<sup>52</sup> “Wu-Xi meeting, strengthening cross-Strait mutual political trust.”

<sup>53</sup> “July cross-Strait meeting expected to settle visiting rights for inmates,” *WantChinaTimes.com*, June 23, 2013, <http://www.wantchinatimes.com/news-subclass-cnt.aspx?id=20130623000005&cid=1101>.

<sup>54</sup> Private conversations. In fact, some exceptions have already been made. According to the Mainland Affairs Council, through a special arrangement made by SEF, some of the estimated 1,500 Taiwan inmates on the Mainland have been allowed to receive visitors on a case-by-case basis. But while Beijing has agreed to inform the SEF representative office in Beijing about any such detentions once the offices are established, and families will be notified, the Mainland has not agreed to a universal rule on visits, citing the problem of the PRC’s legal requirements. (Wang Ching-yi and Maia Huang, “Office exchange plan stymied by prisoner visitation: official,” CNA, June 20, 2013, <http://focustaiwan.tw/news/aall/201306200038.aspx>.)

<sup>55</sup> Lee Shu-hua and Y.F. Low, “Offices important part of cross-Strait infrastructure: president,” CNA, June 20, 2013, <http://focustaiwan.tw/news/aall/201306200025.aspx>.

<sup>56</sup> Li Hsin-fang, “On the issue of a law regarding the establishment of offices on both sides of the Strait, the Green side will boycott until the end” (兩岸設處立法 綠杯葛到底), *Liberty Times*, May 30, 2013, <http://www.libertytimes.com.tw/2013/new/may/30/today-p1-2.htm>. Moreover, the DPP insists that there

should be no preconditions and that sovereignty, reciprocity, and transparency must be maintained. (Tsou Ching-wen, “On establishing cross-Strait offices, Tsai: Ma must assure that there is no one China precondition” [兩岸設處 蔡：馬須保證沒一中前提], *Liberty Times*, May 28, 2013, <http://www.libertytimes.com.tw/2013/new/may/28/today-p2.htm>.)

<sup>57</sup> Wang Ching-yi and Maia Huang, “Office exchange plan stymied by prisoner visitation: official,” CNA, June 20, 2013, <http://focustaiwan.tw/news/aall/201306200038.aspx>.

<sup>58</sup> Hsieh Ai-chu, “Regarding the reciprocal establishment of SEF and ARATS offices, a decision is made on how to handle ID cards” (兩岸兩會互設 可辦證定案), *Commercial Times*, August 30, 2013, <http://news.chinatimes.com/mainland/11050503/122013083000170.html>.

Beijing’s description of the state of play was more neutral. ARATS affirmed that the establishment of offices “should be facilitated as it can further promote cross-Strait economic and cultural exchanges and provide convenience to people of the two sides.” Nonetheless, it said, “considering the current situation of...cross-Strait relations, the two sides should start with easy things, appropriately handle sensitive issues and reach consensus on issues that can be solved at the present stage step by step, so as to create conditions for the establishment of offices.” (“Mainland, Taiwan discuss offices on either side,” Xinhua, August 29, 2013, [http://news.xinhuanet.com/english/china/2013-08/29/c\\_132674922.htm](http://news.xinhuanet.com/english/china/2013-08/29/c_132674922.htm).)

<sup>59</sup> A Mainland Affairs Council poll at <http://www.mac.gov.tw/ct.asp?xItem=104928&ctNode=6409&mp=1> shows that 71 percent of respondents support the provision of direct services to people, with provision of legal advice and emergency assistance, issuance of travel documents and Taiwan entry permits, and notification and visiting of Taiwan citizens who have their freedoms restricted by Mainland authorities among the top services hoped for by those surveyed. (An English-language summary of the report is available at “MAC finds support for cross-Strait rep offices,” *Taiwan Today*, June 19, 2013, <http://www.taiwantoday.tw/ct.asp?xItem=206489&ctNode=445>.) A DPP poll in the same timeframe also showed strong support for those same functions. (Li Hsin-fang, “DPP poll on establishment of reciprocal offices, 83% demand visitation rights, 78% favor the possibility of issuing travel documents”

[民進黨兩岸設處民調 83%要求探視權 78%主張可發旅行文件], *Liberty Times*, June 18, 2013,

<http://www.libertytimes.com.tw/2013/new/jun/18/today-fo2-3.htm>.) However, the DPP poll also reported that if the offices could not carry out those functions, over 65 percent of respondents saw no need for them.

<sup>60</sup> Private conversations.

<sup>61</sup> A Huashan meeting held at the end of September addressed ways to bring the DPP more centrally into cross-Strait discussions, eliminating what the party sees as a KMT monopoly. One suggestion was to embrace the ROC constitution and drop the party’s 1991 charter plank that calls for establishment of a “Republic of Taiwan,” a point of particular neuralgia for Beijing. (“DPP committee proposes ‘constitutional consensus’ as basis for conducting cross-Strait dialogue,” KMT News Network, September 27, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13511>.) We have previously speculated about the possible utility of doing this. (Romberg, “Shaping the Future, Part II: Cross-Strait Relations,” *China Leadership Monitor*, no. 39, <http://media.hoover.org/sites/default/files/documents/CLM39AR.pdf>.) Whether the party as a whole would be willing to take this step, however, and whether, even if it did, this would be sufficient to open the door to formal DPP-CCP dialogue is far from certain, as there seems to be no discussion of the DPP going beyond that to explicitly accept anything resembling a “one China framework.”

<sup>62</sup> “China Focus: Mainland to continue Taiwan policies: top official [Yu Zhengsheng],” Xinhua, June 16, 2013, [http://www.china.org.cn/china/Off\\_the\\_Wire/2013-06/16/content\\_29135467.htm](http://www.china.org.cn/china/Off_the_Wire/2013-06/16/content_29135467.htm).

<sup>63</sup> Huang Xiaoyun, “Sun Yafu: Hong Kong seminar is not a DPP-CCP exchange”

(孫亞夫：香港研討會非民共交流), *China Review News*, June 29, 2013, <http://www.chinareviewnews.com/doc/1026/0/4/9/102604900.html?coluid=3&kindid=12&docid=102604900&mdate=0629115437>.

