The Bull in the China Shop

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As Tsai Ing-wen continued to struggle with implementation of her ambitious reform programs—losing public support in the process—Beijing maintained pressure to accept the "1992 Consensus" or some other expression of "one China." Everything became substantially more complicated with Tsai's congratulatory phone call to Donald Trump and Trump's subsequent tweets and media statements putting the U.S. "one China policy" on the auction block.

Tsai Still Struggles to Implement Reform and Win Public Backing

As noted in our last essay, ¹ Tsai Ing-wen is finding governance hard and the public impatient. According to one poll, her approval rate has stagnated below 30 percent for three months running. ² Although dissatisfaction with Tsai exceeded satisfaction by August, "confidence" (信心) exceeded lack of confidence for several more months. However, by early 2017 this measure had also slipped into negative territory. ³

The government has ambitious plans for growing the economy over the next four years, and they may work. But the administration must face the here and now. Dissatisfaction with the administration's economic performance is growing particularly rapidly (even within the DPP) and dire warnings are surfacing about an impending "major crisis."

Tsai is well aware of the dilemma of long-term reform versus short-term public impatience, and in late summer she convened top central and local leaders to discuss next steps. After spurring them to redouble their reform and legislative efforts Tsai enjoined them to "mak[e] it known to the public what we are doing, the progresses of our agenda, and when they will be completed. . . . In short, we must do our best to communicate with all sectors of society to gain the people's understanding and earn their trust."⁵

One prominent magazine summed up Tsai's problems this way: failing to choose the right people for senior positions; exhibiting poor executive ability (making but not implementing good policies); failing to establish prioritization among her policies; and vacillating on next steps without strong determination. Against that background, successfully navigating the complicated and controversial maze of pension reform in the coming months will be seen as a litmus test of Tsai's performance.

Although in the long run a robust two-party system is important to Taiwan's democracy, in short-term political perspective Tsai is fortunate that the Kuomintang (KMT), while still managing to cause some problems for her and the party, remains in disarray. Even PRC officials and scholars who place great stock in the KMT's role as a balancing political force⁷ believe it is unlikely to be competitive again by 2020, much less by the time of the 2018 local elections.⁸

Beijing Continues Pressing For "One China," Taipei Pushes Back

Efforts to reduce dependence on the Mainland market and to enhance Taiwan's access to international activity have been hallmarks of the Tsai presidency. Part of what led to the Democratic Progressive Party (DPP) victory a year ago was a sense that Beijing had too much leverage over Taiwan. This has motivated the "New Southbound Policy" as well as Taipei's active outreach to others, including Japan and the Trump administration.

Tsai Ing-wen knows that the wholesale replacement of the Mainland's market is not feasible and that conveying a perception of movement toward separation would be unwise and even dangerous. Thus, all her actions are cast as contributing to cross-Strait peace and stability.

Lack of Trust in Tsai

But as discussed many times before, Beijing neither trusts nor believes Tsai. The Mainland sees every step to implement a "pragmatic" approach as either laying the foundation for future independence or an effort to establish de facto "peaceful separation"—possibly even de jure "independence"—now.⁹

Hence, although working-level cross-Strait communication apparently continues, the Mainland persists in rejecting any high-level or formal dealings with Taipei. Beijing is also pressing others not to engage in any "official" or even quasi-official relationships with the island and is blocking Taiwan's efforts to expand its international participation unless and until it embraces "one China."

Beijing Continues to Squeeze Taiwan

Specific pressure points are becoming apparent. Even though Beijing has repeatedly said existing agreements will be honored, reports are growing of less than robust implementation. Indeed, a Mainland spokesman directly confirmed that execution of existing agreements would be affected. In the precipitous drop in Mainland tourists—initially affecting only groups but now spreading to individual tourism as well—is seen as a particularly visible form of economic pressure.

As Beijing blocked Taiwan's participation in the International Civil Aviation Organization (ICAO) and International Criminal Police Organization (INTERPOL), ARATS head Chen Deming openly stated that without the "one China" political foundation "there is no opportunity that Taiwan will be able to participate in international activities."¹³

On Taiwan itself, although Beijing denies a discriminatory policy¹⁴ it increasingly grants privileges to Blue-run communities while shunning Green ones. In mid-September a delegation of eight pan-Blue local government officials was cordially received in Beijing¹⁵ and participants were treated to a return visit by a PRC agricultural purchasing mission in November.¹⁶ TAO head Zhang Zhijun pointedly noted that the Taiwan participants "all acknowledge the '1992 consensus."¹⁷

Some Tsai Successes

On the plus side for Taiwan, despite PRC threats to block him, James Soong attended the late November APEC Leaders Meeting in Lima, Peru, as Tsai's representative, and even had a brief exchange with Xi Jinping—though how brief and how substantive is subject to some debate.

