The Times They Are A-Changin’

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If Beijing was surprised by the extent of public support in Taiwan for the “Sunflower Movement” last spring, along with everyone else they were stunned by the extent of the KMT debacle in the November 29, 2014, “9-in-1” local elections. For the Mainland, the principal consequence is the need to think through the potential implications of a DPP return to the presidency in 2016 and possibly even DPP control of the Legislative Yuan for the first time. There is unanimity among Mainland observers regarding the need for a harsh PRC response if the DPP openly rejects “one China” and refuses to move away from support of “Taiwan independence.” Opinion is far more divided, however, about how Beijing would—or should—react if the DPP fashions an approach that avoids such direct challenges to the Mainland’s bottom line.

That said, although the November results gave the DPP momentum and left the KMT largely dispirited, there are many reasons why a DPP victory in 2016 is hardly a foregone conclusion. In recognition of that reality, both of Taiwan’s political parties are working hard to position themselves for the upcoming contest.

KMT Disaster at the Polls

The disaster suffered by the KMT at the polls in November has been well documented and does not need detailed rehashing here. Suffice it to say that only one KMT mayor now governs in the six major municipalities (whereas the party previously held seats in three of the then-five major cities) and only six KMT mayors are in office in all 22 cities and counties—down from 15 before the election. The DPP now occupies 13 mayors’ seats, including four in the major municipalities. Although the formally nonpartisan status of the winning candidate in Taipei, Ko Wen-je, probably helped him achieve victory, in fact he was closely aligned with the DPP during the campaign.

Setbacks for the KMT were widely predicted, but nothing on the order of the actual catastrophe it encountered. As the final days before election were counted down, some polls even purported to show the KMT candidates closing in on the DPP favorites in Taipei and Taichung. In the end, however, not only did the DPP sweep both cities, but island-wide the DPP gained 47.56 percent of the valid ballots cast, while the KMT received only 40.70 percent, garnering 1.9 million fewer votes than in the 2012 general elections. If one counts Ko Wen-je’s 854,000 votes as “quasi-DPP,” then the total for the “DPP” topped 56 percent of the total votes cast.

Nonetheless, the DPP was careful not to crow too loudly. And well it might have exercised caution. Two polls, one in the immediate wake of the election and one a few weeks later, found that the main reason for the KMT’s disastrous defeat was the public’s strong disapproval of President Ma and Premier Jiang Yi-huah’s performance, especially among younger people. Even Tsai Ing-wen did not claim that overwhelming support for
the DPP was responsible for the outcome, but observed instead that, while the DPP made people “feel at ease,” the results were due to voter dissatisfaction with the KMT.\textsuperscript{11}

That being said, clearly the DPP emerged with substantial momentum for the presidential contest in January 2016, and possibly even for a shot at a majority in the Legislative Yuan (LY). Poll after poll in the wake of the November elections showed widespread expectation that the DPP would win the presidency.\textsuperscript{12} Moreover, whereas polls before the election showed that, although KMT support was dropping precipitously, the DPP seemed not to be gaining, that situation has changed. As late as September, the KMT had even regained a slight lead over the DPP in terms of party identification in one poll.\textsuperscript{13} Starting in December, however, the DPP began to garner more support, so that by late February it led the KMT by over nine percentage points (28.3 vs. 19.0), or over 10 points (35.5 vs. 25.3), if one counts responses in favor of all pan-Blue and pan-Green parties, including smaller ones.\textsuperscript{14}

On the other side of the aisle, the KMT emerged from November dazed and dispirited. However, when three days after the debacle President Ma Ying-jeou announced that he would resign as party chair, the sole KMT survivor in the major municipality contests, New Taipei Mayor Eric Chu Li-luan, quickly announced that he would vie for the KMT chair. Chu had only squeaked by with a winning re-election margin of 1.28 percent, or fewer than 25,000 votes, as against his 5 percent or 100,000-vote victory margin against Tsai Ing-wen in 2010.\textsuperscript{15} But he was clearly the best hope to lead the party, and all other contenders quickly dropped out and announced their backing for Chu.

Chu termed the people’s anger at the KMT “vicious,” blaming the party’s problems on the failure of the market economy and a dysfunctional political system as well as nepotism and cronyism that had plagued affairs to the point where the general public felt it had not received dividends from the peaceful development of cross-Strait relations. In explaining his decision he said, “For the sake of Taiwan’s democracy, I cannot leave the KMT in the lurch. I have to run for chairman. It does not matter if people favor the KMT in power or bring it down in the future, we must stand by the people all the time, stick to the values of fairness and justice, and regain the founding principles of the party.” He went on, “we cannot let one-party dominance undermine democracy in Taiwan.”\textsuperscript{16}

It should be noted that despite the solid DPP victory in mayoral and county commissioner elections, when it came to city and county council elections, although the DPP reaped a slightly higher number of votes (4.52 million or 37.08 percent of the valid votes vs. the KMT’s 4.49 million or 36.86 percent), the KMT still won more city council seats (386 vs. the DPP’s 291).\textsuperscript{17} Moreover, the KMT won the speakership in 15 of the 22 local councils island-wide,\textsuperscript{18} including in 5 of the 6 special municipalities.\textsuperscript{19} Hence, it remains to be seen whether or not the mayoral and county commissioner elections will be a harbinger for 2016.

As chairs of the DPP and KMT, Tsai and Chu immediately laid out a series of positions designed to give their respective parties the initiative over the coming year of campaigning (and presumably for a longer-term future, as well). Both had to deal with
divisions within their parties, though with the DPP, differences perhaps center more on process and ideology, while current KMT differences appear to arise from concern about local versus central party control and the political liabilities of being too closely identified with the Ma administration.

For her part, in an effort to build on the moment of November 29, Tsai characterized the local election results as an “historic prologue for change.” She said that the party must embrace one principle: “Facing the power of the people, we should only become more humble” beginning “from the ground up” to “win back Taiwan, one step at a time.”

Expanding on this theme, Tsai demanded that DPP officials act in accordance with the principles of “transparency, cooperation and efficiency” to pursue goals that included making public not only expenditures but also the details of policy development and implementation. Creating maximum public benefits without an “ego” or “partisan bias” was important. Moreover, she counseled that successful governance at the local level would be the key to gaining the trust needed to convince voters to grant the DPP the mandate to govern at the center.

In her mid-February Facebook announcement that she would vie for the DPP presidential nomination, Tsai expanded on the principles she intended to espouse as Taiwan’s leader. She said that the time of “party politics” (政黨政治) is ebbing in Taiwan and a “new era has started that truly belongs to the people” (開創一個真正屬於人民的時代). Maintaining that she is her own person, “not Chen Shui-bian, not Ma Ying-jeou,” Tsai asserted that this is the time for “new politics, a new system, and a new beginning” (新的政治，新體制和新的開始), with the “new politics” characterized not only by transparency (透明) but integrity (清廉), participation of the people (參與), tolerance (參與), and a clear demarcation of rights and responsibilities (權責分明). “Taiwan needs reform” (台灣需要改革), she proclaimed. It will involve pain, Tsai said, and she called for people to unite and overcome that pain.