<sup>64</sup> “TAO spokesman Yang Yi is interviewed, talks about upcoming developments in cross-Strait exchanges” (国台办发言人杨毅接受采访谈近期两岸交流情况), Xinhua, August 11, 2013, [http://www.gwytb.gov.cn/wyly/201308/t20130811\\_4587218.htm](http://www.gwytb.gov.cn/wyly/201308/t20130811_4587218.htm).

<sup>65</sup> Su Lung-chi, “Frank Hsieh: Mainland can tolerate ‘constitution with respective interpretations”

(謝長廷：憲法各表 對岸能忍受), CNA (domestic), July 8, 2013,

<http://www.cna.com.tw/News/aIPL/201307080345-1.aspx>.

<sup>66</sup> Chang Ch'ien, "Sun Yafu and Yu Keli explain the Mainland's principles toward Taiwan"

(孫亞夫余克禮說明大陸對台原則), CNA (domestic), June 29, 2013,

<http://www.cna.com.tw/News/aCN/201306290174-1.aspx>.

<sup>67</sup> Chang Ch'ien, "In the Red-Green dialogue, political questions are the biggest difference" (政治問題

紅綠對話最大差異), CNA (domestic), June 30, 2013, [http://www.cna.com.tw/News/aCN/201306300153-](http://www.cna.com.tw/News/aCN/201306300153-1.aspx)

[1.aspx](http://www.cna.com.tw/News/aCN/201306300153-1.aspx).

<sup>68</sup> "Frank Hsieh: ROC constitution the common denominator," KMT News Network, July 22, 2013,

<http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13200>. See also Shih Hsiu-

chuang, "Frank Hsieh expounds on constitution, China," *Taipei Times*, July 21, 2013,

<http://www.taipeitimes.com/News/taiwan/archives/2013/07/21/2003567821>.

<sup>69</sup> Liao Zida and Lin Yan, "Sun Yafu: Welcome Mr. Hsieh Chang-ting's search for consensus"

(孫亞夫: 歡迎謝長廷先生尋求共識), *China Review News*, June 29, 2013, [http://www.chinareviewnews.co](http://www.chinareviewnews.com/doc/1026/0/4/7/102604757.html?coluid=93&kindid=9490&docid=102604757&mdate=0629151331)

[m/doc/1026/0/4/7/102604757.html?coluid=93&kindid=9490&docid=102604757&mdate=0629151331](http://www.chinareviewnews.com/doc/1026/0/4/7/102604757.html?coluid=93&kindid=9490&docid=102604757&mdate=0629151331).

<sup>70</sup> Chiu Kuo-chiang and Y.L. Kao, "No improvement in DPP's China policy: Chinese official," CNA,

August 19, 2013, <http://focustaiwan.tw/news/acs/201308190038.aspx>.

<sup>71</sup> 民进党一些人出于自身的政治目的, 顽固坚持“一边一国”的“台独”立场, 执意干扰、破坏两岸交流合作,

这种行径不仅违背了两岸关系发展潮流, 违背两岸同胞的共同愿望, 更损害台湾同胞的利益福祉, 是没有出路的, 也和他们

先前所谓的“要改善与大陆关系”的说辞自相矛盾。 Transcript of the TAO press briefing, June 26, 2013,

[http://www.gwytb.gov.cn/xwfbh/201306/t20130626\\_4372816.htm](http://www.gwytb.gov.cn/xwfbh/201306/t20130626_4372816.htm).

<sup>72</sup> "Chair Su's speech in presiding over the 'China Affairs Committee enlarged meeting on policy toward

China'" (蘇主席主持「中國事務委員會對中政策擴大會議」) DPP website, July 4, 2013,

[http://www.dpp.org.tw/news\\_content.php?&sn=6697](http://www.dpp.org.tw/news_content.php?&sn=6697). An English-language version of the speech is

available as "Remarks by Chair Su Tseng-chang at first Huashan China Forum," *Democracy & Progress*

(DPP monthly newsletter), July 2013, p. 8, [http://www.scribd.com/doc/157598708/DPP-Newsletter-](http://www.scribd.com/doc/157598708/DPP-Newsletter-July2013)

[July2013](http://www.scribd.com/doc/157598708/DPP-Newsletter-July2013).

<sup>73</sup> "Chair Su's speech in presiding over the 'China Affairs Committee.'"

<sup>74</sup> "DPP discusses '1992 Consensus' between Taiwan and China," *Taiwan News*, July 25, 2013,

[http://www.taiwannews.com.tw/etn/news\\_content.php?id=2264881](http://www.taiwannews.com.tw/etn/news_content.php?id=2264881).

<sup>75</sup> "Building the country more important than Taiwan independence: DPP leader," *Taiwan News Online*,

May 29, 2013, [http://www.taiwannews.com.tw/etn/news\\_content.php?id=2232936](http://www.taiwannews.com.tw/etn/news_content.php?id=2232936).

<sup>76</sup> Chris Wang, "DPP focused on development, not independence: Su," *Taipei Times*, May 30, 2013,

<http://www.taipeitimes.com/News/taiwan/archives/2013/05/30/2003563538>.

<sup>77</sup> Su Lung-chi and Maia Huang, "'1992 Consensus' widely recognized: former NSC head," CNA July 25,

2013, <http://focustaiwan.tw/news/aip/201307250033.aspx>.

<sup>78</sup> Chu Chen-k'ai, "Huashan confrontation over 1992 Consensus, Su Chi: DPP should give up search for

independence" (九二共識華山交鋒 蘇起: 民進黨應尋求不獨), *China Times*, July 26, 2013,

<http://news.chinatimes.com/politics/11050202/112013072600097.html>.

<sup>79</sup> Private conversations.

<sup>80</sup> "Scholars call for enhanced cross-Strait identity," Xinhua, June 21, 2013,

[http://news.xinhuanet.com/english/china/2013-06/22/c\\_124894363.htm](http://news.xinhuanet.com/english/china/2013-06/22/c_124894363.htm).

<sup>81</sup> "President Ma: Broadly speaking, cross-Strait political consultations have already begun," KMT News Network, June 4, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=12995>.