Moreover, despite domestic criticism of the policy¹⁸ and PRC suspicions about its motivation, Taiwan reported some progress in establishing relationships under the aegis of the New Southbound Policy.¹⁹

Most visibly, in January Tsai successfully visited four Central American diplomatic allies (Honduras, Nicaragua, Guatemala, and El Salvador), including appropriately low-key but dignified transit stops in Houston and San Francisco en route. Defying some predictions of diplomatic disaster, Tsai was treated royally by Daniel Ortega at his third inaugural. The Nicaraguan leader welcomed her as his "sister" and made a special point of introducing her to inaugural guests as the "president of Taiwan" or, according to some reports, the president of the Republic of Taiwan (República de Taiwan).²⁰

And Some Pushback against Beijing

Overall, Tsai has maintained a consistent approach to the Mainland. Despite urging from the business community that she address the "1992 Consensus" in her October 10 National Day speech, ²¹ she did not do so. Instead, reacting to Taiwan's exclusion from the ICAO assembly, in her September 29 Facebook posting commemorating the DPP's 30th anniversary Tsai wrote: "We must resist China's pressure and develop relations with other countries. We must leave our overdependence on China and establish healthy, normal economic relations."

In her National Day speech,²³ Tsai softened her tone somewhat ("resist" disappeared as did "overdependence"), but she promoted what is now a regular feature of her speeches, what some call her "four noes": "Our pledges will not change, and our goodwill will not change. But we will not bow to pressure, and we will not revert to the old path of confrontation." Conversely, she expressed concern that Beijing was returning to "the old path of dividing, coercing, and even threatening and intimidating Taiwan."

In that speech (as well as in a letter to Pope Francis in late January 2017²⁴), Tsai again spoke of discarding "historical baggage." Perhaps she now means it to have a more generalized application than when she first used it in her inaugural address in May. But as previously discussed, in May it evidently meant dealing with the DPP charter's Taiwan independence plank. Although she is obviously in no position to move on that issue now, reliable interlocutors²⁵ as well as authoritative PRC statements strongly indicate that eventually freezing or eliminating this plank would generate an even more positive response from Beijing than embracing the "1992 Consensus."

No PRC Flexibility—Yet

Meanwhile, however, the "1992 Consensus" remains the touchstone for restoring normal relations, and Beijing was quick to react to Tsai's National Day speech. The TAO spokesman refuted Tsai's claim of enduring goodwill by stating that "goodwill" lies in whether or not the island's leadership accepts the "1992 Consensus."

Adopting a similar position when speaking in late October, Director Zhou Zhihuai of the Mainland's Taiwan Studies Institute suggested somewhat ominously that confrontation might become the "new normal" in cross-Strait relations for the foreseeable future.²⁸

An Eventual Opening?

A month later, however, Zhou struck a different note. He argued that while the principle that "the two sides belong to one country" is not replaceable, the phrase "1992 Consensus" is. ²⁹ It is still premature, Zhou said, to create a new consensus. But in addition to defusing "pressure points," think tanks should actively discuss ideas for a new consensus that embodies the "one China" framework and rejects "Taiwan independence" and "desinicization." Zhou said it is critical that, "under certain [unspecified] circumstances" (在一定條件下),the "two sides of the Strait begin to contact each other through sending messages in a controllable manner" (兩岸可進行傳話性接觸與可控性接觸). Without clear, consistent, and complete messages, conveyed in a direct and effective manner, he said, the chances of misjudgment would greatly increase.

Zhou's speech created some controversy on the Mainland. Informed people said that these ideas had been much discussed internally, but Zhou's airing them at this time was a personal decision with which many disagreed.³⁰ In Taiwan, however, they were greeted with great interest. As one senior official put it, "We welcome his words and the opportunity to discuss these ideas; let's talk."³¹

At the same time, as reflected in Tsai Ing-wen's New Year's Eve press conference, people were aware that Zhou's proposals were ahead of policy: "Whether cross-Strait ties can take a turn for the better in the coming year will depend on our patience and resolve. But it will also depend on how Beijing sees the future of cross-Strait relations, and whether it is willing to assume its share of the responsibility for building new models for cross-Strait interactions." ³²

In the event, Tsai's patience and resolve were soon to be tested—not by Beijing, but by Washington.

Good Relations with the Mainland and the U.S. Are "Equally Important"

"The Phone Call"

During 2016, Presidents Barack Obama and Xi Jinping managed to calm down some of the more contentious bilateral issues (notably the South China Sea) and to advance some important international agenda items (in particular climate change). Within two months of their final meeting in September, however, much that had been achieved was put in doubt by the newly elected Donald Trump, who not only challenged China on a number of important issues including trade, the South China Sea, and North Korea, but did so in the context of raising what has always been identified by Beijing as the most sensitive and important issue in Sino-American relations: Taiwan.