In her announcement she also included a theme that was directly relevant to cross-Strait relations and that has continued to be prominent in official DPP statements since then. She said that the “new politics” she espoused included the need to “consolidate sovereignty” (主權鞏固). When registering for the nomination contest the following day, Tsai expanded on this point. She noted that the DPP’s priority of focusing on consolidating national sovereignty differed from the KMT position and that the DPP sought to adopt a “new kind of political and cultural perspective” regarding cross-Strait policy, “leaving behind” the KMT’s “outmoded policies” and shaping a “new future” for cross-Strait policy. A theme that developed over the succeeding weeks was that “cross-Strait exchanges must not be allowed to harm Taiwan’s sovereignty and security” (兩岸的交流不得傷害台灣的主權與安全).

As time went on, when Mainland officials talked about the necessity to embrace “one China” and dismiss “Taiwan independence,” the DPP responded by stressing the policy of “three benefits” (三個有利) and “three insists” (三個堅持), rather than directly refuting Beijing’s line.
Tsai voiced assurances that the DPP would fulfill its responsibility to maintain peaceful and stable cross-Strait relations and that this would be a priority goal that conformed to the expectations of people on both sides of the Strait and the hopes of the international community. Tsai and her colleagues also underscored, however, that meeting those hopes and expectations was a responsibility not just of one side but of all sides.

On the KMT side, with Chu Li-luan as the only registered candidate for party chair, the effort focused on trying to reknit the fabric of the party with strong leadership from the center and wholesale reform of the organization’s structure and personnel at all levels.

In setting out on his task, Chu likened the November results to a tsunami and called for deep soul-searching, revival of the party’s “founding spirit,” positioning of the party side-by-side with the people, and open-mindedness to attract more younger people as party members.

He called for tax reform to correct for what he said was the lack of fairness and justice that characterizes a market economy, leading to a social divide between those on government payrolls and labors and farmers.

Chu downplayed the importance of any one person, including himself in his prospective role as party chair, and stressed instead the need for a team effort. He said that, while the president had to bear responsibility for what he termed the “erroneous policies and inappropriate deeds” that led to peoples’ unhappiness with government, the economy and life in general had caused the shattering defeat, that responsibility also needed to be shared by all KMT colleagues, including local leaders like himself.

At the same time he was diagnosing the causes of the November debacle, Chu was also putting forth bold new proposals in an effort to regain the people’s support. These included a call to shift to a parliamentary system, perhaps akin to the semi-presidential system in France, lower the voting age (also favored by the DPP), introduce absentee voting, and work to ensure that the executive branch of the government keeps in step with the legislature.

As part of the reform process, he appointed a new party secretary-general and two “full-time” senior politicians (and former mayors) as party vice chairmen.

After delaying for several weeks to allow an orderly process, Chu moved decisively to stem the long-standing controversy within the party and rally members around the center by confirming that LY speaker Wang Jin-pyng was “without any doubt” a KMT member and announcing that the party would no longer pursue the case initiated under Ma Ying-jeou to expel Wang from the party. Ma, despite his public expression of disappointment and disagreement with that decision, quickly dropped his public opposition and affirmed that he supported the KMT’s solidarity and its reforms. As he put it after some very sharp questioning at a meeting at the party think tank, the National Policy Foundation (NPF), where he appeared with Wang and Chu in a gesture of unity, “I’ve heard your wise opinion” (各位的高見，我都聽進去了).
In fact, reorganization of the NPF itself was one of Chu’s announced reform steps. He took over as chairman from former vice president Lien Chan and replaced NPF management personnel closely associated with Lien, choosing two KMT vice chairmen as vice chairmen of the foundation along with a new board of directors and supervisory board. In making these changes, Chu said that the NPF would focus primarily on strengthening the party’s ideals and on studying public affairs and theories, as well as bringing in younger academics to help keep up with the development of new technologies and the thinking of the electorate. Moreover, the foundation would work closely with the KMT’s LY caucus in drafting “bread-and-butter” bills and promoting public policies.

Chu cut back on the party’s staff and revamped the leadership structure of local KMT chapters, picking heads from among the party’s representatives to parliamentary bodies at different levels. A KMT vice chairman was assigned to implement that reorganization scheme, signaling a major break with party tradition, according to which such organizational matters had usually been handled by lower-level officials at the department level. This change was judged by political observers as likely leading to improved coordination between the local chapters and elected KMT officials.

The measures by both DPP and KMT leaders to strengthen their respective parties’ positions heading into 2016 predictably generated a certain amount of internal discontent both at staff and political levels. KMT staff, for example, complained that provision had not been made for reemploying them elsewhere, and various KMT LY members were unsuccessful in seeking endorsement to become candidates for at-large seats out of fear that their district seats were at risk due to the overall decline in KMT support. Chu said they were needed where they were.

As for the DPP, it was described by one not unsympathetic observer as “a notoriously divided party; united in opposition, but after that divided in policies, leadership and goals.” Not only did it have to cope with the alleged acceptance of bribes in connection with the selection of the Tainan city council chairman, but there were complaints about the early schedule and regulations for the DPP primary and the apparent effort to rush through Tsai’s nomination despite what one senior dark Green stalwart called her lack of “global perspective.”

Tsai will obviously have to deal with such complaints. But given her high standing within the party and the fact that she is running unopposed for the nomination, these will not be major problems for her. The more serious controversies may arise later this spring, when Tsai seeks to cobble together a cross-Strait policy that she hopes will be tolerable for Beijing yet also acceptable within the DPP as well as to various civic groups, especially younger voters, who will be on alert against the slightest hint of compromise on sovereignty.

In an effort to get as broad support as possible, even going back to the November election when the DPP declined to field a candidate in the Taipei mayoral contest in favor of backing Ko Wen-je as an “independent” candidate, Tsai has sought to harness as broad a constituency as possible to the DPP cause. With Ko Wen-je in particular, on a political
Talk show on November 18, for example, Tsai said that “the DPP hopes that he will coordinate with DPP local government heads to maximize public policy outcomes.” That statement eventually led to release by the DPP’s Taipei chapter of the “text” of a verbal agreement from the preceding June that laid out the reasonably extensive terms of cooperation fixed between Ko and the DPP. While the terms of the agreement did not exactly lash him up with the party, they certainly put him on the DPP side of the line in terms of coordination and mutual support.

Especially in light of Ko’s obvious popularity, Tsai has continued to court him despite his unpredictable nature. When Ko expressed skepticism about the 1992 Consensus and suggested that rather than focusing on “one country, two systems” it would be more appropriate to think about “two countries, one system” (二國一制), Tsai moved quickly to support him by “explaining” that he meant “we are all insistent on Taiwan’s sovereignty and independence” (我們大家都堅持台灣主權獨立). In so doing, of course, she once more put focus on the sovereignty issue in a way that will likely make it harder to blur the issue to satisfy Beijing as the campaign rolls on. Despite the tether this created on Tsai’s freedom of action, the importance of Ko’s backing was reinforced by a poll in late February showing that almost 37 percent of respondents said they would support the candidate Ko favored.

Despite these efforts to maximize her base, as one prominent critic, former DPP legislator Julian Kuo Cheng-liang, summed things up, Tsai has three major hurdles in the presidential election. Two are related to domestic issues, namely, a lack of momentum in southern Taiwan, where there has been a sense of voter alienation due possibly, Kuo thought, to Tsai’s reserved personality; and insufficient support from grass-roots counties, which, Kuo said, the DPP has long ignored. The third is that cross-Strait issues could affect Tsai’s election prospects in Taipei City and New Taipei City, where she needs to put forth concrete proposals.