A prominent PRC expert on cross-Strait relations, Zhang Nianchi, director of the Shanghai Institute of East Asian Studies, also sees a form of political engagement already under way, but he approaches the subject from a different angle. Zhang argues that Taiwan's rejection of cross-Strait dialogue and political negotiation over the long run would be Taiwan's loss. But at this point agreement on Mainland "free independent travelers" in Taiwan, currency exchanges, and especially the establishment of reciprocal representative offices all represent progress on highly sensitive political issues. In light of these advances in cross-Strait relations, the two sides of the Strait do not need a breakthrough in structured political dialogue at this point; things just fall into place as a matter of course. As a result, even if it has not done so directly, the Mainland has implicitly accepted a framework of "one country, two governments." It has even accepted Taiwan's National Unification Guidelines' concept of "one country, two areas." Zhang sees no problem with this. As long as everything falls within the ambit of the "one China framework," and starts from "one China," various formulations including "one China, respective interpretations," "one China principle," and

so forth are all acceptable. (Ch'en Yan-ch'iao, "Zhang Nianchi: The establishment of reciprocal SEF and ARATS offices represents one country, two governments" [章念馳：兩會互設辦事處 代表一國兩府], *United Daily News*, May 14, 2013, accessed on date of publication at <http://udn.com/NEWS/MAINLAND/MAI1/7895455.shtml>, currently available at <http://www.fyjs.cn/bbs/read.php?tid=880959>. An extensive English-language summary of the article is available at "Zhang Nianchi: Establishing cross-Strait offices represents "one country, two governments," KMT News Network, May 14, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=12905>.)

Although he adheres to the more orthodox view about the need for structured political dialogue, and while speaking in prospective terms rather than current terms as Zhang did, TAO Deputy Director Sun Yafu seemed to strike a theme similar to Zhang's on the issue of respect for different systems of governance when he said, "under the frame of 'one China,' I think both sides can begin to discuss potential recognition of each other's governance." ("Beijing and Taiwan may recognize each other's governance: Sun Yafu," *WantChinaTimes.com*, June 22, 2013, <http://www.wantchinatimes.com/news-subclass-cnt.aspx?id=20130622000002&cid=1101>.)

<sup>82</sup> "Ma eyes closer cross-Strait relations," *Taiwan Today*, June 11, 2013, <http://www.taiwantoday.tw/ct.asp?xItem=206235&ctNode=445>. In a radio interview the same day he met with Wu to bless his trip, Ma made clear that the honorary KMT chairman was his chosen instrument for party-to-party (KMT-CCP) exchanges and for receiving Mainland visitors. (Huang Ming-hsi, "President: Establishing representative offices is the structural foundation of cross-Strait relations" [總統：設辦事處是兩岸基礎工程], *CNA [domestic]*, June 10, 2013, <http://www.cna.com.tw/News/aIPL/201306100318-1.aspx>.) He also said that Vincent Siew's work was important but had not been performed on behalf of the KMT.

Though he had previously highlighted the importance of Lien Chan's groundbreaking meeting with Hu Jintao in April 2005, this description of Wu's role as starting from the beginning of Ma's term, and the point made by the presidential office that Lien had not been dispatched on any specific mission whereas Wu's was fully authorized ("KMT's Wu Po-hsiung to meet with CCP's Xi Jinping next week," *China Times*, translated by KMT News Network, June 4, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=12996>), seemed to some people to be a slap at Lien. People speculated that this might have reflected lingering tension over what Ma had described as Lien's unauthorized remarks when meeting with Xi Jinping in February. (Romberg, "Striving for New Equilibria," endnote 6.) The tension between Ma and Lien also seemed evident in Ma's choice of Vincent Siew to represent him at the APEC leaders meeting in Bali, rather than Lien, who had been the representative since Ma took office in 2008.

<sup>83</sup> Lin Tse-hong, "Wu-Xi Meeting, Wu mentions one China framework for the first time" (吳習會 吳首度提一中架構), *Boxun.com*, June 14, 2013, <http://www.boxun.com/forum/201306/boxun2013/245034.shtml>.

In the meeting, Wu raised seven points, Xi raised four. As summarized in one press report Wu's points were:

- Maintain the foundation of political trust by upholding the "1992 Consensus" and opposing Taiwan independence.
- Strengthen cross-Strait economic relations and integration.
- We hope to participate meaningfully in international activities.
- Deepen social exchanges and actively promote the establishment of reciprocal cross-Strait offices.
- Strengthen cultural exchanges and push for a cross-Strait education agreement.
- Expedite the signing of a cross-Strait agreement on currency swap and strengthen cross-Strait cooperation in financial services.
- Promote national identity because both sides of the Strait share the same ancestors.

Xi's points were:

- Insist on considering cross-Strait relations through the lens of the overall interests of the Chinese nation.
- Recognize development trends throughout history in order to get a better understanding of the future prospects of cross-Strait relations.
- Enhance mutual trust, engage in mutually beneficial interactions, seek commonality and shelve differences, and be pragmatic and enterprising.

• Steadily promote the overall development of cross-Strait relations. (“Wu-Xi meeting held yesterday in Beijing,” KMT News Network, June 13, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13040>.) A summary of the points in Chinese is available at “Wu-Xi meeting, strengthening cross-Strait mutual political trust” (吳習會加強兩岸政治互信), CNA, June 13, 2013, <http://www.cna.com.tw/News/aCN/201306130462-1.aspx>. And a version with a somewhat fuller explanation is contained in a KMT press release reporting on Wu’s press conference after the meeting. (“Honorary Chairman Wu holds press conference after meeting with General Secretary Xi” [吳榮譽主席會見習總書記後記者會], KMT Cultural and Communications Committee, June 13, 2013, <http://www.kmt.org.tw/page.aspx?id=32&aid=12441>.) The PRC’s version of Xi’s four points can be found at “Xi Jinping meets with KMT honorary chairman,” Xinhua, June 13, 2013, [http://www.chinadaily.com.cn/china/2013-06/13/content\\_16617044.htm](http://www.chinadaily.com.cn/china/2013-06/13/content_16617044.htm).

<sup>84</sup> Wang Ming-yi, “Xi appeals for consolidating one China, Wu says he did not pass on a confidential letter from Ma” (習籲鞏固一中 吳稱未轉馬密函), *China Times*, June 14, 2013, <http://news.chinatimes.com/focus/501013637/112013061400067.html>.

An account of Wu’s meeting with Ma is at “President receives KMT Honorary Chairman Wu Poh-hsiung and the delegation visiting the Mainland” (總統接見中國國民黨吳伯雄榮譽主席大陸訪問團), Office of the President, Republic of China (Taiwan), June 10, 2013, <http://www.president.gov.tw/Default.aspx?tabid=131&itemid=30128&rmid=514&sd=2013/06/05&ed=2013/06/12>.