Tsai's congratulatory note to Trump immediately after his election victory passed without incident.³³ But a congratulatory phone call from Tsai to Trump on December 2 changed the situation dramatically. The very fact of the call would have been a challenge to Beijing. What followed elevated its importance beyond anyone's expectations.

The Best Surprise Is No Surprise

Having been rather pleased with the "unprecedented" conversation, the first between Taiwan's leader and an American president or president-elect since the U.S. broke relations with Taipei in 1979, Taipei awoke the next morning to learn that the Trump transition team had unexpectedly publicized the call (albeit in a brief, low-key paragraph), ³⁴ triggering what one newspaper called a "deluge of criticism" from the world press, including accusations that Trump had committed a "breach of diplomatic protocol" that would infuriate the Chinese government. Commentators questioned Trump's understanding of the American "one China" policy that guides relations with Taiwan as well as his awareness of the potential problem he had created. Worse from Taipei's perspective, the notoriously thin-skinned Mr. Trump had already responded with two tweets justifying the call. ³⁶

Taipei proceeded with its planned low-key announcement the morning of December 3 Taiwan time along lines it had originally thought would suffice to give the call publicity yet manage the fallout.³⁷ Already sensing the dimensions of the problem being created, Tsai's office responded to questions about a Mainland backlash by asserting that good cross-Strait relations and good relations with the United States are "equally important" for maintaining peace and stability in the region.³⁸

Beijing Seeks To Manage the Fallout

Beijing blamed the call on Tsai, ³⁹ PRC Foreign Minister Wang Yi calling it a "petty maneuver" (小動作) by Taiwan that would not change the "one China consensus" in the international community and would "never change" the "one China" policy long recognized by the United States. ⁴⁰ The "one China principle," Wang said, is "a cornerstone for healthy development of China-US relations" and China does not want this political foundation to be interfered with or damaged. Trump's transgression, on the other hand, was characterized by official media as merely "his and his transition team's inexperience in dealing with foreign affairs."

Nonetheless, the Mainland lodged "solemn representations" with what it termed "the American party concerned" (美国有关方面). ⁴² At the same time, Beijing reportedly quickly deleted messages about the call from the popular WeChat blog site, in order, observers said, to prevent public opinion from forcing the government's hand. ⁴³

Similarly, the TAO pushed aside "experts" suggestions to "refine" the Anti-Secession Law to make it more operational in "suppressing" (遏制) Taiwan independence. The TAO argued that the law already safeguards sovereignty and suppresses Taiwan independence while also promoting peaceful development of cross-Strait relations and national reunification.⁴⁴

As Trump once again weighed in two days later with a tweet implicitly justifying the call in light of unilateral actions by Beijing, ⁴⁵ Tsai once again sought to downplay the call's significance: "I have to stress that one phone call does not mean a policy shift . . . I do not foresee major policy shifts in the near future because we all see the value of stability in the region."

"Why should I be bound by 'one China'"?

But rather than being finished with the matter, Trump obviously thought he had found a point of negotiating leverage with Beijing and escalated things to directly involve the "one China" issue. During an interview with Fox Sunday News on December 11, the president-elect laid out at some length a rationale questioning why he should be bound by a "one China" policy "unless we make a deal with China having to do with other things, including trade."

Beijing immediately ratcheted up it comments. The TAO expressed "serious concern" about Trump's interview. Noting that the Taiwan question touches China's core interests and reiterating Wang Yi's point that the "one China principle" is the foundation for development of China-U.S. ties, Beijing stated that should this foundation be disrupted or damaged, the sound and steady development of bilateral relations and cooperation in major fields would be "out of the question" (无从谈起).

"Everything is under negotiation" vs. "The one China principle is non-negotiable"

Although in a New Year's Eve comment Trump said, "hopefully we're going to have great relationships with many countries . . . and that includes China," less than two weeks later he gave the China world another jolt when he told the *Wall Street Journal*, "Everything is under negotiation, including 'one China." He would not commit to the "one China" policy, he said, until he saw progress in Beijing's currency and trade practices. 49

The PRC foreign ministry responded with a statement the next day that the "one China principle" is "non-negotiable" (不可谈判的). 50

Contrary to Trump's statement, at his confirmation hearing Secretary of State-designate Rex Tillerson said he was not aware of any plans to scrap the "one China" policy. Trump's incoming chief of staff, Reince Priebus, told ABC News that both Trump and Tillerson were right: there are no plans to change the "one China" policy, but "certainly" that policy will be on the table if China does not work with the U.S. on trade and the South China Sea. As part of the negotiation to "get our relationships with China straightened out," Priebus said, all these issues are going to be on the table. But there's no

predetermined path. "It's something that is going to be discussed and decided down the road." 52