At this point, while most people believe Tsai will win, polls vary widely about how well she would do if, contrary to his repeated statements that he will not run, Chu Li-luan were the KMT nominee. Although one poll in February showed Tsai in the lead by 52 percent vs. 33 percent, another showed them within two points of one another at 43 percent vs. 41 percent.

So how does the cross-Strait issue play in Taiwan politics at this point?

**Reaching Across the Strait**

Chu Li-luan has introduced a certain degree of nuance to the KMT’s cross-Strait policy. For example, in an exchange of notes with Xi Jinping following Chu’s ascension to the KMT chair, Chu strongly endorsed the 1992 Consensus, praising the progress made in cross-Strait relations over the past six years on the basis of that consensus and expressing the hope that the two parties could broaden exchanges to promote the sustainable development of peace and prosperity on both sides of the Strait.
At the same time, in responding to Xi, just as he had done when he met with Taiwan Affairs Office head Zhang Zhijun in New Taipei last June, Chu tweaked the usual formulation of “seeking common ground while reserving differences” (求同存异) to call for “seeking common ground while respecting differences” (求同尊異).

Moreover, while Chu has endorsed resumption of the annual KMT-CCP forum (formally the Cross-Strait Economic, Trade and Cultural Forum) and said his own attendance would be “very natural,”62 he has evaded the question of whether he actually would attend. In addition, while he has not dismissed the notion of a meeting with Xi Jinping, he has indicated that it is premature to talk about that and said that any such meeting would have to be preceded by party-to-party negotiations.63

When addressing the issue of who benefits from cross-Strait relations, Chu placed these concerns in a larger context.

Undeniably the rapid progress of cross-Strait ties in recent years has had a big psychological effect on Taiwanese society, while increased economic and trade exchanges between the two sides have also raised concerns about a widening wealth gap in Taiwan. These are the questions facing us. The KMT must examine these issues seriously.64

The DPP’s call for change, of course, has been much sharper. For a long time, in her role as chair of the DPP, Tsai Ing-wen has been seeking to reassure everyone, including foreign envoys in Taipei and various governments abroad—most especially the United States—that the party wants active exchanges with the Mainland65 and that engagement with Beijing “will be consistent, responsible and predictable” (將會是具一致性，負責任，可預測的).66 At the same time, she has pledged to “remain vigilant in the defense of our hard-earned freedoms and right to decide our own future” (我們依然保持警惕，以捍衛我們得來不易的自由，與決定自己未來的權利).57

As already discussed, many observers point to angst about Ma’s policy toward the Mainland as a critical background factor to the Sunflower Movement of March 2014 and an important element in the KMT’s spectacular defeat in November. Still, DPP spokesmen have been careful not to characterize cross-Strait issues as a prominent factor in those elections. Indeed, as part of a determined DPP effort to keep things quiet in the immediate wake of the election, Joseph Wu Jaushieh, the party’s secretary-general, went out of his way to say that cross-Strait relations “were not put to a referendum in the votes” and that the party would not interpret the election results as a setback for China or a failure of the KMT’s cross-Strait policies.68

In the course of doing this, Wu also reiterated a theme that has been prominent in Tsai Ing-wen’s own remarks, arguing that both sides have a responsibility to maintain stability. If, Wu said, the Mainland continues to assert that the DPP is at fault for the failure to establish party-to-party relations because it has not accepted certain preconditions, the situation in the Strait will not be peaceful and stable. Rather, what the DPP wants is to lower mutual mistrust and misunderstanding through more engagement,
exchanges, and dialogue without preconditions. Nonetheless, while Wu said that the party would continue to probe for “the best approach to engage China” (與中國打交道的最佳手法), he added that in the process “the DPP’s basic policy remains unchanged” (民進黨的基本政策立場沒有改變). 69

Tsai’s internal dilemma is clear. While some of her putative supporters are pushing a hard line in favor of asserting Taiwan’s sovereignty and independence, others are searching for accommodation. DPP cofounder, former premier and presidential candidate Frank Hsieh Chang-ting, for example, cautioned that “the DPP must engage in soul-searching and make a change in order to transform itself into a political party for all people... On cross-Strait relations, the DPP must propose policies that are acceptable to 60–70 percent of the electorate.” 70

Similarly, William Lai Ching-te, the very popular mayor of Tainan (viewed as a likely future presidential candidate and rumored to be Tsai’s choice as vice presidential running mate in 2016), urged prudence. “We should not provoke [the Mainland]. While it advocates unification, everyone knows that we advocate independence. If the issue of unification versus independence cannot be solved now, we should put it to the side. We can engage, as we seek common ground and shelve differences” (我們不要挑戰它。你們（中國）是主張統一，這個我們大家知道，我們主張台灣是獨立的，這個你們應該知道，如果統一和獨立，一時間無法解決，不然我們先放著，大家來交流，就是求同存異). 71

An important part of the process for reconciling conflicting views and formulating the DPP’s position on cross-Strait relations will be to forge a consensus first among the party’s top leaders. In this effort, Tsai reconvened the China Affairs Committee in late January 2015, the first time it had met since May 2014 (at which time, in fact, the participants only had an “informal chat”). She also reconfigured the committee membership, where she now is chair, and mayors of major cities and a number of other senior DPP stalwarts sit as members. 72

As an initial step even before a final position has been determined, Tsai has proclaimed that expanding DPP-run local governments’ ability to deal with cross-Strait affairs is a “top priority for the party at the current stage” (現階段的優先事項). In response, the party’s central committee has called for all DPP-run cities and counties to establish mechanisms like the one that already exists in Kaohsiung to manage such cross-Strait affairs as city-to-city exchanges. 73 Even here, however, consistent with statements she and other DPP officials have been making, Tsai made clear that a premise for this activity is upholding national sovereignty (堅持國家主權).

Will Tsai be able to come up with a formulation for cross-Strait policy that will be tolerable to Beijing, welcomed by people in Taiwan, and acceptable to the United States? She projects confidence that she can. Some people have suggested such a formulation might include “taking note of the 1992 Consensus,” agreeing to adhere to the Republic of China Constitution, or making a statement that the future cross-Strait relationship cannot be determined for a very long time to come and in any case is not to be decided by one political party but by the people of Taiwan.
But most observers this analyst has spoken with in both Taiwan and the Mainland are skeptical there is a workable formula that can satisfy all the necessary players. We do not know, of course, what communication has transpired between Tsai and authoritative policy centers in Beijing. But statements coming from not only the Taiwan Affairs Office (TAO) but also from Xi Jinping himself are not encouraging.

In January, the TAO spokesman touted three common points between Xi Jinping and Chu Li-luan in their exchange of messages: both highly evaluated the good situation that has developed since 2008; both said they wanted to strengthen the common political foundation of the 1992 Consensus; and both were full of confidence and hoped to continue to promote the peaceful development of cross-Strait relations by making greater efforts for the benefit of people on both sides.74

By way of contrast, in that same press briefing, the spokesman affirmed the “consistent and clear” and unwavering policy toward the DPP and the Mainland’s firm opposition to Taiwan independence. As he put it: “The anchor of the steady development of cross-Strait relations is the ‘1992 Consensus.’ This is the crux of the matter. Only when the DPP goes with the historical tide and popular will and abandons its advocacy of ‘Taiwan independence’ can it find a way out for cross-Strait relations.” One well-placed person asked rhetorically, “If the DPP says it is for peace and stability and peaceful development of cross-Strait relations, but asserts at the same time that Taiwan is a sovereign, independent state, can we accept this?” Answering his own question he said: certainly not.