In light of the clear presidential blessing of Wu’s reference to the “one China framework,” a huge uproar erupted in Taiwan. People asked whether using this terminology implied acceptance of Beijing’s position or whether, given the fact that the term Wu used (一中架構) slightly differed from the Mainland’s term (一中框架), there was any difference from Beijing’s position and, if there was, what it was.

A number of people engaged in detailed etymological exegesis, much of it heavily influenced by political positioning. In counting the angels dancing on the head of this particular pin, some people suggested that Taipei was trying to distinguish its position from the PRC’s, using terminology that evoked a more expansive “one China structure” as compared with the PRC’s more restrictive “one China framework.” But most people rejected this analysis and viewed the choice of the two phrases merely as a reflection of customary language usage on the two sides of the Strait to express the same idea. Moreover, as many observed, the key point was not the issue of “framework” vs. “structure” but the shared embrace of “one China” in both formulations.

And in the end, the DPP chose to interpret Wu’s use of the term as implying no difference and as moving Ma away from even his own definition of the 1992 Consensus (“one China, respective interpretations”) in the direction of the PRC’s concept. Former DPP chair and 2012 presidential candidate Tsai Ing-wen charged that Wu’s use of “one China framework” with Xi undoubtedly undermined the sovereignty of the Republic of China and denigrated Taiwan’s national dignity. She said this was a betrayal of Ma’s duty as president of the ROC and of the trust of 23 million people in Taiwan. (“Wu Poh-hsiung: I lose no sleep over criticism of selling out Taiwan,” KMT News Network, June 17, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13047>.)

But the evidence does not suggest any intention on Ma’s part to change his stance. For example, the day after meeting with Wu and approving the text the honorary chairman would use a couple of days later in Beijing, Ma gave a speech in which he stressed that the key to the current stable cross-Strait relationship was the consistency of his policy “under the Republic of China Constitution,” to promote peaceful cross-Strait exchanges on the basis of the “1992 Consensus” (九二共識), i.e., “one China with different interpretations” (一中各表). (“Chairman Ma: KMT’s policies are key to stable cross-Strait relations,” KMT Cultural and Communications Committee, June 11, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=111&anum=13035>.)

After the controversy broke out, the Mainland Affairs Council issued a press release restating that there was no change in Ma’s position on “one China,” which, as always, meant “the Republic of China.” (“Mainland Affairs Council: ‘one China’ is the ROC,” News release No. 38, June 14, 2013, <http://www.mac.gov.tw/ct.asp?xItem=104894&ctNode=6409&mp=1>.) It is interesting to realize that this MAC statement actually foreshadowed the next shoe to drop, which we discuss in a moment, by saying that even “one China” in the phrase “one China principle” (一中原則) refers to the Republic of China.

<sup>85</sup> What he wrote was: “In 1992, the two sides of the Strait reached a consensus that ‘each would orally express its adherence to the one China principle’” (1992年, 海峽兩岸達成「各自以口頭聲明方式表達堅持一個中國原則」的共識) (“CCP General Secretary Xi Jinping’s congratulatory telegram and Chairman Ma’s response,” [中共中央總書記習近平賀電及馬主席回電], KMT, July 20, 2013, <http://www.kmt.org.tw/page.aspx?id=32&aid=13538>.) Having done this, Ma went on to draw attention to the importance of “the 1992 Consensus” as the basis for improvement of relations over the previous five years, breaking the deadlock of the preceding decade, and he expressed his hope that “on the existing basis” (在現有基礎上) they could continue to expand and deepen cooperation, further enhance Chinese culture and the rejuvenation of the Chinese nation (中華民族), and promote sustainable peace and prosperity between the two sides.

<sup>86</sup> “Ma responds to Xi’s letter, Green criticizes 3 ‘self-denials,’” (馬回習書信 綠批3個「自我否定」), *Liberty Times*, July 22, 2013, <http://iservice.libertytimes.com.tw/liveNews/news.php?no=842011&type=%E6%94%BF%E6%B2%BB&Slots=Live>; Chris Wang, “Ma tilts to China’s consensus: DPP,” *Taipei Times*, July 23, 2013, <http://www.taipeitimes.com/News/front/archives/2013/07/23/2003567940>; Chris Wang, “KMT beyond ‘1992 consensus’: DPP,” *Taipei Times*, July 16, 2013, <http://www.taipeitimes.com/News/taiwan/archives/2013/07/26/2003568197>.

<sup>87</sup> “Wu-Xi meeting held yesterday in Beijing,” KMT News Network, June 13, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13040>. Moreover, former secretary general of Taiwan’s National Security Council, Su Chi, who accompanied Wu to Beijing, came out of the meeting convinced that while Xi will be tougher where he has been tough (e.g., opposing Taiwan independence), he will be softer where he has been soft (e.g., approaching cross-Strait reconciliation with patience).

This was expressed in a number of ways, according to Su. Commenting that Xi seemed to understand the psychology of Taiwan society, Su said Xi referred twice to “historical wounds” (歷史創痛), observing that it “will take time and patience to heal the wounds and stop the pain” (療傷止痛需要時間和耐心). “Unification,” Xi said, “will also require an inner meeting of the hearts” (統一還要是內在的、心靈的契合). Xi summed up by adapting a Chinese proverb: “Three feet of ice is not created in one cold day” (冰凍三尺非一日之寒), adding, “it will also require time for it to melt” (化解也需要時間). (Su’s initial comments were reported in Ch’ien Chen-yu, “Su Chi: Mainland toward Taiwan ‘soft will be softer, hard will be harder’” (蘇起: 陸對台「軟更軟 硬更硬」), *United Daily News*, June 21, 2013, initially accessed on the day of publication at <http://udn.com/NEWS/MAINLAND/MAI1/7977544.shtml>, currently accessible at <http://paper.udn.com/udnpaper/PID0005/239152/web/#2L-4230747>. He expanded on his views in an opinion article he penned a month later: “Su Chi/ Trying to analyze Mainland China under Xi Jinping” (蘇起 / 試析習近平的中國大陸), *United Daily News*, Op-ed, July 20, 2013, accessed July 20 at [http://udn.com/NEWS/OPINION/OPI4/8040382.shtml?ch=pdm\\_sub](http://udn.com/NEWS/OPINION/OPI4/8040382.shtml?ch=pdm_sub), currently available at <http://blog.roodo.com/lchintwnews/archives/25392964.html>. These comments are drawn from both articles.)