Those looking for a quick and forceful Chinese response to Priebus were not disappointed: "[T]here are things in the world that are not for trade. . . . Any attempt to undermine the 'one China' principle or use it as a bargaining chip by anyone for any purpose shall be met with firm opposition from the Chinese government and people and the international community and [would have] severe consequences" (literally, "would be picking up a rock only to drop it on one's own foot"). ⁵³

In light of all this, Beijing's continuing pressure on Taiwan was not confined to words alone. Not only having cut communications links, but having flown nuclear weapons—capable aircraft around Taiwan in late November, before the Tsai-Trump phone call, ⁵⁴ Beijing followed up in the wake of the Trump furor by sending its lone aircraft carrier through the Taiwan Strait. ⁵⁵ The Mainland also snared one of Taiwan's smaller diplomatic partners, São Tomé and Príncipe ⁵⁶ and secured agreement by Nigeria to downgrade the Taiwan representative office and move it out of the capital. ⁵⁷ In addressing both of these latter cases, Beijing emphasized the importance of those countries' adherence to the "one China" principle.

Afterword

The dilemma for Tsai was vividly encapsulated by Taiwan's plaintive plea to the incoming Trump administration to make continued efforts to maintain cross-Strait peace and not to treat Taiwan as a bargaining chip. ⁵⁸ Of course President Tsai wants close relations with the United States, including help with Taiwan's economy, security, and international participation. Moreover, she identifies with the United States as a democracy and a market economy. But as we have noted, Taipei sees its self-interest best served by a balanced relationship between Washington and Beijing. It wishes neither to be a sacrificial pawn in the great power game, nor to be drawn into a U.S. effort to isolate and confront the PRC.

Going forward, even if President Trump moves away from threats to abandon the "one China policy," how he chooses to implement it will matter. Now bolstered by the National Defense Authorization Act provision on enhancing U.S.-Taiwan military exchanges and security relations and prospectively spurred on by the pending Taiwan Travel Act, which calls for upgrading high-level official travel and contacts, Trump may well judge that he can "do more" with Taiwan without opening himself up to criticism that he is recklessly breaching precedent.

Whether Beijing would see it that way, of course, is a different matter. Although a harshly negative PRC response is predictable, what specific actions the Mainland might take are unclear.

Moreover, Taiwan's judgment about how far to go in accepting an "upgrade" in relations is uncertain. As one colleague in Taiwan put it, Taipei wants closer U.S. ties, but there

may come a time when Taipei has to turn down such an offer in the service of its larger interests.

Notes

¹ Alan D. Romberg, "The First 100 Days: Crossing the River While Feeling the Stones," *China Leadership Monitor*, no. 51,

http://www.hoover.org/sites/default/files/research/docs/clm 51ar.pdf.

² TVBS, "Survey of satisfaction rate for President Tsai Ing-wen after 8 months in office," (蔡英文總統就職八個月滿意度民調), January 19, 2017 http://other.tvbs.com.tw/export/sites/tvbs/file/other/poll-center/0601161.pdf. By January, those believing Tsai was guiding Taiwan in the right direction had slipped to 35 percent (down from 56 percent immediately following her inauguration) while those seeing her leading it in the wrong direction had risen to 31 percent (up from 8 percent eight months earlier).

³ Ibid. Even a pro-Green poll registered its lowest approval rating for Tsai since she took office, a slide from 69.9 percent last May to 33.8 percent in January 2017 that included a four-point drop from December to January alone. ("Economic performance mars Tsai's approval ratings," *China Post*, January 24, 2017,

http://www.chinapost.com.tw/taiwan/national/national-news/2017/01/24/490248/Economic-performance.htm.) A detailed account of that survey is at http://www.storm.mg/article/ 216212.

⁴ Stephanie Chao, "Economy edging to brink of crisis: forum," *China Post*, January 24, 2017, http://www.chinapost.com.tw/taiwan/business/2017/01/24/490215/Economy-edging.htm.

⁵ Sophia Yeh and S.C. Chang, "President calls high-level meeting on key policy initiatives," Central News Agency (hereinafter abbreviated CNA), September 4, 2016, http://focustaiwan.tw/news/aipl/201609040019.aspx.

⁶ Ouyang Feng, "Being indecisive leads to Tsai Ing-wen accomplishing nothing in the past half year; Rushing around, confused, blind and without a main axis, she makes four big mistakes in governing" (搖擺蔡英文讓她半年一事無成, 缺乏主軸的忙茫盲 執政的4大錯誤), Wealth Magazine, November 30, 2016, http://www.wealth.com.tw/article in.aspx?nid=9373&pg=1.

⁷ For example, in his meeting with KMT chair Hung Hsiu-chu in November, Xi Jinping stressed the importance of KMT-CCP cooperation in opposing "Taiwan independence" and safeguarding cross-Strait peace and stability. (Chen Jianxing, "General Secretary Xi

[习近平总书记会见中国国民党主席洪秀柱], Xinhua, November 1, 2016, http://news.xinhuanet.com/politics/2016-11/01/c 1119830924.htm.)