Even more indicative is what Xi Jinping said when he addressed these issues in early March.75 At a meeting of various Taiwan-related groups attending the Chinese People’s Political Consultative Conference (CPPCC) in Beijing, Xi delivered what Xinhua labeled “an important speech” (重要讲话).76

Echoing some of the rhetoric he used when he met with a pro-unification group from Taiwan in September 2014,77 Xi described peaceful development of cross-Strait relations as a “bright road to peaceful reunification” (通向和平统一的光明大道). Identifying what some people have labeled the “four resolutes,”78 he devoted some attention to underscoring that the Mainland would not alter its dedication to seeking benefit for the people in Taiwan. Moreover, he stressed once again that he wanted to hear opinions and suggestions from various Taiwan circles, particularly at the grass roots. Mainland officials and experts went to some lengths to say that this indicated the terms of unification, even under “one country, two systems,” would be quite different from the Hong Kong experience.79

At the same time, Xi also stated in very firm terms that the “1992 Consensus” had “played an irreplaceable, important role” (发挥了不可替代的重要作用) in establishing cross-Strait mutual trust, carrying out dialogue and consultations, and improving and developing the cross-Strait relationship. “If the common political basis of the two sides of the Strait is disrupted, mutual political trust between the two sides of the Strait will no longer exist and the cross-Strait relationship will return to the old path of turbulence”
Leaving no doubt about his message, Xi expanded on this point.

We always make the “1992 Consensus” the foundation of and the condition for carrying out exchanges with the Taiwan authorities and with Taiwan’s various political parties, with the core being recognition that both the Mainland and Taiwan belong to one China. As long as all political parties and groups on Taiwan can achieve that, there will be no obstacles for any political party or group to engage in exchange with the Mainland.

“Taiwan independence” splittist forces and their activities harm state sovereignty and territorial integrity, and they attempt to incite confrontation between the people and society on the two sides of the Strait and sever the spiritual cord of the compatriots on the two sides of the Strait, and they are the biggest obstacle for the peaceful development of cross-Strait relations, and are the greatest threat to peace and stability in the Taiwan Strait; hence the need to resolutely oppose them. Compatriots on the two sides of the Strait should maintain a high degree of vigilance against “Taiwan independence” forces.80

In response, DPP officials focused again on the “three benefits” and the “three insists,” with Tsai Ing-wen stressing that if her party wins the 2016 presidential election it will fulfill its responsibility to maintain peaceful and stable relations between the two sides. Once again as well, however, she stressed that it is not just Taiwan but both sides that have a responsibility to maintain peace and stability, no matter which party is in power in Taiwan.81

Tsai passed up the chance to directly rebut Xi with regard to the “1992 Consensus” and “Taiwan independence,” but two of her principal aides reiterated the importance of not allowing exchanges to harm Taiwan’s sovereignty or security.82 Meanwhile, Tsai tried to push the issue aside, arguing that focusing on “names or labels” (「名詞」或者...「標籤」) would not help in the handling cross-Strait ties. Instead, she said, the focus should be on relevant substantive issues, and added that she hoped the two sides would show mutual respect as they strengthened bilateral communication and increased exchanges.83

Looking Ahead

Against this background, what can one expect over the coming months leading up to the presidential and LY elections that will be held jointly in January?84

In Taiwan, the most important debate, at least in the early months of 2015, will not be between the KMT and DPP, but within the DPP and between the DPP and the civic organizations it will seek to enlist to its cause. The critical issue in that debate is not likely to be over economic or social policy. There, Tsai Ing-wen will be able to forge a
strong consensus based on a broad commitment to social and economic justice as well as reforming the domestic economic structure to enhance competitiveness.

The debate will instead center around how far the party can go in trying to identify an adequate substitute for the “1992 Consensus” without sacrificing the party’s basic principles regarding Taiwan’s sovereignty and independence.

A debate will also take place in the Mainland about how to react to alternative DPP formulations, both during the campaign and if the DPP wins the presidency—especially if it wins the presidency and control of the LY. There appears to be a strong consensus in Beijing that the policy of peaceful development must be maintained if at all possible, albeit on condition that “one China” is not rejected and “Taiwan independence” is not promoted. (If the DPP directly challenges Beijing on those core conditions, the consensus appears to be that Xi operates on the premise that if someone gives him trouble, he will strike back even harder. As one well-informed Mainland observer put it, Xi is not looking for a fight, but he’s not afraid of one, either.)

That said, the hard choices center around what to do if a victorious DPP adopts a more nuanced stance, one that does not accept either leg of the Mainland’s required foundation, but that does not directly challenge Beijing’s position, either.

Some Mainland observers say that as long as a DPP government does not directly reject the two key pillars of “one China” and “no independence” it would be neither wise nor necessary to “punish” Taiwan. Relations would not advance, but they need not move backward.

Others argue that ambiguity is unacceptable. It makes no sense, these people say, to maintain the current level of relations with an administration that does not subscribe to those critical conditions as the outgoing administration has done. If the DPP does not change its position, the Mainland shouldn’t act as though that doesn’t matter. Otherwise, in the words of one observer, this would be like accepting “soft independence.” Moreover, if the DPP comes into office with its current position and the Mainland does nothing, no future leader in Taiwan will subscribe to the concept of “one China.”

Even on the question of how to react if the DPP “freezes” the 1991 “Taiwan independence plank” there are some important differences among influential people on the Mainland. No one thinks such a step would be enough to totally satisfy Beijing. But some say it would be a substantial step forward and could generate a proportionately substantial step on the Mainland’s part, perhaps in terms of opening party-to-party contacts.

Others, however, say that while freezing the plank would be a “right step,” this could amount to no more than “playing with words.” After all, that plank and the 1999 Kaohsiung resolution on Taiwan’s future, which Tsai has described as “the DPP’s consensus,” are two sides of the same coin. Both endorse separatism. “The two resolutions have a logical connection.”
The bottom line one hears from virtually everyone on the Mainland is that Beijing has enough courage, determination, patience, and time to resolve the Taiwan issue and there is no reason to abandon a policy of many years’ standing.

Meanwhile, although it is possible that the two sides can reach some agreement on passengers transiting Taiwan on the way to other destinations, there seems to be little if any prospect that the Mainland will acquiesce in greater international space for Taiwan before 2016, be that responding to Taiwan’s desire for participation in some UN specialized agencies or in terms of Taipei’s ability to conclude bilateral or regional economic agreements. (In that regard, it is noteworthy that some recent press reports indicated Beijing would like to conclude the Regional Comprehensive Economic Partnership [RCEP] in which the PRC is a major player by the end of 2015.)

2015 will in all probability see a continuation of the series of meetings between the heads of Taiwan’s Mainland Affairs Council and the PRC’s Taiwan Affairs Office. After much to-ing and fro-ing, and in a context of efforts to deny there is stagnation in cross-Strait relations, MAC head Wang Yu-chi did accompany Vincent Siew to the APEC Leaders Meeting in November 2014, where he and TAO head Zhang Zhijun agreed on six fairly broad points. They were due to meet again in Kinmen in early February, but a combination of a civil aviation accident in Taipei and (at least from Taiwan’s perspective) Beijing’s then-insistence on activating a civil aviation route near the center line of the Taiwan Strait led to postponement. At that point, fate stepped in and Wang resigned when prosecutors decided there was a lack of evidence to prosecute Wang’s former deputy for leaking secret information to the Mainland. A career diplomat who was at that moment the vice minister of Defense, Andrew Hsia Li-yan, took his place.