These sentiments as expressed by Xi were, of course, not entirely new. As we pointed out in our last essay, Xi used similar language when he met with Lien Chan in February. (Romberg, “Striving for New Equilibrium,” p. 1.) But based on Su Chi’s reporting, Xi appears to have dwelt on them at greater length this time.

<sup>88</sup> “Mainland: Positively evaluate KMT’s one China statement” (陸: 積極評價國民黨一中表示), CNA, July 22, 2013, <http://www.cna.com.tw/News/aCN/201307240397-1.aspx>.

<sup>89</sup> “Chairman Ma: KMT’s policies are key to stable cross-Strait relations,” KMT Cultural and Communications Committee News Release, June 13, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=111&anum=13035>.

<sup>90</sup> Wang Shu-feng and Sofia Wu, “Taiwan invited to attend ICAO assembly as special guest,” CNA, September 13, 2013, <http://focustaiwan.tw/news/aip1/201309130006.aspx>.

<sup>91</sup> Alan D. Romberg, “Shaping the Future, Part II: Cross-Strait Relations,” *China Leadership Monitor*, no. 39, pp. 9 ff.

<sup>92</sup> The text of PL 113-17 is at <http://www.gpo.gov/fdsys/pkg/PLAW-113publ17/pdf/PLAW-113publ17.pdf>; the President’s statement on signing it into law on July 12 is at <http://www.whitehouse.gov/the-press-office/2013/07/12/statement-president-hr-1151>.



<sup>93</sup> Private conversations. Nonetheless, on August 28 the administration did submit a report to the Congress as required under Section 1 (c) of the law describing “the United States strategy to endorse and obtain observer status for Taiwan at the triennial ICAO Assembly and at subsequent ICAO Assemblies and at other related meetings. The State Department told Congress of U.S. support for “observer status” for Taiwan in all of the meetings of ICAO. The report pointed to the ICAO Council, which meets regularly, in comparison with the ICAO Assembly, which meets triennially. The State Department noted that U.S. support for Taiwan in ICAO is consistent with the “one China” policy and the TRA. (Shirley A. Kan, “China/Taiwan: Evolution of the ‘One China’ Policy—Key Statements from Washington, Beijing, and Taipei,” Congressional Research Service, September 6, 2013, p. 19). Nonetheless, the State Department report seems not to have drawn any further public protest from Beijing.

<sup>94</sup> “Taiwan’s ICAO bid gets boost,” CNA (Talk of the Day), July 14, 2013, <http://focustaiwan.tw/news/atod/201307140015.aspx>.

<sup>95</sup> “Foreign Ministry Spokesperson Hua Chunying’s remarks on the US President’s endorsement of an act supporting Taiwan’s participation in the International Civil Aviation Organization,” July 16, 2013, <http://www.china-un.ch/eng/fyrth/t1059285.htm>. What is interesting about this statement is that, despite the heading, the commentary was directed at the act of Congress in passing the act, not at the president for signing it. One presumes this had something to do with seeking to maintain a good atmosphere following the Xi-Obama summit in California in June and the Strategic and Economic Dialogue (S&ED) in July. Also, it was clear that, while the Administration does support Taiwan’s quest for an observer’s seat at ICAO, the impetus for this particular action came from Congress, not the White House.

<sup>96</sup> Rule 5 reads in part: “Non-contracting States and international organizations duly invited by the Council, or by the Assembly itself, to attend a session of the Assembly may be represented by observers.” (“Standing Rules of Procedure of the Assembly of the International Civil Aviation Organization,” ICAO, Seventh Edition-2012, [http://www.icao.int/publications/Documents/7600\\_cons\\_en.pdf](http://www.icao.int/publications/Documents/7600_cons_en.pdf)).

On the other hand, Rule 32 of the Rules of Procedure of the ICAO Council, the operating arm of ICAO, stipulates that “the Council may invite non-Contracting States and international organizations *or other bodies* to be represented at any of its meetings by one or more observers.” (“In support of Taiwan’s observership and meaningful participation in the ICAO,” *The Voice*, April 18, 2013, [http://www.thevoiceslu.com/features/2013/april/18\\_04\\_13/In\\_Support.htm](http://www.thevoiceslu.com/features/2013/april/18_04_13/In_Support.htm) [drawing on ICAO Document 7559]; emphasis added.) So even though attendance at the Council has not been part of the public dialogue in Taiwan, it was considered by some people as another path for Taiwan to participate meaningfully at a high level in ICAO.

<sup>97</sup> Lin K’e-lun, “Regarding Ma’s hope to attend APEC, Sun Yafu: need to follow established practice” [馬盼出席APEC 孫亞夫：應按慣例], *United Daily News*, August 20, 2013, <http://udn.com/NEWS/MAINLAND/MA11/8107629.shtml>.

<sup>98</sup> He mentioned it in his very first statement as president, in his inaugural address on May 20, 2008. (“Taiwan’s Renaissance, President Ma’s inaugural address,” Office of the President, Republic of China [Taiwan], May 20, 2008, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=16304&rmid=2355&word1=inaugural&sd=2008/05/20&ed=2008/05/20>.)

<sup>99</sup> “President Ma: APEC Summit barring my attendance unfair to Taiwan,” KMT News Network, August 16, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13324>.

<sup>100</sup> Private conversations.

<sup>101</sup> Tony Liao and Scully Hsiao, “Taiwan calls for Beijing goodwill toward its ICAO bid,” CNA, July 18, 2013, <http://focustaiwan.tw/news/aip/201307180030.aspx>.

<sup>102</sup> “Looking forward to new cross-Strait relationship,” *China Times* (editorial), translated by KMT News Network, June 17, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=113&anum=13051>.

<sup>103</sup> In welcoming the outcome, Taiwan’s Civil Aeronautics Administration said this marked a “step forward in Taiwan’s bid to join the organization as an observer.” (Wang Shu-fen and Sofia Wu, “Taiwan invited to attend ICAO assembly as special guest,” CNA, September 13, 2013, <http://focustaiwan.tw/news/aip/201309130006.aspx>.)

<sup>104</sup> Hsieh Chia-chen, Wang Shu-fen, and Sofia Wu, “ICAO invitation breaks new ground: foreign minister,” CNA, September 13, 2013, <http://focustaiwan.tw/news/aip/201309130028.aspx>.