Jinping meets with Hung Hsiu-chu, chair of the Chinese Kuomintang"

Zhou Zhihuai, director of the Taiwan Studies institute under the China Academy of Social Sciences made a similar point about the "irreplaceable" role of the KMT in a speech we discuss in greater detail below. (Shu Mu, "Zhou Zhihuai: It is possible to construct a new cross-Strait consensus that embodies the one China principle" [周志懷:可建立有一中原則內涵的兩岸新共識], *China Review News*, November 30, 2016,

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8421&mdate=1130171656.) A detailed English summary of Zhou's speech is at "Beijing"
scholar: Mainland not opposed to a new cross-Strait consensus so long as it embodies the
connotation of one China," KMT News Network (Taipei papers), December 1, 2016,
http://www1.kmt.org.tw/english/page.aspx?type=article&mnum= 112&anum=18504.
<sup>8</sup> Lin Liang-sheng and Jake Chung, "KMT chaos destabilizing to ties: ex-China official
[Wang Zaixi]," Taipei Times, January 8, 2017,
http://www.taipeitimes.com/News/taiwan/archives/2017/01/08/2003662731.
<sup>9</sup> Tsai's nomination of two members of the Judicial Yuan who outspokenly advocate "one
country on each side" has been taken by many on the Mainland as "proof" that she means
to achieve de jure independence through constitutional reinterpretation. Proposals to ease
the requirements for passing referenda are seen as another backdoor effort to amend the
constitution for this purpose. (Tsai Hao-hsiang, "TAO: Absolutely oppose revising laws
to open a convenient door for Taiwan independence" [陸國台辦: 堅決反對修法為
台獨開方便之門], China Times, December 20, 2016,
http://www.chinatimes.com/realtimenews/20161220002292-260407.)
<sup>10</sup> Lin Liang-sheng, "China side holding back cross-Strait ties, sources say," Taipei
Times, January 22, 2017,
http://www.taipeitimes.com/News/taiwan/archives/2017/01/22/2003663583. Reportedly,
a majority of meetings to implement the existing agreements have been delayed, the PRC
is sending only lower-level officials to attend meetings in Taiwan, and only Taipei
division heads or lower-ranking officials are allowed by Beijing to visit the Mainland.
11 "Suspension of communication mechanism affects cross-Strait agreements," Xinhua,
September 14, 2016, http://news.xinhuanet.com/english/2016-09/14/c 135687592.htm.
The Mainland continues to insist that there is no policy or regulation causing the drop,
but rather that it reflects travelers' personal decisions. Nonetheless, PRC tourism to
Taiwan dropped by 16 percent in 2016, some 670,000 travelers ("Mainland tourists
decline by 670,000 last year," KMT News Network [Taipei papers], January 25, 2017,
http://www1.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=18728).
While tourism from other places increased, the reduced Mainland numbers brought the
growth of all tourist visits down to only 2.4 percent in 2016, the lowest increase in the
past 13 years.
13 "Chen Demin[g]: Not blindly optimistic that Tsai will recognize 1992 Consensus,"
KMT News Network (Taipei papers), September 21, 2016,
http://www1.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=18256.
   Chen also asserted that the Mainland would continue to view the people of both sides
as "family" and thus promote exchanges and cooperation in every field, creating
circumstances beneficial to people in Taiwan, especially the youth. ("Mainland's Chen
Demin[g] again insists on 1992 Consensus in Hangzhou," KMT News Network [Taipei
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http://hk.crntt.com/doc/1044/8/8/4/104488421.html?coluid=3&kindid=12&docid=10448

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http://www1.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=18260.) At the same time, TAO director Zhang Zhijun made clear that pro-independence companies were not welcome. "China will not allow those Taiwan investors that advocate Taiwan independence to make money here." (Yin Chun-chieh and Frances