Eventually Beijing agreed to postpone activation of the controversial air route, and so, though the issue remains unresolved, one could expect a Hsia-Zhang meeting in the not too distant future. One thing that will likely not be on the agenda, however, is the prospect of political talks, which Hsia, like his predecessor, has ruled out as premature due to a lack of domestic consensus and mutual trust.

Although President Ma would like to finish off the ECFA agenda before he leaves office, this seems unlikely to happen. Based on conversations in Taipei, the most one should expect from the LY in terms of cross-Strait activity is passage of a supervisory bill giving the legislature a greater role in any dealings with the Mainland. But with eight competing drafts of the bill now before the legislature, even that is not certain. In that context, it is interesting, however, that the DPP is beginning to focus on the fact that it does not want to be seen by Taiwan voters as totally obstructionist regarding cross-Strait dealings. Moreover, in considering the content of the legislation, it is clear that the DPP has started to think about how such a bill could affect its ability to fashion cross-Strait policy should it win the presidency. So the DPP may get behind a bill that could garner KMT support and be enacted into law.

Even if a supervisory bill is adopted, however, indications are that there is not time on the legislative calendar for any of the follow-on ECFA agreements to be approved by the LY
until after the change of administrations in Taipei in 2016. That includes the services trade agreement that has been sitting in the LY for over 18 months, as well as the commodities trade agreement that is still being negotiated. That said, there are hints in the air that when the LY finally does act on the services trade agreement, the DPP might not insist on reopening the existing agreed text but would settle for a supplementary deal to take care of its concerns.

Ma would also like to conclude the reciprocal establishment of SEF and ARATS offices that has been discussed between the two sides for two years. At the very least, according to some senior officials in Taipei, Taiwan hopes that an agreement can be signed even if the offices are not physically established. Even if that happens, however, once Beijing and Taipei come to terms, all eyes will turn to the LY to see how it will handle the agreement when submitted for legislative approval.

Conclusion

All things considered, in terms of real achievements, the prospects are that cross-Strait relations will mark time while the Taiwan elections play themselves out. Meanwhile, all parties on both sides of the Strait will be maneuvering to strike the right balance between seeking their maximalist goals and adopting positions that will actually advance their most basic interests.

We will address all of this, including the strong U.S. interest in these subjects, in our next essay.

Notes


2 The KMT itself identified six reasons for its crushing defeat:
   A) The electorate cast their votes against the KMT to express dissatisfaction with KMT governance.
   B) The KMT failed to win the hearts and minds of the younger generation, including by ignoring the rallying effectiveness of the Internet.
   C) The KMT failed to effectively integrate Internet resources with the real world.
   D) The negative campaigning in the Taipei City mayoral election had spillover effects in other cities and counties.
   E) The KMT’s position in opposition to some civic groups adversely affected the KMT’s response to certain social issues.
   F) The KMT misjudged core campaign issues and failed to adjust its campaign strategies accordingly.

6 In Taipei, the independent candidate, Ko Wen-je, won by over 244,000 votes, pulling in some 57.16 percent of the ballots as against KMT candidate Sean Lien’s 40.82 percent. (Loa Iok-sin and Shih Hsiu-chua, “KMT Trounced,” Taipei Times, November 30, 2014, http://www.taipeitimes.com/News/front/archives/2014/11/30/2003605650.)
7 Kay Liu, “DPP wins higher percentage of popular vote,” see endnote 3. Since this was the first time that the special municipality elections were held alongside the city and county polls, an exact comparison is not possible. But it should be noted that in 2010 the DPP also won a higher percentage of the popular vote in the mayoral elections in the then-five special municipalities, 49.87 percent vs. 44.54 percent.
8 “KMT garners 1.9 million fewer votes compared to 2012 general elections,” KMT News Network (from Taipei papers), December 15, 2014, http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=15539. This leaves open the hope for the KMT that in the next general election, in 2016, its supporters will turn out in greater numbers than they did this time around in the local elections.
9 “2014 Local Elections, Taipei City municipal mayor election,” November 30, 2014, provided to the author in hard copy). Although Ko has proven to be something of a wild card as a non-professional politician during his first three months in office, ruffling feathers among both some of his staff and various elements of the public (see endnote 54), his unorthodox style has proven extremely popular. A poll in early February indicated that he shared the highest respondent satisfaction rate among the six major municipality mayors (68 percent with Kaohsiung Mayor Chen Chu), shared the second highest rate of confidence in his future administration (70 percent, also with Chen Chu, slightly behind Tainan Mayor William Lai Ching-te), and third highest popularity (63 percent, several points behind Chen and Lai but well ahead of all others). (“Public Opinion Poll on the satisfaction rate of the six major municipality mayors one month after they took office” (六都市長就職一個月滿意度調查), TVBS, February 3, 2015, http://www.tvbs.com.tw/static/FILE_DB/PCH/201502/20150203170729146.pdf.)
10 Stacy Hsu, “Strong disapproval of Ma led to KMT’s rout: survey,” Taipei Times, December 3, 2014, http://www.taipeitimes.com/News/front/archives/2014/12/03/2003605849. The poll reported in this article was conducted by the Taiwan Thinktank over the two days following the election. The same organization conducted a poll in late December and reported that 87.3 percent of respondents (including 57.7 percent who self-identified as being affiliated with the “pro-Blue” camp) cited “below-par governance by the KMT central government” as a reason for the trouncing. 36.7 percent blamed it on the KMT
candidates, but only 17.5 percent said the outcome was due to the DPP being a better party. (Shih Hsiu-chuan, “Ma’s disapproval rating hits record high,” *Taipei Times*, December 25, 2014, http://www.taipeitimes.com/News/front/archives/2014/12/25/2003607535.)


12 Typical was a poll in late February by the Want China Times Media Group that showed Tsai would win 41.7 percent of voters’ support against what most people think would be the strongest KMT team, KMT Chair Chu Li-luan at the top of the ticket and Legislative Yuan Speaker Wang Jin-pyng as VP candidate. That team garnered only 33.1 percent support. Over 57 percent of respondents thought that the DPP would win as against 9.2 percent who thought the KMT would. (“57.4% of voters favor DPP for Taiwan’s 2016 presidential election,” February 28, 2015, http://www.wantchinatimes.com/news-subclass-cnt.aspx?id=20150228000027&cid=1101.)


19 Ted Chen, “KMT takes council speaker position in 5 of 6 special municipalities,” CNA, December 25, 2014, http://focustaiwan.tw/news/aipl/201412250021.aspx. The speaker’s election in Tainan, however, where a KMT councilor was chosen by a council where the DPP held a 28-16 advantage over the KMT, was strongly believed to have been the result of bribery. Not only was the victor detained on vote-buying charges, but the DPP expelled five party members for being part of the conspiracy leading to that outcome. (Enru Lin, “DPP expels five Tainan City councilors,” *China Post*, January 1, 2015, http://www.chinapost.com.tw/taiwan/national/national-news/2015/01/01/425394/DPP-expels.htm.)