<sup>105</sup> Ibid.

<sup>106</sup> Luo T'ien-pin and Ch'en Ching-min, "LY criticism: Self-disparagement, does not merit joy"

(立委批：自我矮化 不值得高興), *Liberty Times*, September 14, 2013,  
<http://www.libertytimes.com.tw/2013/new/sep/14/today-p8.htm>.

<sup>107</sup> The TAO spokesman, in a brief statement on the matter, referred to the fact that the matter had been handled through cross-Strait consultations (通过两岸沟通协商). ("TAO: The arrangement for Chinese Taipei civil aviation administration to send an official as a non-voting delegate to attend this year's ICAO Assembly meeting on invitation reflects the Mainland's concern for Taiwan compatriots"

[国台办：中华台北民航局应邀派员列席今年国际民航组织大会的安排体现了大陆对台湾同胞的关心], CCP Central Committee Taiwan Affairs Office and State Council Taiwan Affairs Office, September 13, 2013,  
[http://www.gwytb.gov.cn/wyly/201309/t20130913\\_4878305.htm](http://www.gwytb.gov.cn/wyly/201309/t20130913_4878305.htm).)

A Xinhua story was even more explicit. It said that "relevant authorities of the two sides recently held consultations regarding the question of Taiwan participating in relevant activities of ICAO and exchanged views...and produced an arrangement."

(两岸有关方面近期就台湾参与国际民航组织有关活动问题进行了沟通, 交换了看法...作出...安排). ("Chinese Taipei civil aviation authorities invited to send a non-voting official as a guest to the ICAO Assembly"

[中华台北民航局获邀派员以客人身份列席国际民航组织大会], Xinhua, September 13, 2013,

[http://news.xinhuanet.com/tw/2013-09/13/c\\_117356221.htm](http://news.xinhuanet.com/tw/2013-09/13/c_117356221.htm).) Whether this went beyond consultations between civil aviation officials has not been revealed.

<sup>108</sup> Even a few weeks before ICAO was scheduled to meet, although Sun Yafu said the necessary cross-Strait consultation had not yet been held, he had hinted it would likely work out by continuing to say that Taiwan's presence at the ICAO meeting was "feasible" (可行的). (Huang Hsin, "Mainland pours cold water on Ma's desire to personally attend APEC" [馬要親臨APEC 陸潑冷水], *Commercial Times*, August 20, 2013,  
<http://news.chinatimes.com/mainland/11050506/122013082000176.html>). In this context, the Mainland may have found the Congressional action particularly unwelcome as it could create the impression that the PRC was acting under international pressure rather than in line with its own consistent policy.

<sup>109</sup> Under the "Seattle model," created during the leaders meeting in Seattle in 1993, designed to accommodate Taiwan's ability to attend without raising issues of sovereignty, the annual invitation is extended to the president but Taipei is not allowed to send a senior political official, including the foreign minister or vice minister. Thus, the Taiwan representative has typically been either a senior economic official or a senior personage who is not currently holding office. Former vice president Lien Chan has attended several recent leaders meetings, though this year Ma will be represented by his own former vice president, Vincent Siew. Siew attended the APEC meeting in 1993 and 1994, but in those instances he was a senior economic official. In more recent years, both on the eve of taking office as vice president in 2008 and since leaving office in 2012, he has worked with Ma in a number of capacities meeting with senior PRC officials. (A list of Taiwan representatives to the APEC leaders meetings is available at "List of Chinese Taipei Representatives to APEC,"

[http://en.wikipedia.org/wiki/List\\_of\\_Chinese\\_Taipei\\_Representatives\\_to\\_APEC](http://en.wikipedia.org/wiki/List_of_Chinese_Taipei_Representatives_to_APEC).)

<sup>110</sup> "Ma Ying-jeou angling for entry to APEC 2014 in Shanghai," *Taiwan News*, August 28, 2013,  
[http://www.taiwannews.com.tw/etn/news\\_content.php?id=2288647](http://www.taiwannews.com.tw/etn/news_content.php?id=2288647).

<sup>111</sup> Mo Yan-chih, "Ma defends China policy, says meeting with Xi an option," *Taipei Times*, July 11, 2013,  
<http://www.taipeitimes.com/News/taiwan/archives/2013/07/11/2003566851>.

<sup>112</sup> In the past, when the issue of a meeting with Xi has come up, Ma has tended to push it aside as a theoretical possibility but not something he was focused on. His increasingly frequent references to it since mid-July, however, suggest more serious interest.

The first of these was in an interview with Next TV, when Ma said: "With the support of the Taiwanese people and ensuring that no harm is done to the nation's dignity, we do not exclude the possibility of holding a meeting with Xi to further develop cross-Strait relations." (Mo Yan-chih, "Ma defends China policy, says meeting Xi an option," *Taipei Times*, July 11, 2013,  
<http://www.taipeitimes.com/News/taiwan/archives/2013/07/11/2003566851>.)

Later that month, in an interview with Bloomberg News, Ma identified the very important "conditions" that would need to be addressed, including the nature of the occasion (場合) when such a meeting might be held and his status (身分) in such a meeting. "Because my position is president of the Republic of China, wherever I go I must always maintain that status"

(因為我身為中華民國的總統, 到任何地方去, 都要維持這樣的身分). Bloomberg interpreted this as Ma saying that

any meeting would be contingent on his being present in his official capacity as ROC president, which is not an illogical conclusion. (Debra Mao and Adela Lin, “Ma says Taiwan people override missiles in meeting Xi,” Bloomberg, July 26, 2013, <http://www.bloomberg.com/news/2013-07-26/ma-says-taiwan-people-override-missiles-in-deciding-on-xi-meet.html>.)

But foreshadowing the logic he used over the next several weeks for attending APEC—and presumably meeting with Xi on that occasion—Ma seemed to indicate a way around that requirement. He pointed out that the leaders at the annual APEC summit meetings are not there in their capacities as heads of state or government using titles of “president” or “premier,” etc., but are there as “leaders of economies.” That said, because of the special circumstances relating to Taiwan, Taipei was only able to send the “representative of the leader,” and not the leader himself, which created a requirement to establish the necessary conditions for the leader to go.