papers], September 22, 2016,

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Huang, "China says pro-independence Taiwan firms not welcome," CNA, December 2,
2016, http://focustaiwan.tw/news/acs/201612020013.aspx.)
14 "Chen Demin[g]: Not blindly optimistic that Tsai will recognize 1992 Consensus."
<sup>15</sup> Lawrence Chiu, Liu Kuang-ting, and S.C. Chang, "8 Taiwan local government leaders
visit Beijing," CNA, September 18, 2016,
http://focustaiwan.tw/news/acs/201609180017.aspx.
<sup>16</sup> Chan Che-fon and Y.F. Low, "Chinese delegation visits Taiwan to procure agricultural
products," CNA, November 21, 2016,
http://focustaiwan.tw/news/acs/201611210018.aspx.
<sup>17</sup> "8 Taiwan local government leaders visit Beijing."
<sup>18</sup> "Both KMT and DPP legislators lambast New Southward Policy," KMT News
Network (Taipei papers), September 14, 2016,
http://www1.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=18242.
<sup>19</sup> Tang Pei-chun and Lilian Wu, "Taiwan's New Southbound Policy sees initial fruit,"
CNA, January 13, 2017, http://focustaiwan.tw/news/aipl/201701130026.aspx.
<sup>20</sup> Yeh Su-ping, "Ortega is inaugurated; calls her President Tsai and his sister"
(奧蒂嘉就職 以姐妹稱呼蔡總統), China Times, January 11, 2017,
http://appweb.cna.com.tw/webm/news/aipl/201701110165.aspx.
<sup>21</sup> Yang Shu-min and Elaine Hou, "Business community urges President Tsai to address"
'1992 Consensus,'" September 23, 2016,
http://m.focustaiwan.tw/news/aipl/201609230029.aspx.
<sup>22</sup> Matthew Strong, "Tsai calls on DPP to resist China pressure," Taiwan News Online,
September 29, 2016, http://www.taiwannews.com.tw/etn/news_content.php?id=2986999.
<sup>23</sup> "President Tsai's 2016 National Day Address," Office of the President, Republic of
China (Taiwan) (hereinafter abbreviated OOP), October 10, 2016,
http://english.president.gov.tw/Default.aspx?tabid=491&itemid=38133&rmid=2355&sd=
2016/10/10&ed=2016/10/11. Chinese text is at
http://www.president.gov.tw/Default.aspx?tabid=131&rmid=514&itemid=38134.
<sup>24</sup> "President Tsai's response to Pope Francis' message for the World Day of Peace
2017," OOP, January 20, 2017 (letter dated January 5),
http://english.president.gov.tw/Default.aspx?tabid=491&itemid=38679&rmid=2355.
Chinese text is at
http://www.president.gov.tw/Default.aspx?tabid=131&itemid=38678&rmid=514.
<sup>25</sup> Private conversations, fall 2016.
<sup>26</sup> In his speech marking the 150<sup>th</sup> anniversary of Sun Yat-sen's birthday, Xi Jinping
unsurprisingly reiterated China's commitment to "the common political foundation of the
'1992 Consensus.'" His strongest words, however, were focused on blocking separation
and establishing national unity. Having noted the "painful history" of breakup and
division of the nation, Xi pledged: "We will absolutely not allow any individuals, any
organizations, or any political parties to split any piece of territory from China at any
time or in any form!" (我们绝不允许任何人、任何组织、任何政党、在任何时候、
以任何形式、 把任何一块中国领土从中国 分裂出去!) ("Xi Jinping: Speech at meeting
marking the 150<sup>th</sup> anniversary of Sun Yat-sen's birthday" [习近平: 在纪念
孙中山先生诞辰150周年大会上的讲话], Xinhua, November 11, 2016,
http://news.xinhuanet.com/politics/2016-11/11/c 1119897047.htm.)
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²⁷ "No force can stop cross-Strait reunification: mainland official," Xinhua, October 10, 2016, http://news.xinhuanet.com/english/2016-10/10/c_135743676.htm. Chinese text of the spokesman's statement is at

http://www.gwytb.gov.cn/wyly/201610/t20161010 11588116.htm.

²⁸ "Zhou Zhihuai: Confrontations may become 'new normal' in cross-Strait relations," KMT News Network (Taipei papers), October 26, 2016,

http://www1.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=18378.

- ²⁹ Shu Mu, "Zhou Zhihuai: It is possible to construct a new cross-Strait consensus" (see endnote 7).
- ³⁰ Officials avoided publicly contradicting Zhou, but the TAO underscored the essentiality of "one China." (Tsai Hao-hsiang, "Zhang Zhijun: No matter what new consensus the two sides discuss, it must embody the one China principle" [張志軍: 兩岸無論談任何新共識 得體現一中原則], *China Times*, December 1, 2016, http://www.chinatimes.com/realtimenews/20161201005304-260409.)

³¹ Private conversation, January 2017.

³² "President Tsai's remarks at year-end press conference," OOP, December 31, 2016, http://english.president.gov.tw/Default.aspx?tabid=491&itemid=38528&rmid=2355. Chinese text is at

http://www.president.gov.tw/Default.aspx?tabid=131&itemid=38527&rmid=514.

Perhaps anticipating Beijing's openness to a new model of interaction after the 19th Party Congress, the MAC announced that creating a new cross-Strait interaction model was a key task for 2017. (Chang Chia-lun and Elizabeth Hsu, "MAC to draw up, implement new model for cross-Strait interaction," CNA, January 11, 2017, http://focustaiwan.tw/news/acs/201701110025.aspx.)