20 The latest evidence of this occurred when, during a speech in the United States recently, a DPP spokeswoman referred to massive graft by Chen Shui-bian and attacked Chen’s son for forcing the party to reinstate his membership. (“DPP spokeswoman: Chen Shui-bian accepted huge sums of money from land development companies,” KMT News Network [from Taipei papers], March 9, 2015, http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=15896.) Although the spokeswoman later apologized
and resigned her DPP post, the prosecutor’s office said it would look into the graft charge. In the wake of all of that, although Tsai Ing-wen denied there was any factional infighting (“DPP leader rejects reports about factional infighting,” Taiwan News Online, March 14, 2015, http://www.taiwannews.com.tw/etn/news_content.php?id=2703184), she called on members to be “cautious” regarding remarks about the party and its members, noting that inappropriate remarks could lead to unnecessary dissension and quarrels in party ranks, exacerbating challenges the party will face “from within, from our own pride and selfishness.” (“Tsai calls for unity and harmony in DPP,” Taiwan News Online, March 12, 2015, http://www.taiwannews.com.tw/etn/news_content.php?id=2701910.)


23 “Create an era that truly belongs to the people” (開創一個真正屬於人民的時代), February 14, 2015, https://zh-tw.facebook.com/taisingwen.


26 As spelled out by the DPP’s director of China Affairs, Chao Tien-lin, the “three benefits” are that the promotion of cross-Strait relations in the future should benefit the development of freedom and democracy, that they should benefit the security and stability of regional peace, and that cross-Strait exchanges should be reciprocal and mutually beneficial. The “three insists” consist of making sure that the government’s policy-making is democratic and transparent, that cross-Strait exchanges and interactions should be based on the interests of the public, and that exchanges should be conducted with diversified participation under conditions of equal opportunity and that any fruits growing out of those interactions are shared by the whole society. (“Chao Tien-lin: Both sides of the Strait have responsibility to maintain peace,” see endnote 25.

Despite this effort to change the focus away from the Mainland’s emphasis on “one China,” a senior PRC official dismissed the relevance of the “three benefits” and “three insists” to cross-Strait relations, noting that it would be hard to connect them with the “1992 Consensus.” (Lan Hsiao-wei and Lu Su-mei, “Chen Deming: The two sides of the Strait cannot bypass the 1992 Consensus” [陳德銘：兩岸無法繞過九二共識], China Times, March 13, 2015, http://www.chinatimes.com/newspapers/20150313000911-260108.)

29 Chu won an uncontested election with 99.6 percent of the votes cast. Although turnout was relatively low, especially in Taipei, and so Chu’s total vote count was somewhat shy of Ma Ying-jeou’s when he won reelection as party chair in 2013 (196,065 vs. 202,750), the percentage of votes Chu won was the highest since the KMT first allowed members to vote for chairman in 2001. (Wen Kuei-hsiang, Claudia Liu, and Lillian Wu, “Eric Chu elected Kuomintang chairman,” CNA, January 17, 2015, http://focus taiwan.tw/news/aipl/201501170027.aspx.)
31 Ibid.
32 In fact, there is an ongoing debate about whether the income gap is actually growing. But the “true facts” probably matter very little, since the popular perception is that the gap is widening, and that the benefits of cross-Strait economic ties, including under the 2010 Economic Cooperation Framework Agreement (ECFA), are unfairly distributed. In that regard, although the DPP has taken a strong view that the large corporations have overwhelmingly benefited at the expense of smaller firms that constitute the vast majority of the Taiwan enterprises, economic officials and President Ma himself argue that this is not so. As Ma said, “98% of Taiwan’s enterprises are small-to-medium sized. These enterprises also benefit from cross-Strait trade as 49.96% of those enterprises do business under [ECFA].” (“President Ma: 1992 Consensus is foundation of cross-Strait relations,” KMT News Network [from Taipei papers], February 25, 2015, http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=15844.) Moreover, while unemployment as a whole is dropping, unemployment of young people, especially between 19 and 24 years of age, remains high and has fueled much of the youth discontent that has erupted. (According to Taiwan statistics, the unemployment rate for people aged 19–24, the politically active group of concern here, stood at 12.52 percent in January 2015. (“Manpower survey results in January 2015,” Directorate of Budget, Accounting and Statistics [DGBAS], http://eng.stat.gov.tw/ct.asp?xItem=37139&ctNode=1830&mp=5.) While this reflected a decrease over time, it was still obviously very high and stood in stark contrast to the overall unemployment rate of 3.71 percent. (“Important indicator based on manpower survey results, by yea,” DBGAS, http://eng.stat.gov.tw/public/Attachment/5225143152H1A3FB2M.pdf.)
Perhaps another factor leading to youth dissatisfaction is that while over 60 percent of job respondents to a recent poll expressed interest in working in the Mainland, this was down nine percentage points from 2009 and set a new six-year low. This drop-off was attributed in part to the Mainland’s gradual economic slowdown and shifting consumer trends, which have tended to disadvantage jobseekers from Taiwan. Other top factors cited by respondents were “living condition considerations,” “unwillingness to leave [the] homeland,” and “dislike of local customs and habits.” (Enru Lin, “Taiwanese interest in China jobs slides,” China Post, February 26, 2015, http://www.chinapost.com.tw/business/asia-taiwan/2015/02/26/429726/Taiwanese-interest.htm.)


“KMT revamping local chapter leadership,” (see endnote 45)


See endnote 19.

The importance of younger voters was evident in an analysis done by the Academia Sinica’s Institute of European and American Studies. According to that assessment, whereas youth turnout had been about 60 percent in previous elections, it rose to 74 percent in November. This increase was seen as particularly important when compared with overall voter turnout of 67.5 percent. (Stacy Hsu, “Strong disapproval of Ma led to KMT’s rout: survey,” *Taipei Times*, December 3, 2014, http://www.taipeitimes.com/News/front/archives/2014/12/03/2003605849.)

Of relevance here is a recent poll that revealed that while over two-thirds of respondents do not approve of ultimate unification, among young people between 20 and 29 years of age the number is particularly high at 84 percent. (Chen Hui-ping, “Taiwan Indicator Survey Research [TISR], 84 percent of young people oppose unification” [台灣指標民調 八成四年輕人反對統一], *Liberty Times*, February 13, 2015, http://news.ltn.com.tw/news/politics/paper/855726. Original TISR survey is at http://www.tisr.com.tw/?p=5147.)


The degree to which Tsai is hoping to attract younger voters is also evident in her intention to rely on social networking platforms such as Facebook and the messaging app Line as a crucial part of her campaign. (Lu Chin-tsu, “DPP’’s Tsai to promote campaign through Facebook and Line,” *WantChinaTimes.com*, March 10, 2015, http://www.wantchinatimes.com/news-subclass-cnt.aspx?cid=1101&MainCatID=11&id=20150310000110.)

Finally, however, a complication in all of this is that the 2016 election may come at the time of university examinations, thus suppressing turnout by many potential younger voters, especially in the northern part of Taiwan. (“2016 presidential and legislative elections may conflict with university exams,” FTVN, March 9, 2015, http://englishnews.ftv.com.tw/read.aspx?sn=180555954705759C79942A0C5DD8B84D.) Although the DPP’s first instinct was apparently to seek a change in the election date (which is still under consideration as of this writing), it subsequently proposed that universities adjust their commencement and examination dates to facilitate students’ ability to return to their


(1) On values and policy objectives,

Ko pledges: A) I will discuss with other DPP city mayoral and county executive candidates how to formulate a joint platform, which will become my policy objectives if I am elected; B) If I am elected, I will jointly discuss important issues with DPP local government heads and after reaching a consensus, I will adopt a common stance.