Whether creating those conditions would be possible remained to be seen, he said. In answer to a question about whether removal of PRC missiles opposite Taiwan was one of those conditions, Ma said it would be politically helpful even if militarily not very meaningful if the missiles were removed. But the most important preconditions were the needs of the nation, people’s support, and that any meeting take place in conditions that maintained dignity (國家有需要，人民願意支持，且在有尊嚴的情況下) (“President grants an interview to the American ‘Bloomberg News,’” Office of the President, Republic of China [Taiwan], July 26, 2013, <http://www.president.gov.tw/Default.aspx?tabid=131&itemid=30454&rmid=514>.)

<sup>113</sup> “President Ma: Insufficient conditions for attending APEC summit in person,” KMT News Network, August 27, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13362>.

<sup>114</sup> “Taiwan President willing to attend APEC summit as ‘economic area’ leader,” *Taiwan News Online*, September 5, 2013, [http://www.taiwannews.com.tw/etn/news\\_content.php?id=2294590](http://www.taiwannews.com.tw/etn/news_content.php?id=2294590).

<sup>115</sup> Guo Zhenyuan, a research fellow at a foreign ministry-connected think tank, the China Institute of International Studies, observed that Ma’s attendance at APEC is not a question of fairness to Taiwan (as Ma had suggested in a comment to the press when traveling in Paraguay in mid-August—“President Ma: APEC summit barring my attendance unfair to Taiwan,” KMT News Network, August 16, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13324>) or in what capacity he attends. Rather it is a question concerning basic principles and the foundation of cross-Strait relations. Guo scolded Ma for doing something that was “very inappropriate” and for a misjudgment that reveals a mindset of excessive expectation and impatience involving issues of “one China, one Taiwan” or “two Chinas.” This is an extremely serious issue, Guo said, which will have an impact on cross-Strait relations, mutual trust, and the good atmosphere between the two sides. (Liao Zida, “Guo Zhenyuan: Ma Ying-jeou’s way of thinking about APEC is not beneficial to Taiwan” [郭震遠：馬英九的APEC想法對台灣無利], *China Review News*, August 28, 2013, <http://www.chinareviewnews.com/crn-webapp/doc/docDetailCNML.jsp?coluid=93&kindid=9490&docid=102702126>.)

<sup>116</sup> Ni Yongjie, deputy director of the Shanghai Institute of Taiwan Studies, for example, thought that a Ma-Xi summit as soon as possible was the key to a breakthrough in cross-Strait relations. He said that Beijing would never accept a Ma visit to the Mainland as president of the ROC, but if he came as head of the economy, this could be possible. Moreover, on venue, Ni said that Ma might attend the APEC leaders meeting hosted on the Mainland, but he could not attend such a meeting in foreign countries. (“Possibilities of Ma attending an APEC summit and a Ma-Xi meeting,” KMT News Network, August 20, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13338>.)

<sup>117</sup> See endnote 109 on the “Seattle model.”

<sup>118</sup> Lin K’e-lun, “Regarding Ma’s hope to attend APEC, Sun Yafu: Must follow established practice” (馬盼出席APEC 孫亞夫：應按慣例), *United Daily News*, August 20, 2013, <http://udn.com/NEWS/MAINLAND/MA11/8107629.shtml>. The PRC foreign ministry followed up a week later on only the APEC question, using the same guidance Sun had followed. “Foreign Ministry spokesman Hong Lei answers reporters’ questions regarding the person from Taiwan to attend the informal meeting of APEC leaders” (外交部發言人洪磊就台出席APEC领导人非正式会议人选答记者问), August 27, 2013, [http://www.fmprc.gov.cn/mfa\\_chn/wjdt\\_611265/fyrbt\\_611275/t1069965.shtml](http://www.fmprc.gov.cn/mfa_chn/wjdt_611265/fyrbt_611275/t1069965.shtml). (Hong’s response was: 我们主张，按照APEC有关谅解备忘录的规定和惯例来处理有关问题。)

<sup>119</sup> Chris Wang, “Ma’s APEC motives a cause for concern, DPP says,” *Taipei Times*, August 28, 2013, <http://www.taipeitimes.com/News/taiwan/archives/2013/08/28/2003570771>.

<sup>120</sup> Lai I-chung, “Ma-Xi meeting in 2014 will mean the elimination of the ROC,” *Liberty Times* (op-ed), August 18, 2013, <http://www.libertytimes.com.tw/2013/new/aug/18/today-o6.htm>. A senior DPP official also raised questions about whether Ma would sacrifice sovereignty for the sake of such a meeting. (Zou Liyong, “Wu Jau-shieh: calls into question whether Ma would yield on sovereignty in order to attend the Shanghai APEC meeting” [吳釗燮：質疑馬會為上海APEC讓步主權], *China Review News*, August 28, 2013, <http://www.chinareviewnews.com/crn-webapp/doc/docDetailCNML.jsp?coluid=93&kindid=2931&docid=102703233>.)

<sup>121</sup> “Taiwan Mood Barometer Survey, the Ma-Xi meeting and Taiwan-China-US relations” (台灣民心動態調查、馬習會與台美中「最新民調結果」), Taiwan Indicators Survey Research, August 29, 2013, <http://www.tisr.com.tw/?p=3245>.

<sup>122</sup> Rogge Chen and Elizabeth Hsu, “Taiwan-New Zealand trade deal is of much significance: economist,” CNA, July 10, 2013, <http://focustaiwan.tw/news/aeco/201307100038.aspx>.

<sup>123</sup> Private conversations.

<sup>124</sup> Stacy Hsu and Chris Wang, “Xi Jinping accepting of Siew’s ‘three-point vision,’” *Taipei Times*, April 9, 2013, <http://www.taipeitimes.com/News/taiwan/archives/2013/04/09/2003559178>.

<sup>125</sup> Scarlett Chai and Scully Hsiao, “China urged to view Taiwan’s regional integration bid positively,” CNA, August 8, 2013, <http://focustaiwan.tw/news/aeco.201308080025.aspx>.

<sup>126</sup> Tony Liao, Oscar Wu, and Maubo Chang, “Obama reiterates U.S. obligation to provide Taiwan with arms,” CNA, June 8, 2013, <http://focustaiwan.tw/news/aall/201306090021.aspx>.