³³ Christie Chen and Tai Ya-chen, "Taiwan congratulates Trump on winning U.S. presidency," CNA, November 9, 2016, http://focustaiwan.tw/news/aipl/201611090021.aspx.

³⁴ "President-elect Trump spoke with President Tsai Ing-wen of Taiwan, who offered her congratulations. During the discussion, they noted the close economic, political, and security ties exists [*sic*] between Taiwan and the United States. President-elect Trump also congratulated President Tsai on becoming President of Taiwan earlier this year." ("Readout of Calls with World Leaders Held Today by President-Elect Donald J. Trump," Trump-Pence Transition Team, December 2, 2016, https://greatagain.gov/readout-of-calls-with-world-leaders-held-today-by-president-elect-donald-j-trump-827473a60060#.umv57w8xh.)

It is a bit puzzling that Taiwan officials seemed not to realize that the fact of the call was already public, having been reported in the widely read *Liberty Times* several hours before the two leaders spoke. (Tsao Yufen, "Tsai Ing-wen will create an historic precedent, will talk on the telephone with Donald Trump and talk about Taiwan-U.S. relations" [蔡英文將開歷史先例 與川普通話談台美關係], *Liberty Times*, 3 pm Taipei time, December 2, 2016, http://news.ltn.com.tw/news/politics/breakingnews/1905169.)

35 Anne Gearan, "Trump speaks with Taiwan's president in major break with U.S. policy on China," *Washington Post*, December 2, 2016, https://www.adn.com/nation-world/2016/12/02/president-elect-trump-in-break-with-tradition-speaks-to-taiwans-leader/.

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<sup>36</sup> "The President of Taiwan CALLED ME today to wish me congratulations on winning
the Presidency. Thank you!" (December 2, 2016, 7:44pm); "Interesting how the U.S.
sells Taiwan billions of dollars of military equipment but I should not accept a
congratulatory call." (December 2, 2016, 8:41 pm). (Amanda Wills, "All the President's
tweets," CNN, http://www.cnn.com/interactive/2017/politics/trump-tweets/.) At the same
time that Trump was busy tweeting, his senior adviser Kellyanne Conway took to the air
rebutting charges that the president-elect had acted in ignorance. He was "well aware of
what U.S. policy has been" on Taiwan, she asserted. (Anderson Cooper 360 Degrees,
CNN, December 2, 2016,
http://transcripts.cnn.com/TRANSCRIPTS/1612/02/acd.01.html.)
<sup>37</sup> "President Tsai and US President-elect Donald J. Trump engage in phone
conversation," OOP, December 3, 2016,
http://english.president.gov.tw/Default.aspx?tabid=491&itemid=38406&rmid=2355&sd=
2016/12/03. Chinese text is at
http://www.president.gov.tw/Default.aspx?tabid=131&itemid=38402&rmid=514.
<sup>38</sup> Lu Hsin-hui and Jay Chen, "Taiwan sees ties with China, U.S. as equally important:
official," CNA, December 3, 2016, http://focustaiwan.tw/news/aipl/201612030007.aspx.
<sup>39</sup> The origin of the call is still debated. Senior officials in Taipei insist it was their idea.
Others insist with equal fervor that the seed had been planted and nurtured by Trump's
entourage.
<sup>40</sup> "Wang Yi answers question from journalist over Donald Trump's call with Tsai Ing-
wen" PRC Ministry of Foreign Affairs, December 3, 2016,
http://www.fmprc.gov.cn/mfa eng/zxxx 662805/t1421645.shtml. Chinese text is at
http://www.fmprc.gov.cn/web/wjbzhd/t1421116.shtml.
<sup>41</sup> "No need to over-interpret Tsai-Trump phone call," China Daily (Editorial), December
3, 2016, http://www.chinadaily.com.cn/opinion/2016-12/03/content 27560464.htm.
Foreign Ministry Spokesperson Geng Shuang's remarks on US President-elect
Trump's phone call with Taiwan leader Tsai Ing-wen," December 3, 2016,
http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2535_665405/t1421132_
.shtml. Chinese text is at
http://www.fmprc.gov.cn/web/fyrbt 673021/dhdw 673027/t1421084.shtml. It was later
clarified that the U.S. side, "President-elect Trump's team included," is fully aware of
China's solemn attitude on the issue. (Foreign Ministry Spokesperson Lu Kang's regular
press conference on December 5, 2016,
http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1421494
.shtml. Chinese text is at
http://www.fmprc.gov.cn/web/fvrbt 673021/jzhsl 673025/t1421469.shtml.)
43 Geoffrey Dyer and Lucy Hornby, "China plays down Trump's phone call with
Taiwan," Financial Times, December 4, 2016, https://www.ft.com/content/4e3db91e-
ba27-11e6-8b45-b8b81dd5d080.
<sup>44</sup> Transcript of TAO press briefing (Chinese), December 14, 2016,
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⁴⁵ "Did China ask us if it was OK to devalue their currency (making it hard for our companies to compete), heavily tax our products going into their country (the U.S.

http://www.gwytb.gov.cn/xwfbh/201612/t20161214 11653363.htm.

doesn't tax them) or to build a massive military complex in the middle of the South China Sea? I don't think so!" ("All the President's tweets," December 4 [see endnote 36]).