The DPP pledges: A) If Ko is elected, the DPP will not demand that he join the DPP; B) If Ko is elected, the DPP will not interfere with his personnel arrangements.

(2) On campaigning structures,

Ko pledges: A) I will do my utmost to stump for all 27 DPP candidates running for Taipei City Council for the sake of the smooth governance of Taipei City if I am elected; B) On the part of stumping for the DPP sub-district chief candidates, the Ko campaign office will participate in the nomination and campaigning task force set up by the DPP Taipei chapter.

The DPP pledges: A) DPP Taipei City Council candidates will do their utmost to stump for Ko to win the election; B) The DPP Taipei chapter will promptly arrange for Ko to meet with DPP grassroots cadres to exchange views.

54 A sample of media headlines over the weeks starting even before Ko took office on December 25, 2014, will give readers a flavor of Ko’s “governing style” and the controversies he has stirred up. (Actually, similar verbal or administrative gaffes were evident during the campaign, but the following list should suffice to make the point.) It should be noted that in many of these cases, remedies were found, but that the controversies keep occurring has caught people’s attention.

- “Mayor-elect’s vision of ‘open government’ raises doubts,” CNA, December 7, 2014.
- “Ko shortcomings clear without Lien,” *Taipei Times* (editorial), December 12, 2014.
- “Ko’s decision over cultural director sparks criticism,” *Taipei Times*, December 18, 2014.
- “6 Ko advisers quit over rumored culture pick,” *China Post*, December 18, 2014.
- “Fifteen of Ko’s policy advisors resign over top executives selection process,” KMT News Network (from Taipei papers), December 22, 2014.
- “One week in, independent Taipei mayor draws ire of DPP, KMT,” CNA, January 3, 2015.
• “Taipei mayor Ko faces rare criticism over police comments,” China Post, January 26, 2015.
• “Taipei mayor blasted for being rude in criticizing gift,” CNA, January 26, 2015.
• “Taipei mayor’s comments on benefits of colonization draw rebukes,” CNA, January 30, 2015.
• “‘Don’t make me angry’: Taipei to probe leak of internal document,” CNA, January 31, 2015.
• “Ko is wrong in his ignorant evaluation of cultures,” China Post (editorial), February 2, 2015.


Subsequently Ko expressed the hope that the annual Taipei-Shanghai forum could proceed regardless of differences over the 1992 Consensus. (Huang Yi-yuan and Chuang Hsiu-min, “Ko Wen-je: Already exchanged notes with Shanghai mayor, the twin-city forum should definitely be held” (已照會上海市長 柯文哲：雙城論壇一定要辦), UDN, March 6, 2015, http://udn.com/news/story/7853/749299.) However, the initial response from Shanghai Mayor Yang Xiong did not say whether the forum would continue to be held. Instead it stressed that cooperation between Shanghai and Taipei had always been based on the “1992 Consensus.” Yang added that he hoped in the future both cities could continue to promote the peaceful development of cross-Strait relations on the basis of that Consensus with the concerted efforts made by all circles on Taiwan. (“Shanghai Mayor: Twin-city forums to be held on basis of ‘1992 Consensus,” KMT News Network [from Taipei papers], March 9, 2015, http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=15889.)

56 “Tsai Ing-wen says that, in speaking of “two countries, one system,” Ko was thinking about expressing sovereignty and democracy” (談兩國一制論 蔡英文：柯想表達主權和民主), Liberty Times, February 2, 2015, http://news.ltn.com.tw/news/politics/breakingnews/1221679.


61 Lin T’ing-yao, “Chu Li-juan responds to Xi Jinping’s telegram: The two sides of the Strait should seek common ground and respect differences” (朱立倫回電習近平: ...
A photocopy of Chu’s letter is included in the story, as is a photocopy of Xi’s message of congratulations in a companion UDN piece by the same journalist, “Chu Li-luan is elected party head, Xi Jinping wires congratulations” (朱立倫當選黨魁習近平致賀電), January 17, 2015, http://udn.com/news/story/1/649697.


Nonetheless, one poll showed that over half of respondents thought a Chu-Xi meeting would be helpful to the peaceful development of cross-Strait relations. (Lin T’ing-yao, “Global Views Survey Research Poll: 50 percent of people believe that a Chu-Xi meeting would be helpful to cross-Strait peace” [遠見民調：5成民眾認為朱習會有助兩岸和平], March 13, 2015, http://udn.com/news/story/7311/762066.)

64 “DPP leader promises constructive exchanges with China,” Taiwan News Online, September 23, 2014, http://www.taiwannews.com.tw/etn/news_content.php?id=2578015. In all of these statements, Tsai and the DPP only use “China” to speak of the other side, a point made by Mainland officials and experts to underscore their belief that the DPP rejects the notion of “one China” and remains committed to Taiwan independence. (Various personal conversations)


67 Ibid.


69 Yu Donghui, “Wu Jaushieh: Taiwan local elections were not ‘China’s failure’” (吳嘉燮：地方選舉不是“中國的失敗”), China Review News, December 2, 2014,


“Central Committee proposes that every county and city establish a mechanism to manage cross-Strait relations, to promote high-quality exchanges” (中委會建議各縣市成立兩岸事務處理機制，推動優質交流), DPP, January 21, 2015, http://www.dpp.org.tw/news_content.php?&sn=7659.

“Premier Li Keqiang also addressed Taiwan in his work report to the 3rd session of the 12th National People’s Congress the next day. He used similar points about the political foundation of cross-Strait relations, but in a much more truncated form than Xi had. (“Li Keqiang talks about the orientation of Hong Kong, Macau, Taiwan work” (李克強談港澳台工作方针), Xinhuanet, March 5, 2015, http://www.gwytb.gov.cn/wyly/201503/t20150306_9202029.htm.)

In his post-NPC press conference, Li made the following comments:

People on both sides of the Taiwan Straits belong to one big family. As long as we continue to adhere to the one-China principle and the 1992 Consensus, oppose Taiwan independence and uphold peaceful development of cross-Strait relations, we will be able to lay a more solid foundation for cross-Strait business cooperation and expand the room for such business ties. To boost the economic cooperation between the two sides, we need to get both wheels in motion. One wheel is to enhance institution building. For example, the follow-up consultations on ECFA should be advanced. The other wheel is to boost mutual opening-up. As far as the mainland is concerned, closer attention will be paid to the investment made by Taiwan business people on the mainland.

Here I would like to ask you to convey a message to all these people, which I believe will prove to be quite reassuring to them, that is the mainland will continue to protect the lawful rights and interests of Taiwan business people on the mainland and continue to pursue preferential policies towards them as appropriate. In terms of opening-up, we will give priority to Taiwan in terms of both depth and intensity of opening-up steps. We welcome people from Taiwan, including young people, to the mainland to do business. We also want to further enhance personnel interflow between the two sides so as to bring the hearts and minds of people across the Straits closer to each other. (“Full text: Premier Li Keqiang meets the press,” Xinhua, March 16, 2015, http://news.xinhuanet.com/english/2015-

“Xi Jinping emphasizes: Sticking to the path of peaceful development of cross-Strait relations, promoting joint development benefits compatriots on both sides of the Strait” (习近平强调：坚持两岸关系和平发展道路 促进共同发展造福两岸同胞), Xinhua, March 4, 2015, http://news.xinhuanet.com/politics/2015-03/04/c_1114523789.htm.