During his recent visit to Washington, PRC Foreign Minister Wang Yi described the “Taiwan question” (台灣問題) as “in a controllable state” (在可控的狀態之內). (Yu Dong Hui, “Wang Yi: Taiwan question is in a controllable state” [王毅：台灣問題處於可控狀態], *China Review News*, September 19, 2013, <http://www.chinareviewnews.com/crn-webapp/doc/docDetailCNML.jsp?coluid=7&kindid=0&docid=102751896>.) He also made a pitch for the United States to “go along with the prevailing trend of peaceful development of cross-strait relations, and genuinely appreciate and respect China’s efforts to oppose separation and achieve peaceful reunification,” arguing that this would turn the Taiwan question into an asset and positive factor in PRC-U.S. relations instead of the liability and negative factor it has historically been. (“Toward a New Model of Major-Country Relations Between China and the United States,” Speech by Foreign Minister Wang Yi at the Brookings Institution, September 20, 2013, <http://www.fmprc.gov.cn/eng/wjdt/zyjh/t1078768.shtml>; the original Chinese text is available at [http://www.fmprc.gov.cn/mfa\\_chn/zyxw\\_602251/t1078765.shtml](http://www.fmprc.gov.cn/mfa_chn/zyxw_602251/t1078765.shtml).) The United States has consistently refused to endorse a particular outcome, and Wang’s argument is unlikely to change that.

<sup>127</sup> “Transpacific Cooperation, State Councilor Yang Jiechi’s Remarks on the Results of the Presidential Meeting between Xi Jinping and Obama at the Annenberg Estate,” PRC Ministry of Foreign Affairs, June 9, 2013, <http://www.fmprc.gov.cn/eng/topics/xjpttermux/t1049263.shtml>.

<sup>128</sup> Yu Donghui, “Appeal to U.S. to stop arms sales to Taiwan, Chang suggests creating a working group but gets no response” (籲美停對台軍售 倡建工作組獲回應), *China Review News*, August 31, 2013, <http://www.chinareviewnews.com/doc/1026/8/9/2/102689259.html?coluid=93&kindid=7950&docid=102689259&mdate=0821004844>.

<sup>129</sup> William Lowther, “US committee backs ‘Taiwan Policy Act,’” *Taipei Times*, August 3, 2013, <http://www.taipeitimes.com/News/front/archives/2013/08/03/2003568810>.

<sup>130</sup> The text of the bill is available at <http://www.govtrack.us/congress/bills/113/hr419/text>.

<sup>131</sup> Li Boya and Wen Xian, “U.S. House Committee on Foreign Affairs grossly interferes in China’s internal affairs” (美眾院外委會粗暴干涉中國內部事務), *People’s Daily*, August 3, 2013, [http://paper.people.com.cn/rmrb/html/2013-08/03/nw.D110000renmrb\\_20130803\\_7-03.htm](http://paper.people.com.cn/rmrb/html/2013-08/03/nw.D110000renmrb_20130803_7-03.htm).

<sup>132</sup> Yu Donghui, “Appeal to U.S. to stop arms sales to Taiwan, Chang suggests creating a working group but gets no response.”

<sup>133</sup> The Chinese routinely identify three obstacles to better military-to-military relations: U.S. arms sales to Taiwan, congressional prohibitions on certain military-related sales to the PRC, and surveillance activities in China’s exclusive economic zones (EEZ). While Minister Chang was obviously steeped in this history, it is more than possible that Secretary Hagel was not, and so he did not automatically associate “talks about resolving obstacles to mil-mil relations,” which could be a good thing, with “talks about resolving the arms sales issue,” which would violate long-standing U.S. policy.

<sup>134</sup> Tony Liao and Sofia Wu, “U.S.-China panel will not discuss Taiwan arms sales: Pentagon,” CNA, August 21, 2013, <http://focustaiwan.tw/news/aip/201308220011.aspx>.

Perhaps signaling that Beijing is not going to press its original interpretation of the Chang-Hagel meeting, a week later the ministry of defense briefer took what appeared to be a half step back. After reiterating resolute opposition to U.S. sale of arms to Taiwan, which, he said, has a bearing on China’s sovereignty and territorial integrity and “involves China’s core interests” (涉及中国的核心利益), the briefer reported that Chang had “frank and in-depth discussions” (坦诚深入的交谈) with DoD and military leaders regarding development of Sino-American military relations and the proper handling of contradictions and differences between the two sides. Both sides, he said, felt there should be “stepped up dialogues and specific discussions” (加强对话, 进行具体商谈) regarding the obstacles and differences in the development of military relations. He expressed China’s desire to strengthen contacts and cooperation to try to take those relations to a new level. Asked again about the arms sales issue, the briefer reiterated that they constitute a “major obstacle” (重要障碍) affecting “in-depth development” (深入发展) of bilateral military relations, closing with the hope that the U.S. would strictly abide by the principles of the three joint U.S.-PRC communiqués, “particularly the ‘August 17 communiqué’” and halt the sale of weapons to Taiwan. But he did not assert there had been agreement to take up the topic in a working group. (Ministry of National Defense press briefing, August 29, 2013, [http://www.mod.gov.cn/affair/2013-08/29/content\\_4463850.htm](http://www.mod.gov.cn/affair/2013-08/29/content_4463850.htm).)

<sup>135</sup> Romberg, “Striving for New Equilibria,” p. 7.

<sup>136</sup> Kelven Huang, Wang Shu-fen, and Jay Chen, “President not planning to meet blind Chinese dissident,” CNA, June 23, 2013, <http://focustaiwan.tw/news/aall/201306230024.aspx>.

<sup>137</sup> Lin Ch’ao-yi, ““Whether a matter of sensitivity or a scheduling conflict, Hsieh Chang-ting cancels meeting with Chen Guangcheng” (敏感或時間敲不攏 謝長廷取消會晤陳光誠), *Newtalk*, May 30, 2013, accessed on day of publication at <http://newtalk.tw/news/2013/05/30/36899.html>, currently available at <http://tw.news.yahoo.com/敏感或時間敲不攏-謝長廷取消會晤陳光誠-173738630.html>.

<sup>138</sup> Shih Hsiu-chuan, “Wang Jin-pyng cancels meeting with Chen Guangcheng,” *Taipei Times*, June 25, 2013, <http://www.taipetimes.com/News/front/archives/2013/06/25/2003565597>.

<sup>139</sup> “Chen Guangcheng: Taiwan independence ideology out of date,” KMT News Network, June 27, 2013, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=13092>.