46 Susan Heavey, "Taiwan's Tsai: no major policy shifts, despite Trump call—reports," Reuters, December 6, 2016, http://www.reuters.com/article/us-usa-trump-china-tsai-

idUSKBN13V1T7?il=0. ⁴⁷ After denying that he had been thinking about a phone call with Tsai for weeks, saying he had heard the call was coming through only an hour or so ahead of time, Trump then raised the stakes by raising questions about the "one China" policy: "I fully understand the 'one China' policy. But I don't know why we have to be bound by a 'one China' policy unless we make a deal with China having to do with other things, including trade. I mean, look, we're being hurt very badly by China with devaluation, with taxing us heavy [sic] at the borders when we don't tax them, with building a massive fortress in the middle of the South China Sea, which they shouldn't be doing. And frankly, they're not helping us at all with North Korea. You have North Korea, you have nuclear weapons, and China could solve that problem. And they're not helping us at all. So, I don't want China dictating to me. And this was a call put into me. I didn't make the call. And it was a call, very short call, saying, 'Congratulations, sir, on the victory.' It was a very nice call. Short. And why should some other nation be able to say, I can't take a call? I think it would have been very disrespectful, to be honest with you, not taking it. ("Exclusive: Donald Trump on Cabinet picks, transition process," Fox News Sunday, December 11, 2016, http://www.foxnews.com/transcript/2016/12/11/exclusive-donald-trump-oncabinet-picks-transition-process/.)

⁴⁸ Foreign Ministry Spokesperson Geng Shuang's regular press conference, December 12, 2016.

http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1423512 .shtml. Chinese transcript is at

http://www.fmprc.gov.cn/web/fyrbt 673021/jzhsl 673025/t1423456.shtml.

⁴⁹ Peter Nicholas, Paul Beckett, and Gerald F. Seib, "Trump open to shift on Russia Sanctions, 'one China' policy," *Wall Street Journal*, January 13, 2017,

http://www.wsj.com/articles/donald-trump-sets-a-bar-for-russia-and-china-1484360380.

⁵⁰ Foreign Ministry spokesperson Lu Kang's remarks, January 15, 2017,

 $http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/t1430637.shtml.\\$

Chinese transcript dated January 14 is at

http://www.fmprc.gov.cn/web/fyrbt 673021/t1430633.shtml.

⁵¹ "Tillerson not aware of any US plans to change 'one China' policy," *Sputnik*, January 11, 2017, https://sputniknews.com/us/201701111049498835-tillerson-one-china-policy/.

⁵² "*This Week* Transcript 1-15-17: Reince Priebus, Sen. Bernie Sanders, and Rep. Jason Chaffetz," ABC News, January 15, 2017, http://abcnews.go.com/Politics/week-transcript-15-17-reince-priebus-sen-bernie/story?id=44778012.

⁵³ Foreign Ministry Spokesperson Hua Chunying's regular press conference, January 16, 2017,

http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1430903 .shtml. Chinese transcript is at

http://www.fmprc.gov.cn/web/fyrbt 673021/jzhsl 673025/t1430855.shtml.

⁵⁴ Lucas Tomlinson, Jennifer Griffin, "China flew nuclear-capable bombers around Taiwan before Trump call with Taiwanese president," Fox News, December 5, 2016, http://www.foxnews.com/world/2016/12/05/china-flew-nuclear-capable-bombers-over-

taiwan-before-trump-call-with-taiwanese-president.html.

⁵⁶ "China, Sao Tome and Principe resume diplomatic ties," Xinhua, December 26, 2016, http://news.xinhuanet.com/english/2016-12/26/c 135933864.htm.

⁵⁵ Lu Hsin-hui, "Chinese aircraft carrier completes passage through Taiwan Strait," CNA, January 12, 2017, http://focustaiwan.tw/news/aipl/201701120001.aspx.

Lawrence Chung and Kristin Huang, "Taiwan 'feeling the squeeze' as Nigeria tells island to close trade office," *South China Morning Post*, January 12, 2016, http://www.scmp.com/news/china/policies-politics/article/2061589/taiwan-accuses-nigeria-collaborating-beijing-after-it.

⁵⁸ Chen Chia-lun and Y.F. Low, "Taiwan urges U.S. support in maintaining cross-Strait peace," CNA, January 19, 2017, http://focustaiwan.tw/news/aall/201701190020.aspx.