Resolutely pursue peaceful development, adhere to the common political foundation, bring benefits to the people on both sides of the Strait, and join hands in realizing national rejuvenation. A version of this is outlined in Sun Liji, “Xi’s principle to shape cross-Strait relations,” Global Times, March 8, 2015, http://www.globaltimes.cn/content/910842.shtml.

Private conversations.


A Mainland scholar known for seeking constructive approaches to cross-Strait relations, Shanghai Institute of East Asian Studies Director Zhang Nianchi, put the case even more bluntly: “If a DPP that has not ‘engaged in soul-searching,’ that has not ‘undergone a major transformation,’ and that is ‘anti-China’ takes power again in 2016, not only would it be a huge disaster for the two sides of the Strait, it would also be an unprecedented disaster for Taiwan.” (一個沒有 “反省”的民進黨，一個沒有 “轉型”的民進黨，一個 “反中”的民進黨，倘若2016年可以重新上台，不啻是兩岸一場巨大災難，也是台灣的一場空前災難; Zhang Nianchi, “On Xi Jinping’s view of unification” [論習近平的統一觀], Zhongguo Pinglun (monthly), November 2014, No. 203, http://mag.chinareviewnews.com/crn-webapp/search/siteDetail.jsp?id=103455415&sw=13.)

The fact of the matter is that this is unlikely to have any particular appeal in Taiwan in any foreseeable timeframe. (An English report of Zhang’s remarks is found in Yin Chun-chieh and Lilian Wu, “China to

81 “Tsai Ing-wen: The two sides of the Strait have responsibility to uphold peace and stability in the Taiwan Strait, but must attach importance to public opinion, transparency and communication,” DPP, March 6, 2015, http://www.dpp.org.tw/news_content.php?&sn=7740.
82 See endnote 25.

One such substantive issue that does not receive a lot of public attention but is clearly on the minds of people on the Mainland is how a DPP administration would handle the so-called “9-dashed line” or “U-shaped line” in the South China Sea. Some readers may recall that we alluded to Mainland sensitivity to Taiwan’s handling of South China Sea issues a year and a half ago when Taiwan reached a reconciliation agreement with the Philippines in 2013. (Romberg, “Settling in the for the Long Haul: Stability with Chinese Characteristics,” CLM 42, October 2013, http://www.hoover.org/sites/default/files/research/docs/clm42ar.pdf, endnote 46.

Subsequently Ma Ying-jeou adopted a position that was widely seen as consistent with international practice—including with regard to the UN Convention on the Law of the Sea—but that did not give up the territorial claims and thus avoided a rift with Beijing. (“Taiwanese President Ma Ying-jeou clarifies the ‘U-shaped’ line,” BienDong.net, December 9, 2014, http://www.southchinasea.com/analysis/934-taiwanese-president-ma-ying-jeou-clarifies-the-u-shaped-line.html.)

Senior PRC experts, however, have recently expressed concern that a DPP administration might give up those claims. (Private conversations) These concerns will no doubt be further fueled by a recent statement by a KMT LY member that a former DPP vice minister of defense had told the Voice of America the DPP was mulling relinquishing Taiwan’s claims. (Lawrence Chiu, Lu Hsin-hui, and Ted Chen, “Defense minister to brief legislators on Spratly Islands,” CNA, March 8, 2015, http://focustaiwan.tw/news/aipl/201503080014.aspx.)

85 PRC officials generally refer to the “1992 Consensus,” but what comes through clearly is that any consensus with a “one China” element will serve as the basis for cross-Strait relations and that, conversely, without that the relationship will suffer. Some people point
to the utility of the “1992 Consensus” because of what they call its “constructive ambiguity.” On the other hand, there is widespread recognition on the Mainland that, since the term is a KMT invention, and since the DPP—including Tsai personally—has said there was no consensus, it is virtually impossible for the DPP to adopt that wording.

Technical talks were held in Beijing in late November, shortly after the Zhang-Wang meeting addressed below. While it was agreed that further discussions would be held, SEF reflected a degree of skepticism in issuing a statement expressing the hope that the Mainland would present a viable plan soon to provide convenience for Chinese travelers and help enhance exchange between people on both sides. (Yin Chun-chieh and Y.F. Low, “Taiwan, China open talks on cross-Strait transit,” CNA, November 27, 2014, http://focustaiwan.tw/news/acs/201411270015.aspx.)

Last summer Wang Yu-chi and Zhang Zhijun had agreed to undertake a joint study on the question of participation in regional economic integration. Nothing happened until January, but even then the consultations held in Beijing were only “preparations” for such joint research. As the TAO spokesman explained, the two sides exchanged comments on the goals, principles, agenda, and procedures of initiating the joint research. (Transcript of the TAO press briefing, January 28, 2015, http://www.gwytb.gov.cn/xwfbh/201501/t20150128_8856502.htm.)

That being said, Taipei has been actively negotiating less comprehensive but important deals with various neighbors, including, for example, 10 agreements that have been signed with Japan since early 2013. (Tang Pei-chun and Maobo Chang, “Taiwan, Japan sign 4 MOUs, working toward economic pact: official,” CNA, November 20, 2014, http://focustaiwan.tw/news/aip/201411200027.aspx.) It also has negotiated numerous specific agreements with others such as the recently signed aviation pact with Poland. (“Taiwan, Poland ink air transport pact,” Taiwan Today, March 11, 2015, http://www.taiwantoday.tw/ct.asp?xItem=228156&ctNode=445.)


“Zhang Zhijun affirms that the results of the Zhang-Wang meeting are beneficial to the continued promotion of the peaceful development of cross-Strait relations” (张志军肯定张王会成果有益于继续推动两岸关系和平发展), [a transcript of Zhang’s session with reporters’ immediately after the Zhang-Wang meeting], Taiwan Affairs Office, November 13, 2014, http://www.gwytb.gov.cn/wyly/201411/t20141113_7990664.htm.

They were:

- Peaceful development of cross-Strait relations should be promoted steadily on the foundation of the 1992 Consensus.
- Both sides will actively promote ECFA followup consultations, including the commodities trade agreement.
- With regard to the establishment of reciprocal SEF and ARATS offices, both sides will properly handle issues that concern the two sides of the Strait and promote consultations to hammer out pending issues as soon as possible.
- They will authorize SEF and ARATS to hold consultations on transit connections to foreign destinations for Mainland tourists in Taiwan without the current red tape.
• With regard to enhancing cross-Strait economic cooperation and Taiwan’s accession to regional economic integration agreements, MAC and TAO will both start to study concrete measures to promote those ends.

93 The TAO spokesperson stated on March 11 that the two sides have “continuously maintained communication” (一直保持着沟通) regarding a date for Zhang to visit Taiwan and meet with the head of MAC. (Transcript of TAO press briefing, March 11, 2015, http://www.gwytb.gov.cn/xwfbh/201503/t20150311_9251552.htm.) While we assume a visit might come relatively soon, this statement, in response to a question, did not provide much of a clue about when that might be.
96 Some in the DPP believe a commodities agreement will be less complicated than the services trade agreement because it affects fewer people, but one nonetheless gets the impression from conversations in Taipei that a major problem in getting a commodities agreement is that Beijing is holding back on items Taipei wants to include. (Private conversations)